



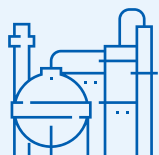
รายงานประจำปี 2562
บริษัท ยูเอซี โกลบอล จำกัด (มหาชน)

ANNUAL REPORT 2019
UAC Global Public Company Limited



We build our people... and our people build “OUR BUSINESS”

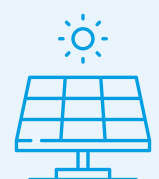
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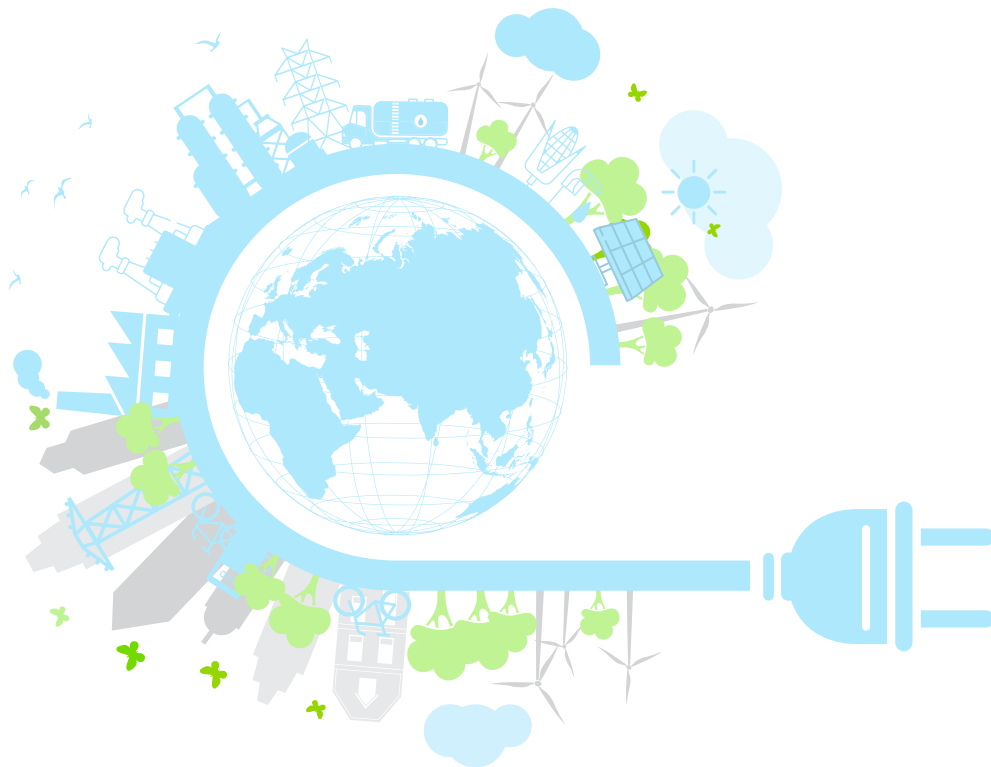
Remark: Additional Information will be shown in Annual Report (56-1) at www.sec.or.th or www.uac.co.th

Vision

The Company determines to be an environmental friendly operator of clean energy, petrochemicals and utilities and it shall maintain its national leadership and to be accepted at international level.

Missions

1. To determine to engage business in clean and environmental friendly energy, petrochemicals and utilities beneficially to the country, environment and society,
2. To operate business by adhering to corporate governance principles by treating business partners fairly, transparently and anti-corruption.
3. To be responsible to shareholders by adding values to business continually and creating stable returns to the shareholders in the long run.
4. To determine to become a happy organization by taking into consideration the fair working environment and compensation and promotion of career path of the employees.



Core Value

W

WORKPLACE HAPPINESS

E

ETHICS

R

RESPONSIBILITY

U

UNITY

A

AUTHENTICITY

C

COMPETENCY

Financial Highlights

(Unit : Million Baht)

Financial Highlights	2019	2018	2017
Total Assets	3,045.07	4,032.66	3,163.65
Total Liabilities	1,601.23	2,728.63	1,850.87
Total Shareholders' Equity	1,443.84	1,304.03	1,312.77
Total Revenue	2,871.96	2,552.89	1,626.87
Selling and Administrative Expenses	253.64	223.16	200.40
Other Revenues	31.62	55.97	29.72
Share of gain(loss) from Investment in Associated Company	72.51	59.13	2.53
Net Profit	153.57	136.51	95.40
EBITDA	351.66	361.11	296.63
Earning per Share (Baht)	0.25	0.21	0.15
Registered capital	367.18	367.18	433.94
Paid-up capital	333.80	333.80	333.80

Financial Ratio	2019	2018	2017
Net Profit Margin (%)	5.35	5.35	5.85
Return on Equity (%)	12.31	10.97	8.10
Return on Assets (%)	4.63	3.88	3.27
Debt to Equity (times)	1.15	2.15	1.45

Message from the Board of Directors



(Mr. Paiboon Sareewiwatthana)
Chairman of the Board of Directors

(Mr. Kitti Jivacate)
Chief Executive Officer



UAC received many awards on sustainability and environment, such as

- Rising Star Sustainability Awards 2019 from the Stock Exchange of Thailand
- Thailand Energy Awards 2019
- Green Industry 4 (GI4) Award

During 2019, we witnessed many changes in various aspects and at speed pace, both within the country and in foreign countries, particularly with regards to economics, politics, environments and climate. These changes became challenges for UAC Global Public Company Limited ("UAC") in formulation of strategies, policies and targets for short-term and long-term business guidelines with circumspection under corporate governance principles in order to prepare readiness to cope with such changes. Such considerations must principally keep in mind interests of all stakeholders and strengthening of business undertakings capabilities in order to steadily and continually build up sustainability amidst those challenges by adhering to corporate governance principles, equitable and transparent operations and anti-corruption.

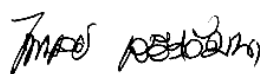
Consequently, during the past year UAC received many awards on sustainability and environment, such as Rising Star Sustainability Awards 2019 from the Stock Exchange of Thailand and received Thailand Sustainability Investment (THSI) for the fourth consecutive years. Additionally, Mae Tang biogas power plant from energy crops in Chiang Mai has received Thailand Energy Awards 2019 under category of On Grid and the Petroleum Production Plant (PPP) in Sukhothai Province has received Green Industry 4 (GI4) Award. These awards and recognition concretely signified that UAC constantly and continually realized about importance of stakeholders, society and environment in parallel with the business undertakings.

UAC always puts emphasis on building up potential of personnel who are deemed as main driving forces of UAC's businesses to attain achievement as per the planned targets effectively, pursuant to the concept of "We build our PEOPLE and our PEOPLE build our BUSINESS" by focus on development of potentiality and efficiency of employees at all levels. Moreover, all employees are encouraged to participate in improvement and development of their own work processes and collaborative working processes with other relevant agencies in order to increase efficiency and effectiveness through 5S and Kaizen Small Group projects

The Board of Directors realized that internal and external factors can impact business operations and they were the causes for opportunities and risks of UAC's business operations. Hence, the Board of Directors has reviewed short-term and long-term policies, targets and strategies on business operations constantly, by taking into account the relevant factors, both current ones and future tendency, including the public sectors' policies which can enhance business opportunities for sustainable growth of the organization and the stakeholders and for achievement of target to increase revenue to 5,000 million Baht by 2023. The Board of Directors has also closely monitored management operations of the Management to ensure that operations of the Management and the employees follow the specified policy and strategy. The Risk Management Committee has been assigned to prudently and carefully consider risks from project investments and other investments by considering risk factors in all respects. Consequently, revenue from sales and services of UAC in 2019 reached the highest record since the commencement of its incorporation.

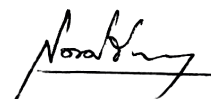
For performance in 2019, revenue from sales and services of UAC and the companies within the Group were 2,871.96 million Baht, which has the highest level since its incorporation because the Company recognized revenue from sales of chemical products to main customers in Petrochemical Industry and recognized revenues from investment in energy projects and supply of chemical products. Earnings before interest, tax, depreciation and amortization (EBITDA) was 352.66 million Baht, decreased 2.34% for the previous year, and net profit was 153.57 million Baht, increased 12.50% from the previous year. Financial cost also decreased 25.80% from the previous year while profit sharing from investments in Bangchak Bio-fuel Company Limited, an associated company that the Company held 30% of its shares, has increased by 22.63 percent which was attributable to the government policy to maintain mixing ratio of biodiesel in diesel oil of 7 percent (B7) throughout the year.

On behalf of the Board of Directors, we would like to thank all shareholders, stakeholders, including the Company's executives and employees of UAC Group for constantly provision of good cooperation and support with UAC. UAC promises that UAC will operate business pursuant to corporate governance principles, add value to organization for continual growth as well as to build prosper returns to the shareholders and stakeholders so that the move to the 25th anniversary will be constantly and sustainably.



(Mr. Paiboon Sareewiwatthana)

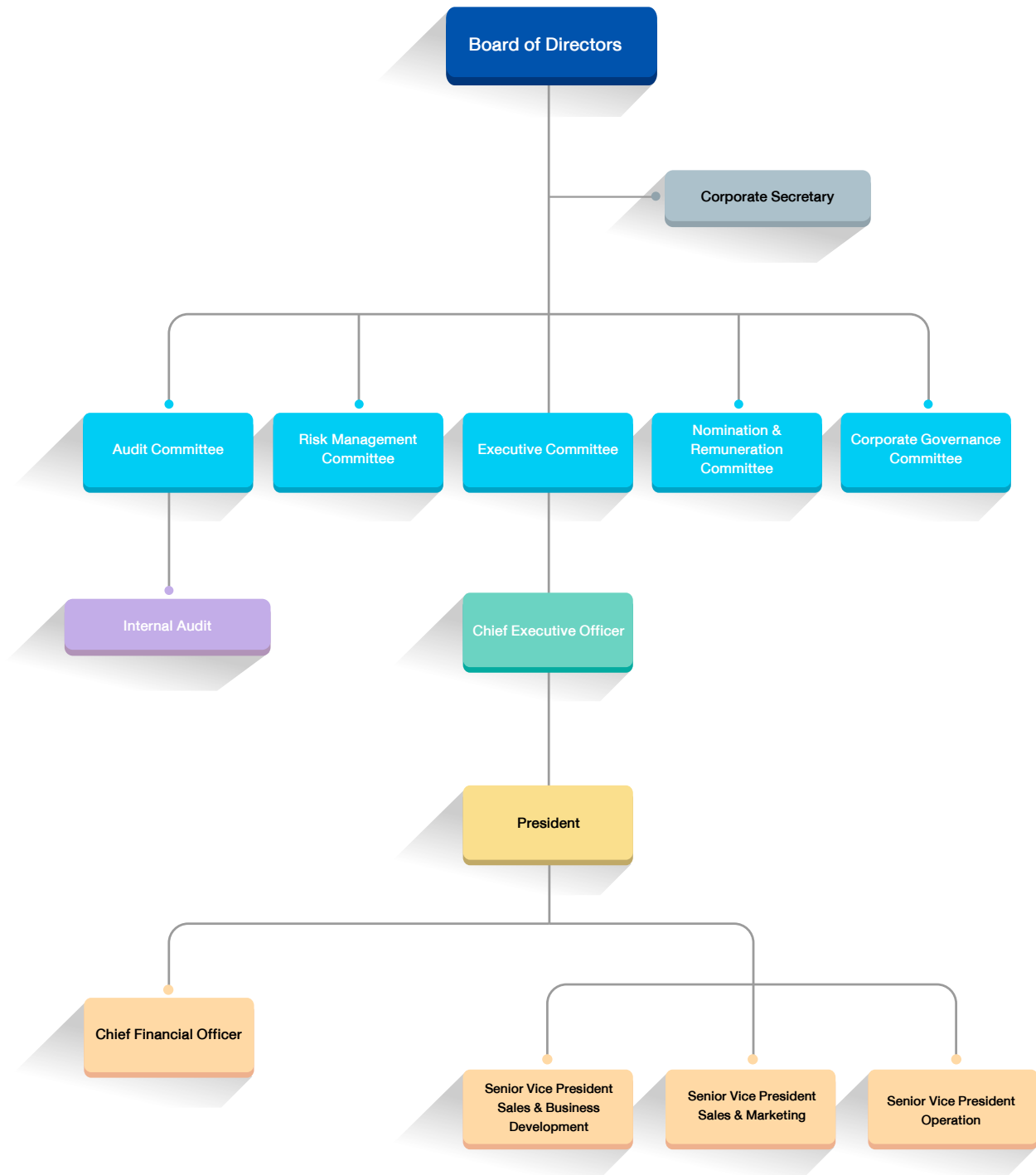
Chairman of the Board of Directors



(Mr. Kitt Jivacate)

Chief Executive Officer

Organization Structure



Board of Directors



1. **Assoc.Prof.Dr.Paiboon Sareewiwatthana**

- Chairman of the Board of Director

2. **Mr.Kitti Jivacate**

- Director
- Chief Executive Officer
- Chairman of Executive Committee

3. **Mr. Chatchaphol Prasopchoke**

- Director
- President
- Member of Executive Committee
- Member of Risk Management Committee

4. **Miss Nilrat Jarumanopas**

- Director
- Chief Financial Officer
- Member of Executive Committee
- Member of Corporate Governance Committee

5. **Assoc.Prof.Dr.Aekkachai Nittayakasetwat**

- Independent Director
- Chairman of Audit Committee
- Chairman of Corporate Governance Committee
- Member of Nomination & Remuneration Committee
- Member of Risk Management Committee

6. **Assoc.Prof.Dr. Paritud Bhandhubanyong**

- Independent Director
- Chairman of Risk Management Committee
- Member of Audit Committee
- Member of Nomination & Remuneration Committee

7. **Miss Jeerapan Jinda**

- Independent Director
- Chairman of Nomination & Remuneration Committee
- Member of Audit Committee
- Member of Corporate Governance Committee

Names and Experiences of Board of Directors and Executives

Assoc.Prof.Dr.Paiboon Sareewiwatthana

Chairman of the Board of Directors

Age : 65 years

Education / Training

- Ph.D. (Finance) University of Mississippi, U.S.A.
- M.B.A., (Management) National Institute of Development Administration
- B.Eng. (Chemical Engineering) Chulalongkorn University
- Directors Certification Program (DCP) #12/2001 (IOD)
- Role of the Chairman Program (RCP) #33/2014 (IOD)

% of shareholding

UAC : 1,620,505 shares (0.24% including related persons)

Increase/Decrease from 2018 = - shares

Relationship of other Executives

None

Work Experience

• UAC Global Public Company Limited

Feb 2012 – Present

Chairman

• Other Business

Relevant Important Positions in Listed Company (2 Companies)

Aug 2014 – Present

Chairman – BT Wealth Industry Public Company Limited

2012 – Present

Chairman – Union Auction Public Company Limited

2002 – Dec 2015

Independent Director and Chairman of Audit Committee – Maybank Kim Eng Securities (Thailand) Public Company Limited

2001 – Mar 2015

Independent Director and Member of Audit Committee – Team Precision Public Company Limited

Relevant Important Positions in Non-listed Company (3 Companies)

May 2019 – Present

Chairman – Biodegradable Packaging for Environment Co.,Ltd.

Aug 2016 – Present

Chairman – Chic Republic Public Company Limited

1984 – Present

Associated Professor level 9 – National Institute of Development Administration

May 2013 – Jan 2019

Chairman – Thai Packaging Industry Public Company Limited

Mr. Kitti Jivacate

Director / Chairman of Executive Committee / Chief Executive Officer

Age : 65 years

Education / Training

- M.B.A., Sasin Graduate Institute of Business Administration of Chulalongkorn University
- B.Eng. (Chemical Engineering) Chulalongkorn University
- Directors Accreditation Program (DAP) #82/2010 (IOD)
- Directors Certification Program (DCP) #142/2011 (IOD)
- Top Management Program #16/2013 (Capital Market Academy)

% of shareholding

UAC : 323,267,663 shares (48.42%)
Increase from 2018 = 396,300 shares

Relationship of other Executives

Brother-in-law with Miss Nilrat Jarumanopas

Work Experience

• UAC Global Public Company Limited

12 Jun 2014 – 31 Dec 2019	Chief Executive Officer
2010 – Present	Chairman of Executive Committee
2008 – Present	Director
21 Feb 2011 – 11 June 2014	President & Chief Executive Officer

• Other Business

Relevant Important Positions in Listed Company

-None-

Relevant Important Positions in Non-listed Company (8 Companies)

Jun 2019 – Present	Chairman – Vientiane Waste Management Company Limited
Jan 2016 – Present	Director – PPWE Company Limited
Jan 2015 – Present	Director – UAC Advance Polymer & Chemicals Company Limited
Aug 2013 – Present	Director – UAC Energy Company Limited
Nov 2012 – Present	Director – UAC & TPT Energy Company Limited
Apr 2011 – Present	Director – UAC Utilities Company Limited
2008 – Present	Director – Bangchak Biofuel Company Limited
1997 – Present	Director – Suthossamit Company Limited

Mr. Chatchaphol Prasopchoke

Director / Member of Risk Management Committee / Member of Executive Committee / President

Age : 51 years

Education / Training

- M.B.A., Thammasat University
- B.Eng., (Electrical Engineer) King Mongkut's Institute of Technology Ladkrabang
- Directors Accreditation Program (DAP) #82/2010 (IOD)
- Directors Certification Program (DCP) #147/2011 (IOD)
- TLCA Executive Development Program (EDP) #8/2011
- Future Entrepreneur Forum #1/2013 (CEDI)
- The Executive Program of Energy Literacy for a Sustainable Future Class #7/2015, (Thailand Energy Academy)
- Leadership Development Program 2015 (TLCA)
- Leadership Succession Program #5/2015 (IRDP)
- Advanced Master of Management Program (AMM) #2/2018 (Nida)
- Chief Transformation Officer (CTO Course) 2019 (mai A)

% of shareholding

UAC : 4,545,642 shares (0.68%)

Increase from 2018 = 90,100 shares

Relationship of other Executives

-None-

Work Experience

• UAC Global Public Company Limited

12 Jun 2014 – Present	President
Mar 2012 – Present	Member of Risk Management Committee
2010 – Present	Director
2010 – Present	Member of Executive Committee
2010 – Jun 2014	Executive Vice President – Sales, Marketing and Operation

• Other Business

Relevant Important Positions in Listed Company

-None-

Relevant Important Positions in Non-listed Company (11 Companies)

June 2019 – Present	Director – Vientiane Waste Management Company Limited
Nov 2017 – Present	Director – ODIN Myanmar Company Limited
Jan 2017 – Present	Director – ODIN Power Company Limited
Jan 2017 – Present	Director – UAC Top Energy Company Limited
Jan 2016 – Present	Director – PPWE Company Limited
Jan 2015 – Present	Director – UAC Advance Polymer & Chemicals Company Limited
Aug 2014 – Present	Director – Solar Energy Roof Power Company Limited
Dec 2014 – 24 Sep 2019	Director – UAC TPT Pellets Company Limited
Oct 2013 – 16 Dec 2019	Director – Sebigas UAC Company Limited
Aug 2013 – Present	Director – UAC Energy Company Limited
Nov 2012 – Present	Director – UAC & TPT Energy Company Limited
Aug 2012 – Present	Director – Bangchak Biofuel Company Limited
Mar 2012 – Present	Director – UAC Utilities Company Limited

Miss Nilrat Jarumanopas

Director / Member of Corporate Governance Committee/ Member of Executive Committee / Chief Executive Finance Officer

Age : 61 years

Education / Training

- M.B.A., University of the Thai Chamber of Commerce
- B.B.A., Chiang Mai University
- B.B.A., (Accounting), Dhurakij Pundit University
- Directors Accreditation Program (DAP) #82/2010 (IOD)
- Directors Certification Program (DCP) #141/2011 (IOD)
- Chief Financial Officer Certification Program #17/2015
- Leadership Succession Program #5/2016 (IRDP)
- Strategic Financial Leadership Program (SFLP) 2017
- Strategic CFO in Capital Market #7/2018
- Advance Master of Management Program (AMM) #3/2019 (Nida)
- TLCA CFO Professional Development Program 2019 (TLCA)

% of shareholding

UAC : 30,514,601 shares (4. 57%)
Increase from 2018 = 120,700 shares

Relationship of other Executives

Sister-in-law with Mr. Kittu Jivacate

Work Experience

• UAC Global Public Company Limited

2012 – Present	Member of Corporate Governance Committee
2010 – Present	Member of Executive Committee
2010 – Present	Executive Vice President – Finance & Accounting
2002 – Present	Director

• Other Business

Relevant Important Positions in Listed Company

-None-

Relevant Important Positions in Non-listed Company (7 Companies)

Sep 2019 – Present	Director – UAC Top Energy Company Limited
Jan 2017 – Present	Director – ODIN Myanmar Company Limited
Jan 2015 – Present	Director – UAC Advance Polymer & Chemicals Company Limited
Aug 2014 – Present	Director – Solar Energy Roof Power Company Limited
Dec 2014 – 24 Sep 2019	Director – UAC TPT Pellets Company Limited
Oct 2013 – 16 Dec 2019	Director – Sebigas UAC Company Limited
Aug 2013 – Present	Director – UAC Energy Company Limited
Nov 2012 – Present	Director – UAC & TPT Energy Company Limited
Mar 2012 – Present	Director – UAC Utilities Company Limited

Assoc.Prof.Dr.Aekkachai Nittayakasetwat

Independent Director / Chairman of Audit Committee / Chairman of Corporate Governance / Member of Nomination & Remuneration Committee / Member of Risk Management Committee

Age : 56 years

Education / Training

- Ph.D. (Finance) University of Mississippi, U.S.A.
- M.B.A., (Finance) National Institute of Development Administration
- B.Sc. (Chemical Engineer), Chulalongkorn University
- Director Accreditation Program (DAP) #35/2005 (IOD)
- Role of the Compensation Committee (RCC) #11/2010 (IOD)
- Compensation Survey #1/2011 (IOD)
- Risk Management Committee Program (RMP) #2/2015 (IOD)
- Director Certification Program (DCP) #240/2017 (IOD)
- Risk Management Program for Corporate Leaders (RCL) #9/2017 (IOD)

% of shareholding -None-

Relationship of other Executives -None-

Work Experience

- **UAC Global Public Company Limited**

2012 – Present	Chairman of Corporate Governance Committee
2010 – Present	Independent Director
2010 – Present	Chairman of Audit Committee
2010 – Present	Member of Nomination & Remuneration Committee
2010 – Present	Member of Risk Management Committee

- **Other Business**

Relevant Important Positions in Listed Company (3 Companies)

2015 – Present	Independent Director and Member of Audit Committee – Getabec Public Company Limited
2011 – Present	Independent Director and Member of Audit Committee – Stars Microelectronics Public Company Limited
2011 – Present	Independent Director and Member of Audit Committee – Panjawattana Plastics Public Company Limited
2006 – 30 May 2019	Independent Director and Member of Audit Committee – TRC Construction Plc.

Relevant Important Positions in Non-listed Company (None)

2009 – 11 Dec 2019	Independent Director and Member of Audit Committee – GT Wealth Management Company Limited
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Assoc.Prof.Dr. Paritud Bhandhubanyong

Independent Director / Chairman of Risk Management Committee /

Member of Audit Committee / Member of Nomination & Remuneration Committee

Age : 65 years

Education / Training

- Honorary Doctorate, Nagaoka University of Technology
- D.English (IE) (Metallurgy), The University of Tokyo
- M.B.A., Thammasat University
- M.Eng. (IE) Chulalongkorn University
- B.Eng. (IE) Chulalongkorn University
- Director Accreditation Program (DAP) #71/2008 (IOD)
- Director Certification Program (DCP) #105/2008 (IOD)
- Auditing Committee Program (ACP) #36/2011 (IOD)
- Role of the Compensation Committee (RCC) #15/2012 (IOD)
- Successful Formulation & Execution of Strategy (SFE) #17/2013 (IOD)
- How to Measure the Success of Corporate Strategy (HMS) #2/2013 (IOD)
- Director Certification Program Update (DCPU) #1/2015 (IOD)
- Advanced Audit Committee Program (AAP) #20/2015 (IOD)
- Strategic Board Master Class (SBM) #1/2017 (IOD)
- Risk Management Program for Corporate Leader #9/2017 (IOD)

% of shareholding -None-

Relationship of other Executives -None-

Work Experience

• UAC Global Public Company Limited

Mar 2012 – Present	Chairman of Risk Management Committee
2010 – Present	Independent Director
2010 – Present	Member of Audit Committee
2010 – Present	Member of Nomination & Remuneration Committee

• Other Business

Relevant Important Positions in Listed Company (2 Companies)

2015 – Present	Chairman Independent Director and Member of Audit Committee – Getabec Public Company Limited
2012 – Present	Independent Director and Member of Audit Committee – Premier Products Public Company Limited
2007 – Apr 2015	Independent Director – Premier Technology Public Company Limited

Relevant Important Positions in Non-listed Company (2 Companies)

2013 – Present	Executive Director, Education and Special Project Development – Panyapiwat Institute of Management
2007 – Present	Advisor to the President – National Science and Technology Development Agency
Nov 2014 – 2016	Expert attached to the Member of the National Reform Council number 025

Miss Jeerapan Jinda

Independent Director / Chairman of Nomination & Remuneration Committee / Member of Audit Committee / Member of Corporate Governance Committee

Age : 56 years

Education / Training

- M.B.A. (Finance), The National Institute of Development Administration
- B.Sc. (Chemistry), Chulalongkorn University
- Director Accreditation Program (DAP) #82/2010 (IOD)
- Role of the Compensation Committee (RCC) #11/2010 (IOD)
- Directors Certification Program (DCP) #168/2013 (IOD)

% of shareholding -None-

Relationship of other Executives -None-

Work Experience

• UAC Global Public Company Limited

2012 – Present	Member of Corporate Governance Committee
2010 – Present	Independent Director
2010 – Present	Audit Committee
2010 – Present	Chairman of Nomination & Remuneration Committee

• Other Business

Relevant Important Positions in Listed Company

-None-

Relevant Important Positions in Non-listed Company (1 Companies)

2004 – Present	Managing Director Wisen Consultants Co., Ltd
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Miss Preeyaporn Thanaratset

Senior Vice President – Sales & Marketing

Age : 53 years

Education / Training

- M.B.A., Bangkok University
- B.Sc. (Chemistry), Chulalongkorn University
- Directors Accreditation Program (DAP) #93/2011 (IOD)
- Executive Development Program (EDP) #9/2012 (TLCA)
- Management Development Program (MDP) #19/2014 (TMA)
- Senior Executive Program (SEP) #31/2017 (Sasin)
- Advance Master of Management Program (AMM) #4/2019 (Nida)

% of shareholding

UAC : 92,201 shares (0.01%)

Increase/Decrease from 2018 = - shares

Relationship of other Executives

-None-

Work Experience

• UAC Global Public Company Limited

Oct 2010 – Present

Senior Vice President – Sales & Marketing

• Other Business

Relevant Important Positions in Listed Company

-None-

Relevant Important Positions in Non-listed Company

-None-

Mr. Chaiyot Chunwijitra

Senior Vice President – Operation

Age : 47 years

Education / Training

- MBA. General Management, Dhonburi Rajabhat University
- Bachelor of Engineering, Rajamangala Institute of Technology North Bangkok Campus
- Bachelor of Science (Industrial Technology), Rajabhat Rajanagarindra University
- Capital Expenditure Budget Analysis for Sustainable Growth #1/2016 (TMA)

% of shareholding

-None-

Relationship of other Executives

-None-

Work Experience

• UAC Global Public Company Limited

15 Feb 2016 – Present

Senior Vice President – Operation

• Other Business

Relevant Important Positions in Listed Company

-None-

Relevant Important Positions in Non-listed Company (None)

2014 – Feb 2016

Plant Engineering Manager SEA.– National Starch and Chemical (Thailand) Ltd.

Report of the Audit Committee

To The Shareholders

The Board of Directors has appointed the Audit Committee consisting of 3 Independent Directors who are competent, experienced and fully qualified as per stipulated by the requirements of the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), namely Prof. Aekkachai Nittayakasetwat, the Chairman of the Audit Committee; Assoc. Prof. Dr. Paritud Bhandhubanyong and Miss Jeerapan Jinda, the Audit Committee members.

The Audit Committee has performed duties independently as per assigned by the Board of Directors and as per specified in the Audit Committee Charter which conformed to the Best Practice Guidelines for Audit Committee of the SEC and the SET. In 2019, all members of the Audit Committee attended 6 meetings arranged, of which 5 of them were ordinary meetings and 1 meeting has been held with the auditor without participation of the executives and the management to independently discuss about the operations of the auditor, internal control system, cooperation of the executives including the audit plan and opinion expression of the auditor.

Summary of the Audit Committee's significant operations was as follows:

1. **Review the financial reports:** The Audit Committee has reviewed the quarterly and annual financial statements of the Company and the consolidated financial statements jointly with the auditor and the relevant management as well as information disclosure and Key Audit Matters (KAMs) in the auditor's report. Works performed included making enquiry and consideration on reliability of the estimated figures, assumption that the management shall use discretion, transaction presentation as well as impact from change in the financial reporting standards to ascertain that preparation of financial statements was harmoniously with the legal requirements and financial reporting standards, as well as correctly, reliably and beneficial to the users of financial statements. The auditor has audited and expressed an unqualified opinion.
2. **Review the connected transactions:** The Audit Committee has considered and reviewed the connected transaction or the transaction which might have conflict of interest and was of the opinion that the Company and the companies in the Group undertook business pursuant to the general trade terms and conditions with fairness, reasonable and for the best interest of operations of the Company and the shareholders. Transactions have been considered and approved by the management or the Board of Directors before they could be undertaken.
3. **Review assessment of the internal control:** The Audit Committee has put emphasis on review of efficiency and effectiveness of the internal control process based on results from the internal control inspection report by the internal auditor. The Audit Committee also provided consent on assessment result pursuant to the assessment form on adequacy of the internal control stipulated by the SEC to further propose to the meeting of the Board of Directors. For 2019, the Audit Committee and the Board of Directors were of the opinion that the Company has appropriated and adequate internal control systems for business operations.
4. **Supervise the internal audit operations.** The Audit Committee has selected EI Business Advisory Company Limited, the independent auditor, as the Company's internal auditor for 2019. The Audit Committee has considered and reviewed the annual audit plan, the implementation pursuant to the plans, audit results and monitoring progress on improvement of material issues during the Audit Committee's meeting every quarter to ensure that the Company's operations have efficiently and effective internal control system.
5. **Review compliance with the laws.** The Audit Committee has reviewed compliance with the laws, rules, regulations, requirements of SEC and SET including other laws relevant to the Company's business operations and has not found any transaction undertaken by the Company which was against the relevant laws and regulations.

- 6. Consider on appointment of the auditor and auditing fee:** The Audit Committee has considered and selected the auditor based on performance, experiences, independency and auditing fee and resolved to propose to the Board of Directors to consider and request for approval from the 2020 Annual General Meeting of Shareholders to appoint EY Company Limited as the Company's auditor and to approve the auditing fee of 2020.

In conclusion, the Audit Committee has performed duties by applying adequate knowledge, capability, circumspection, carefulness and independence for equitable benefits of the stakeholders. Additionally, the Audit Committee was of the opinion that the Company has prepared the financial statements by presenting material and reliable information corresponding to the financial reporting standards and has adequately disclosed the connected transactions which might lead to conflict of interest. The Audit Committee also opined that the Company has adequate and suitable internal control process and has fully complied with the laws, regulations and obligations relevant to the Company's business operations.



(Assoc. Prof. Dr. Aekkachai Nittayakasetwat)
Chairman of the Audit Committee

Report of the Corporate Governance Committee

The Board of Directors puts strong emphasis on promotion and compliance with corporate governance principles to strengthen confidence of all stakeholders. The Board of Directors assigned the Corporate Governance Committee which consists of 3 members to propose corporate governance practices to the Board of Directors, supervise operations of the directors and the management to ensure that they shall comply with the corporate governance principles specified in the Company's corporate governance policy. In 2019, the Corporate Governance Committee has arranged 1 meeting to review and improve the Company's corporate governance policy to make it correspond to the international operating practice as well all relevant laws, rules, criteria and regulations. This Committee also monitored the operations pursuant to 5 main topics which can be summarized as follows:

1. The Right of Shareholders

- Provide sufficient information on date, time, venue and meeting agenda of the 2019 Annual General Meeting of Shareholders as well as all information related to the agenda which are required to be considered to the shareholders in advance and on timely manner.
- Disseminate information related to the 2019 Annual General Meeting of Shareholders through the Company's website in advance to allow the shareholders to have adequate time to study information as well as facilitate the shareholders so that they can fully exercise their rights to participate and to vote in the meeting. As a result, the Company obtained 99 scores from assessment on AGM Checklist by the Thai Investors Association.

2. The Equitable Treatment of Shareholders

- As part of corporate governance principle, the Company allowed the shareholders to propose meeting agenda and nomination of director's name for the General Meeting of Shareholders in advance during September 17, 2018 to December 31, 2018.
- The Company specified that the directors and the executives are obligated to report their securities holding of the Company. In case of trading of the Company's securities, they shall report the Company Secretary at least 1 day in advance and shall report all of the Company's securities they hold to the Office of the Securities and Exchange Commission within the specified period of time.

3. The Role of Stakeholders

- The Company is well aware of importance of the rights of all stakeholders by conducting business legally and correspondingly to the laws, regulations or standards or requirements and such business operation shall not have any adverse effects to environment, community and society as well as all groups of stakeholders. The Company has specified "Dishonest Act Prevention Policy and Anti-corruption Policy" and set up measures to prevent and handle dishonest or corruption cases which may occur or has occurred in the Company. Social responsibility policy has also been defined by emphasizing on conducting business with social and environmental responsibility as well as placing importance on promotion and support activities for the society, community and environment continually, for instance, provide soil improvement materials to municipalities and temples located around Mae Tang District, Chaing Mai Province and provide scholarships, educational equipment and sporting equipment to schools located around PPP Plant, Kongkailas District, Sukhothai Province, and etc.

- The Company has provided channels for the stakeholders and the investors to notify, suggest, file a complaint or clue with regard to illegal act, correctness of financial statement, defective internal control system or any act which is against the ethics principles to the Board of Directors via the Audit Committee at email address: chairman_auditcom@uac.co.th or visit the Company's website and click at Icon: Send Email to Chairman of the Audit Committee. Details of the person who notifies such information (the whistle blower or the informant) or the clues shall be kept confidential to protect the right of such informant. During 2019, the Company did not receive any complaint or clue on illegal act at all.

4. Disclosure and Transparency

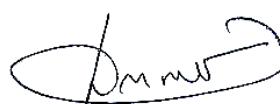
- The Company has participated in the 'Opportunity Day' Event arranged by the Stock Exchange of Thailand to hold a press conference on performance of the Company 1 time and video of this activity including the supporting document has been publicized on the Company's website, so that the investors can access to such information at all times.
- The Company has prepared the Annual Information Disclosure Form (56-1 Form) and the Annual Report. In addition, the information of the Company's performance on quarterly basis as Company Snapshot including important information for the shareholders, the investors and general public which consisted of adequate, reliable and update material information have also been disclosed via various channels continually, such as Elcid System of the Stock Exchange of Thailand, including the Company's website (www.uac.co.th).

5. Responsibilities of the Board of Directors

- The Board of Directors is required to conduct self-assessment every year and the result from such assessment in 2019 was in 'Excellence' level. In addition, in 2019, assessment results on performance of member of the Board individually and by all committees were also in 'Excellence' level.

With strong determination to operate business with transparency and fairness, the corporate government operations of the Company has been recognized at national level which can be witnessed from the following achievements: The Company's assessment results from the 2019 Corporate Governance Report Program (CGR 2019) of Thai Listed Companies by the Thai Institute of Directors Association (IOD) was ranked in the "Excellent" level and in Top Quartile of the group of companies with a market capitalization of 3,000-9,999 million Baht, and the Company has been awarded "Rising Star Sustainability Awards" and selected as "Thailand Sustainability Investment (THSI)" for 2019 from the Stock Exchange of Thailand, for four consecutive year.

As corporate governance is an important element that can effectively and sustainably contribute and build up value of the Company's business operations, therefore, the Corporate Governance Committee will put its best efforts to supervise the Company on strictly compliance with the corporate governance policy, anti-corruption policy, fraud protection policy and code of conduct as well as to develop corporate governance practices to be on par with the standardized level on continued basis. In addition, the Company became a member of the Partnership Against Corruption for Thailand (PACT Network) and encouraged the employees to participate in "2019 Anti-Corruption Day" arranged by the Anti-Corruption Organization of Thailand (ACT), so that the employees can participate in and are aware of the importance on anti-corruption, which could lead to efficient and transparent operations with objectives to earn more confidence from all stakeholders that the Company has considered the benefits of all stakeholders.



(Mr. Aekkachai Nittayagasetwat)

Chairman of the Corporate Governance Committee

Report of the Risk Management Committee

The Company's Risk Management Committee comprises of 2 Independent Directors and 1 Executive Director. The Chairman of the Risk Management Committee is Assoc. Prof. Dr. Paritud Bhandhubanyong, the Independent Director, and the committee members are Assoc. Prof. Dr. Aekkachai Nittayagasetwat, the Independent Director and Mr. Chatchaphol Prasopchoke, the Executive Director.

In 2019, the Risk Management Committee arranged 4 meetings, at 100% attendance of all members, to conduct material operations which could be summarized as follows:

1. Considered and approved the amendment of the Risk Management Committee Charter by revising the risk management guidelines to make them cover 5 main risks which conformed to COSO ERM, i.e. Strategic Risk, Operation Risk, Financial Risk, Compliance Risk and Reporting Risk.
2. Considered and approved the arrangement of internal training sessions on Key Risk Indicator (KRI) for the Risk Management Committee and the relevant persons, so that it could be applied as tool for monitor, inspection and control operations on risk management for better efficiency.
3. Considered the enterprise-wide risks of 2019 including risks from external factors by taking into consideration Global Risk together with risk mitigation plan.
4. Followed-up progress on Business Continuity Management (BCM) including operations plans throughout 2019.

The Risk Management Committee was of the opinion that the Company has adjusted and developed its enterprise-wide risk management system continually, enhanced and cultivated enterprise-wide risk management culture, prepared concrete risk management plan and business continuity plan, arranged meetings to follow-up and review risk management pursuant to the plan as well as monitored risk from external factors which might impact the Company's business operations. The Company has adequately managed material risks and controlled risk appetite to be in the acceptable levels and determined to improve its risk management system continuously pursuant to the corporate governance principles.



(Assoc. Prof. Paritud Bhandhubanyong)

Chairman of the Risk Management Committee

Report of the Nomination and Remuneration Committee

The Nomination & Remuneration Committee comprises of 3 Independent Directors, namely Miss Jeerapan Jinda, the Chairman and two Committee Members who are Assoc. Prof. Aekkachai Nittayakasetwat and Assoc. Prof. Dr. Paritud Bhandhubanyong. In 2019, the Nomination & Remuneration Committee held 2 meetings, at 100% attendance of all members, with the Company's management and essence of the meetings can be summarized as follows:

1. To consider the nomination of the director to replace the vacant director position:

The Committee has considered and resolved to nominate Assoc.Prof.Dr.Paiboon Sareewiwatthana Mr. Chatchaphol Prasopchoke and Assoc.Prof.Dr. Paritud Bhandhubanyong to replace the vacant director positions because they are fully qualified with regards to proficiency, expertise, working experiences and etc. They also do not possess any prohibited characteristics under the Public Limited Company Act, the Law on Securities and Exchange Act and the relevant notifications, requirements and/or regulations.

2. To assess performance of the Chief Executive Officer and President :

The Committee has assessed annual performance of the Chief Executive Officer and President in order to consider on adjustment of his salary and annual bonus and to propose to the Board of Directors.

3. To consider and approve bonus allocation and payment for 2019

The Committee has considered on approval of bonus allocation and payment for 2019 by comparing the performance of 2019 with the budget, in addition, information on average rate of bonus payment and profitability in 2018 and 2017 and survey of wage labour market were also taken into account for consideration. Such bonus allocation was proposed by Management and the Committee has agreed with the criteria and procedure which were considerably clear, transparent and appropriate.

4. To consider draft budgeting of wage for 2020

The Committee has considered draft budgeting by divided into 2 parts, i.e. draft budgets for salary and for bonus which has been proposed by the Management and information gained will be used as framework for wage management for 2020. However, budgeting of salary of Chairman of Executive Committee and Chief Executive Officer and President were not included in this draft budgeting of wage.

5. To consider Chief Executive Officer's, President salary

The Committee has considered salary of Chief Executive Officer by comparing his annual performance assessment business operating results and salary assessment of 2019 and 2018 as well as survey of wage labour market in the similar industry.

In conclusion, the Nomination & Remuneration Committee has performed duties pursuant to the Charter which has been approved by the Board of Directors and pursuant to the corporate governance principles. In addition, the Committee was of view that the Company has clear, transparent and fair criteria and methods for wage management which are in line with corporate governance principles and they are considered for the best interests of the Company.



(Miss Jeerapan Jinda)

Chairman of the Nomination & Remuneration Committee

General Information

General Information

Name of Company	: UAC Global Public Company Limited
Type of Business:	: The Company engages in business of import and distribution of chemicals and equipment used in various industries, i.e. offshore natural gas exploration and production, oil refinery, upstream petrochemicals, engine oil lubricant manufacturing plants, polymer and plastic manufacturing plant, chemical industrial plants, power and utilities plant as well as investment in alternative energy and utilities system.
Registration No.	: 0107553000085
Registered Capital	: 367,183,150.50 Baht
Paid-up Capital	: 333,802,650.50 Baht
Number of Shares	: 667,605,301 Shares
Par value	: 0.50 Baht
Address of Head Office	: No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700
Web Site	: www.uac.co.th
Corporate Secretary	: 0-2936-1701 Ext. 118 Email: sajjaporn@uac.co.th
Investor Relations	: 0-2936-1701 Email: ir@uac.co.th

General Information of Subsidiary and Associated Companies

Subsidiary Company : 8 companies

(1) Name of Company	: UAC Utilities Company Limited
Shareholding Portion	: 100%
Type of Business	: Investment in renewable energy and utilities projects
Registration No.	: 0105554049345
Registered Capital	: 30,000,000 Baht
Paid-up Capital	: 30,000,000 Baht
Number of Shares	: 300,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

(2) Name of Company : UAC & TPT Energy Company Limited

Shareholding Portion	: 50.01%
Type of Business	: Investment in Biogas plant for transportation and general industry
Registration No.	: 0105555167953
Registered Capital	: 150,000,000 Baht
Paid-up Capital	: 99,600,000 Baht
Number of Shares	: 1,500,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

(3) Name of Company : UAC Energy Company Limited

Shareholding Portion	: 100%
Type of Business	: Investment in energy projects
Registration No.	: 0105556136130
Registered Capital	: 200,000,000 Baht
Paid-up Capital	: 200,000,000 Baht
Number of Shares	: 2,000,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

(4) Name of Company : Solar Energy Roof Power Company Limited

Shareholding Portion	: 100% (Shareholding by UAC Energy Company Limited)
Type of Business	: Generating and distribution of electricity from Solar power
Registration No.	: 0105556138311
Registered Capital	: 12,525,000 Baht
Paid-up Capital	: 12,525,000 Baht
Number of Shares	: 125,250 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

- (5) Name of Company : UAC TPT Pellets Company Limited (Dissolution on September 24, 2019)**
- Shareholding Portion : 100% (Shareholding by UAC & TPT Energy Company Limited)
- Type of Business : Manufacturing and distribution of wood pellets
- Registration No. : 0105557187838
- Registered Capital : 1,000,000 Baht
- Paid-up Capital : 250,000 Baht
- Number of Shares : 10,000 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2936-1701
- Facsimile : 0-2936-1700
- (6) Name of Company : UAC Advance Polymer & Chemicals Company Limited**
- Shareholding Portion : 100%
- Type of Business : Manufacturing and distribution of latex emulsion and latex polymer
- Registration No. : 0105558011415
- Registered Capital : 180,000,000 Baht
- Paid-up Capital : 180,000,000 Baht
- Number of Shares : 1,800,000 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 21st Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2537-9016
- Facsimile : 0-2537-9015
- (7) Name of Company : UAC Top Energy Company Limited**
- Shareholding Portion : 100% (Shareholding by UAC Energy Company Limited)
- Type of Business : Generating and distribution of electricity from Solar power
- Registration No. : 0105560006113
- Registered Capital : 7,000,000 Baht
- Paid-up Capital : 7,000,000 Baht
- Number of Shares : 70,000 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 19st Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2936-1701
- Facsimile : 0-2936-1700

(8) Name of Company	: Vientiane Waste Management Company Limited
Shareholding Portion	: 50.01% (Shareholding by UAC Energy Company Limited)
Type of Business	: Waste Management at Vientiane, LPDR.
Registration No.	: 058375564000
Registered Capital	: 72,900,000,000 LAK
Paid-up Capital	: 21,877,647,333.63 LAK
Number of Shares	: 36,450,000 Shares
Par value	: 2,000 LAK
Address of Head Office	: Dongsavath Village, Sisatthanak District, Vientiane, LPDR.
Telephone	: (+856) 20 99903393

Associated Company : 6 companies

(1) Name of Company	: Bangchak Biofuel Company Limited
Shareholding Portion	: 30%
Type of Business	: Production and distribution of biodiesel and by-products
Registration No.	: 0105551029246
Registered Capital	: 281,500,000 Baht
Paid-up Capital	: 281,500,000 Baht
Number of Shares	: 2,815,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 28, Moo 9, Bangkrason Sub-district, Bangpaine District, Pranakorn Sriyutthaya Province 13160
Telephone	: 035-276-500
Facsimile	: 035-276-549
(2) Name of Company	: Sebigas UAC Company Limited
Shareholding Portion	: 49% (Shareholding by UAC Energy Company Limited)
Type of Business	: Engineering, Procurement and Construction of energy projects
Registration No.	: 0105556161801
Registered Capital	: 14,000,000 Baht
Paid-up Capital	: 14,000,000 Baht
Number of Shares	: 140,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 18th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

(3) Name of Company : Enerray UAC (Thailand) Company Limited

Shareholding Portion	: 25% (Shareholding by UAC Energy Company Limited)
Type of Business	: Engineering, Procurement and Construction of energy projects
Registration No.	: 0105559045038
Registered Capital	: 6,000,000 Baht
Paid-up Capital	: 6,000,000 Baht
Number of Shares	: 60,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 18th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

(4) Name of Company : PPWE Company Limited

Shareholding Portion	: 50% (Shareholding by UAC Energy Company Limited)
Type of Business	: Investment in energy projects
Registration No.	: 0105559005541
Registered Capital	: 1,000,000 Baht
Paid-up Capital	: 1,000,000 Baht
Number of Shares	: 10,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 2/2 Soi Krungthep Kritha 8(5), Krungthep Kritha Road, Huamark Sub-District, Bangkapi District, Bangkok 10240
Telephone	: 0-2379-3902
Facsimile	: 0-2379-3097

(5) Name of Company : ODIN Power Company Limited

Shareholding Portion	: 10% (Shareholding by UAC Utilities Company Limited)
Type of Business	: Investment in energy projects
Registration No.	: 0115541003996
Registered Capital	: 200,000,000 Baht
Paid-up Capital	: 200,000,000 Baht
Number of Shares	: 2,000,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 333/3 Moo 6, Thumbon Bang Preang, Amphur Bang Bor, Samut Prakarn Province 10560
Telephone	: 0-2108-0360-6
Facsimile	: 0-2108-0367

(6) Name of Company	: ODIN Power Myanmar Limited
Shareholding Portion	: 40% (Shareholding by UAC Energy Company Limited)
Type of Business	: Investment in energy projects
Registration No.	: 0115560028281
Registered Capital	: 1,000,000 Baht
Paid-up Capital	: 1,000,000 Baht
Number of Shares	: 10,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 333/3 Moo 6, Thumbon Bang Preang, Amphur Bang Bor, Samut Prakarn Province 10560
Telephone	: 0-2108-0360-6
Facsimile	: 0-2108-0367

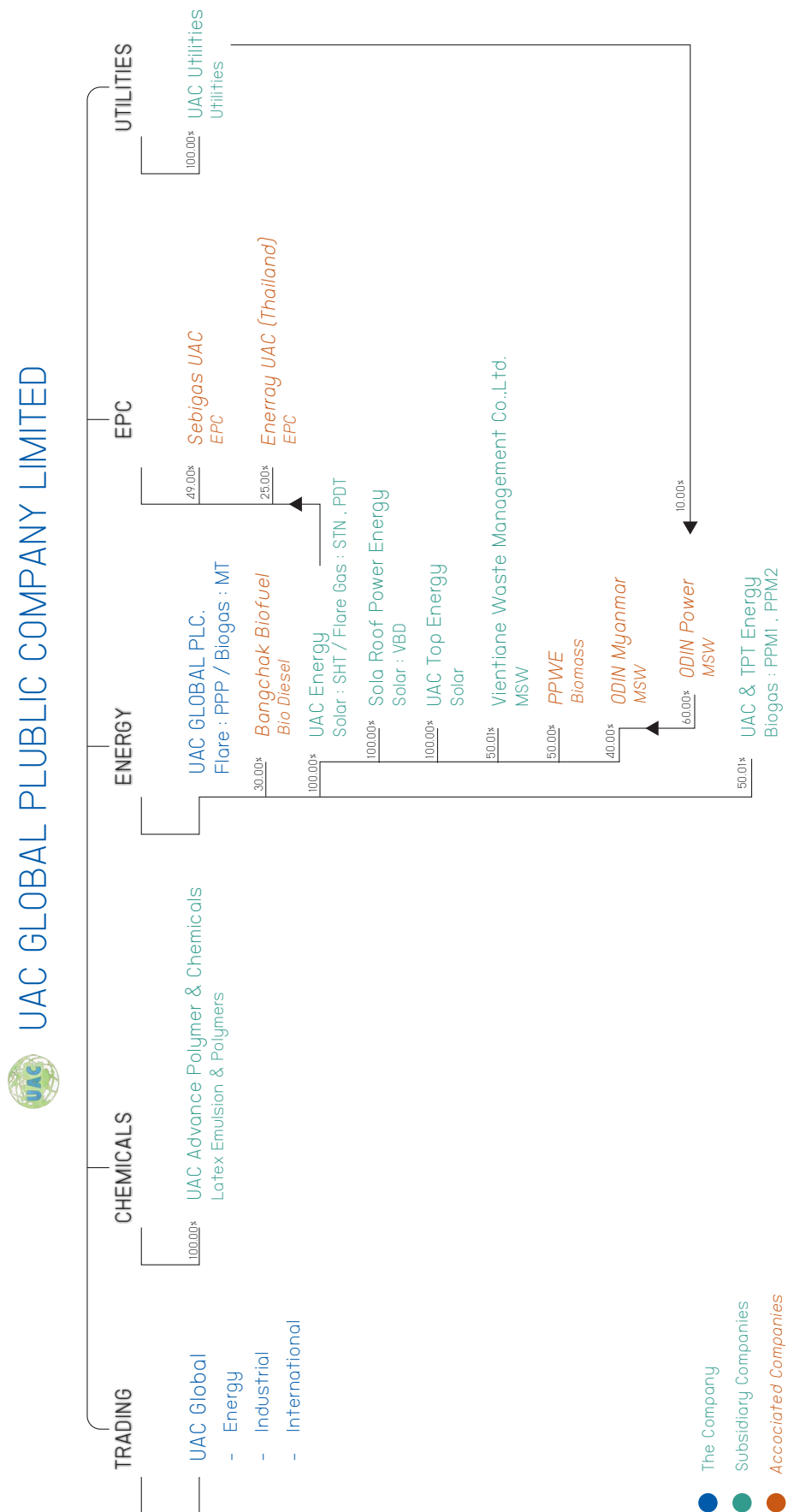
Name and Location of the Referenced Persons:

- 1) Share Registrar** : **Thailand Securities Depository Co., Ltd.**
 The Stock Exchange of Thailand Building
 93 Ratchadapisek Road, Dindaeng, Bangkok 10400
 Telephone 0-2009-9999

- 2) Auditor** : **Mr. Chatchai Kasemsrithanawat (CPA No. 5813)**
 EY Office Company Limited
 33rd Floor, Lake Rajada Office Complex 193/136-137
 Rajadapisek Road, Klongtoey, Bangkok 10110
 Telephone 0-2264-0777

Business Structure

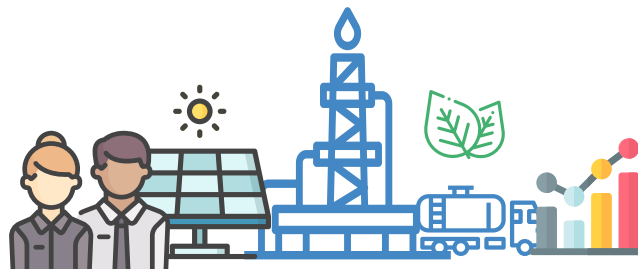
Business Structure



Nature of Business

UAC Global Public Company Limited (“the Company” or “UAC”) was incorporated on April 28, 1985 and listed on Market for Alternative Investment (mai) on October 11, 2010. Initially, the Company engaged in business of import and distribution of chemicals and equipment used in various industries, i.e. off-shore natural gas exploration and production, gas separation plant, oil refinery, upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power and utilities plant, and etc.

Furthermore, the Company has expanded its businesses by investing in the projects related to renewable and alternative energy, for instance, production of compressed bio-methane gas (CBG), biodiesel plant through the associated company (Bangchak Biofuel) which is a joint investment with the subsidiary of Bangchak Corporation Public Co., Ltd. (“BCP”), petroleum production plant in Sukhothai Province, the biogas power plant by using energy crops (Napier grass) as fuel, Solar PV Rooftop projects including investment in chemicals business, i.e. latex polymer and latex emulsion used in the country’s infrastructure industries to build on existing business for sustainable growth, including to conduct study on project development and investment in utilities business concerning tap water system. The Company emphasizes on conducting business under following vision and mission:



Vision:

The Company determines to be an environmental friendly operator of clean energy, petrochemicals and utilities by maintaining leadership position at national level and to be recognized at international level.

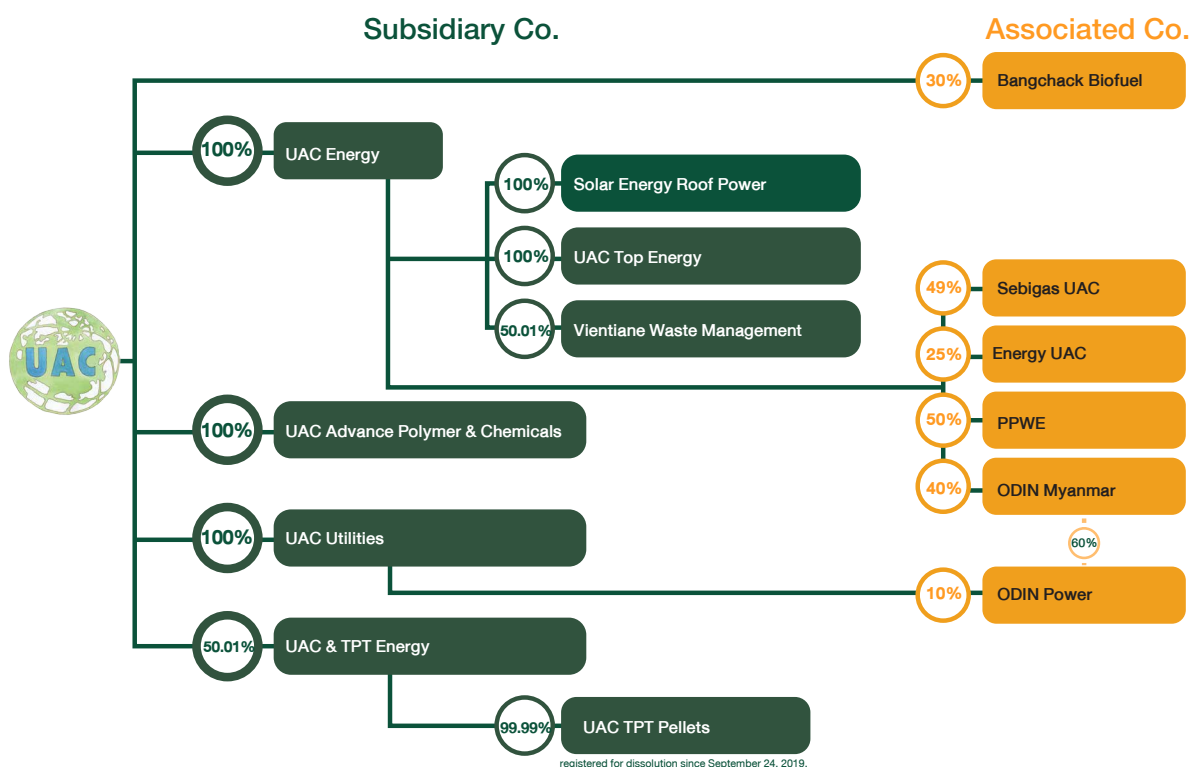
Mission:

1. To determine to engage business in clean and environmental friendly energy, petrochemicals and utilities beneficially to the country, environment and society.
2. To operate business by adhering to corporate governance principles by treating business partners fairly, transparently and anti-corruption.
3. To be responsible to shareholders by adding values to business continually and creating constant returns to the shareholders in the long term.
4. To determine to become a happy organization by taking into consideration the fair working environment and compensation including promotion of career path of the employee.



For more than 20 years of experiences, the Company’s business expanded continually by emphasis on projects related to renewable and alternative energy. During the 2014 Annual General Meeting of Shareholders on April 4, 2014, the meeting approved to change the Company’s name from “Universal Adsorbents and Chemicals Public Company Limited” to “UAC Global Public Company Limited” to support present and future business operations. The Company registered the change in the Company’s name with the Ministry of Commerce on April 18, 2014.

Shareholding Structure of Group of Companies as of December 31, 2019



Subsidiary

- UAC Utilities Co., Ltd. ("UAC Utilities")**, the Company's subsidiary, has been established on April 8, 2011. The Company holds 99.9980% and the management holds 0.0020% of shares in this entity. Its current registered capital is 30 million Baht and its objective is to engage in business relating to utilities and energy.
- UAC & TPT Energy Co., Ltd. ("UAC TPT")**, the Company's subsidiary, has been established on November 12, 2012. The Company holds 50.0099%, TPT Thepprathanporn Co., Ltd. holds 49.9900% and the Company's management holds 0.0001% of shares in this entity. Its current registered capital is 150 million Baht and its objective is to operate business relating to production of biogas to be used for electricity generation, transportation and general industries.
- UAC Energy Co., Ltd. ("UAC Energy")**, the Company's subsidiary, has been established on August 26, 2013. The Company holds 99.99985% and the management holds 0.00015% of shares in this entity. Its current registered capital is 200 million Baht and its objective is to invest in the energy-related projects.
- Solar Energy Roof Power Co., Ltd. ("SERP")** has been established by acquisition of ordinary shares from Sun Edison Energy (Thailand) Co., Ltd. on November 18, 2014. SERP is an indirect subsidiary where the Company holds shares through UAC Energy. UAC Energy holds 99.9976% and the management holds 0.0024% of shares in this entity. SERP's current registered capital is 12.525 million Baht and its objective is to generate and supply electricity from solar energy.
- UAC TPT Pellets Co., Ltd. ("UAC TPT PELLETS")** has been established on December 25, 2014 and it is an indirect subsidiary where the Company holds shares through UAC TPT. UAC TPT holds 99.97%, the management holds 0.02% and other group holds 0.01% of shares in this entity. Its current registered capital is 1 million Baht and its objective is to engage in business of wood pellets (briquette fuel) production and distribution. Presently UAC TPT PELLETS has registered for dissolution since September 24, 2019.
- UAC Advance Polymer & Chemicals Co., Ltd. ("UAPC")**, the Company's subsidiary, has been established on January 21, 2015 by acceptance entire business transfer from Advance Polymer and Chemicals Co., Ltd. (APC). The Company holds 99.9998% and the management holds

0.0002% of shares in this entity. Its current registered capital is 180 million Baht and its objectives are to manufacture and distribute latex emulsion and latex polymer for use in various industries, such as paint and coating, printing ink and publishing, adhesive, paper, synthetic material to be used as raw material in production of textiles and garment and etc.

7. **UAC Top Energy Co., Ltd. ("UAC Top Energy")** has been established on January 13, 2017. It is an indirect subsidiary where the Company holds shares via UAC Energy. UAC Energy holds 99.9971% and the management holds 0.0029% of shares in this entity. Its current registered capital is 7 million Baht and its objective is to invest in energy projects.
8. **Vientiane Waste Management Company Limited ("VWM")** has been incorporated in Vientiane, Lao's People Democratic Republic on June 3, 2019. VWM is an indirect subsidiary where the Company holds shares via UAC Energy. UAC Energy holds 50.01%, SBANG Sustainable Energies Ltd. holds 29.99% and Kwan Muang Group Company Limited holds 20.00% of shares in this entity. VWM's current registered capital is 72.90 million Kip and its objective is to invest in waste management project to produce renewable energy and process recycled product in Vientiane, Lao PDR.

Associated Companies

1. **Bangchak Biofuel Co., Ltd. ("BBF")**, which has been established on March 12, 2008, is an associated company in which the Company holds 30.00% and BBGI Co., Ltd., a subsidiary company of Bangchak Corporation Plc. ("BCP") holds 70% of shares of this entity. BBF's current registered capital is 281.50 million Baht and its objective is to produce and supply biodiesel which is liquefied fuel used as substitute mixture with some part of diesel oil obtained from petroleum process in order to produce various types of diesel oil such as biodiesel B7 or B10 and etc.
2. **Sebigas UAC Co., Ltd. ("SEBIGAS UAC")**, the Company's associated company, has been established on October 4, 2013. SEBIGAS UAC is a joint venture between UAC Energy which holds 49.00%, SEBIGAS S.r.L. which holds 49.00% and Legal and Commercial Service International Company Limited which holds 2.00% of shares in this entity. SEBIGAS UAC's current registered capital is 14 million Baht and its objectives are to engage in business of EPC contract for biogas power plants and provision of O&M services, both in Thailand and countries in Southeast Asia.
3. **Enerray UAC (Thailand) Co., Ltd. ("ENERRAY UAC")**, an indirect associated company, has been established on March 15, 2016. It is a joint venture between UAC Energy holding 25.00%, ENERRAY S.p.A ("ENERRAY") holding 49.00% and Legal and Commercial Service International Company Limited holding 26.00% of shares. Enerray UAC's current registered capital is 6 million Baht and its objectives are to operate EPC contract for solar energy power plant and to provide Operation & Maintenance (O&M Services) both in Thailand and countries in Southeast Asia.
4. **PPWE Co., Ltd. ("PPWE")**, an indirect associated company, has been established on January 12, 2016. It is a joint venture between UAC Energy holding 49.98%, QTC Energy Public Co., Ltd. ("QTC") holding 49.98%, the management holding 0.02% and other group holding 0.02% of shares. PPWE's current registered capital is 1 million Baht and its objective is to engage in investment business of energy projects.
5. **Odin Power Co., Ltd. ("ODIN")**, an indirect associated company, has been established on December 20, 2016. It is a joint venture between UAC Utilities holding 10.00%, SNC Former Public Co., Ltd. holding 55.00%, Forth Corporation Public Co., Ltd. holding 10.00% and other natural persons holding 25.00% of shares. ODIN's current registered capital is 200 million Baht and its objective is to invest in power plant project from waste and alternative energy.
6. **ODIN Myanmar Co., Ltd. ("ODIN Myanmar")**, indirect associated company, has been established on November 30, 2017. It is a joint venture between UAC Energy holding 40.00% and ODIN holding 60.00% of shares. ODIN Myanmar's current registered capital is 1 million Baht and its objective is to invest in energy projects overseas.

Summary of significant developments and changes of the Company during the past 5 years:

2015

- On January 21, 2015, the Company has established a new subsidiary, UAC Advance Polymer & Chemicals Co., Ltd. to accept entire business transfer from Advance Polymer & Chemicals Co., Ltd. (APC).
- The Extraordinary General Meeting of Shareholders No. 1/2015 resolved to approve UAC Advance Polymer & Chemicals Co., Ltd. to accept Entire Business Transfer (EBT) from Advance Polymer & Chemicals Co., Ltd. (APC), at total amount not exceeding 730 million Baht. Such entire business transfer has completed on April 30, 2015.
- On April 30, 2015, the Company paid dividend payment to the shareholders at the rate of 0.06945 Baht per share, with total dividend payout of 38,490,723.18 Baht or accounting for 49.75 % of net profit after required legal reserves. Dividend paid to the Company's shareholders consisted of stock dividend which was paid at ratio of 8 existing shares to 1 stock dividend (or 0.06250 Baht per share) and cash dividend which was paid at ratio of 0.00695 Baht per share (in case any shareholder held the indivisible share remaining after such allocation, the dividend was paid in cash in the amount of 0.06250 Baht per share). Such payment of stock dividend resulted in a right adjustment of UAC-W1 to maintain return benefits of UAC-W1 holders not to be lower than the current one. The new exercise price was 5.5555 Baht per share and exercise ratio was 1 warrant: 1.35 shares (any fraction has been disregarded). The effective date was April 1, 2015.
- UAC Advance Polymer & Chemicals Co., Ltd. has increased its registered capital from 50 million Baht to 180 million Baht to support for business operations and to conform to conditions of BOI.
- The commercial operations of the following projects of the Company have commenced:
 - Solar PV Rooftop installed at Saha Thai Steel Pipe Public Co., Ltd.: Its commercial operation has commenced on June 2015.
 - Solar PV Rooftop installed at Von Bundit Co., Ltd.: Its commercial operation has commenced on July 2015.
 - Biogas power plant project at Mae Tang District, Chiang Mai: Its commercial operation has commenced on December 2015.

- The Meeting of the Board of Directors resolved to approve the acquisition of 2 power plants: Sao Thian A and Pra Du Thao, from Ratchburi Energy Co., Ltd., which has total generating capacity of 7 MW, at total amount of 205 million Baht (excluding VAT).
- On December 31, 2015, UAC-W1 holders notified their intention to exercise their rights totaled 6,229,084 units, or accounting for the Company's shares of 8,374,915 shares, amounting to 46,718,125 Baht. There were 84,767,021 remaining warrants, which made the paid-up registered capital of the Company amounted to 315,937,050.50 Baht, dividing into 631,874,101 ordinary shares at par value of 0.50 Baht per share.

2016

- The Company became 1 of the 5 companies which have been selected to participate in the Corporate Sustainability Advisory Program, Batch 2. This program has been supported by mai to develop knowledge on sustainable development to the listed companies in mai. In addition, the Company has been awarded from "2016 Thailand Sustainability Investment: THSI", where 51 listed companies have been selected and it was one of 6 listed companies in mai.
- On January 29, 2016, which was the last exercised date of UAC-W1, UAC-W1 holders notified their intention to exercise their rights totaled 26,467,570 units, representing the Company's shares of 35,731,200 shares, accounting for 198,504,685.35 Baht, which made the paid-up registered capital of the Company amounted to 333,802,650.50 Baht, dividing into 667,605,301 ordinary shares at par value of 0.50 Baht per share.
- On April 1, 2016, UAC Energy Co., Ltd. (the subsidiary) has accepted delivery of power plant business Sao Thian-A and Pra Du Thao, located at Kongkrait District, Sukhothai Province with total generating capacity of approximately 7 MW, from Ratchburi Energy Co., Ltd.
- The 2016 Annual General Meeting of Shareholders resolved to approve the capital increase under General Mandate of 200.28 million shares to issue and offer to right offering amounting to 133.52 million shares and private placement amounting to 66.76 million shares, including to issue and offer debentures in the amount of not exceeding 1,000 million Baht. The first offering date of debenture was

made on May 26, 2016, at offering amount of 500 million Baht and at interest rate of 5.3% with objectives to repay short-term loan, to invest in gas pipeline project and to serve as working capital of the Company. Its maturity date is May 25, 2018.

- On May 19, 2016, the Company paid cash dividend to its shareholders at the rate of 0.10 Baht per share, with total dividend payout of 66,760,530.10 Baht, or accounting to 81 % of net profit after required legal reserves.
- UAC Energy Co., Ltd. increased its registered capital from 70 million Baht to 90 million Baht and 95 million Baht, respectively to support the acquisition of power plant business from Ratchburi Energy Co., Ltd.
- On June 17, 2016, the Company purchased all of ordinary shares of UAC HYDRO from Hydrotek Public Co, Ltd. and the name of UAC HYDRO has changed back to UAC Utilities Co., Ltd. on July 25, 2016.
- The Company was one of the 30 listed companies in mai which have been selected to participate in the program to enhance listed companies innovation capabilities in making use of organizational innovation management of the Stock Exchange of Thailand which has been arranged by National Innovation Agency (NIA). In addition, presentation on research and development work on chemical products of UAC Advance Polymer Co., Ltd. (UAPC) has received "Total Innovation Management Award".
- Bangchak Bio-fuel Company Limited (BBF), an associated company that the Company held 30% of its shares, has increased its generating capacity from 360,000 liters/day to 810,000 liters/day to support the increased demand and commercial operation of such increased capacity has commenced on the 2nd quarter of 2016.
- The Company has cooperated with PTT Exploration and Production Public Co., Ltd. (PTTEP) on construction of natural gas pipeline from Sao Thian-A source to Petroleum Production Plant (PPP) to increase feedstock on producing compressed natural gas (CNG), liquefied petroleum gas (LPG) and natural gasoline liquids (NGL), so that the plant could be operated at full capacity as per design. Commissioning test has been conducted on July 2016 and commercial operation has commenced on August 2016.
- On December 16, 2016, UAC Energy Co., Ltd. (the Company's subsidiary) has sold 2 of its solar PV rooftop projects, which have total generating capacity of 300 kW, installed at Bangkok Dec-con Public Co., Ltd. to Bangkok Dec-Con Public Co., Ltd.

- On December 20, 2016, UAC Utilities Co., Ltd. (the Company's subsidiary), acquired shares of Odin Power Co., Ltd., at ratio of 10% of paid-up registered capital of 200 million Baht, to jointly invest in 3 MW power plant project to produce and supply electricity generated from waste in the Southern region and other projects in the future.

2017

- The Company established the following subsidiary company and associated company:
 - UAC Top Energy Co., Ltd. ("UAC Top Energy"), the subsidiary, has been established on January 13, 2017. It is an indirect subsidiary that the Company holds share through UAC Energy Co., Ltd. which holds 75% of shares. This entity has registered capital of 500,000 Baht and has objective to invest in solar energy project; and
 - ODIN Myanmar Co., Ltd. ("ODIN Myanmar"), an associated company, has been established on November 30, 2017. It is a joint venture between ODIN Power Co., Ltd. ("ODIN") and UAC Energy Co., Ltd. ("UAC Energy") at ratio of 60% and 40%, respectively and it has objective to invest in energy project in overseas.
- The 2017 Annual General Meeting of Shareholders resolved to approve the capital increase under General Mandate of 200.28 million shares to issue and offer to right offering amounting to 133.52 million shares and private placement amounting to 66.76 million shares.
- On April 24, 2017, the Company paid cash dividend to its shareholders at the rate of 0.05 Baht per share, with total dividend payout of 33,380,265.05 Baht, or accounting to 26.76% of retained earnings.
- The Company has increased registered capital of its subsidiary companies to support for business operation and investment in various projects as follows:
 - UAC Utilities from 10 million Baht to 30 million Baht;
 - UAC Energy from 95 million Baht to 200 million Baht.
- The Company received "2017 Thailand Sustainability Investment: THSI" Award, for the 2nd consecutive year. This year, 65 listed companies and 7 listed companies in mai have been selected.

- Petroleum Production Plant (PPP) which is located at Sukhothai Province has been certified for ISO14001:2015 Environmental Management System and OHSAS18001:2017.
- The Company received a Platinum Honorable Certificate from the Occupational Health and Safety Standard System and Working Environment Promotion Project for Medium and Small Enterprises.
- On July 2, 2018, the Company has issued and offered warrants to purchase ordinary shares of the Company No. 2 (UAC-W2) in the amount of not exceeding 66.76 million units to the existing shareholders.
- On August, 2018, UAC arranged “UAC Technical Symposium” by cooperating with principles of the leaders on technology and global products under oil and refinery, petrochemical, power plant and utilities industries to exchange knowledge and strengthen relationship among the companies in the same business groups.
- On October 9, 2018, the Company paid interim cash dividend for 2018 to the shareholders at the rate of 0.10 Baht per share at total sum of 66,760,530 Baht, or accounting for 34.16% of retained earnings.
- On November 2018, the Company signed a financial support contract with Thai Military Bank Plc. at the credit amount of 840 million Baht for investment in expansion of trading business.
- Petroleum Production Plant (PPP) received additional associated gas from Siam Moeko Co., Ltd. approximately 300,000 million cubic feet/day. Consequently, current generating capacity of PPP is more than 90% (or approximately 1.80 million cubic feet/day).
- The Company received “2018 Thailand Sustainability Investment: THSI” Award, for the 3rd consecutive year. This year, 79 listed companies and 6 listed companies in mai have been awarded.
- The Company has been recognized as ‘Excellence’ Level from assessment under 2018 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors.
- The Company gained 100 full scores during 2018 Assessment of Quality on Arrangement of Annual General Meeting of Shareholders by the Thai Investors Association.
- Petroleum Production Plant (PPP) received a certificate on “2018 Pilot Outstanding Enterprise on Occupational Health, Safety and Working Environment” from Department of Labor Protection and Welfare.

2018

- On February 2018, UAC Top Energy Co., Ltd. has increased its registered capital from 500,000 Baht to 7,000,000 Baht to support for investment in solar PV rooftop project at Kingboard Laminate Manufacturing Co., Ltd., which has generating capacity of 752.40 kW. Commercial operation date and revenue recognition of this project has commenced since Q3/2018. Later on December 2018, UAC TOP Energy Co., Ltd. has sold such project to BCPG Public Company Limited at 23.92 million Baht.
- On February 2018, the Company signed a working capital loan extension agreement with Kasikornbank Pcl. (KBANK) for an additional credit amount of 497 million Baht for investment on expansion of trading business.
- During the 2018 Annual General Meeting of Shareholders, the meeting has resolved and approved the following matters:
 - Approved the decrease of the Company’s registered capital amounting to 200.28 million shares (from capital increase under General Mandate).
 - Approved the increase of the Company’s registered capital amounting to 66.76 million shares to support for exercise of the Warrants (UAC-W2).
 - Approved the issuance and offering of 66.76 million units of UAC-W2 to the existing shareholders at ratio of 10: 1, exercise ratio of 1:1, exercise price: 5.55 Baht, tenor: 2 years.
- On April 20, 2018, the Company paid cash dividend to the shareholders at the rate of 0.12 Baht per share with total dividend payout of 80,112,636.12 Baht, or accounting for 59.77% of net profit.
- On June, 2018, the Company issued bonds amounting to 400 million Baht, 2 year, interest 5.5% to use as working capital and for future investment.

2019

- On May 9, 2019 during the 2018 Annual General Meeting of Shareholders, the meeting resolved and approved the dividend payout for performance from January 1 to December 31, 2018 at the rate of 0.16 Baht per share. The Company has already paid interim dividend on October 9, 2018 at the rate of 0.10 Baht per share, or equaled to 66,760,530.10 Baht. Such dividend has been paid from unappropriated retained earnings. Hence, remaining dividend to be additionally paid was at the rate of 0.06 Baht per share, or equaled to 40,056,318.06 Baht. The dividend has been allocated from unappropriated retained earnings and net profit and the remaining dividend has been paid on April 20, 2019.
- On April 2019, UAC Energy Co., Ltd., the subsidiary, has entered into the contract for waste management project to produce renewable energy and process recycled product, in Vientiane, Lao PDR with total investment value of USD30 million or approximately 990 million Baht to generate electricity for sale to government with capacity of approximately 6 MW; to sell recycled plastic to private company with expected buying volume of approximately 13,200 ton/year and to sell chemical fertilizer to agricultural entity of Lao PDR with expected buying volume of approximately 30,000 ton/year.
- On September 2019, UAC Energy Co., Ltd. has purchased additional 17,499 shares in UAC Top Energy Co., Ltd. from Sunthornwipat Green Energy Co., Ltd., consequently at present, UAC Energy Co., Ltd. holds shares of 99.99% in UAC Top Energy Co., Ltd.
- UAC TPP Pellets Co., Ltd. has registered for business dissolution because its commercial operation has not been commenced.
- The Company has been recognized assessed as 'Excellence' Level from assessment under 2019 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors.
- Awards received in 2019:
 - Biogas power plant from energy crops in Mae Tang received the outstanding renewable energy award from Thailand Energy Award 2019 under category of On-Grid Project.
 - Petroleum Production Plant (PPP) received 2019 Green Industrial Level 4 from Ministry of Industry. This award reiterated good image and attitude toward environmental friendly industry and it made the industries and the surrounding communities accept as well as reduce cost on business operations.
 - The Company received Rising Star Sustainability Awards under the Sustainability Excellence Award Group and also received "2019 Thailand Sustainability Investment: THSI" Award, for the 4th consecutive year. This year, 90 listed companies and 8 listed companies in mai have been awarded.



Details of business operations of the Company and the Subsidiaries:

- **Import and supply of chemicals and equipment for industrial use**

Nature of products or services

The Company engages in business of import and supply of chemicals and equipment used in various industries, such as natural gas exploration and production, petroleum refinery, lubricant oil production plant, polymer and plastic industrial plant, chemical industrial plant, power plant and utilities and etc. Products and services supplied by the Company can be classified into 4 groups according to nature of business and services of the customers as follows:

- 1) **Products in Energy and Petroleum Business Group, such as**
 - Offshore Refinery and Upstream Petrochemicals
 - Liquid Chemicals
 - Emission & Waste Management
- 2) **Products in Industrial Business Group, such as:**
 - Chemicals Products
 - Power and Utility
- 3) **Other Products**, i.e. crude glycerin and other export products
- 4) **Provision of services**, i.e. consultancy and coordination services for design of manufacturing process, refineries, petrochemical industrial plants and other industries.

Warehouse and product transportation to customers

The Company has leased 1 warehouse located at No. 999 Moo 4, Soi Tessaban Bangpoo 99 (Sermmit), Sukhumvit Road, Bangpoo Sub-district, Muang Samut Prakan District, Samut Prakan Province. It is a warehouse building with utilization areas of 2,200 square meters on areas of 2 rais which has been leased from the Company's related person with annual lease contract to store stocks of products and chemicals. Chemicals, which are stored in the warehouse have been packed in various sizes of packaging and all of them have Certificate of Acceptance (COA) from the manufacturers, are pending for delivery to the customers.

The Company supplies products from such warehouse to its customers by using various sizes of trucks hired from the third party transportation operators which have been registered

to certify safety operation under the standards of Department of Industrial Works. For safety of the warehouse, the Company has employed security guards to station at the warehouse 24 hours a day. Hazardous chemicals shall be divided by chemical type and stored as per prescribed by laws with the hazardous control officer in the warehouse. The Company shall not allow any third party or any unauthorized person including its employees whose duties are not related to such warehouse to enter into the warehouse without permission. In addition, the Company has executed an insurance policy which provides coverage for goods stored in the warehouse in case of accident during storage period or from operations as well as the goods in transit insurance which provides coverage for goods during transportation to the customers.

Quality and standards of products supplied

The Company places importance on quality and standards of the products supplied to ensure that they are in compliance with specifications agreed with the customers. Chemicals that the Company orders from the manufacturers shall be packed in closed drum with Certificate of Acceptance (COA) from the manufacturers before they are shipped to the Company. The Company shall supply such chemicals in closed drum with COA to the customers without opening the drum to ensure that the customer shall receive products with complete quality and standards from the manufacturers. In case the chemicals are transported in bulk and not in a closed drum, when they arrived at the port, they shall be inspected by the Surveyor employed by the Company on the ship (before disembark from the ship), and its quality shall be inspected once again after they have been transferred into the storage tank.

In addition, the Company has been certified on ISO 9001:2015 Quality Management System Standards from SGS (Thailand) Co., Ltd. for import and distribution of chemicals, adsorbent, catalysts, filter and equipment used in oil, energy, petrochemicals and utilities business.

Characteristics of the customers and target customers

The Company's customer groups are manufacturers in various industries which need chemicals and equipment to use in their production process. Main customer groups of the Company are the manufacturers in infrastructure industries of the country, i.e. gas separation plant, oil refinery, petrochemicals and etc. Products sold by the Company can be used variedly, depending on application requirements of the customers. Target customers can be divided by service & products characteristics into 4 groups as follows:

Service & Product Groups	Target Customers
1. Products in Energy and Petroleum Group	
<ul style="list-style-type: none"> Offshore Refinery and Upstream Petrochemicals 	Drilling and production unit of natural gas and petroleum products both onshore and offshore, gas separation plant, refinery, petrochemical plant, ethylene plant, aromatics plant and contractors of oil refinery and petrochemicals plants.
<ul style="list-style-type: none"> Liquid Chemicals 	Oil refinery, petrochemical plant, plastic pallet plant, aromatics plant, olefins plants.
<ul style="list-style-type: none"> Emission & Waste Management 	All types of industrial plants
2. Products in Industrial Group	
<ul style="list-style-type: none"> Chemicals Products 	General industrial plants which manufacture industrial products and consumers products, such as production plant for shampoo, fabric softener, detergent, building paint. industrial paints, printing ink, cement, lubricant mixing plant, biodiesel production plant, glue manufacturing plant, vegetable oil production plant, metal lubricant oil production plant and etc.
<ul style="list-style-type: none"> Power & Utility 	Refineries, power plant and tap water production plant for public and for all types of industries.
3. Other products	
i.e. Crude Glycerin and other products.	Pure glycerin production plants within the country and in foreign countries.
4. Service provision	
<ul style="list-style-type: none"> Provision of consultancy and coordination services for design of manufacturing process. Turnkey construction and installation Inspection and cleaning services 	Groups of refineries & petrochemical plants, alternative energy & renewable energy and all types of industrial plants

The Company always has good relationship with the customers and has sought new products continually to respond to the customers' needs. Apart from selling various types of products and equipment, the Company also provides related consultancy and after-sales-services to the customers. The Company places importance on quality of products and on time delivery including commits to improve work processes continually by conducting satisfactory survey with the customers regularly, and the results gained shall be used to improve our operation. The Company also provides suggestions and jointly plans with the customers to enhance efficiency of service provision, as well as completely complies with conditions, criteria and requirements of the customers, so the Company has always been trusted by the customers. Consequently in 2019, the Company has received scores of 89.65% from customer satisfactorily assessment survey which was higher than the previous year.

Pricing policy

The Company's pricing policy used is Cost Plus Pricing and selling price must be flexible pursuant to market prices of each type of products. Most of chemicals products supplied by the Company are products of crude oil refinery process and petrochemical productions. Pricing mechanism of products or product costs of the Company shall be specified and fluctuated pursuant to pricing condition of oil and petrochemicals. Consequently, product pricing must be flexible and suitable with characteristic of each product, target group of customer, quantity and value of purchasing order and it must also be able to compete with other competitors in the market and at the same time it must be able to maintain adequate gross profit margin to support selling and administrative expenses and operations.

Distribution and distribution channel

Almost of the Company's products are sold domestically by the Company's sales teams who work in head office in Bangkok and in branch office in Rayong Province. Each sales team shall be responsible for each product group and shall contact, take care of customers' requirements and present products directly. They also contact and coordinate with the manufacturers or the business partners continually, so that demand of the customers including details of products, tendency of quantity and pricing in the manufacturer's market, competitive environment in the market shall be acknowledged in advance for purposes of effective planning and fixing of product price.

For most of the products supplied, the Company have received an advance purchase order from the customers, so the Company has time for procurement preparation and delivery to the customers as per agreed scheduled. The customers usually specify their requirements, standards, sources or manufacturers for the Company, so that the Company can procure the products in accordance with their requirements. Price proposal and sales conditions are made in bidding process. Greater numbers of products supplied are products which are made from the manufacturers trusted by the customers and corresponding to the customers' production process standards which they have to use them continually.

Procurement of products and services

Most of the products supplied by the Company have been ordered from many manufacturers in foreign countries and most

of them are world-class manufactures of leading chemicals products and equipment used in oil refinery and petrochemicals industries. The Company has a policy to focus on distribution and being a distributor of the products with good quality and standards that conform to requirements of the customers, with clear selection process of product, COA, source and details of products, i.e. type of chemicals, chemicals compounds, chemical hazardous preventive and corrective action and etc. The business partners who supply the products to the Company must register with the Company and the Company shall regularly review such list for effective operations and enhancement of confidence on the product supplied.

Before placing orders of the products to be supplied to the customers, the Company shall plan about the product procurement in an appropriated amount in advance by taking into consideration the market trends, requirements of the customers in each period and inventory amount, so that the Company can prepare adequate amount of stocks for distribution. Such advance planning can also help the Company minimize the opportunity loss from shortfall amount of inventory or inability to supply products on time and sufficiently with the customers' demand. At the same time, the inventory kept in the warehouse must be controlled to ensure that it is in suitable level and it should not be kept in warehouse for a lengthy period of time that it can cause burdens to the Company.

The Company is a distributor and agent of products in each product group for the following manufacturers:

Product and Service Group	Manufacturer/Distributor
1. Products in Energy and Petroleum Group	
<ul style="list-style-type: none"> Offshore Refinery and Upstream Petrochemicals 	UOP LLC PALL Corporation Filtration and Separations INEOS Oxide Nikki Universal Co., Ltd. Manoir Industries GC Glycol Co., Ltd. (formerly TOC Glycol Co., Ltd.)
<ul style="list-style-type: none"> Liquid Chemicals 	UOP LLC Albemarle Asia Pacific Dorf Ketal Chemicals
<ul style="list-style-type: none"> Emission & Waste Management 	Donau Carbon Nikki Universal Co., Ltd Honeywell UOP

Product and Service Group	Manufacturer/Distributor
2. Products in Industrial Group	
<ul style="list-style-type: none"> Chemicals Products Power & Utility 	GC Glycol Co., Ltd. (formerly TOC Glycol Co., Ltd.) INEOS Oxide Clariant Chemicals Daelim Corporation Evonik Industries Pall Corporation Filtration and Separations Pall Water Toray RO membrane Brüel & Kjær Vibro
3. Other products	
i.e. crude glycerin and sales of other products	Bangchak Biofuel Co., Ltd.
4. Service provision	
<ul style="list-style-type: none"> Provision of consultancy and coordination services for design of manufacturing process EPC contract for construction and installation Inspection and cleaning services 	UOP LLC Vogelbusch GmbH PALL Corporation Filtration and Separations Manoir Industries

Investment in renewable and alternative energy industry

1. Petroleum Production Plant: PPP

The Company invested in the Petroleum Production Plant (PPP) in Sukhothai Province which conducts gas separation plant business by using associated gas which is by-product from crude oil production from Burapa-A production platform of Siam Moeko Co., Ltd. and PTT Exploration and Production Public Co., Ltd. (which is not the Company's connected person) that obtains the petroleum concession in Kongkrailat District, Sukhothai Province from the Ministry of Energy to transform into various petroleum products, such as:

- 1) Liquefied Petroleum Gas (LPG)
- 2) Natural Gasoline (NGL)
- 3) Fuel Gas (C1)

PPP has capacity to accept associated gas which is used as raw material at 1.8-2.0 million cubic feet per day and has total production capacity as per design at approximately 19,681 tons per year. The output comprises of Fuel Gas (C1) at 12,036 tons per year, LPG at 6,300 tons per year and NGL at 1,345 tons per year. Investment of this project was approximately 620 million Baht. The commissioning test has

been commenced since January 2014 and sales of LPG and NGL had been started since May 2014, while sales of Fuel Gas (C1) had been started on November 2014.

In 2016, the Company has invested 110 million Baht for construction of 2 natural gas pipelines between Petroleum Production Plant (PPP) and Sao Thian-A power plant to increase stability on raw material and production capacity. One pipeline has diameter of 8 inches while the other has diameter of 3 inches and each pipeline has a distance of 7 KM. PPP received associated gas from Sao Thian-A platform of PTT Exploration and Production Public Co., Ltd. (which is not the Company's connected person) at Kongkrailat District, Sukhothai Province via 8 inch gas pipeline and return Fuel Gas C1 to Sao Thian power plant of UAC Energy Co., Ltd. via 3 inch gas pipeline to be used as feedstock for generation of electricity. The construction of such project has been commenced on February 2, 2016 and completed on June 30, 2016. The commissioning test has been performed on July 2016 and commercial operation date has commenced on August 2016.

The project can recognize revenue of the existing phase continually since the first quarter of 2014 and can recognize revenue from the expansion phase which received gas from Sao Thian-A platform since the third quarter of 2016. The

production process of PPP uses benefits from associated gas. Hence, it can help reduce unnecessary flare gas, pollution and destruction of environmental conditions which have impact to the communities and the environment located in the surrounding areas.

In 2018, PPP could produce petroleum products continually; however the output did not reach the set target because the feedstock producer, Siam Moeko Co., Ltd., has stopped its production since April 2017 to October 2018 and CNG purchase and sale agreement with PTT Public Co., Ltd. has been expired on August 2018. Consequently, PPP has adjusted its production process by increasing supply of fuel gas to Sao Thien A power plant of UAC Energy Co., Ltd.

In 2019, PPP still keeps on generation by focusing on running the plant with reliability, reducing the problem of equipment breakdown and improving production process, as a result, reliability of the plant was better than the previous years.

Characteristics of product or service

Petroleum Production Plant (PPP) engages in gas separation plant business by using associated gas which is by-product from crude oil production to transform and separate into various petroleum products as follows:

1) Liquefied Petroleum Gas (LPG)

Liquefied Petroleum Gas is hydrocarbon compound which has Propane (C3) and Butane (C4) as their main components. It has more density than air (heavier than air) with odorant. Its quality has been controlled pursuant to the "Notification of the Department of Energy Business Re: Prescribing characteristics and quality of liquefied petroleum gas, B.E. 2559". It has been stored in the form of liquid under pressure within steel container. LPG has a wide variety of uses, such as fuel for cooking in household, fuel for industrial sector or alternative fuel for some groups of vehicles.

2) Natural Gasoline Liquids (NGL)

Natural Gasoline Liquids (NGL) is heavier hydrocarbon liquids which is heavier than LPG (C5+). It has liquefied, clear, odorless properties with high inflammable. NGL can be used as feedstock or substrate in solvent industry or paint industry.

3) Fuel Gas (C1)

Fuel Gas (C1) is hydrocarbon compound which has Methane (C1) as its main component. This gas has less density than air (lighter than air) and it is odorless. Fuel Gas C1 has been supplied as fuel to Sao Thien A power plant of UAC Energy Co., Ltd. for power generation from the Gas Engine Generator and some gas has been used as fuel within the plant. Fuel Gas (C1) is also possible to increase pressure for producing pressured natural gas for vehicles. (Currently, the plant has already stopped CNG production.)

Project Site



Location of the project, No. 1/1, Moo 8, Baan Boplaio, Tambol Kokrat, Amphur Kongkraitat, Sukhothai Province

Pricing policy

Liquefied Petroleum Gas (LPG)

Selling price of Liquefied Petroleum Gas (LPG) is pursuant to the LPG price structure announced by the Energy Policy and Planning Office (EPPO) which includes excise tax and local government tax plus transportation cost pursuant to floating LPG price policy to promote competition. The Company also remits fund into the oil fund and requests for reimbursement at the rates announced by the Notification of the Committee on Energy Policy Administration (CEPA). LPG price structure has referred to main factors, such as global LPG price (LPG Cargo), import expenses and etc. The Company also entered into LPG purchase and sales agreement with all customers.

Natural Gasoline Liquids (NGL)

Selling price of Natural Gasoline Liquids (NGL) is pursuant to the pricing formula jointly determined between UAC Global Public Co., Ltd. and the Purchaser, who is the fuel trader pursuant to Section 7 of Fuel Trade Act B.E. 2543 (2000) by referring to the main factors, such as prices of Naphtha in Singapore Market (MOPS or Mean of Platts Singapore) and exchange rate of US Dollar.

Fuel Gas (C1)

Selling price of Fuel Gas C1 is pursuant to the price mutually agreed in the purchase and sales agreement between UAC Global Public Co., Ltd. and UAC Energy Co., Ltd.

Supply and distribution channel

The Company sells LPG to the fuel trader pursuant to Section 7 of Fuel Trade Act B.E. 2543 (2000), and sells NGL to the domestic solvent operators. LPG and NGL shall be transported via petrol tanker. Fuel Gas has been sold to be used as fuel to Sao Thian-A power plant of UAC Energy Co., Ltd. via 3 inch natural gas pipeline which has distance of 7 kilometers.

NGL



LPG

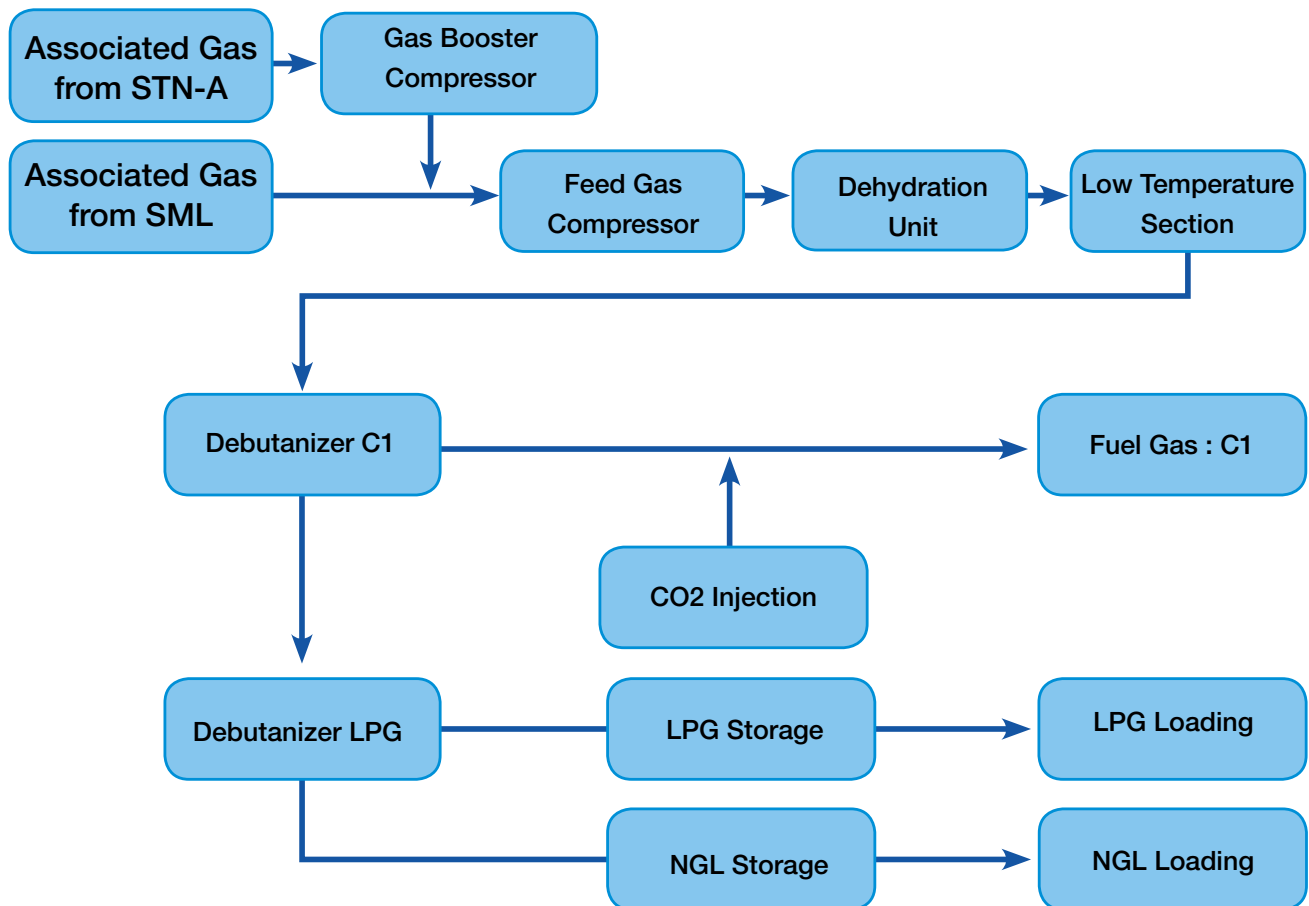


C1



Production process

Manufacturing technology used by PPP is Refrigerant Process or Dew Point Control Unit (DCPU) to control quality of natural gas. This technology is generally used by the gas separation plants as it is suitable with the small gas sources. Main principle of this gas production process is to increase pressure through dehumidifier and reduce temperature of natural gas until gas is condensed into liquid. After that, liquefied gas will be sent to the refinery tower to distill into petroleum products, i.e. CNG, Fuel Gas, LPG and NGL, respectively.



2. Generation and distribution of electricity from solar power

UAC Energy Co., Ltd. (UAC Energy), Solar Energy Roof Power Co., Ltd. (SERP) and UAC Top Energy Co., Ltd. (UAC Top), the Company's subsidiaries, invested in 2 Solar PV Rooftop construction projects of Metropolitan Electricity Authority and Provincial Electricity Authority with total generating capacity of 2 MW. Commercial operation date (COD) of 2 projects had already commenced and revenue has been recognized since the third quarter of 2014. On December 1, 2018, UAC Top Energy Co., Ltd., the Company's subsidiary, has sold 1 Solar PV Rooftop project of Kingboard Laminate Manufacturing (Thailand) Co., Ltd. which has generating capacity of 752.4 kW to BCPG Public Co., Ltd.

Characteristics of products or services

Produce and supply electricity from renewable energy in form of solar PV rooftop

Characteristics of customer and target customer

Direct customers for distribution of electrical energy are Metropolitan Electricity Authority (MEA) and Provincial Electricity Authority (PEA).

Pricing policy

Pricing policy of electricity shall be as per specified by Metropolitan Electricity Authority or Provincial Electricity Authority which shall be Feed in Tariff (FIT) throughout the contract term of 25 years.



Project Site: Saha Thai Steel Pipe Public Co., Ltd. (SHT),
Samut Prakarn Province, invested by UAC Energy



Project Site: Von Bundit Co., Ltd. (VBD),
Surat Thani Province, invested by SERP

3. Power Generation from Fuel Gas and Associated Gas

On June 1, 2015, the Board of Directors of UAC Global Public Co., Ltd. has approved UAC Energy Co., Ltd. (the Subsidiary) to acquire 2 power plants, Sao Thian-A power plant and Pra Du Thao power plant, from Ratchburi Energy Co., Ltd. at total value of 205 million Baht. Sao Thian-A power plant is located at Moo 11, Nongsaothien Tai Village, Krainai Sub-district, Kongkrailat District, Sukhothai Province while Pra Du Thao power plant is located at Moo 11, Thammaikrai Village, Kong Sub-district, Kongkrailat District, Sukhothai Province. Business transfer of such 2 power plants have been completed on April 1, 2016, and UAC Energy Co., Ltd. can recognize revenue from electricity supply immediately from the business transfer date, so it can generate long-term and constant revenues to the Company.

Sao Thian-A power plant has generating capacity of 3.9 MW and its production process uses Fuel Gas, by-product from gas separation process of Petroleum Production Plant (PPP) and associated gas, by-product of oil crude production process of Sao Thian-A platform of PTT Exploration and Production Public Co., Ltd, which has been granted concession from the Ministry of Energy in Sao Thian-A Source, Kongkrailat District, Sukhothai Province, as its fuel to produce electricity. Such electricity will be supplied to distribution and transmission system of Provincial Electricity Authority. Total generating capacity throughout 2018 was approximately 13,900 MWh per year.

Pra Du Thao-A power plant has generating capacity of 3.0 MW and it uses associated gas, by-product from Pra Du Thao-A platform of PTT Exploration and Production Public Co., Ltd., which has been granted concession from the Ministry of Energy in Pra Du Thao-A Source, Kongkrailat District, Sukhothai Province, as its fuel to produce electricity. Such electricity is supplied to distribution and transmission system of Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA). Total generating capacity throughout 2018 was approximately 4,000 MWh per year.

Characteristics of products or services

Product of Sao Thian-A power plant and Pra Du Thao-A power plant is electricity. Sao Thian-A power plant has supplied electricity to transmission and distribution system of Provincial Electricity Authority (PEA), while Pra Du Thao-A power plant has supplied electricity to Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority.

Power plant sites



Location of Sao Thian-A power plant, No. 143 Moo 11 Ban Nongsaothian Tai, Tambol Krainai, Amphur Kongkrailat, Sukhothai Province



Location of Pra Du Thao-A power plant, No. 32, Moo 11, Ban Tummaigrai, Amphur Kongkrailat, Sukhothai Province

Pricing policy

Electricity prices will be as per Regulations on Power Purchase from Small Power Producers which has been jointly specified in Non-Firm Power Purchase Agreement between the Company and the Purchasers, which are Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA).

Supply and distribution channel

The Company sells all of its generated electricity through transformer and into transmission system of Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) where determination of purchase price is as per Regulations on Power Purchase from the Very Small Power Producers (VSPP).

4. Electricity generation from biogas by using energy crops

The Company invested in one 1.5 MWp biogas power plant which used energy crop as main raw material in Mae Tang District, Chiang Mai Province. Commercial operation date of this project has been commenced on December 2015. In addition, UAC TPT also invested in 2 projects in Phuphaman District, Khon Kaen Province and construction of both projects had already been completed. Currently 1 project is now commencing its commissioning test to prepare readiness for

supply of electricity. Generating capacity of each project is 1.5 MWp. Both projects are now requesting for the electricity selling permit from Provincial Electricity Authority (PEA). Total generating capacity of these plants will be 4.5 MWp, however, it will depend on policy and consideration of the public sector agencies.

Biogas power plant from energy crops, Mae Tang

Mae Tang biogas power plant is located in Mae Tang District, Chiangmai Province on the leased land closed to pig farm of Mongkol and Sons Co., Ltd. (which is not the Company's connected person). It has area of approximately 15 rai and generates electricity from biogas which is obtained from fertilization of energy crop. Its maximum capacity has been designed to produce 1.5 MWp. Such power plant has been certified on ISO 9001:2015 Quality Management Systems from SGS (Thailand) Co., Ltd. on December 2016.

Characteristics of products or services

Maximum electrical energy sold is 1.0 MWp at voltage of 22,000 volts and frequency of 50 Hz, which has been obtained from fertilization of energy crops until it has methane gas at approximately 50-55%, then supplied to the generator from biogas.



Project Site Project Site: Mae Tang District, Chiang Mai Province

Characteristics of customers and target customers

The Company only distributed electrical energy to its direct customer, Provincial Electricity Authority (PEA) because the Company's biogas plant for electricity generation from energy crop was the project which has been initiated with cooperation of the government sector by the Energy Policy and Planning Office (EPPO), Ministry of Energy pursuant to "Promotion of Biogas Technology for Industrial Plants" project to promote the use of energy crops then transformed into biogas to be used as an alternative heat and power source.

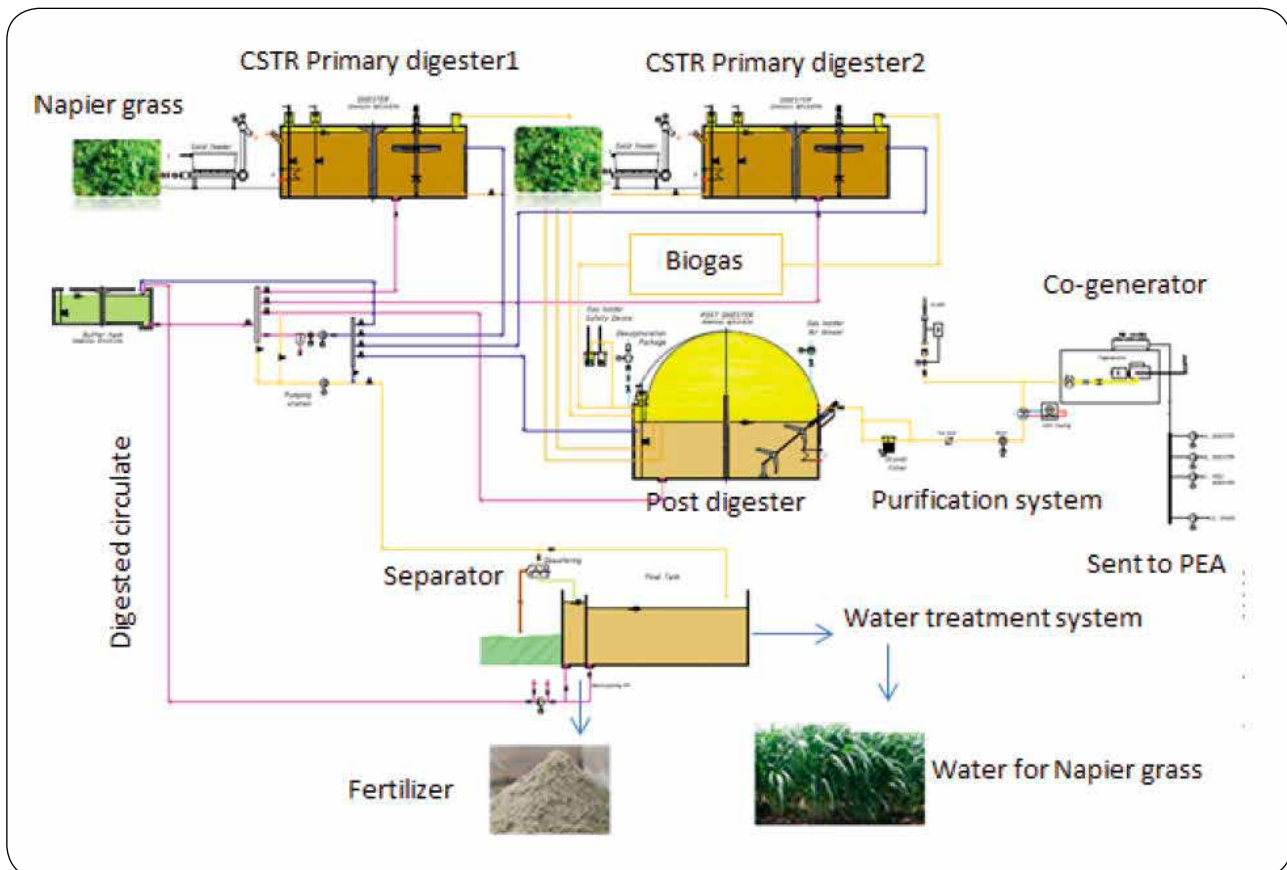
Pricing policy

Pricing policy of electricity shall be as per Notification of the Energy Regulatory Commission Re: Purchase of electricity from renewable energy (excluding solar energy) at "FiT" or

"Feed in Tariff" for the Very Small Power Producer (VSPP) from Renewable Energy Program with the contract term of 20 years.

Production process

This biogas power plant uses the Continuously Stirred Tank Reactor (CSTR) technology of Italy to increase biogas output production, so that it can be used as fuel for power generation. Main raw material used as feedstock for power generation is pig increment and energy crops. The machinery in the production process will run continuously and digest organic waste to be biogas before entering into biogas quality improvement system and then to power production process. Power generated will be supplied to the Provincial Electricity Authority (PEA) and for its own usage in the plant.



5. Production and distribution of biodiesel

The Company has joint investment in Bangchak Biofuel Co., Ltd. ("BBF") with BBGI Co., Ltd., a subsidiary of Bangchak Petroleum Plc. ("BCP"), at shareholding ratio of 30% and 70%, respectively. BBF is located in Phra Nakorn Sri Ayudhya Province and engages in business of production and supply of biodiesel which is liquefied fuel used as substitute mixture with some part of diesel oil obtained from petroleum process in order to produce various types of diesel oil such as biodiesel B5. Initially, the production capacity of biodiesel is 360,000 liters per day, later in 2014, BBF has invested in construction of the 2nd factory located in the same area of the 1st factory to increase production capacity by 450,000 liters per day. The construction has been completed and the revenue has been recognized since the third quarter of 2016, so currently total production capacity is 810,000 liters per day. Now, BBF is increasing the capacity to 1,000,000 liters per day and produce B100 Type 2 according to the latest standard of Department of Energy Business.

Characteristics of product or service

BBF is a producer and supplier of biodiesel (B100), liquefied fuel, obtained from crude palm oil or products from palm oil, such as Palm Stearine which has to undergo chemical process called transesterification process by making palm oil interact with alcohol, i.e. methanol, and alkaline is used as catalyst until it generates ester which has property closed to diesel called "biodiesel" or "B100". This plant also has crude glycerin (technical grade), by-product from biodiesel production process, which currently has high demand in the markets because they can be used to produce other chemical products in upstream industry apart from usage in food, medicine and cosmetics industry and etc.

Characteristics of customer and target customer

• Biodiesel products

All of biodiesel products produced are supplied within the country and main target customers are refineries. Biodiesel shall be mixed with diesel oil to obtain biodiesel at various grades. Major customer is BCP, its parent company. BCP has an agreement with BBF to purchase biodiesel products at the minimum rate agreed therein. Other customers are major oil refineries.

• Glycerin

Glycerin, a by-product of biodiesel production, shall be sold to the major traders both within and outside the country to further resale to the users in other industries, such as food,

medicine and cosmetics industry including upstream industries of chemical products.

Pricing policy

Selling price of biodiesel that BBF used for negotiation or bidding with the customers will be mainly referred to the pricing formula announced by the Energy Policy Management Commission, Re: Reference prices of denature ethanol and fatty acid methyl ester biodiesel.

BBF determined selling price of crude glycerin by referring to glycerin prices in Asian markets then applied with discount as per quality or grade of products as criteria for negotiation on prices for export to abroad.

• Manufacturing and Distribution of Latex emulsion and latex polymer

UAC Advance Polymer & Chemicals Co., Ltd. (UAPC), a subsidiary, has been established on January 21, 2015, in which the Company held 99.97%, by acceptance entire business transfer from Advance Polymer & Chemicals Co., Ltd. (APC) on April 30, 2015. UAPC engages in manufacturing and distribution business of chemicals. Products and services of UAPC can be divided into 3 categories: emulsion polymer, trading and toll manufacturing, with details as follows:

• Emulsion Polymer

UAPC engages in business of manufacturing and distribution of emulsion polymer or it is generally known as "Latex". Most of products are liquid polymer, milky color with binder properties, for instance it can firmly bind two different materials with each other. Emulsion polymer is important element used in many industries, for example, mixing with pigment to make paint firmly affix with the wall surface or mixing with printing ink in order to make ink has long last stay with paper.



All of emulsion polymer manufactured by UAPC is water base polymer, so it is more environmental friendly product and can be safely used by the consumers when compared with other type of emulsion polymer which uses oil or thinner as solvent base during manufacturing process. Water base emulsion polymer manufactured by UAPC will be mixed for production of finished goods in various industries, such as painting and coating, adhesives and adhesive tape, textiles and garment industry, construction material industry, ink and printing industry, floor coating solution industry and etc.

- **Trading**

Apart from manufacturing of emulsion polymer, UAPC also focuses on trading business of finished products and raw material chemicals to further respond to the customers' requirements by offering diversified products. In addition, UAPC also has opportunity to expand to new customer bases from supplying more diversified products. There are wide-range of products under trading business, such as UV Coating, Polyurethane Dispersion (PUD), Emulsion Wax, and etc.

- **Toll Manufacturing**

UAPC also offers toll manufacturing service to many customers, for instance various chemicals products for industrial purpose and variety of applications.

Presently, total production capacity of UAPC is 24,000 tons per year and as UAPC has been granted investment privileges from the Office of Board of Investment (BOI), so it has high opportunity to grow. In addition, UAPC also joined hand with the joint venture to develop new and better quality products to increase its competitiveness and to add marketing channel to penetrate into larger customer bases.

Location of the Company and the plant

Headquarter of UAPC is located at No. 1, TP&T Tower, 21st floor, Soi Vibhavadi-rangsit 19, Vibhavadi-rangsit Road, Chatuchak Sub-district, Chatuchak District, Bangkok. UAPC owns 1 manufacturing plant and 1 warehouse. These properties belong to UAPC, with details as follows:

Plant: No. 50 Moo 3, Sikhio-Chaiyaphum Road (Highway No. 201), Sikhio Sub-district, Sikhio District, Nakhon Ratchasima Province. It has total areas of 14-3-80 rai.

Warehouse: No. 998 Moo 2, Bang Pu Industrial Estate, next to Soi 1C, off Soi Thetsaban Bang Pu 77 (Bang Pu Industrial Estate), Sukhumvit Sai Kao Road (Highway No. 3), Phraekasa Sub-district, Mueang Samut Prakan District, Samut Prakan Province. It has total areas of 9-2-0 rai.



Characteristic of customers and target groups

UAPC has more than 100 customer bases who are large, medium and small manufacturers in various industries.

Group of customers classified by industries are as follows:

1. Paint and coating industry group
2. Adhesive and adhesive tape industry group
3. Printing ink and printing industry group
4. Construction material industry group
5. Toll manufacturing group
6. Textile industry group
7. Floor coating industry group
8. Others

- **Engineering, Procurement and Construction: EPC and Operation & Maintenance (O&M)**

Sebigas UAC Co., Ltd., an associated company, which has been established on October 4, 2013, is a joint venture between UAC Energy Co., Ltd., a subsidiary, and Sebigas S.r.L, Italy which engages in electrical energy and biogas production business, and has expertise in EPC contract for biogas power plant for more than 50 projects in Europe. This company has objectives to operate EPC contract for biogas plant and other energy plants, both in Thailand and countries in South East Asia. Presently, there are 4 under construction projects with total generating capacity of 9 MW located within and outside the country.

Enerray UAC (Thailand) Co., Ltd., an associated company, is a joint venture between UAC Energy Co., Ltd., a subsidiary, and Enerray S.p.A, Italy which has expertise on EPC contractor of solar energy power plant in Europe. This company was established on March 15, 2016 with objectives to operate EPC contractor for solar energy power plant and Operation & Maintenance (O&M) services both in Thailand and countries in Southeast Asia. Currently, projects which are under construction and providing O&M services are:

- EPC Contract 2.76 MW
- O&M Service 79 MW

Revenue Structure – Consolidated Financial Statement

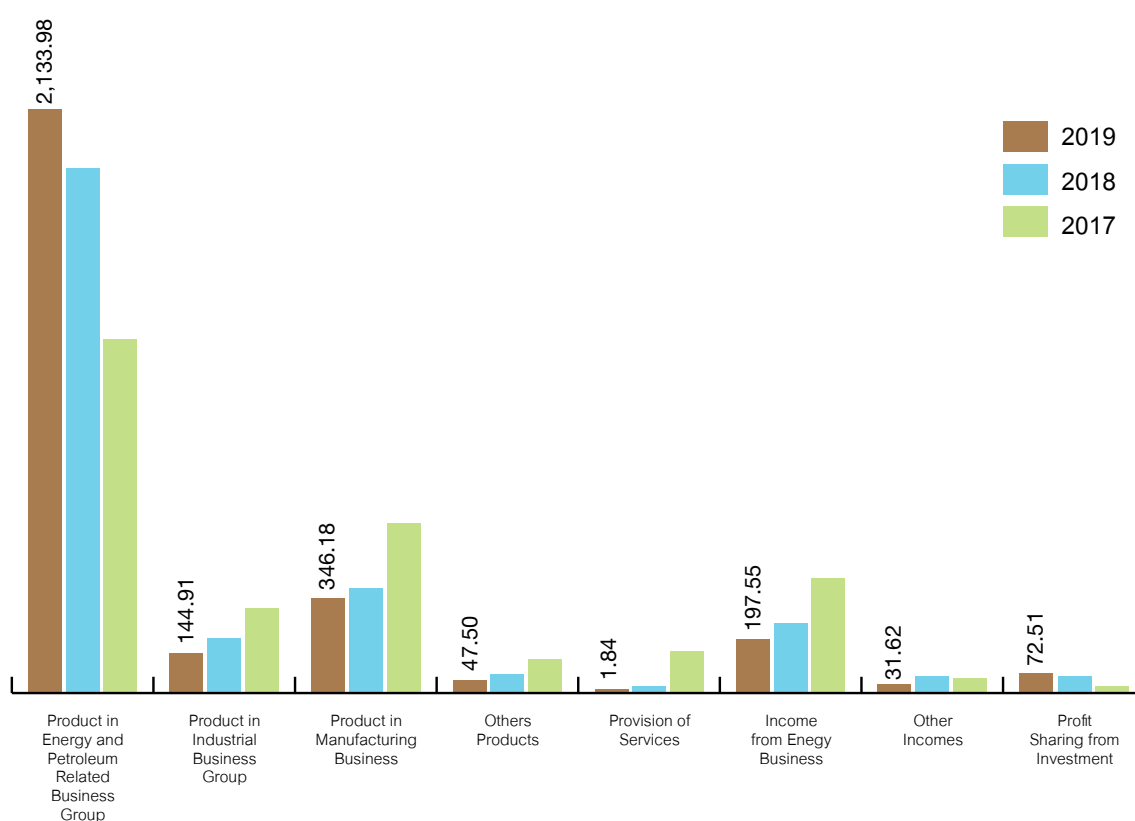
Type of Incomes	2019		2018		2017	
	Mill.Baht	%	Mill.Baht	%	Mill.Baht	%
1. Product in Energy and Petroleum Related Business Group	2,133.98	71.70%	1,718.59	64.42%	720.86	43.45%
2. Products in Industrial Business Group	144.91	4.87%	180.24	6.76%	173.02	10.43%
3. Products in Manufacturing Business	346.18	11.63%	342.80	12.85%	346.62	20.89%
4. Other Products ^{1/}	47.50	1.60%	61.44	2.30%	68.95	4.16%
5. Provision of Services ^{2/}	1.84	0.06%	22.42	0.84%	83.99	5.06%
6. Income from Energy Business	197.55	6.64%	227.40	8.52%	233.42	14.07%
Total Incomes from Sales and Services	2,871.96	96.50%	2,552.89	95.69%	1,626.87	98.06%
Other Incomes ^{3/}	31.62	1.06%	55.97	2.10%	29.72	1.79%
Total	2,903.58	97.56%	2,608.86	97.78%	1,656.59	99.85%
Profit Sharing from Investment	72.51	2.44%	59.13	2.22%	2.53	0.15%
Total Incomes	2,976.08	100.00%	2,667.99	100.00%	1,659.12	100.00%

Remark

^{1/} Income from sales of Other Products are income received from import of crude glycerin and etc.

^{2/} Income from EPC contract, installation service and consultant fee.

^{3/} Other Incomes are commission from selling of products and services, interest income, gain from foreign exchange rate, proceeds from disposal of assets and others.



Risk Factors

The Company always realizes and puts emphasis on risk management in order to minimize impact from potential internal and external risks. The Risk Management Committee has duty to specify and supervise risk management policy systematically and for maximum efficiency and the risk management working group whose members are the managers of all departments has been assigned to undertake works related to risk management. It is deemed that all employees and business units have to be responsible for managing and control risks to make them in acceptable level. From continued risk management operations, risks in the previous year could be managed to be in the acceptable and appropriated level. In 2019, risks relating to the Company's business operations are as follows:

1. Strategic Risk

1.1 Strategic risks from operations

The Company aims to expand its businesses on clean energy, chemicals and utilities with investment plans both domestically and internationally, as well as to seek for business opportunities on new investments. The Company may face risks from uncertainty of business environment, fluctuation of economic conditions, raw material prices, amount of raw material and petrochemicals prices. Those risks may prevent the Company from attainment to the strategic targets specified. Therefore, in order to reduce such risks, every year the Board of Director's meetings have been arranged to jointly analyze future tendency of business environmental conditions, review and adjust direction of business operation strategies to make them corresponding to the changing business environmental conditions.

1.2 Risks from changes in government's policy

The Company may have risk from changes in government policies because the government's sectors may slow down or change their existing policies, including the policy on alternative energy. In 2019, Ministry of Energy issued the guidelines on community power plant policy and such guidelines conformed to the Company's investment in biogas power plant from energy corps.

Nonetheless, the Company still moved forward with the project investments in CLMV countries and put emphasis on increase of production efficiency of the Company's projects currently in operation.

1.3 Risks from changes in technology

At present, development and technology change rapidly and the launch of many new innovations can lead to significant changes to development of industries and business operations. Therefore, the entrepreneurs have to adjust work processes to make them conform to the changes in technology in order to respond to the needs of customer and partners. The Company places importance on information technology development in the organization in order to catch up to the changes, reduce risks and business opportunity loss and increase competitive edge of the organization. The Company has guidelines to improve and develop its information technology system to make it ready to support the expansion of work and new business in the future, as well as to prepare readiness on security of information technology system to enhance efficiency and modernize the work. Moreover, the Company has policy to encourage the employees in all levels to give emphasis on innovation for sustainable growth of the Company's business.

1.4 Risks from investment in foreign countries

The Company has plans for business expansion in clean energy, chemicals and utilities in CLMV countries to build up the current businesses and to increase opportunity of long-term growth. The Company may have risks from expansion of investments in such target countries as follows:

- Fluctuation of economic conditions of the target countries,
- Fluctuation of foreign exchange rate,
- Change in administration, investment support policy, law and regulations on taxes and others related to investment of those countries,
- Fluctuation of prices of raw materials, products and commodities in the markets, and

- Potential and capability of joint investor and business partners.

In order to reduce such risks, the Company has conducted detailed study and analysis on laws, policy of public sectors and matters relevant to taxes, including the above mentioned factors of those countries which may impact to investment, then analysis results will be used to consider on suitability for investment.

2. Operation Risk

The Company may have operation risks and material ones are as follows:

2.1 Risks from engaging in business of procurement, import and distribution of chemicals, materials and equipment (Trading Business)

2.1.1 Risks from highly dependent on major customers

The Company's income derives from sale of products and provision of services to major customers and nature of business of most of the major customers can be divided into many business groups and demand of products of each group is diversified. The Company has separated process on orders, dealing and negotiation with each business group. Ratio of combined sales income from each major customer in each business was rather high when comparing with the Company's overall sales income.

The Company may have risks from dependent on major customers in some certain extents. However, when considering that such major customers require to use the Company's products on continued basis as some of them are essential for their manufacturing process and because the Company is a distributor of those products which are manufactured by the well-known and biggest manufacturers in foreign countries which have been trusted by the customers, so the customers' demands for such products have increased consistently and continually. In addition, the Company maintained good relationship with such customers for many years and apart from selling various products and equipment, the Company's experienced sales teams who are knowledgeable in this field of business have also provided relevant consultancy service including after-sales-services. The Company has conducted customer satisfaction

survey to improve services constantly. Moreover, the Company also provides suggestions and jointly plans with the customers to increase efficiency of services rendering as well as fully complies with the rules, criteria and requirements of the customers, so the Company is trusted by the customers all along. Besides, the Company has a policy to develop new products and additionally find new customers to reduce risks from highly dependent on any customer.

2.1.2 Risks from changes in costs of goods

Some part of chemical products distributed by the Company are products of petrochemical industries of which their prices are fluctuated pursuant to prices of crude oil in the world's markets including energy and petrochemical industrial conditions which have cyclical changes. Such conditions make the Company has risks on cost of goods which might unavoidably impact to margin of the Company. To minimize such risk, the Company keeps tracking movement of chemical product prices both domestically and overseas, as well as tendency of crude oil prices in the world market constantly in order to prepare itself for changes in cost of goods and to conduct sales and inventory management plan effectively.

However, such risks from changes in product prices in the world market can be limited to some certain levels, because most of the Company's customers are in the petroleum and petrochemical business, so they have good and thorough understandings about conditions, trends and cyclicity of energy and petrochemical industries. Hence, the Company has flexibility in fixing selling prices of products if there is any change which can have impact to such product prices. Moreover, most of the products ordered or imported for distribution already have purchase orders from the customers or they are products with the annual purchase and sales contract and purchased prices have already been fixed.

2.1.3 Risks from dependent on principal manufacturer

The Company imports and places orders on chemical products and equipment used in various industrial plants with the manufacturers from abroad and within the country and the Company is a distributor of some principal manufacturers.

The Company has been appointed as the distributor of products and equipment of such principal manufacturers with official distribution appointment contract and clear contract renewable conditions. Nonetheless, the Company may have risk if such manufacturer does not renew the contract or terminates the contract upon the expiry term which can make the Company loses income from being the distributors of such products.

During the past period, the Company can maintain good relationship and has been trusted by all of those principal manufacturers continually. The Company has a tendency to increase order from such manufacturers in proportion to the growth of sales amount of the Company. Therefore, the Company is confident that the distribution contract shall be renewed continually in the future. Moreover, the Company did not have any historical record for unable to renew contract with such principal manufacturers at all.

2.2 Risks of energy business from energy corps

2.2.1 Risks relating to raw materials

The biogas power plant uses Napier grass and corn as main raw material. The Company is aware of risks relating to raw material with regards to volume and prices as they may impact to production process, so in order to reduce such risk, the Company encouraged and supported the farmers who live in the surrounding plant areas to grow Napier grass with long term contract to purchase such grass. The Company arranged project to provide knowledge and understanding to the farmers on planting of Napier grass and also supported on initial investment funds to the farmers as well as main machinery for preparation of plantation areas, harvesting tractors and transportation to the plant, so that they can continue supplying Napier grass to the plant. At the same time, the Company has conducted the study to find alternative energy crops on continued basis. Corn is one of the main raw materials and the Company purchased a large amount of corns from local farmers living surrounding the project site.

2.2.2 Risks relating to accident within the plant

The plant may have risk from critical accident within the plant which may cause by defects of safety equipment or human error of its personnel. In order

to prevent and reduce accident as well as maintain efficiency of the system, the Company selected and used the state-of-the-art technology with maximum safety pursuant to the prudent engineering principles and safety operation standards to use in its business. After the plant has been operated for some period of time, proficiency and skills on running the plant of the Company's personnel have been increased. In addition, in order to mitigate damages which may arise from such risks, the Company has effected industrial all risks insurance policy by specifying conditions that they must cover all property damages, the Company's personnel and the third party.

2.3 Risks relating to Petroleum Production Plant (PPP)

The Company's Petroleum Production Plant (PPP) is located in Kokrat Sub-district, Kongkrait District, Sukhothai Province and its commercial operation has commenced since early of 2014. The Company may have risks from operation of this plant as follows:

2.3.1 Risk relating to fluctuation of volume of feedstock

Main feedstock used in the petroleum production process of this project is associated gas, which is by-product from the crude oil production process. The Company has entered into the contract with Siam Moeko Company Limited (SML) to purchase and sell of associated gas from the petroleum concession area at Burapa-A production platform and has entered into the contract with PTT Exploration and Production Public Co., Ltd. (PTTEP) to purchase and sell of gas from petroleum concession area at Sao Thian-A production platform. The Company may have risk if SML and PTTEP cannot supply raw materials in an adequate amount for the production as it may make the Company encounter with shortfall of feedstock or if quality of feedstock supplied is not as per expected, it may impact to performance of the project. In order to reduce such risk, the Company has negotiated to increase additional amount of gas and extend the gas procurement contract to be longer period.

Furthermore, the Company may have risk from changing of associated gas price because usage of associated gas is regarded as usage of benefit of

by-product of petroleum production, which is natural resource of the country. The determination of purchase and sales price of associated gas is required to have approval from the Department of Natural Fuels first because it shall impact fee income of the public sectors to be occurred in the future. Therefore, if price of the associated gas increases, it shall impact cost of main raw material, which consequently shall impact performance of the Company.

2.3.2 Risk relating to dependence on a few major customers

The Company supplied CNG to PTT Public Company Limited and has jointly signed in the contract for purchase and sales of CNG obtained from the project on March 12, 2013. However, such contract has been expired on August 16, 2018 and PTT planned to purchase CNG from the Company occasionally as appropriated, hence, the Company has to decrease its CNG production.

Nonetheless, the reduction of CNG production had increased output of other products. The Company supplied LPG to potential purchasers who are in the group of fuel traders under Section 7 of Fuel Trade Act B.E. 2543 (A.D. 2000), while NGL has been supplied to general petrochemicals manufacturers. The Company has expanded LPG and NGL markets pursuant to the increased output amount and it was found that all of the increased amount have been completely sold. Therefore, if the Company can increase the production capacity, there are markets for such increased amount which can generate more income to the Company than distribution of CNG, as main product. Moreover, the Company has guidelines on adjustment of CNG to C1 or methane gas for sale to UAC Energy Co., Ltd. (STN-A) to be used as raw material for power generation.

2.3.3 Risk from the change in policy of the government

The prices of products produced from the Petroleum Production Plant are fluctuated pursuant to the world market prices. However, for the past period, the government has the policy to promote usage of natural gas as alternative fuel for transportation sector in order to reduce impact to economic conditions

due to the adjustment of prices of crude oil and petroleum products in the world market. Other reasons were to reduce pollution to the environment and to support energy strategy of the country which encouraged usage of fuel that can be procured from domestic sources. The prices of CNG and LPG sold in the country have been controlled by the public sectors continually and they are still below prices of the world market and do not vary much. Hence, the entrepreneur cannot determine selling price appropriately, fairly and consistent with the actual production cost. Beginning from August 1, 2017, LPG business has been liberalized to encourage for complete competition of LPG markets, hence the Company may have risks with regards to pricing as the importers may have lower costs.

2.3.4 Risk from accident within the plant

Products of the plant are flammable and have high risks for causing dangers which may have severe impact to the project and the surrounding communities. Such accident includes gas leakage or fire, which may either cause by negligence of the employees or from usage life of component of equipment which requires carefulness in control, supervision and management.

However, the PPP Plant uses production technology equivalent to those of the leading natural gas manufacturers and design of the production systems must obtain approval from the relevant government agencies and they must be pursuant to conditions specified in the associated gas purchase and sales contract with SML. The project design must be pursuant to the international standards and Thai standards which shall also mean that the piping, the interconnection points with combustion system and safety system of the plant must be pursuant to the international standards to prevent risks which might be occurred to the plant and impacted SML which is located closed to the plant site. The PPP has been certified for ISO14001:2015 Environmental Management System and OHSAS 18001:2007 Occupational Health and Safety Assessment from the Management System Certification Institute (Thailand) (MASC). In addition, in order to prevent damages which may arise from such risks, the Company has effected industrial all

risks insurance policy by specifying the conditions that it must provide coverage for the risk against property damages, the Company's personnel and the third party.

2.4 Risks from engaging in solar energy business

UAC Energy Company Limited invested in 2 Solar PV Rooftop projects and it has entered into the power purchase agreements with the Metropolitan Electricity Authority and the Provincial Electricity Authority with contract term of 25 years. Presently, commercial operation date of following 2 projects had already commenced:

1. Solar PV Rooftop Project, capacity of 750.20, of Von Bundit Co., Ltd., located in Muang District, Surat Thani Province.
2. Solar PV Rooftop, capacity of 924.56 kWp, of Saha Thai Steel Pipe Public Co., Ltd., located in Prapadaeng District, Samut Prakarn Province.

The Company may have risks from operation of solar PV rooftop business as follows:

2.4.1 Risk related to power generation system, for instance, its efficiency, may not be as per designed capacity

Since efficiency of solar power generation system depends on various factors, such as weather conditions, sunlight and heat, interruption on distribution and supply of electricity from the transmission line of the Power Utility and dirtiness of solar PV may impact to production efficiency as well. Such risks may lessen efficiency of power generating system and make its output unable to achieve as per designed capacity. Therefore, the Company strived to reduce such risks and to maximize efficiency by performing the following works: using technology designed by Enerray S.p.A, the Italian expert and employed the permanent employee as well as the outsourced technical company located closed to the project site to perform maintenance, inspection and improvement on efficiency of such systems so that they can produce maximum electricity constantly.

2.5 Risks related to chemical products business

Risk of the Subsidiary (UAC Advance Polymers and Chemicals Company Limited or UAPC)

UAC Advance Polymers and Chemicals Company Limited (UAPC) engages in business of production and distribution of Latex Emulsion & Polymer to be used in various industries, i.e. painting and coating industry, printing ink and publishing industry, adhesive and adhesive tape, textile and garment industry as well as construction industry. The Company may have risks from such business operations as follows:

2.5.1 Risk relating to fluctuation of economic conditions

UAPC has increased its production base which has better production efficiency and state-of-the-art machine and equipment has been used for its research & development to manufacture new products in the factory. In this regard, UAPC has to borrow money from the financial institute, so it will have burden from loan interest which may impact operations of the Company, in case the performance of UAPC cannot achieve the target caused by fluctuation of economic condition, which is uncontrollable factor.

Hence, in order to reduce such risk, UAPC will accelerate its business policy to increase more customer bases and develop new products to the markets which including overseas markets and follow up economic conditions closely at all times. UAPC has conducted feasibility study and carefully considered on any investment in order to reduce risks on cash flow and interest burden from loan as mentioned above.

2.5.2 Risk related to shortage of raw materials

Main raw material for production process must be imported from abroad and it takes some time for ordering and delivery. In addition, if during a certain period, some large customers order a large amount of raw materials, UAPC may have risk from shortage of raw materials.

Hence, UAPC has managed to reduce such risks by mainly purchasing raw material from domestic chemical suppliers as well as preparing a plan on amount of raw material to be ordered by analyzing or estimating from purchase orders regularly placed by the customers as well as estimating from orders from the market demand including keep stocks of such raw material in the appropriated amount. At the same time, UAPC has strengthened partnership with more than one raw material manufacturers for competitiveness and to guarantee on amount of raw materials.

2.5.3 Risk from a change of new technology in production process

UAPC may have risk from changing or using new and modern technology in the production process as it may make the existing equipment and machines unable to operate compatibly with the new technology implemented, which subsequently may make the productivity unable to achieve the target. Hence, in order to reduce such risks, UAPC's teamwork who has keen knowledge and expertise as well as the consultant team conducted the study about advantage and disadvantage of the current technology to be used in the new production plant. New factory shall have semi-automatic computerized control system and closed production process for pumping chemicals in order to control pollution and for safety purpose. Preparation process and chemical reaction process have been designed to have better efficiency. Presently, the construction of new production base has been completed and the production process has commenced since early of 2018. At the same time, UAPC has coordinated with the National Science and Technology Development Agency (NSTDA) to develop new products by using newly constructed technology.

2.5.4 Risk related to natural disaster

UAPC may have risks from natural disasters, i.e. flood, earthquake or drought, and it may make the plant unable to manufacture products pursuant to the customers' demand. UAPC realized about such risk, so it effected insurance policy which provided

insurance coverage for such risks already. In addition, in order to mitigate risk in case of drought, UAPC has collaborated with the Water Institute for Sustainability to drill underground well and has installed large water tanks to store water.

2.5.5 Risks related to a change in law and/or criteria related to environment

As UAPC is the manufacture of chemicals which has to comply with the laws and/or criteria related to environment, so UAPC incurs additional expenses. Therefore, UAPC has developed its personnel to make them understand and realize about the importance on compliance with the laws and/or criteria on environment. In addition, UAPC also invested on installation of important equipment for such monitoring process.

3. Compliance Risk

Compliance risk is the important risk which may impact business operations of the Company in the long term in case the Company fails to fully comply with criteria specified by the external supervisory agency, such as on laws, rules and regulations. In order to reduce such risk, the Company has specified the responsible unit to closely monitor information and news from such external supervisory agency including increased warning notification system on supervisory and compliance as well as increased carefulness to prevent mistakes on compliance with the regulations enforced by the external supervisory agency.

4. Financial Risk

4.1 Risks Relating to Foreign Exchange Rates

Fluctuation of foreign exchange rate can impact Trading Business of the Company because most of the products have been ordered and imported from foreign countries of which most of them are denominated in US Dollar, while most of products are sold within the country and incomes are largely denominated in Baht. Therefore, the Company is exposed to fluctuation risk from exchange rates. Therefore, the Company has a policy to reduce risk relating to exchange rates by entering into the Currency Forward Contract for Trading Business to make it appropriated with debt burden, increasing revenue ratio from exporting (natural hedge), like the past year including closely monitoring movement of foreign exchange rate.

4.2 Fund raising and financial costs

The Company engages in business of investment in the renewable & alternative energy projects including production, import and distribution of chemicals and equipment used in various industries, such as off-shore natural gas exploration and production, oil refinery, upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power plant and utilities plant. The objectives for expansion of renewable energy business by means of investment or joint venture are to generate long term revenue and sustainable profit. The Company has carefully and cautiously planned about loan and capital to prevent such investment impact to working capital or liquidity in normal business operations and for steadily growth in the future. The Company's financing activities and implementation financial instrument shall be based on the appropriated financial costs in order to increase alternative and flexibility sources of loan via money market and capital market, as well as to arrange for proper financial cost structure for future growth, including closely monitoring of money market and capital market.

5. Risks from Operating Performance of the Associated Company

5.1 Risks from joint operating performance of Bangchak Biofuel Company Limited

The Company has investment in Bangchak Biofuel Co., Ltd. ("Bangchak Biofuel") jointly with Bangchak Corporation Public Co., Ltd., at shareholding ratio of 30%. The Company may have risk from performance of Bangchak Biofuel and such performance shall have direct impact to net profit and financial statement of the Company. Income from profit/loss sharing from such investments shall not be recorded as any costs in profit and loss statement of the Company and it is not subject to any calculation for corporate income tax.

Therefore, if Bangchak Biofuel has good performance, it can make the Company realize more profits from investments and subsequently can increase its net profit. On the other hand, poor or loss performance of Bangchak Biofuel can impact and reduce net profit of the Company as well. Risks from business operation of Bangchak Biofuel can be summarized as follows:

5.1.1 Risks from fluctuation of amount and price of raw materials

Since production of biodiesel still mainly depends on crude palm oil and prices crude palm oil are fluctuated pursuant to demand and supply of the market. The imbalance of demand and supply shall have impact to stability of crude palm oil prices and it may impact biodiesel production cost.

Bangchak Biofuel is aware of the risk from fluctuation price of crude palm oil which is main cost for bio-diesel production. Thus, in order to reduce risk from fluctuation of amount of raw materials, it has selected more than 30 good quality and credible manufacturers as its trading partners in order to diversify risks on raw materials procurement. Additionally, it has executed a long term contract (3 years) for purchase and sales of crude palm oil with some of major suppliers with agreed amount in each contract and criteria of purchase price shall be referred to market prices of crude palm oil market.

5.1.2 Risks from dependent on major customer

At present, most of biodiesel products of Bangchak Biofuel are supplied to Bangchak Corporation Public Co., Ltd., a parent company of Bangchak Biofuel. According to B100 Biodiesel purchase and sales contract between Bangchak Biofuel and Bangchak Corporation Public Co., Ltd., it is specified that Bangchak Corporation Public Co., Ltd. is obligated to purchase at least 60 percent of total biodiesel produced by Bangchak Biofuel for a period of 8 years (until 2017) at normal purchase price and term of conditions. The remaining portions shall be supplied to other fuel traders.

Bangchak Biofuel may have risk from dependent on a major customer. However, the opportunity to lose such primary customer is very unlikely because Bangchak Corporation Public Co., Ltd. is a parent company and a founder of Bangchak Biofuel and Bangchak Biofuel is also capable to sell biodiesel products to other customers who are the major oil companies.

5.1.3 Risk from changes in government's policy

At present, the government sectors encourage the production and usage of biodiesel instead of diesel fuel with objectives to reduce import of fuel from foreign countries, to increase energy stability and to support usage of alternative energy from plants which are domestic productivity. Many measures have been set up to assist and support the biodiesel manufacturers, for instance, support on raw materials or expansion of oil palm plantation areas; support biodiesel manufacturers pursuant to privileges and benefits of the Board of Investment (BOI); mandatory usage of biodiesel (B100) to mix with high speed diesel fuel; prescription of the referenced selling prices of biodiesel; creating biodiesel markets by using taxing measures so that retail prices of biodiesel shall be lower than diesel fuel; prescription of characteristics and quality of biodiesel and etc.

However in the future, if the government sectors change the policy on support of production and usage of biodiesel, biodiesel manufacturers may have been impacted and their return on investment may not be as per estimated or the return may not worth the investment. Anyhow, the opportunity that the government sectors may revoke such biodiesel supporting policy is very rare because the Ministry of Energy has objective to promote biodiesel in the AEDP2015 (Alternative Energy Development Plan) which specified that by 2036, demand for B100 must be increased to 14 million liters per day from the present amount of only 3 million liters per day. The Ministry of Energy specified mixture proportion of biodiesel at 7% and it is now considering to increase mixture proportion to 10% to 20% in the future.

5.1.4 Risk from reduction of demand of diesel fuel

Since demand of biodiesel depends on usage demand of diesel fuel in the market, which depends on economic growth of the country, demand on vehicle usage, tendency on diesel fuel prices and other fuels including growth and substitution of energy usage in various forms, so if demand of diesel fuel changes from anticipated, it may impact to supply of biodiesel and income of Bangchak Biofuel.

Bangchak Biofuel always follows up economic conditions, market status and trends concerning fuel and other energy industries as well as domestic demand of energy both in short term and long term, so that it can adapt itself to the changing situations which may have impact to business operations in the future.

5.2 Risks from Operating Performance of the Associated Company on Engineering, Procurement and Construction (EPC)

The Company has joint investment with the experts from Italy, Sebigas S.p.A, the expert on EPC contract of biogas plant and Enerray S.p.A, the expert on EPC contract for solar energy plant by establishment of company in Thailand where UAC Energy Co., Ltd., is the joint investor to operate EPC contract and O&M Services, both in Thailand and countries in South East Asia. The objectives are to increase revenue and opportunities to the Company on continued basis and such joint venture will increase potential of Company on operating renewable energy business both in Thailand and foreign countries.

The Company may have risk from operating results of both companies because it will directly impact to net profit and financial statements of the Company, as share of loss or profit from such investments will not deduct with any costs in the Company's statement of income. Risks from such business operation could be summarized as follows:

5.2.1 Risks from change in government's policy

Even though the National Energy Policy Council resolved to approve the Alternative Energy Development Plan 2015-2036 (AEDP 2015) with goal to increase the proportion electricity generation from renewable energy for 20 percent of power consumption or for 30 percent of total power consumption which is a good opportunity for EPC contract for renewable energy projects. However, presently such government's policy does not have clear measures on promotion and stimulus for investments in renewable energy. Consequently, it will result in the significant loss on the opportunity to be awarded with construction project.

Nonetheless, as renewable energy development is the main strategy for energy development of Thailand to increase of domestic stability on energy, so it is very likely that the government agencies related to energy will specify policy to support investment for both public and private sectors in order to stimulate economics in the related industries, as well as the EPC and O&M operators who will have more opportunity to be awarded more projects.

5.2.2 Risks relating to fluctuation of foreign exchange rate

Fluctuation of Baht against Euro and US Dollar can impact operating results of EPC business, because most of the equipment placed order by the Company have to be imported from foreign countries, such as Europe and China of which most of them are denominated in Euro and US Dollar, while most of EPC contracts are denominated in Baht. Therefore, the Company is exposed to fluctuation risk from exchange rates because higher appreciation of US dollar shall increase the products purchasing cost of the Company. Therefore, the Company has a policy to reduce risk relating to exchange rates by entering into the currency forward contract which is appropriated with trading transaction and debt burden and term of such contract is approximately 1-6 months. The Company also monitors movement of foreign exchange rate closely to minimize such risk.

However, in order to make business operations of the Company transparent with balance of power, the Company has established the management structure which is responsible by the competent personnel and also specified a clearly scope of work and delegation of authority to the directors and the executives. Three independent external persons have been appointed to be the members of the Board of Directors (all of them are the Audit Committee) which is more than one thirds of total 7 directors, to audit, balance decision making including consider and approve the matters before presenting to the shareholders' meeting. Additionally, the Company has prescribed measures on transaction with person who might have conflict of interest by restricting voting right of the concerned person. The Company also establishes an internal audit unit by employing the personnel who can work independently and report directly to the Audit Committee. Main duty and responsibilities of this internal audit unit are to oversee internal control system to ensure that it complies with the specified system, in order to strengthen confidence of the shareholders with regard to transparency and balance of the management power of the Company. In addition, the Board of Directors has assigned the Risk Management Committee to prepare organization risk management manual and appointed the working group to study, monitor and review risk management plan of the Company continually.

6. Other Risks

6.1 Risk from having principal shareholder who has authority to specify management policy

Presently, Mr. Kitti Jivacate, who holds a position of Chief Executive Officer and his family is regarded as having the majority vote to control policy and management tasks in the Company, as well as can control almost resolutions of the shareholders' meeting, except in matters that the laws or the Company's articles of association specified that it required to have three fourth votes of the shareholders' meeting. Therefore, other shareholders may have risk from inability to collect votes to balance the matters proposed by the principal shareholders.

Shareholder Structure and Management Structure

Shareholders Structure

List of Top 10 Major Shareholders		No. of Shares	Percent
1.	Jivacate Group	374,585,763	56.11%
	1.1 Mr. Kitti Jivacate	323,267,663	48.42%
	1.2 Miss Chavisa Jivacate	25,751,800	3.86%
	1.3 Miss Alisa Jivacate	25,566,300	3.83%
2.	Jarumanopas Group	46,676,606	6.99%
	2.1 Miss Nilrat Jarumanopas	30,514,601	4.57%
	2.2 Miss Niranuch Jarumanopas	16,144,305	2.42%
	2.3 Mr. Prasong Jarumanopas	17,700	0.00%
3.	Sareewiwatthana Group	45,586,659	6.83%
	3.1 Mrs. Waranee Sareewiwatthana	23,906,137	3.58%
	3.2 Miss Pimsiri Sareewiwatthana	20,060,017	3.00%
	3.3 Miss Pichsinee Sareewiwatthana	1,620,505	0.24%
4.	Lerdrachkul Group	14,464,575	2.17%
	4.1 Mr. Chiaranai Lerdrachkul	12,187,530	1.83%
	4.2 Mrs. Ladda Lerdrachkul	2,277,045	0.34%
5.	Koseeyarakwong Group	10,184,450	1.53%
	5.1 Mr. Paitoon Koseerakwong	10,184,400	1.53%
	5.2 Miss Pailin Koseerakwong	50	0.00%
6.	Lumprasert Group	8,073,866	1.21%
	6.1 Miss Kalaya Lumprasert	8,039,291	1.20%
	6.2 Miss Malee Lumprasert	27,825	0.00%
	6.3 Mr. Surachai Lumprasert	6,750	0.00%
7.	Mr. Nattachai Tangjarupongsakul	7,566,200	1.13%
8.	Miss Nirin Jui - in	7,202,810	1.08%
9.	Thai NVDR Company Limited	6,810,261	1.02%
10.	Mr.Chatchaphol Prasopchoke	4,545,642	0.68%
	Total Major Shareholders	525,696,832	78.74%
	Minor Shareholders	141,908,469	21.26%
	Total	667,605,301	100.00%

The remaining registered capital amounting to Baht 33,380,500 have been reserved for exercise of the Company's warrants at the amount not exceeding 66,761,000 shares at par value of Baht 0.50

Restrictions on foreign shareholding

The number of foreign shareholders and percentage of foreign shareholding shall not be more than 49 percent of total issued and paid-up share capital of the Company. As at December 31, 2019, the number of shares held by the foreigners was approximately 0.002 percent of the Company's total paid-up share capital.

As at December 31, 2019, Thai NVDR Company Limited ("Thai NVDR"), a subsidiary company of the Stock Exchange of Thailand, has issued the Non-Voting Depository Receipt (NVDR) to the Company's shareholders as underlying assets at 6,810,261 shares or 1.02 percent of the issued and paid-up share capital. The holders of NVDR are entitled to benefits from the Company's shares, but they cannot exercise their voting rights at the shareholders' meeting because they are not the direct shareholders of the Company. However in practice, Thai NVDR can attend the shareholders' meeting and cast its votes pursuant to its independent judgment, not by order of the holders of NVDR.

In addition, the number of the Company's shares invested by the investors in NVDR may be varied, which cannot be defined by the Company. However, the investor can examine the number of NVDR shares at the website of the Stock Exchange of Thailand at www.set.or.th/nvdr.

Issuance of Other Securities

The Company has issued and allocated Warrants to Purchase Ordinary Shares No. 2 ("UAC-W2") totaled 66,759,974 units to existing shareholders as per the following details:

Allocation of UAC-W2 to the existing shareholders

The Company has allocated UAC-W2 amounting to 66,759,974 units to its existing shareholders pursuant to right offering ratio of 10 existing shares : 1 UAC-W2 (in case there was any fraction of shares, such fraction was disregarded). Shareholders who were eligible to UAC-W2 in this part must be the shareholders whose names appeared in the share registration book on the Record Date (which was March 7, 2018).

The exercise date of UAC-W2 will be on the last business day of March, June, September and December of each year throughout the term of this warrant. The first and the last exercised date are September 28, 2018 and June 30, 2020 respectively. The exercise rate is 1 unit per 1 ordinary share, exercised price is Baht 5.55 per share.

The dividend payment policy

1. The dividend payment policy of the Company

The Company's dividend payment policy is fixed at the minimum 40% of net profit of the separate financial statement after taxes and all statutory reserves required by law. However, such dividend payment must also depend upon cash flow, investment plan, terms and conditions in agreements bound by the Company, including legal restrictions, necessities and appropriateness in the future. In addition, the Board of Directors' resolution on approval of the dividend payment is required to be proposed to the shareholders' meeting for the approval, except in case of the interim dividend, where the Board of Directors has power to approve and then report to the shareholders' meeting for acknowledgement in the next meeting.

2. The dividend payment policy of the subsidiaries

The Company has 7 subsidiaries, i.e. UAC Utilities Company Limited, UAC & TPT Energy Company Limited, UAC Energy Company Limited, Solar Energy Roof Power Company Limited, UAC TPT Pellets Company Limited, UAC Advance Polymer & Chemicals Company Limited and UAC Top Energy Company Limited. The consideration on the dividend payment is required to have the resolution from the annual general meeting of shareholders and it can do so only after the company sets aside not less than 5 percent of its annual net profit as a legal reserve fund until this fund attains an amount of not less than 10 percent of the registered capital. However, if the company has accumulated loss, dividend payment shall not be allowed.

3. The dividend payment policy of the associated companies

The Company has 6 associated companies, namely Bangchak Bio-Fuel Company Limited, Sebigas UAC Company Limited, Enerray UAC (Thailand) Company Limited, PPWE Company Limited, Odin Power Company Limited and Odin Myanmar Company Limited. The consideration on dividend payment is required to have the resolution from the annual general meeting of shareholders and it can do so only after the company sets aside not less than 5 percent of its annual net profit as a legal reserve fund until this fund attains an amount of not less than 10 percent of the registered capital. The Board of Directors may consider for an interim dividend payment to the shareholders, nevertheless, if the company has accumulated loss, dividend payment shall not be allowed.

Management Structure

The Company's management structure consists of the Board of Directors and 5 Sub-committees, which are the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Corporate Governance Committee. Names, scope of authority and responsibilities of members of the Board of Directors and the Sub-committees as of December 31, 2019 are as follows:

The Board of Directors comprises of:

No.	Name	Position
1	Assoc. Prof. Dr. Paiboon Sareewiwatthana	Chairman of the Board of Directors
2	Mr. Kittti Jivacate	Director
3	Miss Nilrat Jarumanopas	Director
4	Mr. Chatchaphol Prasopchoke	Director
5	Assoc. Prof. Dr. Aekkachai Nittayakasetwat	Chairman of Audit Committee and Independent Director
6	Assoc. Prof. Dr. Paritud Bhandhubanyong	Audit Committee and Independent Director
7	Miss Jeerapan Jinda	Audit Committee and Independent Director

Miss Sajjaporn Rammayaprayoon is a secretary of the Board of Directors.

The Authorized Directors

The authorized directors to sign and bind the Company are Mr. Kittti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, two of three directors jointly sign together with the Company's seal affixed.

Term of the Company's Directors

During every annual general meeting, at least one-third of directors shall retire. If number of directors is not a multiple of three, then number of directors closest to one-third shall retire. The directors who shall retire in the first and the second year after registration of the Company shall be selected by drawing lot, and for subsequently years, the longest serving directors shall be retired. A retired director may be re-appointed.

Scope of Authority and Responsibilities of the Board of Directors:

- 1) To oversee and manage the operations of the Company to ensure compliance with the laws, objectives and articles of association of the Company as well as the resolutions of shareholders' meetings, except the matters which have to be obtained an approval from the shareholders' meeting first, for instance, any activity that laws has specified that it must have an approval from the shareholders' meeting, any undertaking of the connected transaction and any acquisition or disposal of the significant assets according to the regulations of the Stock Exchange of Thailand or the other government agencies, and etc.
- 2) To review and approve the significant matters, i.e. vision, mission, strategy, policy, business plan and budget, project investments which do not list in an annual budget, management structure, management power, policies concerning corporate governance, any transaction or action which shall have significant impact to financial position, liability, status, business operations and reputation of the Company, interim dividend payment and any other matters specified by the Stock Exchange of Thailand or as required by laws.

- 3) To supervise performance of the management to ensure compliance with the approved policies, business plans and budget.
- 4) To consider and appoint the qualified person who does not possess the characteristics that are prohibited under the Public Company Act B.E. 2535 (A.D.1992) (including any amendments) and laws on securities and stock exchange as well as the related notifications, regulations and/or rules, in case of a vacancy of a director's position due to the reasons other than by retirement in due course including to appoint the Company's President & Chief Executive Officer.
- 5) To consider on appointment and to determine duty and responsibilities of the Sub-committees as follows:
 - 5.1 To establish the Sub-committees as appropriated and necessary to assist the work operations under the responsibilities of the Board of Directors, i.e. the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee and the Risk Management Committee and etc.
 - 5.2 To consider and approve duties and responsibilities of the Sub-committees, as well as the changes in components of the appointed Sub-committees.
- 6) To establish the reliable accounting system, financial reporting and auditing system as well as to ensure that the internal audit and internal control system are efficiently and effectively, including approve the changes in the significant policies and practices concerning the accounting and internal control system of the Company.
- 7) To supervise and ensure that the Company has the comprehensive risk management system including effective risk management, reporting and monitoring procedures.
- 8) To report the responsibilities of the Board of Directors on preparation of financial report by presenting them jointly with the auditor's report in an annual report.
- 9) To preserve the best interest of the major and minor shareholders on an equitable basis, and to treat all shareholders and stakeholder fairly.
- 10) To oversee and ensure that there are clear and transparent management procedures concerning the connected transactions between the Company and the related persons in place to prevent any conflict of interest by disclosing the correct and adequate information as well as report to the Board of Directors constantly.
- 11) To evaluate the performance of the Board of Directors as follows:
 - 11.1 To prescribe criteria and method on performance evaluation of the Board of Directors and to evaluate their effectiveness constantly.
 - 11.2 The Board of Directors shall evaluate their own performance every year and shall also make the statement on their performance results including the corporate governance policy applied in the Company in an annual report.
- 12) The following operational powers shall be exercised only after they have obtained an approval from the shareholders' meeting first, provided that, any director or person who might have any conflicts, interests or conflict of interest regarding any transaction with the Company or its subsidiary (if any) must not participate in voting on it:
 - (a) Any activity that the laws has specified that it must have an approval from the shareholders' meeting first;
 - (b) Any transaction that any director may have some interests and in scope that the laws or regulations of the Stock Exchange of Thailand prescribed that it must have an approval from the shareholders' meeting first.
- 13) The Board of Directors may authorize one or more directors or any person to act on its behalf. However, the abovementioned authorization shall not include the delegation of authority or sub-authorization which can entitle the director or such authorized person to approve any undertaking that such person or a person who might have conflict of interest, interests or any benefits in any other manners against benefits of the Company or its subsidiary as well as request for an approval from the shareholders' meeting to perform any related transaction and any acquisition or disposal of the significant assets according to the regulations of the Stock Exchange of Thailand and notifications of the Securities and Exchange Commission and/or the related agencies for such undertakings.

The Audit Committee: All members of the Audit Committee are the Independent Directors as follows:

No.	Name	Position
1.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Chairman of the Audit Committee
2.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Member of Audit Committee
3.	Miss Jeerapan Jinda	Member of Audit Committee

Mrs. Jarunee Boonmumgme is a secretary of the Audit Committee.

Assoc. Prof. Dr. Aekkachai Nittayagasetwat and Miss Jeerapan Jinda have sufficiently skills and experiences to assume duties of auditing accountability of the financial statement.

Term of Office of the Audit Committee

Term of the Audit Committee shall be 3 years each, except in case of retire on rotation pursuant to the Company's articles of associations. The retired director may be re-appointed but not more than 3 times. The Board of Directors may consider on renewal of term of office of the Independent Director if there are reasonable cause and beneficial to the Company and the shareholders. The Audit Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board of Directors.

Scope of duty and responsibilities of the Audit Committee

Scope of duty and responsibilities of the Audit Committee assigned by the Board of Directors including those required to report to the Board of Directors are as follows:

- 1) To review the sufficiency, credibility and transparency of the financial reporting by coordinating with the external auditor and the executives who are responsible for preparing of quarterly and yearly financial reports;
- 2) To review the Company's internal control system and internal audit to ensure that they are suitable and effective, to determine independence of the internal audit unit, including approve the appointment, transfer and dismissal of the chief of the internal audit unit or any other unit in charge of the internal audit activities;
- 3) To ensure that the Company complies with the laws on securities and exchange, regulations of the stock exchange and the laws related to the Company's business;
- 4) To select, propose and terminate an independent person who will be the Company's auditor, and to fix his or her remuneration then propose to the Board of Directors to further request for appointment from the annual general meeting of shareholders, as well as to attend the meeting with the auditor without any participation of the executives at least once a year. In 2019, the Audit Committee and the auditor have attended joint meeting on November 6, 2019.
- 5) To have the power to engage an independent consultant, as necessary at the Company's expenses;
- 6) To review the connected transactions, or transactions that may lead to conflicts of interest, to ensure that they are reasonable, compliance with the laws and regulations of the stock exchange and the Capital Market Supervisory Board, and for maximum benefits of the Company;
- 7) In carrying out duties, if the Audit Committee has found or is suspicious about any of the following transactions or activities which may have material impacts to the financial position or performance of the Company, the Audit Committee must report the Board of Directors to take corrective action immediately:
 - Transaction with the conflicts of interest;
 - Fraud or unusual transaction or significant deficiency in the Company's internal control system;
 - Violation or breach of laws on securities and exchange, notifications and regulations of the Stock Exchange of Thailand, the Office of Securities and Exchange Commission and Capital Market Supervisory Board and the laws related to the Company's business.

In case the Board of Directors or the executives fails to take corrective action within a reasonable period of time, the Audit Committee's member may report such transaction or activity to the Office of Securities and Exchange Commission or the Stock Exchange of Thailand.

- 8) If the Company's auditor discovered any suspicious circumstance concerned with the director, manager or any person responsible for the Company's operations, which violated the law and the auditor has reported such issue to the Audit Committee. The Audit Committee must conduct an additional investigation without delay and shall report the result of the preliminary investigation to the Office of Securities and Exchange Commission and the auditor within 30 days from the notification date of the auditor.
- 9) To prepare the Audit Committee's report and disclose in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and included at least the following recommendations:
 - (a) Recommendation on accuracy, completeness and creditability of the Company's financial report,
 - (b) Recommendation on adequacy of the Company's internal control system,
 - (c) Recommendation on compliance with laws on securities and exchange, the stock exchange's regulations, or other laws related to the Company's business,
 - (d) Recommendation on suitability of the auditor,
 - (e) Recommendation on transactions that may cause conflicts of interests,
 - (f) Number of the Audit Committee's meetings and attendance of such meetings by each committee member,
 - (g) Overall recommendations or observations that have arisen while the Audit Committee performed its duties in accordance with the Charter, and
 - (h) Other matters which should be made available to the shareholders and general investors within scope of duty and responsibilities assigned by the Company's Board of Directors.
- 10) To perform any other tasks as assigned by the Board of Directors, as necessary.

In performing the operations pursuant to scope of work, duty and responsibilities, the Audit Committee shall have power to invite the concerned management, the executives or the employees of the Company to report, provide opinion, participate in the meeting or submit document which is deemed relevant and necessary.

In addition, the Board of Directors has power to amend the scope of duty and responsibilities of the Audit Committee as it deems necessary and appropriated.

The Executive Committee consists of:

No.	Name	Position
1	Mr. Kitti Jivacate	Chairman of Executive Committee
2	Miss Nilrat Jarumanopas	Member of Executive Committee
3	Mr. Chatchaphol Prasopchoke	Member of Executive Committee

Miss Sajjaporn Rammayaprayoon is a secretary of the Executive Committee.

Term of Office of the Executive Committee

Term of the Executive Committee shall be 3 years each. The retired director may be re-appointed. The Executive Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board of Directors.

Scope of duty and responsibilities of the Executive Committee

- 1) To oversee and manage the Company's business operations as per assigned by the Board of Directors;

- 2) To define details on recruitment, training, employment and termination of employment of the Company's employees, as well as to define benefits and welfare of the employees which are appropriated with situations, customary practices and consistent with the current applicable laws;
- 3) To formulate policy, business plan, annual budget, management structure and management power in each line of business of the Company to propose to the Board of Directors for approval;
- 4) To consider and approve the capital expenditure which is out of the annual budget or exceeds the annual budget not more than Baht 30 million per transection/project and to approve an additional expense which exceeds the annual budget not more than 10 percent. In case the cost exceeds the specified limit, the Executive Committee shall propose to the Board of Directors for further consideration and approval.
- 5) To consider and approve for the joint investment in the consortium or joint venture with the project cost not more than Baht 50 million. In case the cost is more than the specified amount, the Executive Committee shall propose to the Board of Directors for further consideration and approval. The Executive Committee shall also have power to approve for any loan or request for credit of the Company at the amount not exceeding Baht 50 million.
- 6) To monitor and follow up the operations of the Company to ensure that they are effectively compliance with the specified management policies and guidelines.
- 7) To perform any other tasks assigned by the Board of Directors from time to time.

However, authority of the Executive Committee as well as delegation of authority to other persons that the Executive Committee deems appropriated shall not include authority or delegation of authority to approve any transaction that the Executive Committee or relevant person who might have conflict of interest, interests or any other benefits in any other manners against the benefits of the Company or its subsidiary or transaction which is not under normal business operation of the Company. Such foregoing transactions are required to submit to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval pursuant to the Company's articles of association or as per required by law/or the relevant laws.

The Nomination and Remuneration Committee: All members of the Nomination and Remuneration Committee are the Independent Directors as follows:

No.	Name	Position
1.	Miss Jeerapan Jinda	Chairman of Nomination and Remuneration Committee
2.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Member of Nomination and Remuneration Committee
3.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Member of Nomination and Remuneration Committee

Mr. Bovornwich Nonthawong is a secretary of the Nomination and Remuneration Committee.

Term of Office of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall hold office for a term of 3 years each. The retired director may be re-appointed. The Nomination and Remuneration Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board of Directors.

Scope of duty and responsibilities of the Nomination and Remuneration Committee

- 1) To establish the clear, transparent and suitable policies, criteria, methods and procedures for benefits of the Company with regards to nomination, removal or termination of employment of the directors and top executives of the Company and to propose to the Company's Board of Directors for consideration and approval.
- 2) To consider and nominate the list of the persons qualified to be the member of the Board of Directors, the Subcommittee and top executive to the Board of Directors, in case of vacancy of such position or upon expiration of the term.

- 3) To specify the remuneration policy for the directors and top executives of the Company then to propose to the Board of Directors for consideration and approval.
- 4) To consider the compensation packages for the Board of Directors and the Sub-committees which shall include the meeting allowances, salaries, bonuses, shares and other relevant fringe benefits and to propose to the shareholders' meeting for consideration and approval.
- 5) To develop a succession plan for the important executive positions and such plan must be constantly reviewed, by taking into consideration importance of position, nomination and development, so that such executive successor shall have knowledge, capabilities, experiences and other qualifications which meet requirements and be beneficial to the Company.
- 6) To perform any other tasks assigned by the Board of Directors, as appropriated.

The Risk Management Committee consists of:

No.	Name	Position
1.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Chairman of Risk Management Committee
2.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Member of Risk Management Committee
3.	Mr. Chatchaphol Prasopchoke	Member of Risk Management Committee

Miss Nirada Phomrach is a secretary of the Risk Management Committee.

Term of Office of the Risk Management Committee

The Risk Management Committee shall hold office for a term of 3 years each. The retired director may be re-appointed. The Risk Management Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board.

Scope of duty and responsibilities of the Risk Management Committee

To establish the overall policies and guidelines on risk management of the Company which shall cover financial risks, marketing risks, risks related to transportation and inventory, investment risks and other risks which might impact the operations and reputation of the Company to propose to the Board of Directors for consideration and approval;

- 1) To establish the overall policies and guidelines on risk management of the Company which shall cover financial risks, marketing risks, risks related to transportation and inventory, investment risks and other risks which might impact the operations and reputation of the Company to propose to the Board of Directors for consideration and approval;
- 2) To establish the criteria on risk measurement and risk limits acceptable by the Company;
- 3) To consider the material risks of the Company and to propose the measures to prevent or reduce such risks to be in acceptable level;
- 4) To oversee, monitor, evaluate as well as to improve the operation plans to reduce risks which are suitable for business operations of the Company on continued basis;
- 5) To review adequacy of risk management policy and system which shall include efficiency of the system and compliance with the specified policy;
- 6) To report the risk reduction operation to the Board of Directors regularly and in case of critical matter which may have significant impact to the Company, such matter shall be reported to the Board of Directors for consideration expeditiously;
- 7) To perform any other tasks assigned by the Board of Directors, as appropriated.

The Corporate Governance Committee consists of:

No.	Name	Position
1.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Chairman of Corporate Governance Committee
2.	Miss Jeerapan Jinda	Member of Corporate Governance Committee
3.	Miss Nilrat Jarumanopas	Member of Corporate Governance Committee

Miss Sajjaporn Rammayaprayoon is a secretary of the Corporate Governance Committee.

Term of Office of the Corporate Governance Committee

The Corporate Governance Committee shall hold office for a term of 3 years each. The retired director may be re-appointed. The Corporate Governance shall be directly responsible for the Board of Directors and shall have power, duty and responsibilities as per assigned by the Board.

Scope of duty and responsibilities of the Corporate Governance Committee

- 1) To study and draft the Corporate Governance Policy under framework of the present laws, criteria, rules and regulations of the regulatory bodies, i.e. the Stock Exchange of Thailand, the Office of Securities and Exchange Commission and the relevant agencies as well as pursuant to the international corporate governance practices.
- 2) To propose the Corporate Governance Policy to the Board of Directors for consideration and approval, so that the directors and the executives can use it as the best practices. In addition, the Corporate Governance Policy Statement must also be prepared.
- 3) To supervise, oversee and provide suggestions to the Company's directors and the management on performing duties and responsibilities pursuant to the framework and criteria of the good corporate governance policy to smoothen the operation of the Management; to make it valid for operation and continuity appropriately pursuant to the expectation of the shareholders and the stakeholders.
- 4) To consider, review and improve the corporate governance policy on continued basis or at least once a year so that such policy shall always be up to date and consistence with the international practices as well as the law, criteria rules and regulations as well as the recommendations of the internal regulatory organizations responsible for the corporate governance affairs.
- 5) To monitor and assess the operations of the directors and the executives pursuant to the prudent practices specified in the corporate governance policy every year at the end of the year.
- 6) To prepare the annual corporate governance assessment report and propose to the Board of Directors during the Board of Directors' meeting of the following year including suggest any necessary recommendations and opinions.
- 7) To suggest the best practices guidelines on ethics and business ethics of the directors, executives, officers and employees of the Company.
- 8) To appoint the task force to support the corporate governance operations as necessary and appropriated.
- 9) To perform any other tasks assigned by the Board of Directors.

Corporate Secretary

In order to comply with the corporate governance principles of the listed companies under the Section of Responsibilities of the Board of Directors and the requirements of the Securities and Exchange Act, the Board of Directors No. 3/2012 dated on May 3, 2012 had a resolution to appoint Miss Sajjaporn Rammayaprayoon as a Corporate Secretary. The Corporate Secretary shall be responsible for providing advice on laws and regulations related to the Board of Directors and the executives, supervising the Board's activities, arranging the Board's meeting and shareholders' meeting of the Company, recording a minute of meeting of the Board's meeting and the shareholders' meeting, monitoring and coordinating on compliance with the Board's resolutions, preparing documents and information for new director as well as preparing and keeping the documents, such as a register

of directors, a notice calling the director meeting, a minute of meeting of the Board of Directors and an annual report of the Company, a notice calling the shareholders' meeting and a minute of shareholders' meeting; keeping a report on interest filed by a director or an executive and performing any other tasks as assigned by Board of Directors and specified in the Securities and Exchange Act. The details of Corporate Secretary are as follows;

Education	:	Bachelor Degree in Business Administration (Accounting), Assumption University Master Degree in Business Administration (Finance), Assumption University
Working Experiences	:	2012 - Present Vice President Investor Relations Department & Corporate Secretary, UAC Global PLC. 2002 - 2012 Assistant Vice President Assets Transfer Department, Thai Assets Management Corporation (TAMC)
Training	:	- Company Secretary Program (CSP) #46 / 2012 (IOD) - Fundamental for Corporate Secretary #28 / 2013 (TLCA) - Fundamental Laws and Regulations for Listed Company #10 / 2013 (TLCA) - Management Development Program (MDP) #22 / 2015 (TMA) - Advance Corporate Secretary #1 / 2016 (TLCA) - Financial Analysis for Strategic Competitiveness 2019 (TMA)

The Executives comprise of:

No.	Name	Position
1.	Mr. Kitti Jivacate*	Chief Executive Officer
2.	Mr. Chatchaphol Prasopchoke*	President
3.	Miss Nilrat Jarumanopas	Chief Finance and Accounting Officer
4.	Miss Preeyaporn Thanaratset	Senior Vice President – Sales and Marketing
5.	Mr. Chaiyos Chunvijittra	Senior Vice President – Operations

The Board of Directors Meeting of UAC Global Public Company Limited No. 8/2019, held on December 13, 2019, resolved to approve the change of position of Mr. Kitti Jivacate from Chairman of Executive Committee and Chief Executive Officer to only Chairman of Executive Committee. The Board of Directors Meeting also approved as recommended by the Nomination and Remuneration Committee to appoint Mr. Chatchaphol Prasopchoke, President, to be Chief Executive Officer and President effectively from January 1, 2020 onward.

Scope of duty and responsibilities of Chief Executive Officer and/or the President

Chief Executive Officer and/or President shall have duty and responsibilities on management of the Company as per assigned by the Board of Directors, include the following matters and activities:

- 1) To perform day-to-day business operations of the Company;
- 2) To prepare the policy, business plan and budget, management structure and management powers of the Company to propose to the Executive Committee for consideration before proposing to the Board of Directors for approval;
- 3) To undertake the tasks or operations pursuant to the approved policy, business plan and budget;
- 4) To approve the expenses or investment out of annual budget or exceed annual budget, at the amount not exceeding Baht 5 million for the President and not exceeding Baht 10 million for the Chief Executive Officer.
- 5) To have the power to approve the disbursement pursuant to the budget which has been approved by the Board of Directors, for instance to disburse the amount not exceeding Baht 300,000 each, to disburse an advance payment at the amount not exceeding Baht 100,000 each, to entertain and provide gift pursuant to the monthly budget at the amount not exceeding Baht 200,000, to acquire the fix asset at the amount not exceeding Baht 2 million, to approve the quotation at the amount exceeding Baht 50 million, to approve sales order at the amount exceeding Baht 50 million for the President.

- 6) To have the power to write off a bad debt in case of the President, not exceeding Baht 500,000, in case of the Chief Executive Officer, not exceeding Baht 1 million.
- 7) To develop the organization and personnel to ensure that both of them shall be qualified and effective on continued basis.
- 8) To be the authorized person of the Company to manage the Company's businesses to make them achieve the objectives, regulations, policies, rules, regulations, orders, resolutions of the shareholders' meeting and/or resolutions of the Board of Directors;
- 9) To oversee and maintain good image of the organization;
- 10) To perform any other tasks assigned by the Board of Directors and/or any Sub-committee.

However, the power of the Chief Executive Officer and/or the President as well as delegation of authority to other persons that the Chief Executive Officer and/or the President deems appropriated shall not include the power or delegation of authority to approve any transaction that he or the relevant person who might have conflict of interest, interests or any other benefits in any other manners against the benefits of the Company or its subsidiary or the transaction which is not under normal business operation of the Company. The foregoing transactions are required to submit to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval pursuant to the Company's articles of association or the relevant laws.

Nomination of the directors and the executives

The Board of Directors and the Chief Executive Officer and the President

The Nomination and Remuneration Committee shall have duty to nominate the qualified persons to hold position of the Board of Directors, the Chief Executive Officer and the President upon vacancy of such position or to replace the director who is retired on rotation. The consideration criteria shall focus on persons who have skills and experiences necessary for business operations of the Company both current and future. Director Pool of IOD or other related entities or Professional Search Firm (if any) will be used as reference list for qualified candidates as well as Board Skill Matrix which will be used to define required qualifications to create diversification of Board of Directors Structure, not limited to sex, age and education. The qualifications are specified as follows:

- 1) Having qualifications conforms to the Public Limited Act, the Securities and Exchange Act, rules of the Securities and Exchange Commission, rules of the Stock Exchange of Thailand and the corporate governance principles of the Company;
- 2) Having diversified knowledge, capabilities and experiences on various professional fields which shall be consistent with corporate strategy and beneficial and can add value to the Company;
- 3) Having characteristics which support and promote the corporate governance operations to strengthen value to the Company, performing duties with accountability, care and loyalty and can fully devote times for the Company.

Besides, the Company allowed the shareholders to propose director's name in advance. Nomination and Remuneration Committee will consider proposed candidate according to the specified criteria and propose to Board of Director to agree before approving by shareholders' meeting.

To select and appoint the Chief Executive Officer and President, Nomination and Remuneration Committee will select the candidates who meet the specified qualifications and propose to Board of Directors to approve the appointment with majority votes. The selection and appointment of director shall be based on method specified in articles of associations of the Company. Nomination and Remuneration Committee will select qualified candidate as specified procedure above and propose to Board of Directors to agree and the candidate who has been appointed is required to have an approval from the shareholders' meeting. Resolution of the shareholders' meeting shall be made by a majority of votes of the shareholders who present and have the voting rights.

1. The Company's Board of Directors shall consist of at least 5 directors, who have been appointed by the shareholders' meeting and not less than one half of total directors must reside in the kingdom.
2. The shareholders' meeting shall elect the directors pursuant to the following criteria and methods:
 - (1) Each shareholder shall have a number of votes equal to the number of shares held.
 - (2) Each shareholder may exercise all the votes he/she has to elect one or several persons as director or directors. If several persons are to be elected as directors, the shareholder may not allot his/her votes to any person in any number.
 - (3) The candidates who have the highest votes in descending orders shall be appointed as the directors until all of the director positions are filled. In case the votes for candidates in descending order are tied, which would make the number of directors to be exceeded, the Chairman is entitled to a casting vote.
3. During every annual general meeting, at least one-third of directors shall retire. If the number of directors is not a multiple of three, then the number of directors closest to one-third shall retire.

The directors who shall retire in the first and the second year after the registration of the Company shall be selected by drawing lot, and for subsequently years, the longest serving directors shall be retired. A retired director may be re-appointed.
4. Any director who shall resign from directorship position shall submit a resignation letter to the Company and such resignation shall be effective from the date such letter arrives at the Company.

The resigned director under paragraph one may inform his or her resignation to the registrar under the Public Company Act.
5. In case of vacancy of director's position due to reasons other than by retirement in due course, the Board of Directors may appoint a person who is qualified and does not possess any prohibited qualifications specified in the Public Limited Act and laws on securities and exchange to be the director in the next Board of Directors' meeting. Except in a case where the remaining term of a director is less than 2 months, then the term of the newly appointed director shall expire at the same time as the director he/she substitutes.

The resolution of the Board of Directors under paragraph one shall consist of votes not less than three fourths of the remaining directors.
- 6) The shareholders' meeting may have a resolution to remove any director prior to expiration of his or her term with the votes not less than three fourths of votes of shareholders present at the meeting and have the voting right which must have accumulated shares not less than one half of total shares of the shareholders present at the meeting and have the voting right.

Structure and Components of the Committees

The Board of Directors shall arrange to have the appropriated number of directors with the size of business. At present, there are 7 directors, comprising of 4 non-executive directors and 3 executive directors. Of all total number of directors, the Company has 3 Independent Directors.

- **The Independent Director**

The Company prescribes that at least one third of total members of the Board of Directors shall be the Independent Directors.

The Board of Directors or the shareholders' meeting, as the case may be, shall appoint the Independent Director to be members of the Board of Directors. One thirds of the Board of Directors and at least 3 members must be the Independent Directors.

Criteria on selection of the Independent Director shall be based on criteria on selection of the Board of Directors. The Independent Director shall not possess prohibited characteristics pursuant to the Public Company Act and the relevant laws on securities and exchange, including the notifications, regulations and/or rules. The Independent Director must have the appropriated education, specialized skills and experiences. They must be proposed at the shareholders' meeting for consideration and approval to be the Company's director. In addition, if any Independent Director vacates from office before an expiration of the term, the Board of Directors may appoint another Independent Director who possesses the abovementioned qualifications to replace such vacated position and the term of the new Independent Director shall be equal to the remaining term of the Independent Director that he or she replaces.

The Board of Directors has specified qualifications of the Independent Director which are stricter than criteria of the Office of the Securities and Exchange Commission and the Stock of Thailand as follows:

1. Holding shares not exceeding 1.0 percent of the total number of voting shares of the Company, its parent company, its subsidiary, its associated company or a controlling person of the Company, provided that, the shares held by the related person of such Independent Director shall also be counted for this purpose.
2. Not being or having been a director involved in the management, an employee, a consultant with a monthly wage or a controlling person of the Company, its parent company, its subsidiary, its associated company, a subsidiary in the same level, a major shareholder or a controlling person of the Company, except he/she has resigned from such position at least 2 years prior to the date of appointment as an Independent Director.
3. Not being related by blood or legal registration as a father, mother, spouse, sibling and child, including as a spouse of the child of an executive officer, a major shareholder, a controlling person or a person who will be nominated to become an executive officer or a controlling person of the Company or its subsidiary.
4. Not having or had a business relationship with the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company in the manner which may interfere the exercise of independent judgment, including not being or having been a major shareholder, or a controlling person of a person having a business relationship with the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, except where such restriction had passed for not less than 2 years prior to the appointment as an Independent Director.
5. Not being or having been an auditor of the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, and not being a major shareholder, a controlling person or a partner of an audit office for which the auditor of the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company work, except where such restriction had passed for not less than 2 years prior to the appointment as an Independent Director.
6. Not being or having been a professional service provider, including a legal consultant or financial advisor who receives service fees exceeding Baht 2 million from the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, and must not be a significant shareholder, a controlling person or a partner of such professional service provider, except where such restriction had passed for not less than 2 years prior to the appointment as an Independent Director.
7. Not being a director appointed to represent the Company's Board of Directors, a major shareholder or a shareholder who is related to the Company's major shareholder.
8. Not being in a business of the same nature as, and of significant competition to that of the Company or its subsidiary or not being a significant partner of a partnership or not being a director who is involved with management tasks, a staff member, an employee, a consultant with a monthly wage or holds shares more than 1.0 percent of total shares with voting rights of another company which is engaged in a business of the same nature as and of significant competition to that of the Company or its subsidiary.
9. Not having any other characteristic which prevents the giving of an independent opinion on operations of the Company.

The Independent Director shall examine and certify its own independent qualifications at least once a year, by notifying such result together with a report on bio data of director at year end for preparation of annual information disclosure form (56-1 Form) and annual report of the Company.

- **The Audit Committee**

The Board of Directors or the shareholders' meeting (as the case may be) shall appoint at least 3 directors to be the Audit Committee of the Company and the Subsidiaries. Each member of the Audit Committee shall be an Independent Director and must not be a director who is appointed from the Board of Directors to make decision with regards to the business operations of the Company, its parent company, its subsidiary, its associated company, a subsidiary in the same level, a major shareholder or a controlling person of the Company. He or She must not be a director of the Company, its parent company, its subsidiary, a subsidiary in the same level of the listed company only. The Audit Committee shall have qualifications pursuant to the laws on securities and exchange, including notifications, regulations and/or rules of the Stock Exchange of Thailand on qualifications and scope of work operations of the Audit Committee.

In addition, at least 1 member of the Audit Committee shall have adequate knowledge, understandings and experiences on accounting or finance that can audit credibility of the financial statement as well as perform other duties as the Audit Committee.

- **The Executives**

The Company has a policy to select the persons who are knowledgeable, capable and have relevant experiences concerning with the Company's business. The selection process must comply with rules on human resources management and must have been approved from the Board of Directors or the person appointed by the Board of Directors.

The Nomination and Remuneration Committee shall consider and select a person who shall hold a position of the Chief Executive Officer and the President. The appointment of the Chief Executive Officer and the President are required to have an approval from the Board of Directors. The Chief Executive Officer and the President are assigned to appoint the qualified, capable and experienced persons concerning with the Company's business to be an employee in various levels. However, the appointment of a chief or person who is responsible for audit and internal control is required to have an approval from the Audit Committee first.

Directors and Executives Remuneration

A. Monetary remuneration

- **The Director**

In 2019, the directors' remuneration paid by the Company was as follows:

Name	Directors' Remuneration (Baht)
The monthly directors' remuneration for 2019	1,632,000
1. Assoc. Prof. Dr. Paiboon Sareewiwatthana	396,000
2. Mr. Kitt Jivacate*	60,000
3. Mr. Chatchaphol Prasopchoke*	60,000
4. Miss Nilrat Jarumanopas*	60,000
5. Assoc. Prof. Dr. Aekkachai Nittayagasetwat	396,000
6. Assoc. Prof. Dr. Paritud Bhandhubanyong	330,000
7. Miss Jeerapan Jinda	330,000
Bonus paid to Non-executive Directors for 2018	1,500,000
Total	3,132,000

Note: * This is remuneration from holding position of the executive committee solely at Baht 5,000 per month and the executive committee is not entitled to receive any remuneration for being the Company's director.

During the 2019 Annual General Meeting of Shareholders on April 9, 2019, the meeting has resolved to approve the monthly directors' remuneration for 2019 at the total amounting not exceeding Baht 1,700,000 (excluding bonus paid to non-executive director) as per the following details:

Position	Remuneration (Baht/Person/Month)
	2019
1) Chairman of the Board of Directors	33,000
2) Company's director	16,500
3) Chairman of the Audit Committee	16,500
4) Audit Committee	11,000
5) Executive committee	5,000
• Bonus of Non-executive Director	Bonus to Non-Executive Directors. This year it would be changed by proposing to the shareholder meeting after announcing of business performance of fiscal year. Therefore, bonus to Non-Executive Directors for 2019 would be proposed in the 2020

Payment conditions

- The Committees who are entitled to the remuneration are the Board of Directors, the Executive Committee and the Audit Committee only.
- Each director can hold the director position in any other specific committees and is entitled to receive a director's remuneration in accordance with the position he/she holds.
- The Company's director shall receive the monetary remuneration at Baht 16,500 per month and the executive director shall receive the monetary remuneration at Baht 5,000 per month. However, in case the executive director is also a member of the Board of Directors and/or a member of any other specific committee, such executive director shall not be entitled to the remuneration as the committee member of the Board of Directors and/or as the member of any specific committee. He/she shall be entitled to the remuneration in the part of the executive director only.
- The Board of Directors and the specific committee shall be entitled to receive the director's remuneration from the Company as gratuity, meeting allowance, pension, bonus or any benefits pursuant to the regulations or as per considered by the shareholders' meeting. Such remuneration may be as per an exact amount or as per defined criteria and shall be specified occasionally or it shall be in effect until further change. Moreover, they shall also earn the allowances and fringe benefits pursuant to the Company's regulations without having any impact to rights of the officers and employees of the Company who have been elected as the committee with regards to remuneration as the committee and benefits as the officer or employee of the Company. Besides, such remuneration payment shall not against or contradict to qualifications of the Independent Director which has been specified in the laws governing securities and exchange.
- All non-executive directors of the Company are entitled to bonus. In case the Company deems appropriated, the Company may consider on payment of bonus to all non-executive directors. The Board of Directors shall decide when the bonus shall be made as well as details on bonus payment, for instance paying bonus to all non-executive directors who still hold the position. In case term of office of any non-executive directors is less than one year, bonus payment may be made proportionately to term of office of such non-executive directors.

- The Executives**

In 2019, the Company has paid the remuneration to the executives as follows:

Remuneration	2018		2019	
	No. of Person	Remuneration (Million Baht)	No. of Person	Remuneration (Million Baht)
1. Salary, bonus and other remunerations, i.e. commission, vehicle cost and contribution to social security fund	5	22.04	5	27.41
2. Contribution to provident fund	5	0.73	5	0.79
Total	5	22.77	5	28.20

B Other remuneration

The Company's Board of Directors received other remuneration as follows:

Type	Premium/Year	Coverage Amount
Health Insurance	24,362	OPD 2,000 / Day
Life Insurance	2,080	800,000
Accident Insurance	1,008	800,000

Corporate Governance

The Company realizes and puts emphasis on implementation of management system which is effective, transparent and accountability to enhance confidence of all parties concerned and for sustainable growth of business by performing the works ethically and complying with all relevant laws. Hence the Company has defined corporate governance policy to elevate the existing operations, so that they can have clearly and systematically standards. Such policy has been put into practice and must be observed by the Company's employees at all levels to strengthen the truly corporate governance culture. There is also policy or operation to maintain fundamental rights of the shareholders that they should be fairly obtained pursuant to the laws or more than that for maximum profit of the Company, the shareholders and the stakeholders in the long run and on sustainable basis. In addition, the Company has publicized the corporate governance policy in its website and also makes available to the directors, the executives and all employees for their acknowledgement and realization on importance of corporate governance on promotion of sustainable growth of the Company.

Since 2014, the Thai Institute of Directors (IOD) has adjusted survey guidelines and criteria where each category has been changed to make it conform to ASEAN CG Scorecard. In 2019, the Company's average score on corporate governance performance was 94 percent ("Excellent") which was higher than average score of overall listed companies which was at 82 percent. The essence of corporate governance performance can be summarized as follows:

1. The Rights of Shareholder

The Company recognizes and emphasizes the importance of the fundamental rights of the shareholder, as an investor in the securities and as owner of the Company, i.e. right to receive the warrants issued by the Company, right to buy, sell, transfer shares in their possession, right to share in profits of the Company, right to have adequate access to the Company's information, right in the shareholders' meeting, right to express opinions and to jointly make decision on significant matter of the Company, i.e. allocation of dividend, election or removal of the directors, appointment of an auditor, approval of the significant transaction which has impact to direction of the Company's business operations, amendment of the Company's affidavit, certificate of incorporation, articles of associations and etc. The Company also encourages all members of the Board of Directors, the executives and the auditor to participate in the shareholders' meeting. In addition, the Company also facilitated and encouraged the shareholders and the institutional investors to attend the shareholders' meeting by assigning the Investor Relations officers to compile proxies and any issue in the meeting agenda in case the meeting agenda has been proposed in advance. In 2019, the Company arranged the 2019 Annual General Meeting of Shareholders on April 9, 2019 at the Meeting Room on the 25th Floor of TP&T Tower so that the shareholders and the institutional investors can attend the meeting conveniently as such meeting date has not been arranged on national holiday or public holiday. The Company has complied with corporate governance principles as follows:

- **Invitation to the Shareholders' Meeting in Advance**

During the Meeting of the Company's Board of Directors No. 2/2019 on February 28, 2019, the meeting resolved to arrange the 2019 Annual General Meeting of Shareholders on April 9, 2019. The Company has disclosed the meeting resolution, meeting date, agenda and informed other information via Elcid system of the Stock Exchange of Thailand on the same day, which was February 28, 2018, for the shareholders' acknowledgment in advance. After that, the meeting invitation has been sent to Thailand Securities Depository Co., Ltd., the Company's securities registrar, to further sent to the shareholders at least 7 days in advance before the shareholders' meeting. The Company also advertised it in the newspaper for 3 consecutive days which was March 26-28, 2019, so that the shareholders can have adequate time to study and prepare themselves before attending the meeting. Furthermore, the Company also posted the meeting invitation including a complete supporting document as well as opinions of the Board of Directors for each agenda, in both languages, Thai and English, on the Company's website on March 4, 2019, which was not less than 30 days before the meeting date. The shareholders and the investors have also been informed of such disclosure via the SET's Elcid system as well.

- **On the Shareholders' Meeting Date**

During the 2019 Annual General Meeting of Shareholders, all 7 members of the Board of Directors, including the auditor and the Company's legal advisor have attended the meeting. Before the meeting commenced, the chairman of the meeting introduced the directors, the auditor and the Company's legal advisor to the shareholders and assigned the legal advisor to explain to the shareholders on how ballots are cast and counted including how to vote for the agenda on election of the director to replace the director who is retired on rotation which must be voted one person at a time. The shareholders or the proxy have also been invited to jointly participate and examine the vote counting during the meeting. During 2019 Annual General Meeting of Shareholder, the Company asked for one volunteer to help count the votes. However, no shareholder or proxy volunteered to do the task, so Mr. Somyod Suteerapornchai, the legal advisor, and Ms. Somjintana Pholhirunrat, the auditor, were assigned for examining the vote counting during the meeting.

The meeting has been conducted in accordance with sequence of the agenda listed in the invitation to the meeting and no agenda which has not been specified in the meeting invitation has been added. Information has been provided according to the agenda and the shareholders including the proxy were encouraged to express opinion, suggestion or enquiry. The time provided for consideration of each agenda was reasonable and adequately. The Chairman and the executives have answered any enquiry clearly, precisely and pay attention to all questions before requesting the meeting to vote in each agenda. The policy on remuneration and method on prescribing remuneration of the directors has been presented to the shareholders. The shareholder must have an opportunity to exercise the right to vote on election of the director individually, so that the director who has the most appropriated qualification will be selected. For agenda on selection of director, the shareholders shall put their voting cards in the box to be kept as evidence.

In case any shareholder is unable to attend the meeting by himself/herself, the Company shall allow such shareholder to proxy any independent director or any person to attend on his/her behalf, by using one of proxy forms attached with the meeting invitation to the shareholders' meeting. During 2019 Annual General Meeting of Shareholders, there were 71 shareholders attended the meeting by themselves with total shares of 464,989,829 shares and 52 proxies with total shares of 35,815,387 shares. Therefore, there were 123 people presented in the meeting with total shares of 500,805,216 shares, or accounting for 75.0152 percent of total 667,605,301 issued shares, which constituted the quorum pursuant to the law and pursuant to the Company's articles of association.

- **After the Shareholders' Meeting**

During every meeting, a minute of meeting must be taken and important enquiries and suggestions must be recorded therein accurately and completely as well as voting results in each agenda, i.e. approved, disapproved, abstained and invalid ballot. The resolution of the minute must be publicized via the Elcid system of the SET on the next working day after the meeting date, of which for this year, it was on April 10, 2019. The minute of meeting has been sent to the Stock Exchange of Thailand, the Office of Securities and Exchange Commission, the registrar of the public limited company, Department of Business Development, Ministry of Commerce on April 23, 2019 which was within the specified timeframe of 14 days. In addition, the minute of meeting of 2019 Annual General Meeting of Shareholders, both in Thai and English, including video and audio of such shareholders' meeting have also been posted on the Company's website.

2. The Equitable Treatment of Shareholders

The Company treats all shareholders equally, regardless of gender, age, race, nationality, religion as follows:

- **Propose meeting agenda and nominate a candidate for the director position**

The Company has an equitable treatment policy for all shareholders, particularly the minority shareholders by allowing the minority shareholder, individually or collectively, who hold minimum shares not less than 200,000 shares for at least 6 consecutive months to propose any meeting agenda for the shareholders' meeting as well as to nominate a suitable candidate for the director position, together with the detailed information for consideration and/or qualifications and consent of the candidate who shall be nominated in advance of the shareholders' meeting. The Company by the Nomination and

Remuneration Committee shall screen the agenda which are truly beneficial and shall select the candidate with properly qualifications before proposing to the Board of Directors for consideration, then specify in the meeting agenda.

On September 17, 2018, the Company has invited the shareholders to propose agenda and nominate the candidate for director position in advance for the Annual General Meeting of Shareholders via the SET's Elcid system including the Company's website, under topic of "Investment Relations". Criteria and method for such proposal and nomination have also been specified. The period for such proposal and nomination was from September 17, 2018 to December 31, 2018 before the Nomination and Remuneration Committee arranges the meeting to select the one third of directors who shall be retired on rotation and before the Board of Director holds a meeting to consider the agenda for the Annual General Meeting of Shareholders. However, no agenda has been submitted for the Company's consideration and the Corporate Secretary has reported to the meeting of the Board of Directors for their acknowledgement already.

- **Facilitate the shareholders during the shareholders' meeting**

The Company has arranged the shareholders' meeting at the Company's headquarter which can be conveniently reached via buses or personal cars as there were adequate parking areas. The Company also provided adequate staff to facilitate the shareholders and the proxy who attended the meeting. The registration shall be opened 2 hours in advance before the meeting and it has been expanded to the period before the consideration of the last agenda. Barcode system has been used for registration process for conveniently, speedily and precisely purposes. Furthermore, duty stamps have also been provided for the shareholders' proxies, free-of-charge.

All shareholders shall have equitable right. Before each meeting, the chairman or the assigned person shall clearly explain how ballots are cast and counted and shall provide reasonable time to all shareholders to express their opinions, suggestions and inquiries in each agenda. The chairman shall conduct the meeting in accordance with sequence of the agenda. The Company does not have a policy to add agenda without notifying the shareholders in advance, so that all shareholders shall have time to study agenda before they make any decision.

- **Usage of inside information and undertaking of related transaction**

The Company employs a strict policy on usage of inside information to prevent any abusive self-dealing for the sake of fairness of all stakeholders. The Company has prescribed the policy and the written guidelines on maintaining the Company's inside information and guidelines to prevent exploitation of such information for personal gain. The Company also specifies that the directors, the executives and all employees shall not purchase or sell the Company's shares by using confidential and/or inside information and/or enter into any legal acts by using the Company's confidential and/or inside information, which may cause damages, either directly or indirectly, to the Company. Additionally, the directors, the executives and the employees who work in the unit that can access to inside information shall not use such information before it has been disclosed to the public. Any persons who can access to inside information including their spouses, children under legal age, are prohibited to purchase or sell the Company's shares, directly or indirectly (such as the nominee via the personal fund) within 1 month before disclosure of quarterly and annually financial statement and at least 3 days after disclosure of such information.

The Company provided information to the directors and the executives on their obligations to report their securities holding of the Company and penalty clauses pursuant to the Securities and Exchange Act B.E. 2535 and the regulations of the Stock Exchange of Thailand. In case the directors or the executives purchased or sold the Company's securities, such directors or the executives are required to notify the Corporate Secretary at least 1 day in advance and file a report on their holdings of the Company's securities, including of their spouses and children under legal age pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 every time they buy or sell such securities within 3 days to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand and the Company's Board of Directors for acknowledgement and further dissemination to the public. The summary of change in securities holding of directors and executives in 2019 is as follows:

No.	Director/Executive	Position	Number of Shares Held		
			Dec. 1, 2019	Dec. 31, 2019	Increase (Decrease)
1.	Assoc. Prof. Dr. Paiboon Sareewiwatthana	Chairman	-	-	-
	Spouse		1,620,505	1,620,505	-
	Child under legal age		-	-	-
2.	Mr. Kitti Jivacate	Director/Executive	322,871,363	323,267,663	396,300
	Spouse and child under legal age		-	-	-
3.	Mr. Chatchaphol Prasopchoke	Director/Executive	4,455,542	4,545,642	90,100
	Spouse and child under legal age		-	-	-
4.	Ms. Nilrat Jarumanopas	Director/Executive	30,393,901	30,514,601	120,700
	Spouse and child under legal age		-	-	-
5.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Independent Director	-	-	-
	Spouse and child under legal age		-	-	-
6.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Independent Director	-	-	-
	Spouse and child under legal age		-	-	-
7.	Ms. Jeerapan Jinda	Independent Director	-	-	-
	Spouse and child under legal age		-	-	-
8.	Ms. Preeyaporn Thanaratset	Executive	92,201	92,201	-
	Spouse and child under legal age		-	-	-
9.	Mr. Chaiyot Chunwijitra	Executive	-	-	-
	Spouse and child under legal age		-	-	-

Moreover, the Company established the disciplinary penalty against the employees who exploit usage of or disclose inside information which, if released prematurely, would cause damage to the Company. Various penalties have been imposed, such as verbal warning, written warning, probation and termination of employment, by firing or discharging, as the case may be.

The Company also adheres to the equitable treatment of shareholders and prescribes the transparent and auditable management policy and guidelines on conflict of interests, especially in consideration on transaction between the Company and the interest person or the related persons. In case of such incident, such interest person shall report to the Company immediately and shall not participate in consideration or voting in such matter. The Company also stipulates the guidelines to prevent the director or the executive who has an interest in transaction from participating in decision making process. During the vote session at the Board of Directors, any director with such interests shall not be entitled to vote. In addition, the Company considered about type of related transaction or connected transaction and value of transaction by referring to Notification of the Capital Market Supervisory Board No. TorJor 21/2551 Re: Rules on Entering into Connected Transaction and strictly disclosed to the Stock Exchange of Thailand, requested for approval from the Board of Directors or requested for approval from the shareholders, as the case may be. Related transaction or connected transaction has been disclosed in the Annual Report under Section "Person with Mutual Interests and Related Transaction". Such related transaction has been performed pursuant to fair and at arm's length basis, and necessity including reason for such transaction must also be specified.

3. The Role of Stakeholders

The Company recognizes the rights of all stakeholders, including the internal stakeholders (i.e. the shareholders, the executives and the employees of the Company) and the external stakeholders (i.e. the creditors, the customers, the business partners, the competitors, the government sector, the societies and the communities). The Company realizes that the supports and opinions from all stakeholders shall be beneficial to the business operations of the Company. Therefore, the Company shall comply with the laws and the related regulations to ensure that the rights of those stakeholders are under good care. In addition, during the course of business operation, the Company has taken into consideration the rights of all stakeholders pursuant to the following policy and guidelines:

Shareholders

To treat all shareholders equally, maintain their benefits and not perform any action which may violate or lessen their rights; to strongly commit to increase maximum satisfaction to the shareholders by taking into consideration the sustainable growth of the Company; to increase value added and appropriate returns on continued basis as well as to adhere to good corporate governance.

Employee

- On treatment of employees: The employees shall be treated equally and fairly, with regards to opportunity, compensation, fringe benefits, i.e. provident fund, life insurance, health and accident insurance, employee's loan welfare, welfare for employee's children scholarship and potential development. All employees are regarded as valuable resources and key factor to drive the organization to achievement.
- On consideration of annual compensation and allocation of welfare to employees: Consideration is made by referring to the Company's operating results and compensation of the companies in same group of industry, so that determination of compensation and welfare shall be fair and in the same direction for both the Company and its subsidiaries, both for short-term and long-term. Remuneration rates have been reviewed to ensure that they are in appropriated level and competitive with companies in the same industry. In addition, the employees' performance shall be evaluated pursuant to Pay for Performance system where performance of all employees shall be assessed into 2 aspects, i.e. performance achievement based on KPI and potential based on competency assessment. The Company also encouraged for the growth of employees' career pursuant to career path, and the employees shall have opportunity to transfer to other position or to be assigned to take responsibilities pursuant to their knowledge at the Company's newly expanded business. In case there is a vacant position, the existing employees will be informed for applying for such position first. In addition, welfares provided by the Company are also better than those required by the laws, such as provident fund, medical welfares and etc.
- On organizational development with aim to become the learning organization: This can be done by enhancement of corporate culture and working atmosphere, team work, capabilities of the employees and ensure that they have securities in their careers and confidence in their quality of life and safety at work. The Company shall listen to opinions, recommendation and complaint from the employees at all levels equally and fairly.
- On arrangement of various activities to encourage participation among the employees: These efforts included provision of annual medical check-up services and vaccination against influenza to the employees of the Company and its subsidiaries every year. The employees' family members can also enjoy special benefit on annual medical check-up service at the hospital equivalent to the benefit obtained by the employees.

Customer

To determine to create satisfaction and confidence to customers; take good care and be responsible for customers. Customers shall receive good, qualified and safely products/services at the appropriated prices and pursuant to the prescribed standards. The Company shall strictly comply with the conditions and agreements made with customers. The Company shall develop itself to increase standards of products and services continually and shall maintain good and sustainable relationships with the customers as well as shall not exploit the customers' information for the benefits of its

own or of the related persons. In 2019, scores obtained from customers' satisfaction assessment were 89.95 percent, which was regarded as good level.

Business partners and creditors

To take into consideration the equality, fairness and integrity while conducting business. To have business ethics and maintain mutual benefits with the business partners and the creditors by strictly observing laws and rules jointly specified. To not request for, receive or pay any fraudulent benefits while dealing business with the business partners. To strictly comply with conditions and treat the creditors fairly as well make repayment in timely manner, maintain warranty securities and other conditions under the agreement fully and correctly and pursuant to good corporate governance principles. The creditors and the business partners shall be reported in advance if the obligations in the contracts cannot be met and corrective measures shall be jointly discussed.

- Business partner shall be selected based on the following criteria:
 - Compliance with the law, possess social ethical standards and put emphasis and consideration on human rights, society and environment.
 - Having good business operation condition with stable financial status, verifiable workplace and good tracking records. Such company must not have any restriction for trading due to corruption or fraudulent act or is listed as work abandoner or in blacklist of the public and private sectors.
 - Provision of satisfied works, with regards to quality, prices, delivery schedule and services.
 - Ability to deliver products constantly and respond to the changes with flexibility.

Competitors

To treat the business competitors pursuant to the international practices under the laws on trade competition principles and shall adhere to good and equally competition rules. To not obstruct any business competitors, do not damage reputations of the business competitors by accusing, mudslinging and attacking ungrounded or perform any actions which are unfair to the competition.

Public sector:

To emphasize transparency and integrity while performing any transactions with the officials or the government agencies in order to avoid any improper actions and against best management practices as well to oppose the offer of a bribe to the government officials to facilitate or for benefits of the Company.

Communities, societies and environment

The Company has the policy to conduct the business with community, social and environmental responsibilities with regards to safety, quality of life and natural conservation; to promote effective use of energy; to realize the quality of life of the community and society as well as to assure that all of operations or decisions made or all products and business undertakings of the Company are performed appropriately and complied with the laws, rules, regulations and standards and they do not have any impact to the environment, community, society as well as all stakeholders. The Company also encourages its employees to have consciousness and responsibility to the surrounding communities, society and environment and to provide coordination with the activities arranged by the communities that the Company have business with, as appropriated.

The Company determines to conduct many social and environmental responsibility projects in order to be a part in developing community and society as well as realizes about the social responsibility or the impacts which may incur to all stakeholders for sustainable business operation in the future. Moreover, the Company also established the social responsibility policy by focusing on conducting business with social and environmental responsibility including supporting the social, community and environmental activities on continued basis. The Company emphasized on significance of fundamental human rights, respect of right and freedom without discrimination and non-infringement of intellectual property

or copyright including anti all kinds of corruption. There is also a quality policy which places importance on procurement of good and quality products, delivery of goods correctly and on timely manner. Additionally, the personnel must be developed to increase the competitive edge and efficiency. The employees shall strictly uphold to these principles for work efficiency and effectiveness. For more details on activities performed with the stakeholders and social responsibility in 2019, please see “2019 Sustainability Report”, which shall form an integral part of this annual report.

Policy and practices on non-infringement of intellectual property

The Company respects and complies with the law on intellectual property and establishes a policy forbidding all operations which has nature of infringement of intellectual property in all respects in the code of conduct and the employee's ethics for the employees' acknowledgement and strictly compliance. Details on such practices are as follows:

- All employees must respect right of the intellectual property's owners. Information technology and communication shall be prudently and carefully used pursuant to the legal and Company's requirements.
- Before using the third party's works or information obtained in the Company, they must be inspected to ensure that such works or information obtained does not infringe other person's intellectual property.
- Upon termination of employment, all intellectual properties including works in all forms and format must be returned to the Company.

Policy on human rights

The Company recognizes and puts emphasis on human right principles. Hence, policy on human rights has been stipulated to make the Board of Directors, the executives and the employees well aware of its importance and respect human rights of all people in all aspects, as well as the society and communities in each area, which shall include:

- To equally treat people pursuant to human rights principle, without any discrimination.
- To avoid any act which violates human rights.
- To support and promote human rights.
- To communicate, disseminate, provide knowledge and understanding; formulate guidelines; oversee and support persons relevant to business operations throughout the business value chain, the goods and service provider, the contractor including the business partners, so that they can take part in operating business uprightly with respect to human rights and treat people pursuant to the human rights principles.

Anti-Corruption

The Company has specified the anti-corruption policy and set up measures to prevent and handle corruption which might occur or has occurred in the Company by taking into consideration moral principle, mercy, righteousness and principles of law. In addition, the Company has announced and implemented the “Anti-corruption Policy”, so as to make the directors, the executives and the employees at all levels realize the importance of business operations with morality, transparency and accountability as well as to prevent all activities of the Company and its subsidiaries from corruption. The Company also provided the channels for the stakeholders and the investors to notify, suggest, file a complaint or clue with regard to illegal act, correctness of financial statement, defective internal control system or any act which is against the ethics principles to the Board of Directors via the following channels:

- | | |
|--|---|
| • Chairman of the Audit Committee | Email: chairman_auditcom@uac.co.th
Letter : No. 1, TP & T Tower, 19th floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-district, Chatuchak District, Bangkok 10900 |
| • Corporate Secretary | Email: sajaporn@uac.co.th
Tel. No.: 0 2936 1701 Ext. 118 |
| • Company's Website | Click at icon: Send email to Chairman of the Audit Committee. |

Details of the person who notifies such information (the whistle blower or the informant) or the clues shall be kept confidential to protect the right of such informant including the person who cooperates in fact finding. There are protection measures in place to make the whistle blower or the information including the person who cooperates for fact-finding confident that they will not be impacted from such complaint or from notifying such clue. The Company has communicated the “Anti-Corruption Policy” and “Fraud Protection Policy” to all employees during orientation session and also publicized via the Company’s bulletin board, Data Center as well as on the Company’s website for acknowledgement and strictly compliance by the directors, the executives and the employees.

Anti-corruption Policy: http://uac-th.listedcompany.com/misc/cg/anti_corruption_th.pdf

Fraud Protection Policy: http://uac-th.listedcompany.com/misc/cg/fraud_protection_policy.pdf

The Company has applied to be a member of Partnership Against Corruption for Thailand (PACT Network) arranged by Thai Pat Institute with supports from the Office of Securities and Exchange Commission (SEC). The Company’s representatives also attended the “2019 Anti-Corruption Day”, under the concept of “Unite force and volunteer to fight against fraud” which has been jointly arranged by the Anti-Corruption Organization of Thailand (ACT) and both public and private network members on Friday 6th September 2019 at Bhiraj Hall 1-3, Bangkok International Trade & Exhibition Centre (BITEC).

The Company has specified guidelines on monitoring and assessment on compliance with the fraud protection policy and anti-corruption policy, where the Internal Audit Unit will inspect the internal control system, assess risks including corporate governance and will provide suggestions on continued basis. The Internal Audit Unit shall determine an annual audit plan which must be approved by the Audit Committee and shall report the inspection results including recommendations to the Audit Committee every quarter. If, after the investigation of the complaint or the facts from investigation, it is found that there is reasonable evidence that it should be believed there is any transaction or action which may be regarded as malpractice or corruption, the Audit Committee shall report to the Company’s Board of Directors to inform the improvement/correction measures within the period of time the Audit Committee deems appropriated. During 2019, the Company did not receive any clue or complaint from the internal or external stakeholders at all and this information has already been reported to the Board of Directors and the Audit Committee during the meeting held on February 26, 2020.

4. Disclosure of Information and Transparency

The Board of Directors puts emphasis on disclosure of accurate, timely and transparent information, financial report and general information pursuant to the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as other material information which shall impact the prices of the Company’s securities, decision-making procedures of the investors and the stakeholders of the Company. The Company has disclosed its information technology to the shareholders, the investors and the public through the channels and public media of the Stock Exchange of Thailand and on the Company’s website for the sake of fairness and credibility.

The Company has specified the policy that the directors and the executives must report about their conflict of interests in the form provided every year and every time there is any change (if any) of the interest. The corporate secretary shall present such report to the Chairman of the Board and the Chairman of the Audit Committee for acknowledgement.

With regards to the Investor Relations, the Company has established the Investor Relations Unit to facilitate the investors and the stakeholders on an access to the Company’s information. However, since there are only small numbers of such activities, therefore the Chief Executive Officer and/or the President was assigned to contact, communicate with the relevant institutional investors, the shareholders, as well as the analysts and the other related organizations. Other channels to contact with or enquire any information of the Company are via the Company’s website (www.uac.co.th) or contact the corporate secretary at tel. no. +66 2936 1700 Ext. 118 and Email Address: sajjaporn@uac.co.th or ir@uac.co.th.

In 2019, the Company has publicized information to the analysts, the investors, the shareholders, and the press in various channels as follows:

1. Participate in 'Opportunity Day' Event arranged by the Stock Exchange of Thailand for the performance of the 1st Quarter of 2019.
2. Mr. Kittti Jivacate, the Chief Executive Officer and Mr. Chatchaphol Prasopchoke, the President, gave interview to the television programs and mass media to provide information on nature of business, performance and business operation policy of the Company, such as:
 - Give interviews via television and radio, i.e. Thun Hoon News Agency, Info Quest News Agency, Money Daily Program and Money FM 97 Program;
 - Be lecturer for special seminars, such as Than Settakit Newspaper and Young Thailand Energy Academy Club;
 - Give interviews to the newspaper, i.e. Siam Turakij Newspaper;
 - Give interview to the press of Energy and Stock Desks.
3. Publicize information and analysis review of UAC securities issued in 2019 on the Company's website under topic of "Investor Relations". Present information and video about 'Opportunity Day', '2019 Annual General Meeting of Shareholders' including Quarterly Company Snapshot on the Company's website.

The Board of Directors shall be responsible for the Company's financial statement, and the financial information as presented in the annual report. Such financial report shall be prepared pursuant to the generally accepted accounting principles of Thailand by selecting and constantly adhering to proper accounting policies. The information in the financial statement must be adequately and accurately disclosed. The Audit Committee shall review quality of the financial report and the internal control systems including disclose the material information adequately in the notes to financial statements then report to the Board of Directors for acknowledgement.

The Company has engaged EY Office Company Limited as the auditor of the Company and its subsidiaries for fiscal year of 2019. EY Office Co., Ltd. and for the first year because currently the Company and its subsidiaries have expanded businesses and conducted the feasibility study on investments in CLMV. Such audit company possesses extensive qualifications and experiences on transactions in foreign countries and it does not have any interest with the Company, its subsidiaries, executives, major shareholders or the related persons of the aforementioned parties. It has independency and recognized qualifications as well as approval from the Office of the Securities and Exchange Commission. The Company's financial statement always have unqualified opinion from the auditor. The Company did not have any track record for being ordered to amend the financial statement by the Office of the Securities and Exchange Commission and it did not have any record for late submission of both quarterly and annual financial statement.

5. Responsibilities of the Board of Directors

• Structure of the Board of Directors

The Board of Directors consists of the knowledgeable and experienced members in diverse fields useful for Company's business without any discrimination against age, gender and educational background and does not possess the prohibited characteristics pursuant to the law on public limited companies. The Board has important role in setting up policies and overall image of the organization, including supervising, auditing and evaluating performance of the Company against the given plans to ensure that they are in line with the laws, regulations, and resolutions of the shareholders' meeting with honesty, ethics and under code of conduct. It shall supervise the management tasks of the executives to ensure that they are as per the specified targets and guidelines for the maximum benefits to the Company and the shareholders. The Company has the policy on restriction on holding of director position where each director can hold director position not more than 5 listed companies, so that the Company can gain maximum benefits from each director because he/she can

devote his/her time to perform duty effectively and efficiently. The Chief Executive Officer and the President shall report to the Board of Directors in case they hold director position in other company, except in the case where they have been assigned to hold such position by the Company.

The structure of the Company's Board of Directors is that more than one third of total members of the Board of Directors are the Independent Directors to act as balance of power on casting vote while considering various matters and the Audit Committee shall comprise of 3 Independent Directors. The Company has a policy that term of office of the Independent Director shall not be more than 3 terms, 3 years each. The Board of Directors may consider on renewal of term of office of the Independent Director if there are reasonable cause and beneficial to the Company and the shareholders.

At present, the Board of Directors consists of 7 members, 4 of them are non-executive directors who are qualified to be Independent Directors (3 of them are Independent Directors and members of the Audit Committee) and 3 executive directors who are the Chief Executive Officer, the President and the Chief Financial Officer. The number of the Company's Independent Directors is compliance with the criteria specified by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand which specified that it must not less than one thirds of total number of directors.

The Company's articles of association specified that during every annual general meeting, one-third of directors shall retire. If the number of directors is not a multiple of three, then the number of directors closest to one-third shall retire. The directors who shall retire in the first year and the second year after the registration of the Company shall be selected by drawing lot, and for subsequently years, the longest serving directors shall be retired. A retired director may be re-appointed.

The Board of Directors has appointed various Committees, namely the Executive Committee, the Audit Committee, the Nomination and Remuneration, the Risk Management Committee and the Corporate Governance Committee to conduct specific matters and propose them to the Board of Directors for consideration or acknowledgement. Such Committees shall have the rights and duties as per specified in their scope of duty and responsibilities. Furthermore, the Company has a policy to assess performance and review operations of the Committees every year.

The Board of Directors has a policy that the Chairman of the Board and the Chief Executive Officer must not be the same person for clarity on responsibilities between specifying supervisory policy and routine management. Roles and responsibilities of the Board of Directors and that of the executives are clearly defined and segregated with balance of power. The Board of Directors has duty to formulate the policy and oversee the operations of the executives at policy level, while the executives perform their duties in various aspects pursuant to the specified policy.

The Board of Directors has appointed Miss Sajjaporn Rammayaprayoon as the Corporate Secretary on May 3, 2012 who shall have duties and responsibilities as per specified by the Securities and Exchange Act B.E. 2535. The Corporate Secretary shall be responsible for providing advice on laws and regulations that the Board of Directors and the executives must be well aware, supervising the Board's activities, arranging the Board's meeting and shareholders' meeting of the Company, recording a minute of meeting of the Board's meeting and the shareholders' meeting, monitoring and coordinating on compliance with the Board's resolutions as well as preparing and keeping important documents of the Company, such as a register of directors, a notice calling the director meeting, a minute of meeting of the Board of Directors and an annual report of the Company, a meeting invitation to the shareholders' meeting and a minute of shareholders' meeting; keeping a report on interest filed by a director or an executive and performing any other tasks as specified in the Securities and Exchange Act.

- **Roles, Duties and Responsibilities of the Board of Directors**

The Board of Directors has duties to consider and provide opinions on important matters concerning business operations of the Company, such as vision and mission, strategies, risks, action plan and budget as well as to monitor performance of the executives to ensure their efficiency and effectiveness on compliance with the specified policies and action plan. The vision, missions, strategies, objective, business operation direction including important policies of the Company must be reviewed and considered every year or when nature of business has significantly changed. In 2019, The

Board of Directors has considered and reviewed vision, missions and strategies and resolved that it's still appropriate and consistent with business operation for 1-4 years (2017-2020). However, The Board of Directors will regularly consider and review strategies to accommodate changes in government policy and economic situation, both domestic and international, to enhance the business expansion continuously and sustainably.

The Board of Directors also monitored, supervised and implemented the specified strategies and the management has to present the operating results by comparing with the specified targets to the Board of Directors' meeting every quarter. Such information will be used for closely monitoring the operating results of the management and to ensure that they shall be as per the specified strategy.

- **Segregation of Duties between the Board of Directors and the Management**

The Board of Directors has segregated power, duties and responsibilities on establishing supervisory policies and routine management clearly. The Chairman of the Board of Directors, the Chief Executive Officer and the President are appointed by the Board of Directors. The Chairman of the Board who must not be the same person as the Chief Executive Officer shall take the lead and have key roles in making decision concerning the Company's policies as a result of the meetings of the Board of Directors under business objectives jointly considered and established by the Board and the executives. During each meeting, all directors are encouraged to actively participate as well as express their opinions independently. The Chairman shall also act as a chairman of the shareholders' meeting of the Company. However, the Chairman shall not engage in routine tasks but shall support and give advice on business operations to the executives through the Chief Executive Officer constantly. The Chief Executive Officer shall be responsible for business management under the power authorized by the Board of Directors. Details of the power, duties and responsibilities of the Board of Directors have already been specified in the "Management Structure."

The Chief Executive Officer and the President shall be responsible for management of the Company within the scope of authority assigned by the Board of Directors, the Company's article of association, resolution of the shareholders' meeting, resolution of meeting of the Board of Directors' meeting or the Committees' meetings. In addition, they can give order or perform any works necessary and appropriated to make the operation successfully achieve and also have power to approve for placement, appointment, transfer, removal as well as determine compensation and welfare of the employees, provided that, they shall not be contrary with the assigned authority or resolution of the Board of Directors.

- **Policy on Corporate Governance**

The Company has prepared the written corporate governance policy and such policy has been approved by the Board of Directors' meeting No. 1/2010 on May 6, 2010 and later has approved the amendment of the corporate governance policy during the Meeting of the Board of Directors No. 1/2014 on February 21, 2014. The Board of Directors assigned the Corporate Governance Committee to regularly review and monitor on compliance with such policy and present to the Board of Directors for acknowledgment. The Company has communicated with everyone in the organization about the correct and mutual understandings about ethical standards for business dealings and encouraged everyone to comply with such specified policy.

Practices pursuant to corporate governance principle that the Company has not yet complied are as follows:

Not Yet Complied	Reason
1. The Chairman of the Board is an independent director.	Segregation of duties between the Board of Directors and the top executives has been clearly specified. The Chairman of the Board of Director is not the same person of the Chief Executive Officer and the Chairman of the Board will not participate in daily management tasks, so there is a balance of power between the corporate governance and the management.
2. More than 66% of the members of the Board of Directors must be non-executive directors.	
3. More than 50% of the members of the Board of Directors must be the independent directors.	

Not Yet Complied	Reason
4. The Board of Directors has a policy to limit the number of years that the independent director can hold office to not more than 9 years.	Even though it is specified that the term of the independent director shall be not more than 3 periods or 9 years, but the Board of Directors may consider to extend the term of office of the independent director if there is a reasonable cause and it will be beneficial to the Company and the shareholders. The reasons are that the Board believes that the independent director who holds office more than 9 years can understand nature of business operations of the Company and still maintain independence on consideration, giving opinion or recommendation which will be beneficial to the Company because qualifications of the independent director specified by the Company are stricter than criteria specified by the SEC and the SET.

• Code of Conduct

The Board of Directors adheres to the equitable and fair business operations and specifies a written code of conduct and the employees' ethic to put into practice and disseminate to the directors, the executives and the employees as practical guidelines. Objectives are to express its intention to conduct business with transparently, ethically and responsibility to the stakeholders, by taking into consideration the societies and environment through the trainings and various communications within the organization. Such code of conducts shall reflect goodwill and practical guidelines to be observed by all employees. Ethical framework include respect and comply with laws, interests and conflicts of interests, use of inside information and maintenance of confidential information, internal control system and internal audit, receiving and giving of gifts, properties or other benefits, intellectual properties, information technology and communication, political rights and impartiality, employees treatment and responsibility to stakeholders.

The Company has announced and informed all employees for their acknowledgement and strictly compliance beginning from the orientation when they start to work as well as promoted on compliance with such guidelines continually. The internal audit unit shall regularly follow up their performance then report to the Audit Committee for its acknowledgement.

• Conflict of Interest

The Company's policy concerning the conflict of interest is based on principle that any decision making on business operations shall be based on maximum profits of the Company only and shall avoid any acts which may cause conflict of interest. The directors, the executives and the employees shall review and disclose the transactions with conflict of interest for the Company's acknowledgement, as well as to inform their relationship or connection with such transaction. During any consideration, person who is related to or connected with such transaction shall not participate in consideration process and shall not have power to authorize such transaction. Any undertaking to be conducted shall bear in mind about its suitability, prices and conditions, like conducting the transactions with the third party.

The Audit Committee shall propose the connected transactions and the transactions with conflict of interest to the Board of Directors for consideration and approval and they shall be carefully considered to ensure compliance with criteria of the Stock Exchange of Thailand as well as to disclose them in the annual report and annual information disclosure form (Form 56-1).

The members of the Board of Directors and the executive of the Company shall include their spouses and children under legal age. When there is a change in securities holding of the Company, they shall notify the Company and submit a report on a change of securities holding to the Office of the Securities and Exchange Commission under Clause 59 of the Securities and Exchange Act B.E. 2535 (A.D. 1992) within 3 working days after the date such shares have been purchased, sold, transferred or accepted transfer. In addition, the directors, the executives or the working units that can access to inside information are prohibited to disclose such information to the third party or other people who do not have

the related responsibilities. They are also prohibited to purchase or sale of securities of the Company within 1 months before disclosure of financial statement to the public and at least 3 days after disclosure of such information to prevent any wrongfully use of inside information.

- **Internal Control System**

The Board of Directors places importance on good corporate governance and internal control systems, both at management and operation level. Internal control system is a key mechanism to provide confidence to the executives to reduce business risks, support effective business operations by allocating properly resources to achieve the targeted objectives. It can prevent the assets from missing, losing or wrongfully exploiting. It can also make the annual report accurately and credibility, including can help the personnel to comply with related laws and regulations as well as to protect the shareholders' investments. As a result, the Company has defined a clearly written policy on duties, operational powers of the executives and the employees, on control usage of the Company's assets, including to appropriated segregate the operating person, the supervising person and the evaluating person for purpose of balance of power and cross checking.

The Board of Directors assigns the Audit Committee to audit the suitability and efficiency of the internal control systems established by the executives, relating to the operation, financial reporting, compliance with rules, regulations, policies and corporate governance principles including risk management. The Board of Directors also emphasizes on advance warning signs and irregular transactions. For this year, the Company has engaged EI Business Advisory Co., Ltd. (ELBA) which has capabilities and experiences on auditing internal control system to be the Company's internal auditor to audit and ensure that the Company has adequate and proper internal control systems. For full independency and balance of power, such internal auditor shall directly report to the Audit Committee. In addition, the Company has assigned Ms. Wongnapak Lertwanich (Manager of Internal Control Unit) to be a main coordinator with ELBA to provide information and monitor performance of internal control unit to ensure that it complied with suggestions made by ELBA, as well as to audit internal control system, apart from audit pursuant to work plan of ELBA, upon request by the Audit Committee or the management, as the case may be. The Company shall constantly follow up and evaluate adequacy and appropriateness of the internal control systems at least once a year to ensure effectiveness of the system.

- **Risk Management**

The Board of Directors puts emphasis on risk management and is responsible for defining overall risk management policy of the organization, assessing risk and managing them to be in acceptable level. The Board of Directors has appointed the Risk Management Committee to manage risks to ensure that risk management is effective and is compliance with the specified policies. Overall principles are that there shall be the measures to tackle any risks that might prevent achievement of the planned business operations and the Company must have measures for managing those risks by arranging internal control system and risk management system in place as well as disclose it to encourage and stimulate everybody to build up working culture that realizes importance of risks and understanding of their causes then corrects them, for instance the improvement of the working procedures, usage of the resources properly as well as usage of tools to prevent or mitigate any possible risks. The abovementioned systematic operations can provide new business opportunities which can add value to the organization. The Company disclosed "the Corporate Risk Management Policy" in the Company's website for the directors', executives' and employees' acknowledgement. In addition, relevant trainings have been provided to employees to cultivate sense of responsibility on operations with corporate risk management and it will be part of the corporate culture which will lead to sustainability.

Corporate Risk Management Policy: <http://uac-th.listedcompany.com/misc/risk/20160704-risk-management-policy-th.pdf>

- **Report of the Board of Directors**

The Board of Directors is responsible for the financial statements of the Company and assigns the Audit Committee to audit and prepare the financial report in accordance with the generally accepted accounting principles. The Company's important information must be adequately and transparently disclosed. The Accounting Department and/or the auditor shall attend the joint meeting and present the financial report to the Board of Director every quarter. The Board of Directors is

responsible for the Company's financial information including the financial information system (Report on Responsibilities of the Board of Directors to the Financial Report) as presented in the annual report. Such financial statement has been prepared pursuant to the generally accepted accounting standards and has been audited by EY Office Co., Ltd. the Company's auditor. Disclosure of important information system including the financial and non-financial information shall be based on complete facts and on regularly basis.

- **Self-assessment of the Board of Directors**

The Board of Director has specified the policy that mandated all directors to assess performance of the whole committee and individually as well as the Committees for operations in each year. Self-assessment Form of the whole Board of the Directors and the individual director comprises of 6 main topics: (1) Structure and Qualifications of the Board; (2) Roles and Responsibilities of the Board; (3) the Board Meeting; (4) the Board's Performance of Duties, (5) Relationship with the Management; and (6) Self-development of Director and Development of the Executive. Additional details in each topic will be provided to the director to support their consideration. The Board Self-Assessment Form shall be reviewed on appropriateness every year. The Corporate Secretary shall collect and summarize results of self-assessment of the whole committee and individually including assessment result of the Committees to be presented to the Board of Directors. Results from assessment shall be used for efficient development of the Board. In 2019, the Board of Directors has assessed performance of each member individually in order to develop efficiency of each person. Overall results from the assessment of the whole committee and individually were excellent and most appropriated with average scores in excellent ranges, or 97.98 percent and 96.47 percent, respectively. Average score from performance assessment result of Committees was 98.98, which was also in excellent range.

- **The Board Meeting**

Generally, the Board shall arrange the meeting every 3 months by planning meeting schedule in advance every year and an extraordinary meeting may be arranged in case of necessity. For each meeting, the clear agenda must be specified with correct, complete and adequate supporting documents submitted to each director in advance prior to the meeting at least 7 days so that the director can have time to study information before attending the meeting, except in case of emergency. Minutes of meeting of the previous meetings which have been approved from the Board of Directors' meeting shall be kept and available for inspection any time. Furthermore, the Company must prepare and submit a monthly performance report to the Board of Directors for acknowledgement, so that the Board can be informed of the Company's business and can supervise operations of the executives continually and in due time.

During the meeting, the Chairman of the Board of Directors, the Chief Executive Officer and the President shall jointly set agenda for each Board Meeting and each Board member can suggest agenda items. It also has a policy to encourage all directors to attend the meeting every time or at least 3 out of 4 of the meeting throughout the year, so that each director can fully take part in consideration and provide opinions for the meeting agenda.

The Chairman shall lead the meeting and all other directors are encouraged to express their views independently. Top executive may attend the meeting during some agenda to provide detailed information that they are responsible for and to be informed of the policy directly. Resolution of the Board of Directors' meeting shall be made by a majority of votes and there must be at least 2 out of 3 of all directors present and cast the vote and each director shall have one vote. The director who might have any conflict of interest shall not attend the meeting and/or shall not cast the vote. In the event of a tie, the chairman of the meeting shall have an additional casting vote.

All committee members are entitled to inspect the meeting document and other important document and if the Independent Director or the Audit Committee has any inquiries, other director and the executive of the Company shall answer such inquiries accurately and as soon as possible.

In the event where the director does not agree with the resolution of the meeting, such director may ask the Corporate Secretary to record such disagreement in minute of meeting or submit an objection notice to the Chairman of the Board.

The Corporate Secretary shall attend the Board Meeting every time to record a minute and submit it to the Board of Directors within 7 days from the meeting date and request the Chairman of the Board to consider, sign and certify it. Such minute shall be proposed to the next meeting for certification and approval. The Corporate Secretary shall collect the information or documents concerning the meeting for convenience on searching and reference. Normally all members of the Board of Directors shall attend the meeting every time, except there is a necessary matter which shall be notified in advance prior to the meeting. Moreover, the Board of Directors has a policy that Non-executive Directors shall hold meeting among themselves, as necessary to consider the issues of their interests without the management presenting. In 2019, such meeting has been arranged on December 13, 2019 and results of the meeting have already been notified the Chief Executive Officer. The number of meeting held and meeting attendance of each committee member can be summarized as follows:

	2019					
	Board of Directors (8 times)	Audit Committee (5 times)	Executive Committee (4 times)	Risk Management Committee (4 times)	Nomination & Remuneration Committee (2 times)	Corporate Governance Committee (1 time)
1. Assoc. Prof. Paiboon Sareewiwatthana	8/8					
2. Mr. Kitt Jivacate	8/8		4/4			
3. Mr. Chatchaphol Prasopchoke	8/8		4/4	4/4		
4. Ms. Nilrat Jarumanopas	8/8		4/4			1/1
5. Assoc. Prof. Dr. Aekkachai Nittayagasetwat	8/8	5/5		4/4	2/2	1/1
6. Assoc. Prof. Dr. Paritud Bhandhubanyong	8/8	5/5		4/4	2/2	
7. Ms. Jeerapan Jinda	8/8	5/5			2/2	1/1

• Remuneration

The remuneration policy of the Company for the directors and the executives is appropriated and is based on the Company's performance by comparing with the companies in the same business/industry and the economic situation including appropriateness of duties and responsibilities of each director and executive. It is provided as the committees' remuneration and/or salary and bonus.

Remuneration to the Board of Directors and the Committees

The 2019 Annual General Meeting of Shareholders dated April 9, 2019 has approved the remuneration to the Board of Directors and the Committees and details of the remuneration and payment conditions are presented in the Remuneration to the Board of Directors and the Executives.

Remuneration of the Chief Executive Officer and the President

The Company carefully considers about the remuneration to the Company's executives who are the Chief Executive Officer and the President to ensure that it is appropriated and in comparable rate with the same group of business industry in order to attract and retain the qualified executives. The executives with greater duty and responsibilities will earn greater remuneration appropriated with the increased responsibilities based on principle and policy specified by the Board of Directors, performance of the Company as well as scope of responsibility and performance of each executive. For consideration of short-term remuneration of the executives, the Company used performance assessment results of the Chief Executive Officer and the President which has been conducted every year and the Nomination and Remuneration Committee would use such assessment results to consider for salary and bonus of each executive before proposing

to the Board of Directors for consideration and approval. For long-term remuneration, i.e. Employee Joint Investment Program (EJIB), approval shall be considered on case by case basis in order to stimulate motivation for work to attain the organization's targets.

• Development of the Directors and the Executives

The Board of Directors has a policy to encourage and facilitate on provision of trainings and seminars to the directors and executives to enable them to continuously improve their performance and enhance their knowledge and capability to increase their competency in operating business efficiently and consistent with the current situation. The trainings and courses for development of the directors and the executives in 2019 could be summarized as follows:

Director/Executive	Date of Trainings/ Seminars	Course (Organizer)
Mr. Chatchaphol Prasopchoke Director / President	Jun. 26 – Aug. 28, 2019 Oct. 2- Dec. 16, 2019	<ul style="list-style-type: none"> • Chief Transformation Officer (MAI Listed Companies Association) • Digital Transformation for CEO (Nation Multi Media Group Public Co., Ltd.)
Ms. Nilrat Jarumanopas Director / Chief Financial Officer	Feb. 13 - Jul. 3, 2019 Aug. 1 - Nov. 7, 2019 Sept. 24, 2019 Oct. 17, 2019 Nov. 14, 2019 Dec. 18-19, 2019	<ul style="list-style-type: none"> • Advance Master Management System (AMM), Class 3 (National Institute of Development Administration) • TLCA CFO Professional Development Program 2019 (Thai Listed Companies Association) • Administrative Accounting for Planning and Decision Making, Class 2 (The Federation of Accounting Professions of Thailand) • Capital Market Research Forum 6/2562: Seminar on development of green bond in Thailand (Stock Exchange of Thailand) • Analysis of Statement of Cash Flow and Management of Cash Flow (N Y C Management Co., Ltd.) • Strategy, Land and Building Tax
Ms. Preeyaporn Thanaratset Senior Vice President – Sales & Marketing	Mar. 2-9, 2019 Aug. 21, 2019 - Jan. 15, 2020	<ul style="list-style-type: none"> • Turning Big Data Into Decisions (Sasin Graduate Institute of Business Administration) • Advance Master Management System (AMM), Class 4 (National Institute of Development Administration)
Mr. Chaiyot Chunwijitra Senior Vice President - Operation	Sept. 2-6, 2019	<ul style="list-style-type: none"> • Thailand Productivity Institute

Every time there is a change of a director or there is a new director, the Corporate Secretary shall provide the new director useful document and information which will be beneficial for performing duty as well as arrange an orientation session to introduce business structure, structure of the Board of Directors, scope of authority and responsibility, relevant laws as well as nature of business, business directions and policies of the Company for such new director. Moreover, the Chairman or the person assigned by the Chairman shall arrange plant visit tour for such new director in order to make him/her understand each production process, so that he/she can perform the work effectively. In 2019, no new director has been nominated, however, in order to keep the directors informed of the current news and information on continued basis, the Corporate Secretary shall have duty to present news and information, including manuals and criteria relevant to the laws, regulations and important policies, such as corporate governance policy, code of conduct, anti-corruption policy to the Board of Directors for acknowledgment continually.

• Supervision on Operations of the Subsidiaries and the Associated Companies

The Board of Directors has oversight mechanism that can control, supervise on administration and is responsible for operations of the subsidiaries to preserve benefits of the Company's investments. The Company's representatives are assigned to be the director and/or the executive in the subsidiaries and the associated companies pursuant to shareholding proportion of such companies. The Board of Directors shall consider and approve on appointment of the Company's representative to hold position of director and or the executives in the subsidiaries and the associated companies, as well as their power, duty and responsibilities. In addition, with regards to stipulation of important policy on business operations of the subsidiaries and the associated company, they shall be presented to the Company's Board of Directors to consider and approve before proposing to the Board of Directors of the subsidiaries or the associated companies, so that the supervision on their operations shall be efficiently and in line with the operation criteria of the Company.

• The Supervision on the Use of Inside Information

For transparency and prevention of personal gains from the usage of the Company's inside information which has not yet been disclosed to the public as well as for avoidance of any criticism concerning an appropriateness on purchase and sales of the securities by the internal people, the Company, therefore, has established the operating guidelines to be observed by the Company's directors, the executives and the employees as follows:

1. The Company's directors, the executives and the employees shall maintain confidentiality and/or inside information of the Company by not disclosing it or using it for their own benefits or for benefits of the third party directly and indirectly. They shall not purchase, sell, transfer or accept transfer the Company's securities by using the confidential and/or inside information of the Company and/or undertake any legal action by using the confidential and/or inside information of the Company which might pose damages to the Company, directly or indirectly.
2. The directors, the executives, the employees in the working unit who can obtain inside information shall not use such information before it is disclosed to the public and shall not purchase, sell, transfer or accept transfer the Company's securities during the 1 month period prior to the quarterly or yearly financial statement has been disclosed to the public and at least 3 days after the disclosure of such information.

In addition, such requirement shall also apply to the spouse and children under legal age of the Company's directors, the executives and the employees. Those who violate shall be subject to disciplinary or legally penalty, as the case may be.

• Auditing fee

The Company has considered and selected EY Office Company Limited, as the auditor of the Company and its subsidiaries for fiscal year of 2019. Such auditing firm has extensive qualifications and experiences on transactions in foreign countries and does not have any relationship or interests with the Company, its subsidiaries, director, management, major shareholder or the related person. Total auditing fee was 5,551,243 Baht, with details as follows:

Details on Auditing Works	2019
Auditing fee of the Company	2,600,000
Auditing fee of the Subsidiaries	2,740,000
Other services fees*	211,243
Total Auditing Fee	5,551,243

* Other services fees include transportation allowance, vehicle fees, per diem allowances, miscellaneous expenses, etc.

• Personnel

As at December 31, 2019, the Company has total 111 employees (excluding 5 executives) and all of them are permanent employees which can be divided into each line of business as follows:

Department/Business	No. of Employees (Persons)
Sales & Marketing	17
Business Development	2
Quality & Risk / Engineer	4
Supply Chain Management	6
Accounting	9
Finance & Internal Audit	4
Investor Relations & Corporate Secretary	2
Procurement	4
Administration & Executive Secretary	10
Human Resources	3
Corporate Affairs / IT	4
CBG Plant	13
PPP Plant	33

• Employees' remuneration

In 2019, total remuneration paid to the employees by the Company totaled 105.58 million Baht, comprising of salaries, commission for sales of goods, vehicle cost, contribution to the provident fund and contribution to the social security fund. Other welfares provided to the employees apart from the above remuneration included life, health and accident insurance, provision of trainings and seminars and etc.

• Provident Fund

The Company has established a provident fund since February 1, 2004 with SCB Asset Management Co., Ltd. Later, on July 30, 2009, the provident fund manager has been transferred to Kasikorn Asset Management Co., Ltd. with objective to strengthen morale support to the employees and to motivate them to work with the Company for a long run.

• Personnel Development Policy

The Company has a policy to constantly develop its personnel at all levels to enhance their knowledge and capabilities which shall be beneficial to the Company as it can make the Company having capable personnel who can contribute their knowledge to the Company. The Company has the annual internal and external training plan to enhance capability and skills of the employees pursuant to their responsibilities at each level. For more details on personnel development in 2019, please see "2019 Sustainability Development Report".

In addition, the Company also arranged projects to enhance sense of participation and joint activities among the employees which included:

- Football, badminton, yoga and fitness after the work to promote good health and spirit including to increase efficiency of work and enhancement of relationship.
- In-house training, public training and talent program to increase potential and efficiency of the executives and employees.

- Teamwork promotion project, by arranging the outing activities so the employees can jointly participate in the activities together, i.e. WE'R UAC, Sports Day, New Year Party to building up unities and good relationship between the management and the employees.
- Employee Rehabilitation by Massage Therapy to reduce risk from Office Syndrome due to long working time.
- Water-pouring ceremony during Songkran Festival. The Company arranged water-pouring ceremony to ask a blessing from the respected elderly during Songkran Festival every year to strengthen good relationship between the employees and the management.
- CEO Meets New Employee. The Company arranged this activity to create good impression for the newly employed employees so that they can feel that the management put emphasis and pay attention to the employees.
- CEO Meets Current Employee. The Company arranged this activity by having lunch or dinner between CEO and each department to create good communication channel and exchange opinion and also create close relationship between Top Management and employees at all levels which represents the personnel is the most important resource of the Company.
- Promote ethical activities so that the employees can apply Buddha's moral principles and precepts as well as righteous practices with their work and daily lives
- Weight-loss Exercise Season 3 and Daily Exercise to promote healthy life of the employees

• **Social Responsibility**

UAC Global Public Co., Ltd. is committed to conducting business in accordance with guidelines for sustainable development and under the good corporate governance and principles, transparency, together with social and environment responsibility, by considering of all stakeholders in order to develop our business to become a strong and sustainable organization forever.

In order to make the Company's business operation successful sustainably with standardized and systematically and to ensure that all actions are consistent with the Company's designated vision and mission and for confidence of all stakeholders, the Company has prescribed Sustainable Development Policy and appointed Sustainable Development Committee to drive and manage all actions to be consistent with sustainable development policies and objectives. For more details on sustainable development in 2019, please see "2019 Sustainability Report", which forms an integral part of this Annual Report.

Connected Persons and Related Transactions

Summary of relationship of the persons and the juristic persons who might have conflict of interest with the Company that the Company undertook transactions with:

Name of Person/Company		Nature of Relationship
1.	Miss Chawisa Jivacate	<ul style="list-style-type: none"> Miss Chawisa Jivacate, a daughter of Mr. Kittu Jivacate, holds position of director, executive director and Chief Executive Officer of the company. She is also the authorized director to sign and bind the company as well as a major shareholder of the company. As of December 31, 2019, she holds 48.42 percent of total issued shares of the company. As of December 31, 2019, Miss Chawisa Jivacate holds 3.86 percent of total issued shares of the Company.
2.	UAC Utilities Company Limited	<ul style="list-style-type: none"> A subsidiary company. The Company holds 99.994 of the paid-up capital of UAC UTILITIES (combined shares held by the Company's executives who are Mr. Kittu Jivacate, Mr. Chatchaphol Prasopchoke and Miss Preeyaporn Thanaratset totaled 0.006 percent. In addition, Mr. Kittu Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC UTILITIES.
3.	UAC & TPT Energy Company Limited ("UAC&TPT")	<ul style="list-style-type: none"> A subsidiary company. The Company holds 50.0099 percent of total issued shares of UAC & TPT (combined shares held by the Company's executives who are Mr. Kittu Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke totaled 0.0001 percent). In addition, Mr. Kittu Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC & TPT.
4.	UAC Energy Company Limited ("UAC Energy")	<ul style="list-style-type: none"> A subsidiary company. The Company holds 99.9995 percent of total issued shares of UAC Energy (combined shares held by the Company's executives who are Mr. Kittu Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke totaled 0.0005 percent). In addition, Mr. Kittu Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC Energy.
5.	Solar Energy Roof Power Company Limited ("SERP")	<ul style="list-style-type: none"> A subsidiary company. The Company via UAC Energy Company Limited holds 99.9976 percent of total issued shares of SERP (combined shares held by the Company's executives who are Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke totaled 0.0024 percent). In addition, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of SERP. Note: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
6.	UAC Advance Polymer & Chemicals Company Limited ("UAPC")	<ul style="list-style-type: none"> A subsidiary company. The Company holds 99.9998 percent of total issued shares of UAPC (combined shares held by the Company's executives who are Mr. Kittu Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke totaled 0.0002 percent). In addition, Mr. Kittu Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAPC.
7.	Bangchak Biofuel Company Limited ("BBF")	<ul style="list-style-type: none"> An associated company. The Company holds 30 percent of total issued shares of Bangchak Biofuel. In addition, Mr. Kittu Jivacate and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of Bangchak Biofuel.

	Name of Person/Company	Nature of Relationship
8.	SEBIGAS UAC Company Limited ("SEBIGAS UAC")	<ul style="list-style-type: none"> An associated company. The Company via UAC Energy Company Limited holds 49.00 percent of total issued shares of SEBIGAS UAC. In addition, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of Sebigas UAC. <u>Note</u>: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
9.	Enerray UAC (Thailand) Company Limited ("Enerray UAC")	<ul style="list-style-type: none"> An associated company. The Company via UAC Energy Company Limited holds 25.00 percent of total issued shares of Enerray UAC. In addition, Miss Aree Pleekhun is the authorized director of Enerray UAC. <u>Note</u>: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
10.	PPWE Company Limited ("PPWE")	<ul style="list-style-type: none"> An associated company. The Company via UAC Energy Company Limited holds 50.00 percent of total issued shares of PPWE. In addition, Mr. Kitti Jivacate and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of PPWE. <u>Note</u>: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
11.	TPT Theprathanporn Company Limited	<ul style="list-style-type: none"> Related entity. Mr. Heng Thongtangthai, Mr. Prachaya Thongtangthai and Mr. Annop Klintong are the authorized directors of TsPT Theprathanporn Company Limited and UAC & TPT, the Company's subsidiary. Mr. Heng Thongtangthai holds 40 percent of shares in TPT Theprathanporn. TPT Theprathanporn is a shareholder of UAC & TPT which has 49.99% of total issued shares in UAC & TPT.
12.	K&N Commercial Company Limited ("K&N")	<ul style="list-style-type: none"> A related company. Mrs. Niramol Jivacate, a wife of Mr. Kitti Jivacate, is the authorized director of K&N. Mrs. Niramol Jivacate holds 35% of shares of K&N. Miss Nilrat Jarumanopos (Mrs. Niramol Jivacate's sister), the Company's director, executive and shareholder, holds 10% of shares of K&N.
13.	PPJ Company Limited ("PPJ")	<ul style="list-style-type: none"> A related company. Miss Chawisa Jivacate and Miss Alisa Jivacate, daughters of Mr. Kitti Jivacate, are the authorized director of PPJ. Miss Chawisa Jivacate and Miss Alisa Jivacate hold 49.50% and 49.50% of shares of PPJ respectively.
14.	UAC TOP ENERGY Company Limited ("UAC TOP ENERGY")	<ul style="list-style-type: none"> A subsidiary company. The Company via UAC Energy Company Limited holds 99.997 percent of total issued shares of UAC TOP ENERGY (combined shares held by the Company's executives who are Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke totaled 0.003 percent). In addition, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC TOP ENERGY. <u>Note</u>: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
15.	Vientiane Waste Management Company Limited ("VWM")	<p>An associated company. The Company via UAC Energy Company Limited holds 50.01 percent of total issued shares of VWM. In addition, Mr. Kitti Jivacate and Mr. Chatchaphol Prasopchoke is the authorized director of VWM.</p> <p><u>Note</u>: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.</p>

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2019	
1. Miss Chawisa Jivacate	<p>Outstanding balance: Accrued warehouse rental fee payable</p> <p>Warehouse rental fee: The Company paid rental fee for warehouse which is used for storing chemicals and equipment pending for sales and delivery to the customers. Its rental area is 2,200 square meters with rental period of 1 year, from January 1, 2019 - December 31, 2019. Rental rate is 60 Baht per square meter per month or 132,000 Baht per month (The Company was responsible for payment of withholding tax at the rate of 5% of monthly rental fee, therefore rental fee including withholding tax equaled to 138,947.37 Baht per month).</p>	1.67	<p>The Company is necessary to have areas for storing stocks due to its business expansion. Such transaction was conducted pursuant to general, normal terms and conditions.</p> <p>The Audit Committee opined that such transaction was reasonable and rental rate was lower when compared with market price.</p>
2. UAC Utilities Company Limited ("UAC UTILITIES") engages in business of renewal energy and utilities.	Investment in the company	26.67	Investment in the subsidiary company that it holds 100.00% of shares.
3. UAC & TPT Energy Company Limited ("UAC & TPT") engages in business of biogas plant.	<p>Investment in the company</p> <p>Bank Guarantee with 1 document amount of baht 0.20 million for PEA</p> <p>Balance Sheet</p> <p>Short Term Loan Accrued Interest Other Account Receivable</p> <p>Income Statement</p> <p>Other Revenues Interest Income</p>	<p>49.81</p> <p>101.50 15.22 0.21 0.30 5.50</p>	<p>Investment in the subsidiary company that it holds 50.0099% of shares.</p> <p>The Company provides short-term loan for investment in biogas power plant project with interest charged at an appropriated rate.</p> <p>The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period working including cost of average expenses of services rendered.</p> <p>The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.</p>

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2019	
4. UAC Energy Company Limited ("UACE") engages in energy business.	<u>Investment in the company</u>	200.00	Investment in the subsidiary company that it holds 100.00% of shares.
	Bank Guarantee with 3 document amount of baht 0.20 million for PEA		
	<u>Balance Sheet</u>		The Company provides short-term loan for investment in Energy projects with interest charged at an appropriated rate.
	Short Term Loan	86.00	
	Accrued Interest	5.96	
	Other Account Receivable	0.45	The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.
	Account Receivable	21.76	
	<u>Income Statement</u>		
	Revenue from Sales	29.93	
	Other Revenues	0.42	
	Interest Income	3.71	The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.
5. Solar Energy Roof Power Company Limited ("SERP") engages in business of solar energy.	<u>Investment in the company</u>	-	The Company provides short-term loan to be used as working capital and the interest rate charged is appropriated.
	<u>Balance Sheet</u>		
	Short Term Loan	6.00	
	Accrued Interest	0.33	
	Other Account Receivable	0.13	The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.
	<u>Income Statement</u>		
	Other Revenues	0.12	
	Interest Income	0.33	The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2019	
6. UAC Advance Polymer & Chemicals Company Limited ("UAPC") engages in business of production and distribution of latex polymer and emulsion.	<p><u>Investment in the company</u></p> <p>L/C, T/R, P/N of amount baht 50.00 million.</p> <p><u>Balance Sheet</u></p> <p>Short Term Loan Accrued Interest Account Payable Account Receivable</p> <p><u>Income Statement</u></p> <p>Interest Income Revenue from Sales purchased</p>	<p>180.00</p> <p>127.00 0.04 0.20 0.28</p> <p>6.35 0.34 0.81</p>	<p>Investment in the subsidiary company that it holds 100.00% of shares.</p> <p>The Company provides short-term loan to be used as working capital and the interest rate charged is appropriated.</p> <p>Such transaction was normal business operation of the Company with general trading terms and purchase prices were pursuant to market prices.</p> <p>The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.</p>
7. Bangchak Biofuel Company Limited ("BBF") engages in business of production and distribution of biodiesel.	<p><u>Investment in the company</u></p> <p><u>Balance Sheet</u></p> <p><u>Income Statement</u></p> <p>Revenue from Sales Other Income The Company purchased glycerin to export and sell in foreign countries. Such purchase was conducted pursuant to normal course of business and at the market price.</p>	<p>0.07 0.01 23.25</p>	<p>Such transaction was in accordance with normal course of business with general trading terms. Purchase prices were as per market prices.</p> <p>The Audit Committee opined that nature of such transaction was pursuant to the Company's normal course of business and was reasonable.</p>
8. Sebigas UAC Company Limited ("SEBIGAS UAC") engages in business of construction and environmental engineering management.	<p><u>Balance Sheet</u></p> <p>Other Account Receivable</p> <p><u>Income Statement</u></p> <p>Other Income purchased Other Income : credit</p>	<p>1.16</p> <p>0.54 1.38 0.0002</p>	<p>The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.</p> <p>The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.</p> <p>Such transaction was in accordance with normal course of business with general trading terms. Purchase prices were as per market prices.</p> <p>Such transaction was normal business operation of the Company with agreed trading terms and prices pursuant to market prices.</p> <p>The Audit Committee opined that such transaction was a normal course of business of the Company and was reasonable.</p>

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2019	
9. Enerray UAC Company Limited (Thailand) ("Enerray UAC") engages in business of construction and environmental engineering management.	<p>Balance Sheet Other Account Receivable</p> <p>Income Statement Revenue from Sales Other Income</p> <p>Bank Guarantee with 2 document amount of baht 8.20 million.</p>	<p>1.55</p> <p>12.24 1.12</p>	<p>Such transaction was in accordance with normal course of business with general trading terms. Purchase prices were as per market prices</p> <p>The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.</p> <p>The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.</p>
10. PPJ Company Limited ("PPJ") engages in business of hotel.	<p>Balance Sheet Accrued Payable</p> <p>Income Statement Administrative Expenses: The room rate is compared price with market price.</p>	<p>0.001</p> <p>0.47</p>	<p>Such transaction was normal business operation of the Company with agreed trading terms and prices pursuant to market prices.</p> <p>The Audit Committee opined that such transaction was normal course of business of the Company and was reasonable.</p>
11. UAC Top Energy Company Limited (UAC Top Energy) engages in business of solar energy	<p>Balance Sheet</p> <p>Income Statement Interest Income</p>	<p>0.04</p>	<p>The Company provides short-term loan to be used as working capital and the interest rate charged is appropriated.</p> <p>The Audit Committee opined that such was reasonable.</p>
12. Vientiane Waste Management Company Limited (VWM) Waste Management at Vientiane, LPDR	<p>Balance Sheet Other Account Receivable</p> <p>Income Statement Other Income</p>	<p>0.08</p> <p>0.23</p>	<p>The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.</p> <p>The Audit Committee opined that such transaction was normal course of business of the Company and was reasonable</p>

Measure or procedure for approval of intercompany transactions

The measures on transaction with person who might have conflict of interest specified by the Company were transparently, fairly and for the best interest of the Company. The Audit Committee is required to give opinions on necessity and reasonableness of such transaction to ensure that their conditions must be pursuant to normal course of business and at market price which can be compared with price charged with the third party. In case the Audit Committee does not have expertise in considering the related transaction which may incur, the Company will engage the specialized or skilled person, i.e. independent auditor, asset appraiser or law firm to provide opinion on it so that the Audit Committee shall use such opinion to make decision and to propose to the meeting of the Board of Directors or the shareholders, as the case may be.

In addition, it also specified that the executive or the person who might have conflict of interest, whether directly or indirectly in any transaction shall not be entitled to vote or approve such relevant transaction. Moreover, the Board of Directors shall oversee to ensure that the Company complies with the laws concerning securities and stock exchange, regulations, announcements, orders or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, as well as complies with regulations on disclosure of the related transactions in notes to the financial statement which has been audited or reviewed by the Company's auditor.

Policy or trend of intercompany transactions

The Company anticipates that there shall be the related transactions again and continually, such as goods purchase and sale and property rental with persons who might have conflict of interest with the Company which are normal course and can support the Company's business in the future. Such related transactions shall be executed as necessary and for efficient business operation. Policy on price fixing of such related transaction must be clearly specified pursuant to fair and appropriated pricing and marketing conditions and to ensure that the related transactions are not undertaken for a purpose of transferring interest between the Company and the person who may have conflict of interest, as well as to take into consideration the maximum benefit of the Company. The Company's Audit Committee shall review on compliance with the criteria and provide opinions on reasonableness of the related transactions whether they are normal business transaction or transaction which supports normal business operation on quarterly basis.

Management Discussion and Analysis

Overview of Operating Results

The Company engages in business of import and distribution of chemicals and equipment used in various industries, i.e. off-shore natural gas exploration and production, oil refinery, petrochemicals plants, base oil plant, polymer and plastics plant, chemical industrial plant and power plant. The Company also undertakes business relating to rendering of services on installation and construction of utilities system, provision of consultancy services and marketing recommendations for alternative energy and renewable energy investment projects. The Company's subsidiaries engage in business of

- 1) production of tap water for industrial use and for consumption as well as supply and installation of the related equipment,
- 2) production and distribution of biogas for power generation, communications and general industries (not yet generated income),
- 3) generation and distribution of power supply and renewable energy, and
- 4) production and distribution of chemical products, i.e. latex emulsion and latex polymer (this business has been acquired by and transferred to the Company on April 30, 2015).

The operating results of the consolidated financial statement for the year period ended December 31, 2019

The Consolidated Financial Statement (Unit: Million Baht)	2019	2018	YOY	
			Million Baht	%
Sales and Services	2,871.96	2,552.89	319.06	12.50%
Gross Profit	386.14	349.85	36.29	10.37%
Other Income	104.12	115.10	(10.97)	(9.53%)
Selling & Administrative Expenses	253.64	223.16	30.48	13.66%
Finance Cost	61.61	83.03	(21.42)	(25.80%)
EBT	175.02	158.75	16.26	10.25%
Tax	(21.45)	(22.25)	(0.08)	(3.58%)
Total Comprehensive Income	153.57	136.51	17.06	12.50%
EBITDA	352.66	361.11	(8.45)	(2.34%)
EPS (Baht/Share)	0.245	0.209	0.036	17.22%

The operating results of the consolidated financial statement for the year period ended December 31, 2019, resulted in increase in net profit of Baht 17.06 million or 12.50% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 319.06 million or 12.50% from the corresponding period of the previous year, mostly from revenue from UAC which increased Baht 346 million.
2. Gross profit was Baht 386.14 million which increased Baht 36.29 million or 10.37% from the corresponding period of the previous year, mostly from Gross profit of UAPC increased Baht 30.15 million. Gross profit margin decreased due to the higher competition in Trading business resulted in
 - Gross profit margin of 2019 was 13.45% of revenue from sales and services decreased from the corresponding period of the previous year (2018 = 13.70%)

3. Other income and profit sharing from investment decreased Baht 10.97 million or 9.53% from the corresponding period of the previous year, mostly from Interest income (financing composition separation from revenue from sales) decreased Baht 22.47 million and profit sharing from investment in BBF increased Baht 13.38 million, resulting from the government continuously promoted biodiesel consumption as renewable energy by announcing the use of biodiesel B10 and B20.
4. Selling and Administrative expenses increased Baht 30.47 million or 13.65% from the corresponding period of the previous year, resulting from the reserve for fixed assets impairment of subsidiary companies and provision of doubtful debt of Baht 21.80 million, and the increase of administrative expenses of Baht 10.23 million of Vientiane Waste Management Co., Ltd., established on June 3, 2019 at Vientiane, LPDR.
5. Finance Cost decreased Baht 21.42 million or 25.80% from the corresponding period of the previous year due to decrease in liabilities and bank fees.
6. Comprehensive Income increased Baht 17.06 million or 12.50% from the corresponding period of the previous year.

Classification of Revenue and Expenses – Consolidated Financial Statements in 2019

1. Revenues from Sales and Services

Types of Revenue (Unit: Million Baht)	2019	2018	Increase/(Decrease)	
			Amount	%
1. Product in Energy and Petroleum Related Business Group	2,133.98	1,718.59	415.39	24.17%
2. Products in Industrial Business Group	144.91	180.24	(35.33)	(19.60%)
3. Products in Manufacturing Business	346.18	342.80	3.38	0.99%
4. Other Products	47.50	61.44	(13.94)	(22.69%)
5. Provision of Services	1.84	22.42	(20.58)	(91.80%)
6. Income from Energy Business	197.55	227.40	(29.85)	(13.13%)
Total Revenues	2,871.96	2,552.89	319.06	12.50%

The consolidated financial statements in 2019 recorded that approximately 74 percent of total revenues derived from sales and services of products in Energy and Petroleum Group because they included revenues from big lot sales, followed by Production and Distribution of Chemical Products Group, i.e. latex emulsion and latex polymers, which has ratio of 12 percent, then Energy and Industrial Groups with ratio of 7 percent and 5 percent, respectively. Ratio of income from Provision of Services and products in Other Group was closely to each other, i.e. 0.1 - 2. percent of total revenues from sales and services.

2. Other Income

Other Income (Unit: Million Baht)	2019	2018	Increase/(Decrease)	
			Amount	%
1. Share of profit from investment in associates (A)	72.51	59.13	13.38	22.63%
2. Other incomes :-				
Interest received	1.03	26.78	(25.75)	(96.15%)
Disposal of fix assets	0.00	3.50	(3.50)	(100.00%)
Gain on exchange rate	18.50	3.27	15.23	465.67%
Oil fund tax compensation - LPG	5.29	15.08	(9.79)	(64.91%)
Others	6.80	7.35	(0.55)	(7.51%)
Total Other Incomes (B)	31.62	55.97	(24.35)	(43.51%)
TOTAL (A)+(B)	104.12	115.10	(10.97)	(9.53%)

Total Expenses

Expenses (Unit: Million Baht)	2019	2018	Increase/(Decrease)	
			Amount	%
Selling expenses	68.47	66.53	1.95	2.93%
Administrative expenses	185.16	156.63	28.53	18.21%
Finance cost	61.61	83.03	(21.42)	(25.80%)
Total Expenses	315.25	306.20	9.06	2.96%

Analysis of Financial Position

Financial Position (Unit: Million Baht)	2019	2018	Increase/(Decrease)	
			Amount	%
Total Current Assets	533.55	1,622.26	(1,088.71)	(67.11%)
Total Non-current Assets	2,511.52	2,410.40	101.12	4.20%
Total Assets	3,045.07	4,032.66	(987.59)	(24.49%)
Total Current Liabilities	1,160.93	1,625.53	(464.60)	(28.58%)
Total Non-current Liabilities	440.30	1,103.10	(662.80)	(60.09%)
Total Liabilities	1,601.23	2,728.63	(1,127.40)	(41.32%)
Total Shareholders' Equity	1,443.84	1,304.03	139.81	10.72%
Total Liabilities and Shareholders' Equity	3,045.07	4,032.66	(987.59)	(24.49%)

Material changes in assets, liabilities and shareholders' equity for financial positions of the consolidated financial statements for the year ended December 31, 2019 were as follows:

Total Assets was Baht 3,045.07 million, decreased Baht 987.59 million or 24.49%, mostly from a decrease in current assets of Baht 1,088.71 million consisted of;

1. Trade and other receivable decreased Baht 73.35 million.
2. Inventories decreased Baht 950.10 million, mostly from goods in transit as of December 31, 2018 which was imported according to purchase orders and delivered to customer in January 2019.

Total Liabilities was Baht 1,601.23 million, decreased Baht 1,127.40 million or 41.32%, mostly from the decrease in current liabilities and non-current liabilities at the amount of Baht 464.60 and 662.80 million respectively, consisted of;

1. Short-term loans decreased Baht 699.77 million, which have been paid in the first quarter of 2019.
2. Debenture, at the amount of Baht 400 million, has been reclassified from non-current liabilities to current liabilities since maturity date remained less than 1 year.
3. Long-term loans and financial lease liabilities (deducted current portion of long-term loans) decreased Baht 264.63 million due to the repayment of loans to financial institutions.

Total Shareholders' Equity was Baht 1,443.84 million, increased Baht 139.81 million or 10.72%, resulting from business performance after deducting dividend payment.

Liquidity of Cash Flow

Liquidity of the Company for the year ended December 31, 2019 of the consolidated financial statements was as follows:

Cash Flow (Unit: Million Baht)	As at Dec. 31, 2019
Profit (loss) before income tax	175.02
Profit (loss) before income tax- after adjustment	317.14
Net cash from (used in) operating activities	911.46
Net cash from (used in) investing activities	(12.72)
Net cash from (used in) financing activities	(937.71)
Effect from changes in foreign exchange rate for cash and cash equivalents	(0.00013)
Increase (decreased) cash and cash equivalent	(39.56)
Cash and cash equivalent as at January 1	80.03
Cash and cash equivalent as at December 31	40.46

In 2019, the Company's net cash from operating activities was 911.46 million Baht, which came from the operating profits before income tax amounting to 175.02 million Baht. There were adjustments and changes in the operating assets, for instance, inventories and trade account and other receivables decreased by 945.32 and 68.93 million Baht respectively, and there was a change in operating liabilities, for instance trade and other payables decreased in 296.74 million Baht. In addition, the Company has cash for payment of interest and income tax amounted to 97.15 million Baht.

Net cash used in investing activities was 12.72 million Baht, most of them were used in restricted bank deposits of 20.09 million Baht and provided by sales of fixed assets (net) and repayment of short-term loans from related parties (net) of 4.25 and 4.67 million Baht respectively.

Net cash used in financing activities was 937.71 million Baht, which comprised of repayment of short-term and long-term loans of 899.43 million Baht and dividend paid of 40.06 million Baht.

Liquidity Ratio

Liquidity Ratio	Consolidated		
	2019	2018	2017
Liquidity Ratio			
Current Ratio (Time)	0.46	1.00	0.58
ck Ratio (Time)	0.32	0.31	0.38
Average Collection Period (day)	34.48	46.06	68.98
Average holding period (day)	89.27	107.06	56.63
Average payment period (day)	36.03	48.49	54.43
Cash Cycle (day)	87.73	104.63	71.18
Profitability Ratio			
Gross profit margin (%)	13.45	13.70	21.75
Net profit margin (%) -	5.35	5.35	5.85
Return on equity (ROE) (%)	12.31	10.97	8.10
Efficiency Ratio			
Return on assets (ROA) (%)	4.63	3.88	3.27
Return on fixed asset (ROFA) (%)	16.77	14.73	12.19
Asset turnover (Time)	0.82	0.73	0.54
Financial Policy Ratio			
Debt to Equity Ratio (D/E)	1.15	2.15	1.45
Time Interest Earning Ratio (Time)	16.14	(3.56)	3.72
Debt Service Coverage Ratio (DSCR) (Time)	1.23	1.52	1.40

Auditor's Remuneration

In 2018 and 2019, the Company paid remuneration to the auditor at 1,500,000.00 and 2,600,000 Baht* respectively, excluding non-audit fee.

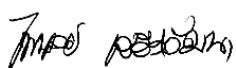
Remarks: In 2019, the Company changed the auditor from DIA International Audit Co. Ltd. to EY Office Limited according to the resolution of Annual General Meeting of Shareholders on April 9, 2019.

Declaration of the Directors' Responsibility for the Financial Statements

Financial statement of UAC Global Public Company Limited ("the Company") has been prepared pursuant to Thai accounting standards under the Accounting Act B.E. 2543 as well as the interpretations and accounting guidelines announced by the Federation of Accounting Professions as well as regulations of the Office of Securities and Exchange Commission on preparation and presentation of financial report under the Securities and Exchange Act B.E. 2535.

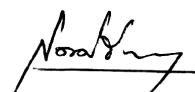
The Board of Directors puts emphasis on its duty and responsibilities in supervising to ensure that the Company's operations are compliance with corporate governance policies; the financial statement and financial information technology presented in the Annual Report is accurate, complete and provides adequate disclosures. The Board of Directors provides and maintains effective internal control system to assure confidence and credibility of the financial statement, including complies with the laws and relevant regulations. The Audit Committee has reported its auditing results to the Board of Directors and those opinions were presented in the Annual Report.

The Board of Directors is of the opinion that the Company's overall internal control systems are satisfactory and can assure reasonable accountability of the financial statement as of December 31, 2019 which has been audited by the Company's auditor in accordance with generally accepted accounting standards. The Board of Directors also has opinion that the financial statement indicates its financial status and operating results correctly and as appropriate with regard to significant information, in accordance with generally certified accounting principles.



(Mr. Paiboon Sareewiwatthana)

Chairman



(Mr. Kitt Jivacate)

Chief Executive Officer

Independent Auditor's Report

To the Shareholders of UAC Global Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of UAC Global 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 UAC Global Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UAC Global Public Company Limited and its subsidiaries and of UAC Global 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were 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 these matters.

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 these matters. 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 matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Revenue from sales and service is one of the Group's significant accounts because it directly impacts on the Group's annual profit or loss. During 2019, the Group recognised revenue from sales and services of Baht 2,872 million, representing 98.9 percent of the Group's total revenue. I therefore focused on the amount and timing of the Group's revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the effectiveness of the Group internal controls with respect to the recognition of revenue by making enquiry of responsible executives, gaining an understanding of controls and selecting representative samples to test the operation of designed controls of the Group.
- On a sampling basis, examining supporting documents for revenue transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued to their customers after the period-end.
- Performing analytical review of the revenue accounts to detect any irregularities in revenue transactions throughout the period.

Impairment of property, plant and equipment

As discussed in Note 15 to the consolidated financial statements, the balance of property, plant and equipment used in the business operations is material to the financial statements of the Group, representing 53.4% of total assets. I therefore focused on auditing and considering the impairment of such assets to ensure that the book values of the assets do not exceed their recoverable amounts. The determination of the provision for impairment of assets requires management to exercise significant judgment with respect to the projections of future operating performance and the assessment of future plans, including the determination of an appropriate discount rate and key assumptions. There is thus a risk with respect to the amount of impairment loss recorded on the assets.

I have assessed the management's identification of cash generating units and selection of a financial model, according to the type of asset, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised. In addition, I gained an understanding of and assessed the following items.

- Assessing and testing the assumptions applied in preparing plans and cash flow projections of the Group, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgment in estimating cash flow projections.
- Considering the discount rate applied by the Group's management, based on comparison of the average cost of capital of the Group and other data.
- Testing the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, in particularly, the discount rate and growth rates applied in preparing the cash flow projections.
- Reviewing the disclosure of information relating to the estimation of impairment of the assets in the notes to the financial statements.

Impairment of goodwill and intangible assets

As discussed in Note 16 and Note 17 to the consolidated financial statements, the balances of goodwill and intangible assets are material to the financial statements of the Group, representing 8.9% and 7.2% of total assets, respectively. In addition, the impairment assessment on goodwill and intangible assets is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating unit, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill and intangible assets.

I have assessed the management's identification of cash generating units and selection of a financial model, according to the type of asset, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised. In addition, I gained an understanding of and assessed the following items.

- Assessing and testing the assumptions applied in preparing plans and cash flow projections of the Group, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgment in estimating cash flow projections.
- Considering the discount rate applied by the Group's management, based on comparison of the average cost of capital of the Group and other data.
- Testing the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, in particularly, the discount rate and growth rates applied in preparing the cash flow projections.
- Reviewing the disclosure of information relating to the estimation of impairment of the assets in the notes to the financial statements.

Other Matter

The consolidated financial statements of UAC Global Public Company Limited and its subsidiaries (the Group) and the separate financial statements of UAC Global Public Company Limited for the year ended 31 December 2018 were audited by another auditor who, under her report dated 28 February 2019, expressed an unmodified opinion on those financial statements.

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.

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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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



Chatchai Kasemsrithanawat

Certified Public Accountant (Thailand) No. 5813

EY Office Limited

Bangkok: 26 February 2020

Statements of Financial Position

Uac Global Public Company Limited and Subsidiaries

As at December 31, 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Assets					
Current assets					
Cash and cash equivalents	7	40,460,408	80,025,292	24,220,253	73,030,505
Investments in trading securities	8	1,811,724	1,905,918	84,029	6,152
Trade and other receivables	6, 9	315,903,893	389,257,312	219,455,731	268,177,114
Inventories	10	165,295,116	1,115,396,001	121,482,792	1,074,460,597
Short-term loans to related parties	6	-	15,667,000	320,500,000	264,200,000
Advance payment for wages and goods		624,615	12,071,847	624,615	12,071,847
Other current assets		9,453,395	7,940,256	6,425,994	6,339,277
Total current assets		533,549,151	1,622,263,626	692,793,414	1,698,285,492
Non-current assets					
Restricted bank deposits	11	30,089,100	10,000,000	30,089,100	10,000,000
Investments in subsidiaries	12	-	-	428,033,927	438,333,927
Investments in associates	13	300,946,058	228,439,753	111,051,487	111,051,487
Other long-term investments	14	20,000,000	20,000,000	-	-
Property, plant and equipment	15	1,625,466,716	1,710,089,394	780,763,310	827,016,662
Intangible assets	16	219,949,795	101,423,611	-	-
Goodwill	17	269,804,794	269,804,794	-	-
Advance payment for assets		731,140	4,661,217	-	3,930,077
Deferred tax assets	27	31,663,511	26,792,696	21,085,272	18,838,454
Other non-current assets		12,865,508	39,184,666	9,495,426	11,648,070
Total non-current assets		2,511,516,622	2,410,396,131	1,380,518,522	1,420,818,677
Total assets		3,045,065,773	4,032,659,757	2,073,311,936	3,119,104,169

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

Statements of Financial Position (Continued)

Uac Global Public Company Limited and Subsidiaries

As at December 31, 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	18	112,126,012	811,892,963	68,577,952	747,862,535
Trade and other payables	6, 19	278,747,973	418,037,814	102,610,582	320,470,409
Advance received from customers		6,364,030	90,365,402	3,512,652	89,729,340
Short-term loans from related parties	6	100,500,000	103,500,000	-	-
Income tax payable		7,014,934	19,192,873	7,014,934	16,719,155
Current portion of long-term loans	20	231,666,311	159,071,448	120,709,154	113,982,798
Current portion of liabilities under long-term					
lease agreements	21	24,509,832	23,466,781	4,072,498	2,571,738
Current portion of debentures	22	400,000,000	-	400,000,000	-
Total current liabilities		1,160,929,092	1,625,527,281	706,497,772	1,291,335,975
Non-current liabilities					
Long-term loans, net of current portion	20	262,514,246	506,595,831	49,844,554	171,162,218
Liabilities under long-term lease agreements,					
net of current portion	21	16,092,184	36,640,663	3,938,096	4,155,948
Debentures, net of current portion	22	-	400,000,000	-	400,000,000
Deferred tax liabilities	27	59,656,938	63,670,549	28,205,702	30,677,548
Provision for long-term employee benefits	23	21,348,657	19,381,545	18,230,968	17,234,010
Provision for decommissioning		56,986,963	53,063,242	41,455,800	41,169,321
Other non-current liabilities		23,697,851	23,747,963	13,884,767	13,934,880
Total non-current liabilities		440,296,839	1,103,099,793	155,559,887	678,333,925
Total liabilities		1,601,225,931	2,728,627,074	862,057,659	1,969,669,900

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

Statements of Financial Position (Continued)

Uac Global Public Company Limited and Subsidiaries

As at December 31, 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Shareholders' equity					
Share capital	24				
Registered					
734,366,301 ordinary shares of Baht 0.50 each		367,183,150	367,183,150	367,183,150	367,183,150
Issued and fully paid up					
667,605,301 ordinary shares of Baht 0.50 each		333,802,650	333,802,650	333,802,650	333,802,650
Share premium - ordinary shares		587,165,358	587,165,358	587,165,358	587,165,358
Surplus on change in the shareholding percentage in subsidiary		116,826	-	-	-
Retained earnings					
Appropriated - statutory reserve	25	40,000,254	40,000,254	40,000,254	40,000,254
Unappropriated		431,937,761	308,115,651	250,286,015	188,466,007
Other components of shareholders' equity		(297,769)	-	-	-
Equity attributable to owners of the Company		1,392,725,080	1,269,083,913	1,211,254,277	1,149,434,269
Non-controlling interests of the subsidiaries		51,114,762	34,948,770	-	-
Total shareholders' equity		1,443,839,842	1,304,032,683	1,211,254,277	1,149,434,269
Total liabilities and shareholders' equity		3,045,065,773	4,032,659,757	2,073,311,936	3,119,104,169
		-	-	-	-

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

Statements of Comprehensive Income

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Profit or loss:					
Revenues					
Sales and service income		2,871,958,505	2,552,894,072	2,490,083,502	2,178,980,229
Dividend income	13	-	-	-	24,068,193
Other income		31,617,831	55,970,897	46,715,912	60,093,228
Total revenues		2,903,576,336	2,608,864,969	2,536,799,414	2,263,141,650
Expenses					
Cost of sales and service		2,485,814,276	2,203,043,070	2,203,136,897	1,890,257,451
Selling and distribution expenses		68,474,693	66,526,989	41,225,484	40,660,345
Administrative expenses		185,162,765	156,634,511	127,546,155	127,363,502
Total expenses		2,739,451,734	2,426,204,570	2,371,908,536	2,058,281,298
Profit before share of profit from investments in associates,					
finance cost and income tax expenses		164,124,602	182,660,399	164,890,878	204,860,352
Share of profit from investments in associates	13	72,506,304	59,126,534	-	-
Profit before finance cost and income tax expenses		236,630,906	241,786,933	164,890,878	204,860,352
Finance cost		(61,614,166)	(83,034,494)	(37,512,327)	(55,807,915)
Profit before income tax expenses		175,016,740	158,752,439	127,378,551	149,052,437
Income tax expenses	27	(21,448,901)	(22,245,141)	(25,502,225)	(25,578,942)
Profit for the year		153,567,839	136,507,298	101,876,326	123,473,495
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of					
financial statements in foreign currency		(595,418)	-	-	-
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods		(595,418)	-	-	-
Other comprehensive income for the year					
		(595,418)	-	-	-
Total comprehensive income for the year					
		152,972,421	136,507,298	101,876,326	123,473,495

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

Statements of Comprehensive Income (Continued)

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Profit attributable to:					
Equity holders of the Company		163,878,428	139,578,457	101,876,326	123,473,495
Non-controlling interests of the subsidiaries		(10,310,589)	(3,071,159)		
		153,567,839	136,507,298		
		-	-		
Total comprehensive income attributable to:					
Equity holders of the Company		163,580,659	139,578,457	101,876,326	123,473,495
Non-controlling interests of the subsidiaries		(10,608,238)	(3,071,159)		
		152,972,421	136,507,298		
		-	-		
Earnings per share	30				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.245	0.209	0.153	0.185

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

Statements of Changes in Shareholders' Equity

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2019

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company					Other components of shareholders' equity				
	Issued and fully paid-up share capital	Share premium - ordinary shares	Surplus on change in the shareholding percentage in subsidiary	Retained earnings		Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
				Appropriated	Unappropriated					
Balance as at 1 January 2018	333,802,650	587,165,358	-	36,292,756	319,117,858	-	1,276,378,622	36,394,929	1,312,773,551	
Profit for the year	-	-	-	-	139,578,457	-	139,578,457	(3,071,159)	136,507,298	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	
Dividend (Note 33)	-	-	-	-	139,578,457	-	139,578,457	(3,071,159)	136,507,298	
Increase in non-controlling interests of subsidiary from additional share capital of the subsidiary	-	-	-	-	-	-	(146,873,166)	-	(146,873,166)	
Transfer unappropriated retained earnings to statutory reserve	-	-	-	3,707,498	(3,707,498)	-	-	1,625,000	1,625,000	
Balance as at 31 December 2018	333,802,650	587,165,358	-	40,000,254	308,115,651	-	1,269,083,913	34,948,770	1,304,032,683	
Balance as at 1 January 2019	333,802,650	587,165,358	-	40,000,254	308,115,651	-	1,269,083,913	34,948,770	1,304,032,683	
Profit for the year	-	-	-	-	163,878,428	-	163,878,428	(10,310,589)	153,567,839	
Other comprehensive income for the year	-	-	-	-	-	(297,769)	(297,769)	(297,649)	(595,418)	
Total comprehensive income for the year	-	-	-	-	-	(297,769)	(297,769)	(10,608,238)	(12,972,421)	
Dividend (Note 33)	-	-	-	-	163,878,428	-	163,878,428	-	(40,056,318)	
Purchases of investments in subsidiary from non-controlling interests of the subsidiary	-	-	-	-	(40,056,318)	-	(40,056,318)	-	(40,056,318)	
Increase in non-controlling interests of subsidiary from additional share capital of the subsidiary	-	-	116,826	-	-	-	116,826	(1,866,726)	(1,749,900)	
Balance as at 31 December 2019	333,802,650	587,165,358	116,826	40,000,254	431,937,761	(297,769)	1,392,725,080	28,640,956	1,443,839,842	

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

Statements of Changes in Shareholders' Equity (Continued)

Uac Global Public Company Limited and Subsidiaries
For the year ended December 31, 2019

	Separate financial statements				(Unit: Baht)
	Issued and fully paid-up share capital	Share premium - ordinary shares	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 1 January 2018	333,802,650	587,165,358	36,292,756	215,573,176	1,172,833,940
Profit for the year	-	-	-	123,473,495	123,473,495
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	123,473,495	123,473,495
Dividend (Note 33)	-	-	-	(146,873,166)	(146,873,166)
Transfer unappropriated retained earnings to statutory reserve	-	-	3,707,498	(3,707,498)	-
Balance as at 31 December 2018	333,802,650	587,165,358	40,000,254	188,466,007	1,149,434,269
Balance as at 1 January 2019	333,802,650	587,165,358	40,000,254	188,466,007	1,149,434,269
Profit for the year	-	-	-	101,876,326	101,876,326
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	101,876,326	101,876,326
Dividend (Note 33)	-	-	-	(40,056,318)	(40,056,318)
Balance as at 31 December 2019	333,802,650	587,165,358	40,000,254	250,286,015	1,211,254,277
					-

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

Statements of Cash Flows

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	175,016,740	158,752,439	127,378,551	149,052,437
Adjustments to reconcile profit before tax to net cash				
provided by (paid from) operating activities:				
Depreciation and amortisation	115,742,573	119,013,281	65,785,226	67,625,436
Bad debts and allowance for doubtful accounts	1,155,600	1,877,352	1,155,600	-
Reduction of inventories to net realisable value	4,444,532	2,228,663	4,122,765	608,447
Unrealised gain on changes in value of trading securities	(20,957)	(20,995)	(958)	(39)
Gain on sales of investments in trading securities	(84,849)	(232,504)	(76,919)	(232,504)
Allowance for doubtful accounts in short-term loans to a related party	11,000,000	-	-	-
Allowance for impairment loss on investments in subsidiaries	-	-	10,300,000	18,143,333
Share of profit from investments in associates	(72,506,304)	(59,126,534)	-	-
(Gain) loss on sales of equipment	3,899,876	(3,810,588)	1,208,932	-
Loss on write-off of equipment	76,446	477,610	17,572	383,762
Allowance for impairment loss on equipment	10,823,683	11,317,356	523,683	-
Reversal of allowance for impairment loss on equipment	(2,308,512)	-	(2,308,512)	-
Provision for long-term employee benefits	6,958,064	2,716,611	5,987,910	1,958,240
Provision for decommissioning	(9,921)	-	(9,921)	-
Unrealised (gain) loss on exchange	6,258,120	(3,276,119)	3,811,563	(3,247,617)
Dividend income	-	-	-	(24,068,193)
Interest expenses	56,695,976	75,969,824	35,500,856	48,864,006
Profit from operating activities before changes in				
operating assets and liabilities	317,141,067	305,886,396	253,396,348	259,087,308
Operating assets (increase) decrease				
Trade and other receivables	68,929,899	18,464,163	47,603,055	18,822,771
Inventories	945,322,621	(872,667,199)	948,855,040	(875,133,777)
Advance payment for wages and goods	11,447,232	(10,978,089)	11,447,232	(10,978,089)
Other current assets	(1,200,107)	500,229	(86,717)	209,892
Other non-current assets	(31,246,387)	14,027,498	2,152,644	184,542
Operating liabilities increase (decrease)				
Trade and other payables	(212,737,535)	147,924,507	(219,100,325)	143,056,875
Advance received from customers	(84,001,372)	86,595,636	(86,216,689)	85,959,574
Cash paid for long-term employee benefits	(4,990,952)	(717,470)	(4,990,952)	(352,492)
Other non-current liabilities	(50,113)	(13,900)	(50,113)	(13,900)
Cash flows from (used in) operating activities	1,008,614,353	(310,978,229)	953,009,523	(379,157,296)
Cash paid for interest expenses	(54,352,052)	(78,956,379)	(35,863,761)	(49,907,600)
Cash paid for corporate income tax	(42,797,440)	(10,813,558)	(39,925,110)	(9,355,269)
Net cash flows from (used in) operating activities	911,464,861	(400,748,166)	877,220,652	(438,420,165)

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

Statements of Cash Flows (Continued)

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities				
Increase in restricted bank deposits	(20,089,100)	(10,000,000)	(20,089,100)	(10,000,000)
Purchases of investments in trading securities	(40,000,000)	(329,805,609)	(40,000,000)	(329,805,609)
Cash receipt from sales of investments in trading securities	40,200,000	330,032,000	40,000,000	330,032,000
Purchases of investments in subsidiary	(1,749,900)	-	-	-
Increase in short-term loans to related parties	(250,000)	-	(69,250,000)	(90,700,000)
Cash receipt from repayment of short-term loans to related parties	4,917,000	3,000,000	12,950,000	-
Acquisition of property, plant and equipment	(22,338,943)	(68,550,960)	(10,234,187)	(7,375,348)
Proceed from sales of equipment	26,588,325	1,878,505	993,925	-
Dividend income from associate	-	24,068,193	-	24,068,193
Net cash flows used in investing activities	(12,722,618)	(49,377,871)	(85,629,362)	(83,780,764)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(702,945,848)	649,872,108	(682,463,481)	625,623,865
Increase in short-term loans from related parties	22,000,000	13,500,000	-	-
Repayment of short-term loans from related parties	(25,000,000)	(400,000)	-	-
Cash receipt from long-term loans	-	672,000,000	-	672,000,000
Repayment of long-term loans	(171,486,722)	(555,905,411)	(114,591,309)	(466,353,360)
Repayment of liabilities under long-term lease agreements	(24,065,428)	(24,018,654)	(3,277,091)	(2,801,415)
Cash receipt from issuance of debentures	-	400,000,000	-	400,000,000
Repayment of debentures	-	(500,000,000)	-	(500,000,000)
Cash receipt from non-controlling interests of the subsidiaries	3,842,754	1,625,000	-	-
Dividend paid	(40,056,318)	(146,873,166)	(40,056,318)	(146,873,166)
Net cash flows from (used in) financing activities	(937,711,562)	509,799,877	(840,388,199)	581,595,924
Decrease in translation adjustments	(595,435)	-	-	-
Net increase (decrease) in cash and cash equivalents	(39,564,754)	59,673,840	(48,796,909)	59,394,995
Effects of exchange rates on cash and cash equivalents	(130)	(47,619)	(13,343)	(47,619)
Cash and cash equivalents at beginning of year	80,025,292	20,399,071	73,030,505	13,683,129
Cash and cash equivalents at end of year	40,460,408	80,025,292	24,220,253	73,030,505
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions				
Payable from acquisitions of assets	18,386,906	22,518,369	1,022,845	76,034
Acquisition of assets through hire purchase agreements	4,560,000	-	4,560,000	-
Increase in non-controlling interest of subsidiary				
from other receivables	22,265,003	-	-	-
Increase in non-controlling interest of subsidiary				
from other payables	2,533,199	-	-	-

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

Notes to Financial Statements

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2019

1. General information

UAC Global Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in business as follows.

- 1.1 Import and distribution of chemicals and equipment used in various industries i.e. off-shore natural gas exploration and production, oil refinery and upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power plant and utilities system.
- 1.2 Providing of consultant and advising for the marketing of any products and services, the feasibility study of any projects or works related to energy industry, refinery, petrochemicals, power plants and other utilities.
- 1.3 Production and distribution of biogas used in power generation, transportation and industries.
- 1.4 Subcontracting of construction of machines and equipment used in various industries i.e. off-shore natural gas exploration and production, oil refinery and upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power plant and utilities system.
- 1.5 Production and distribution of petroleum manufacturing such as Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG), Natural Gas Liquid (NGL).

The registered office of the Company is at 1 TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok and the branch office's addresses are as follows.

- | | |
|----------|--|
| Branch 1 | Warehouse is located at 999 Moo 4, Soi Tesaban Bangpoo 99 (Sermmitra), Sukhumvit Road, Tambon Bang Pu Mai, Muang Samutphakan, Samutprakan. |
| Branch 2 | Sale office is located at 188/76 Sukhumvit Road, Tambon Maptaput, Amphur Muang Rayong, Rayong. |
| Branch 3 | The branch was registered to cancel on 26 December 2017. |
| Branch 4 | Manufacturing and distribution plant is located at 150 Moo 2, Tambon Mae Tang, Amphur Mae Tang, Chiangmai. |
| Branch 5 | Manufacturing and distribution plant is located at 1/1 Moo 8, Tambon Kokrak, Amphur Kongkrait, Sukhothai. |
| Branch 6 | Manufacturing and distribution plant is located at 150/1 Moo 2, Tambon Mae Tang, Amphur Mae Tang, Chiangmai. |

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 UAC Global Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2019</u> Percent	<u>2018</u> Percent
<u>Subsidiaries directly owned by the Company</u>				
UAC Utilities Company Limited	Production and distribution of tap water and related equipment	Thailand	99.99	99.99
UAC & TPT Energy Company Limited	Production and distribution of Biogas used in power generation, transportation and various industries	Thailand	50.01	50.01
UAC Energy Company Limited	Generation and sales of electricity and alternative energy	Thailand	99.99	99.99
UAC Advance Polymer & Chemicals Company Limited	Production and distribution of chemical products used in general industries	Thailand	99.99	99.99

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2019</u>	<u>2018</u>
			Percent	Percent
<u>Subsidiaries indirectly owned by the Company</u>				
Held through UAC & TPT Energy Company Limited				
UAC TPT Pellets Company Limited	Production and distribution of fuel briquette	Thailand	50.00	50.00
Held through UAC Energy Company Limited				
Solar Energy Roof Power Company Limited	Generation and sales of electricity and alternative energy	Thailand	99.98	99.98
UAC Top Energy Company Limited	Generation and sales of electricity and alternative energy	Thailand	99.99	74.97
Vientiane Waste Management Company Limited	Land development business for the construction of waste management plant to produce renewable energy	Lao People's Democratic Republic	50.01	-

- 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 companies 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 Group has 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 associates under the cost method.

3 New financial reporting standards

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

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods 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 Group's 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 Group's financial statements.

(b) Financial reporting standards that will become 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 Group believes that adoption of these standards will not have any significant impact on the Group's financial statements.

TFRS 16 Leases

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

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

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

The management of the Group 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 the Group's assets by approximately Baht 111.95 million (the Company only: approximately Baht 85.03 million) and the Group's liabilities by approximately Baht 111.95 million (the Company only: approximately Baht 85.03 million).

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Interest income

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

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 first-in, first-out method) and net realisable value. The cost of inventories is measured using the actual cost method and includes all production costs and attributable factory overheads.

Raw materials and supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

- a) Investments in trading securities are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- c) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

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

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment 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:

Buildings and building improvements	5 - 20 years
Machinery and equipment	5 - 20 years
Office equipment	2 and 5 years
Furniture and fixtures	5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under 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 summarised.

4.7 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.

4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (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 asset 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.

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

	<u>Useful lives</u>
Customer relationship	6, 11 and 16 years
Formulas	6 years
Compensation for concession agreement	45 years

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses (if any). Goodwill is tested for impairment annually or when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each cash generating units or group of cash-generating units that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit or group of cash-generating units to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Related party transactions

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

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

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 of each entity 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, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

4.13 Impairment of assets

At the end of each reporting period, the Group performs 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. The Group also carries out annual impairment reviews in respect of goodwill. 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a

valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

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 Group estimates 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 unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

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 and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans 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 are recognised immediately in other comprehensive income.

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

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 Group has 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 Group recognises 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 Group reviews and reduces 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 Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Fair value measurement

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

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

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

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

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

At the end of each reporting period, the Group determines 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 are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

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.

Reduction of inventories to net realisable value

In determining a reduction of inventories to net realisable value, the management needs to make judgement and estimates based upon, among other things, slow-moving inventories and net realisable values.

Impairment of investments

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

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.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

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.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Group 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 Group and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2019	2018	2019	2018	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of finished goods	-	-	30.28	30.85	Mutual agreed
Interest income	-	-	15.93	9.49	MLR - 0.75 and MLR - 2.00 per annum
Other income	-	-	1.07	1.44	Mutual agreed
Purchases of finished goods	-	-	0.81	0.37	Market prices
<u>Transactions with associate companies</u>					
Sales of finished goods	12.30	0.69	12.30	0.69	Mutual agreed
Interest income	0.67	0.99	-	-	5.50% per annum
Other income	1.67	1.05	1.67	1.05	Mutual agreed
Purchases of finished goods	24.66	45.00	24.63	45.00	Market prices
Purchases of equipment	-	17.72	-	-	Mutual agreed
Manufacturing expenses	-	0.97	-	0.97	Mutual agreed
<u>Transactions with related parties</u>					
Purchases of equipment	2.67	3.07	-	-	Mutual agreed
Manufacturing expenses	0.13	0.04	-	-	Mutual agreed
Interest expenses	2.81	0.98	-	-	MLR - 0.75 per annum
Management fee	2.18	2.38	1.71	1.82	Mutual agreed

The balances of the accounts as at 31 December 2019 and 2018 between the Group and those related parties are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2019	2018	2019	2018
<u>Trade and other receivables - related parties</u>				
(Note 9)				
Subsidiaries	-	-	44,462	29,584
Associates	1,750	914	1,548	660
Related companies (common directors)				
SBANG Sustainable Energies Limited	22,265	-	-	-
Total trade and other receivables - related parties	24,015	914	46,010	30,244
<u>Trade and other payables - related parties</u>				
(Note 19)				
Subsidiaries	-	-	204	-
Associates	6,133	13,770	-	2,289
Related companies (common directors)				
SBANG Sustainable Energies Limited	18,978	-	-	-
Khounameung Group Company Limited	73,271	-	-	-
Other companies	13,996	8,768	1	22
Related individual (director of a subsidiary)	-	9	-	-
Total trade and other payables - related parties	112,378	22,547	205	2,311

Short-term loans to related parties

As at 31 December 2019, the balance of loans to related parties and the movement are as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
Loans to related parties	Related by	Balance as at	Increase	Decrease	Balance as at
		1 January	during	during	31 December
		2019	the year	the year	2019
Enerray UAC (Thailand)					
Company Limited	Associate	1,667	-	(1,667)	-
PPWE Company Limited	Associate	14,000	-	(3,000)	11,000
Sebigas UAC Company					
Limited	Associate	-	250	(250)	-
Total		15,667	250	(4,917)	11,000
Less: Allowance for doubtful accounts		-			(11,000)
Loans to related parties - net		15,667			-

(Unit: Thousand Baht)

Loans to related parties	Related by	Separate financial statements			
		Balance as at 1 January 2019	Increase during the year	Decrease during the year	Balance as at 31 December 2019
UAC & TPT Energy Company Limited	Subsidiary	97,500	4,000	-	101,500
UAC Energy Company Limited	Subsidiary	56,000	30,000	-	86,000
Solar Energy Roof Power Company Limited	Subsidiary	6,000	-	-	6,000
UAC Advance Polymer & Chemicals Company Limited	Subsidiary	92,000	35,000	-	127,000
UAC TOP Energy Company Limited	Subsidiary	12,700	-	(12,700)	-
Sebigas UAC Company Limited	Associate	-	250	(250)	-
Total		264,200	69,250	(12,950)	320,500

Short-term loans from related parties

As at 31 December 2019, the balance of loans from related parties and the movement are as follows:

(Unit: Thousand Baht)

Loans from related parties	Related by	Consolidated financial statements			
		Balance as at 1 January 2019	Increase during the year	Decrease during the year	Balance as at 31 December 2019
TPT Thepprathanporn Company Limited	Common director	96,500	4,000	-	100,500
Related individual	Director of a subsidiary	7,000	18,000	(25,000)	-
Total		103,500	22,000	(25,000)	100,500

Directors and management's benefits

For the years ended 31 December 2019 and 2018, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	36,708	34,533	25,417	24,093
Post-employment benefits	3,843	2,241	3,340	1,517
Total	<u>40,551</u>	<u>36,774</u>	<u>28,757</u>	<u>25,610</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 34.6 to the consolidated 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	152	209	31	46
Bank deposits	29,136	77,514	14,679	71,931
Cheques on hand	11,172	2,302	9,510	1,054
Total	<u>40,460</u>	<u>80,025</u>	<u>24,220</u>	<u>73,031</u>

As at 31 December 2019, bank deposits in saving accounts and fixed deposits carried interests between 0.04 and 1.00 percent per annum (2018: between 0.04 and 0.75 percent per annum).

8. Investments in trading securities

As at 31 December 2019 and 2018, the Group had investments in trading securities as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Investments in trading securities - at cost	1,742	1,857	83	6
Add: Unrealised gain on changes in value of investments in trading securities	70	49	1	-
Total investments in trading securities	<u>1,812</u>	<u>1,906</u>	<u>84</u>	<u>6</u>

During the years ended 31 December 2019 and 2018, the movements of investments in trading securities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Book value as at beginning of the year	1,906	1,879	6	-
Acquisition during the year	40,000	329,805	40,000	329,805
Disposal during the year	(40,115)	(329,799)	(39,923)	(329,799)
Changes in value of investments in trading securities	21	21	1	-
Book value as at end of the year	<u>1,812</u>	<u>1,906</u>	<u>84</u>	<u>6</u>

The outstanding balance of investments in trading securities represents investments in the units of money market fund of a financial institution, which are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in unit trusts has been determined by using the net asset value.

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<u>Trade receivables - related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	-	-	2,111	3,879
Past due				
Up to 3 months	1,548	-	7,582	11,933
3 - 6 months	-	-	8,618	-
6 - 12 months	-	-	5,276	-
Total trade receivables - related parties	1,548	-	23,587	15,812
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Unbilled	8,027	39,671	4,119	33,668
Not yet due	140,552	147,087	83,423	86,510
Past due				
Up to 3 months	94,180	94,631	71,775	74,297
3 - 6 months	1,099	7,599	1,099	7,599
6 - 12 months	516	12,579	93	11,706
Over 12 months	1,726	943	-	-
Total	246,100	302,510	160,509	213,780
Less: Allowance for doubtful accounts	(877)	(877)	-	-
Total trade receivables - unrelated parties, net	245,223	301,633	160,509	213,780
Total trade receivables - net	246,771	301,633	184,096	229,592
<u>Other receivables - related parties</u> (Note 6)				
Other receivables	23,421	706	2,028	1,430
Interest receivables	202	208	21,551	13,002
Total	23,623	914	23,579	14,432
Less: Allowance for doubtful accounts	(1,156)	-	(1,156)	-
Total other receivables - related parties, net	22,467	914	22,423	14,432
<u>Other receivables - unrelated parties</u>				
Other receivables	49,515	89,910	14,786	26,353
Less: Allowance for doubtful accounts	(2,849)	(3,200)	(1,849)	(2,200)
Total other receivables - unrelated parties, net	46,666	86,710	12,937	24,153
Total other receivables - net	69,133	87,624	35,360	38,585
Total trade and other receivables - net	315,904	389,257	219,456	268,177

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	129,337	125,883	(5,906)	(3,213)	123,431	122,670
Raw materials	17,240	14,439	(1,180)	(999)	16,060	13,440
Supplies	15,312	10,784	(188)	(188)	15,124	10,596
Goods in transit	10,680	968,690	-	-	10,680	968,690
Total	<u>172,569</u>	<u>1,119,796</u>	<u>(7,274)</u>	<u>(4,400)</u>	<u>165,295</u>	<u>1,115,396</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	104,001	98,456	(4,711)	(2,159)	99,290	96,297
Raw materials	1,140	704	-	-	1,140	704
Supplies	10,561	9,098	(188)	(188)	10,373	8,910
Goods in transit	10,680	968,550	-	-	10,680	968,550
Total	<u>126,382</u>	<u>1,076,808</u>	<u>(4,899)</u>	<u>(2,347)</u>	<u>121,483</u>	<u>1,074,461</u>

During the current year, the Group reduced cost of inventories by Baht 4.44 million (2018: Baht 2.35 million) (the Company only: Baht 4.12 million and 2018: Baht 0.73 million), to reflect the net realisable value. This was included in administrative expenses. In addition, the Group reversed the write-down of cost of inventories by Baht 1.57 million (2018: Baht 0.12 million) (the Company only: Baht 1.57 million and 2018: Baht 0.12 million), and reduced the amount of inventories recognised as expenses during the year.

11. Restricted bank deposits

As at 31 December 2019, the outstanding balance amounting to Baht 30 million (2018: Baht 10 million) represents fixed deposits which are pledged as collateral for long-term loans in accordance with loans agreements made with a financial institution. Under such loan agreements, the Company must deposit fixed deposits and pledged as collateral for long-term loans on the borrowing date at amount of Baht 4 million and gradually increase its fixed deposits as collateral for long-term loans on a monthly basis of Baht 2 million till Baht 30 million.

12. Investments in subsidiaries

12.1 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		Provision for impairment		Carrying amounts		
							of investments		based on		
	2019	2018	2019	2018	2019	2018	2019	2018	cost method - net	2019	2018
			(%)	(%)							
UAC Utilities											
Company Limited	30,000	30,000	99.99	99.99	26,668	26,668	(4,326)	(4,326)	22,342	22,342	
UAC & TPT Energy											
Company Limited	99,600	99,600	50.01	50.01	49,809	49,809	-	-	49,809	49,809	
UAC Energy											
Company Limited	200,000	200,000	99.99	99.99	200,000	200,000	(24,117)	(13,817)	175,883	186,183	
UAC Advance											
Polymer & Chemicals											
Company Limited	180,000	180,000	99.99	99.99	180,000	180,000	-	-	180,000	180,000	
Total investments in subsidiaries											
- net					456,477	456,477	(28,443)	(18,143)	428,034	438,334	

12.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Thousand Baht)						
Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Loss allocated to non-controlling interests during the year	
	2019	2018	2019	2018	2019	2018
	(%)	(%)				
UAC & TPT Energy Company Limited	49.99	49.99	27,895	33,050	(5,155)	(3,243)

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Thousand Baht)

	UAC & TPT Energy Company Limited	
	<u>2019</u>	<u>2018</u>
Current assets	17,898	17,669
Non-current assets	286,262	280,400
Current liabilities	238,356	221,702
Non-current liabilities	10,010	9,962

Summarised information about comprehensive income

(Unit: Thousand Baht)

	For the year ended 31 December	
	UAC & TPT Energy Company Limited	
	<u>2019</u>	<u>2018</u>
Revenue	11	3
Loss	(10,612)	(6,434)
Total comprehensive income	(10,612)	(6,434)

Summarised information about cash flow

(Unit: Thousand Baht)

	For the year ended 31 December	
	UAC & TPT Energy Company Limited	
	<u>2019</u>	<u>2018</u>
Cash flow used in operating activities	(4,721)	(10,073)
Cash flow used in investing activities	(3,261)	(1,214)
Cash flow from financing activities	8,000	11,000
Net increase (decrease) in cash and cash equivalents	<u>18</u>	<u>(287)</u>

Movements of the investments in subsidiaries during the year ended 31 December 2019 are summarised below.

Subsidiaries held through UAC Energy Company Limited

Vientiane Waste Management Company Limited

On 3 June 2019, UAC Energy Company Limited, a subsidiary of the Company, registered the incorporation of a subsidiary in the Lao People's Democratic Republic under the name of Vientiane Waste Management Company Limited, to engage in land development business for the construction of waste management plant to produce renewable energy and recyclable products in the Lao People's Democratic Republic with a registered share capital of LAK 72,900 million (36.45 million ordinary shares with a par value of LAK 2,000 each). The subsidiary holds 50.01 percent interest in such company. During the year 2019, UAC Energy Company Limited made payments for the share subscription of such company amounting to LAK 12,760.05 million (or equivalent to Baht 44.00 million).

At present, Vientiane Waste Management Company Limited has not fully called up the registered share capital.

UAC Top Energy Company Limited

On 20 September 2019, UAC Energy Company Limited, a subsidiary of the Company, acquired ordinary shares of UAC Top Energy Company Limited in accordance with a resolution of the Board of Directors' meeting of UAC Energy Company Limited on 26 August 2019, which approved an additional investment in UAC Top Energy Company Limited amounting to Baht 1.75 million (17,499 ordinary shares with a par value of Baht 100 each) through an acquisition of ordinary shares from non-controlling interest of such company. As a result, the subsidiary's interest in such company increased from 74.98 percent to 99.99 percent.

Subsidiary held through UAC & TPT Energy Company Limited

UAC TPT Pellets Company Limited

On 23 September 2019, the Extraordinary General Meeting of the shareholders of UAC TPT Pellets Company Limited, a subsidiary of UAC & TPT Energy Company Limited (a subsidiary of the Company), approved the dissolution of such company. The subsidiary's liquidator registered the company's dissolution with the Ministry of Commerce on 24 September 2019. At present, such subsidiary is in the process of liquidation.

13. Investments in associates

13.1 Details of associates:

							(Unit: Thousand Baht)	
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method			
			2019 (%)	2018 (%)	2019	2018	2019	2018
Associate directly held by the Company								
Bangchak Biofuel Company Limited	Manufacturing and distributing biodiesel	Thailand	30.00	30.00	300,639	228,133	111,051	111,051
Associates held through UAC Energy Company Limited								
Sebigas UAC Company Limited	Construction	Thailand	49.00	49.00	-	-	-	-
PPWE Company Limited	Investment in energy business	Thailand	49.98	49.98	-	-	-	-
Enerray UAC (Thailand) Company Limited	Construction	Thailand	25.00	25.00	-	-	-	-
Odin Myanmar Company Limited	Investment in alternative energy power plant	Thailand	40.00	40.00	307	307	-	-
Total					300,946	228,440	111,051	111,051

13.2 Share of comprehensive income and dividend received

During the years, the Group has recognised its share of profit (loss) from investments in associate companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Associates	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Dividend received by the Group during the year	
	2019	2018	2019	2018	2019	2018
Bangchak Biofuel Company Limited	72,506	59,184	-	-	-	24,068
Odin Myanmar Company Limited	-	(58)	-	-	-	-
Total	72,506	59,126	-	-	-	24,068

13.3 Summarised financial information about material associates

Summarised information about financial position

		(Unit: Thousand Baht)	
		Bangchak Biofuel Company Limited	
		<u>2019</u>	<u>2018</u>
Current assets		1,107,994	611,564
Non-current assets		2,081,886	2,076,519
Current liabilities		1,451,317	866,082
Non-current liabilities		798,503	1,123,629
Net assets		940,060	698,372
Shareholding percentage (%)		30%	30%
Share of net assets		282,018	209,512
Goodwill		18,621	18,621
Carrying amounts of associates based on equity method		300,639	228,133

Summarised information about comprehensive income

		(Unit: Thousand Baht)	
		For the year ended 31 December	
		Bangchak Biofuel Company Limited	
		<u>2019</u>	<u>2018</u>
Revenue		5,876,568	6,192,821
Profit		241,688	197,282
Total comprehensive income		241,688	197,282

13.4 Investments in associates with capital deficit

The Group recognised share of losses from investment in 3 associates, as listed below, until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognised in the Group's accounts since the Group has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognised share of losses is set out below.

(Unit: Thousand Baht)

Company's name	Unrecognised share of losses			
	Share of profit (losses)		Cumulative share of losses	
	during the years		up to 31 December	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Sebigas UAC Company Limited	(2,592)	(4,504)	(15,789)	(13,197)
PPWE Company Limited	(4,114)	(1,360)	(11,397)	(7,283)
Enerray UAC (Thailand) Company Limited	1,839	441	(730)	(2,569)
Total	<u>(4,867)</u>	<u>(5,423)</u>	<u>(27,916)</u>	<u>(23,049)</u>

14. Other long-term investments

The outstanding balance represents the investments, which a subsidiary invested in ordinary shares of Odin Power Company Limited, representing 10% of the registered share capital of such company. Odin Power Company Limited is principally engaged in investment in alternative energy power plant.

15. Property, plant and equipment

	Consolidated financial statements							(Unit: Thousand Baht)
	Land and land improvements	Buildings and building improvements	Machinery and equipment	Office equipment	Furniture and fixtures	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2018	86,656	125,784	1,388,868	20,088	8,677	48,853	493,107	2,172,033
Additions	540	2,613	8,620	711	403	500	44,564	57,951
Disposals/write-off	-	-	(21,537)	(656)	(21)	(4,249)	(26)	(26,489)
Transfer in (out)	-	49,801	136,989	-	1,147	-	(196,637)	(8,700)
31 December 2018	87,196	178,198	1,512,940	20,143	10,206	45,104	341,008	2,194,795
Additions	41	2,371	12,904	1,193	689	6,080	9,446	32,724
Disposals/write-off	-	(4,214)	(212)	(398)	(25)	(5,400)	-	(10,249)
Transfer in (out)	-	21,507	57,802	(2,211)	-	-	(77,098)	-
31 December 2019	87,237	197,862	1,583,434	18,727	10,870	45,784	273,356	2,217,270
Accumulated depreciation:								
1 January 2018	-	35,600	249,224	15,412	5,256	18,896	-	324,388
Depreciation for the year	-	11,526	86,435	2,066	1,623	5,478	-	107,128
Depreciation on disposals/write-off	-	-	(657)	(650)	(15)	(2,684)	-	(4,006)
31 December 2018	-	47,126	335,002	16,828	6,864	21,690	-	427,510
Depreciation for the year	-	10,473	85,622	1,253	1,307	5,203	-	103,858
Depreciation on disposal/write-off	-	(1,523)	(104)	(390)	(19)	(3,240)	-	(5,276)
Transfer in (out)	-	31	2,086	(2,117)	-	-	-	-
31 December 2019	-	56,107	422,606	15,574	8,152	23,653	-	526,092

(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvements	Buildings and building improvements	Machinery and equipment	Office equipment	Furniture and fixtures	Motor vehicles	Assets under construction	Total
Allowance for impairment loss:								
1 January 2018	-	8,024	37,854	-	-	-	-	45,878
Increase during the year	-	170	10,981	154	13	-	-	11,318
31 December 2018	-	8,194	48,835	154	13	-	-	57,196
Increase during the year	-	-	10,824	-	-	-	-	10,824
Reverse during the year	-	-	(2,309)	-	-	-	-	(2,309)
31 December 2019	-	8,194	57,350	154	13	-	-	65,711
Net book value:								
31 December 2018	87,196	122,878	1,129,103	3,162	3,329	23,413	341,008	1,710,089
31 December 2019	87,237	133,561	1,103,478	2,999	2,705	22,130	273,356	1,625,467
Depreciation for the year								
2018 (Baht 97.16 million included in cost of sales and service, and the balance in selling and distribution, and administrative expenses)								107,128
2019 (Baht 94.93 million included in cost of sales and service, and the balance in selling and distribution, and administrative expenses)								103,858

(Unit: Thousand Baht)

	Separate financial statements							
	Land and land improvements	Buildings and building improvements	Machinery and equipment	Office equipment	Furniture and fixtures	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2018	14,706	84,920	1,050,255	17,605	4,000	32,247	-	1,203,733
Additions	540	42	643	705	85	500	985	3,500
Write-off	-	-	(489)	(657)	-	-	-	(1,146)
Transfer in (out)	-	(2,224)	(5,622)	-	41	-	(896)	(8,701)
31 December 2018	15,246	82,738	1,044,787	17,653	4,126	32,747	89	1,197,386
Additions	-	1,230	7,368	680	323	6,080	4,290	19,971
Disposals/write-off	-	-	(78)	(347)	-	(5,400)	-	(5,825)
Transfer in (out)	-	106	6,312	(2,210)	-	-	(4,208)	-
31 December 2019	15,246	84,074	1,058,389	15,776	4,449	33,427	171	1,211,532
Accumulated depreciation:								
1 January 2018	-	22,873	206,008	13,863	3,472	11,395	-	257,611
Depreciation for the year	-	4,645	58,091	1,884	473	2,532	-	67,625
Depreciation on write-off	-	-	(95)	(650)	-	-	-	(745)
31 December 2018	-	27,518	264,004	15,097	3,945	13,927	-	324,491
Depreciation for the year	-	4,637	57,244	1,114	58	2,732	-	65,785
Depreciation on disposals/write-off	-	-	(22)	(338)	-	(3,240)	-	(3,600)
Transfer in (out)	-	-	2,117	(2,117)	-	-	-	-
31 December 2019	-	32,155	323,343	13,756	4,003	13,419	-	386,676

(Unit: Thousand Baht)

	Separate financial statements						
	Land and land improvements	Buildings and building improvements	Machinery and equipment	Office equipment	Furniture and fixtures	Motor vehicles	Assets under construction
							Total
Allowance for impairment loss:							
1 January 2018	-	8,024	37,854	-	-	-	45,878
31 December 2018	-	8,024	37,854	-	-	-	45,878
Increase during the year	-	-	524	-	-	-	524
Reverse during the year	-	-	(2,309)	-	-	-	(2,309)
31 December 2019	-	8,024	36,069	-	-	-	44,093
Net book value:							
31 December 2018	15,246	47,195	742,929	2,556	181	18,820	827,017
31 December 2019	15,246	43,894	698,978	2,020	446	20,008	780,763
Depreciation for the year							
2018 (Baht 62.43 million included in cost of sales and service, and the balance in selling and distribution, and administrative expenses)							67,625
2019 (Baht 61.22 million included in cost of sales and service, and the balance in selling and distribution, and administrative expenses)							67,785

- 15.1 As at 31 December 2019, a subsidiary had an outstanding balance of power plant under construction amounting to Baht 282.14 million (2018: Baht 276.29 million). The construction has been financed with a loan from a related company. Borrowing costs amounting to Baht 2.65 million were capitalised during the year ended 31 December 2019 (2018: Baht 3.07 million). The weighted average rate of 5.25% has been used to determine the amount of borrowing costs eligible for capitalisation.
- 15.2 As at 31 December 2019, the Company's plant at cost of Baht 83.64 million (2018: Baht 83.29 million) are constructed on leasehold land (Note 34.1).
- 15.3 As at 31 December 2019, machinery and equipment at cost of Baht 953.12 million (2018: Baht 1,300.34 million) (the Company only: Baht 536.70 million (2018: Baht 830.26 million)) are pledged as collateral for bank overdrafts and short-term loans from financial institutions (Note 18) and long-term loans (Note 20).
- 15.4 As at 31 December 2019, machinery and equipment of a subsidiary at cost of Baht 201.61 million (2018: Baht 201.61 million) are pledged as collateral for liabilities under financial lease agreements (Note 21).
- 15.5 As at 31 December 2019, motor vehicles, machinery and equipment at cost of Baht 228.68 million (2018: Baht 228.44 million) (the Company only: Baht 21.22 million (2018: Baht 15.94 million)) are on repayment schedules under finance lease agreements (Note 21).
- 15.6 As at 31 December 2019, the Group has certain items of plant and equipment that were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 51.79 million (2018: Baht 36.46 million) (the Company only: Baht 39.37 million (2018: Baht 35.35 million)).

16. Intangible assets

The net book value of intangible assets as at 31 December 2019 and 2018 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Customer relationship	Formulas	Compensation for concession agreement	Total
As at 31 December 2019:				
Cost	127,000	18,000	130,411	275,411
Less: Accumulated amortisation	(41,461)	(14,000)	-	(55,461)
Net book value	85,539	4,000	130,411	219,950

(Unit: Thousand Baht)

	Consolidated financial statements			
	Customer relationship	Formulas	Compensation for concession	Total
			agreement	
As at 31 December 2018:				
Cost	127,000	18,000	-	145,000
<u>Less: Accumulated amortisation</u>	<u>(32,576)</u>	<u>(11,000)</u>	<u>-</u>	<u>(43,576)</u>
Net book value	<u>94,424</u>	<u>7,000</u>	<u>-</u>	<u>101,424</u>

A reconciliation of the net book value of intangible assets for the years 2019 and 2018 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2019</u>	<u>2018</u>
Book value as at beginning of the year	101,424	113,309
Acquisition during the year	130,411	-
Amortisation during the year	<u>(11,885)</u>	<u>(11,885)</u>
Book value as at end of the year	<u>219,950</u>	<u>101,424</u>

The compensation for concession agreement of Vientiane Waste Management Company Limited, a subsidiary of the group company, represents the compensation that such subsidiary paid to a shareholder of a company as stipulated in the share subscription and shareholders' agreement to obtain the right to operate the land development business for the construction of waste management plant in the Lao People's Democratic Republic under the concession agreement. The concession agreement has a period of 45 years.

Such subsidiary has a commitment to pay the concession fee for land and waste landfills for the construction of waste management plant to produce renewable energy and recyclable products to the Government of the Lao People's Democratic Republic commencing from the concession agreement date for each period at the rate specified in the concession agreement.

17. Goodwill

A subsidiary determined the recoverable amounts of the CGUs based on value-in-use by preparing projections of the cash flows that are expected to be generated from that group of assets in the future, with reference to financial projections approved by the management. These cash flow projections cover a period of 10 years due to the additional investments in property, plant and equipment of the subsidiary.

Key assumptions used in the determination of value-in-use of assets are summarised below.

	(Unit: Percent per annum)	
	Year 2020	Year 2021 - 2029
Growth rate	15.82	5.00
Pre-tax discount rate	6.36	6.36

The management considered the growth rate based on past performance and the expectations of the market growth, and a pre-tax discount rate that reflects the risks specific to the asset. The management believes that goodwill is not impaired.

18. Bank overdrafts and short-term loans from financial institutions

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
	Interest rate (percent per annum)	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Bank overdrafts	MOR, MOR - 1.5	1,148	6,630	-	-
Short-term loans	MMR, MLR - 2.0	62,400	57,400	20,000	-
Trust receipts	MMR	48,578	747,863	48,578	747,863
Total		<u>112,126</u>	<u>811,893</u>	<u>68,578</u>	<u>747,863</u>

18.1 As at 31 December 2019, bank overdrafts and short-term loans from financial institutions of the Company has no collateral.

18.2 As at 31 December 2019, bank overdrafts and short-term loans from financial institutions of a subsidiary are secured by the mortgage of a subsidiary's land and structures thereon and machinery and guaranteed by the Company.

19. 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 (Note 6)		-	2,313	204	2,310
Trade payables		129,204	366,030	77,946	297,140
Other payables - related parties (Note 6)		19,349	139	-	-
Other payables		13,197	9,579	7,654	5,839
Other payables for purchases of equipment					
- related parties (Note 6)		14,929	20,071	-	-
Other payables for purchases of equipment		3,458	2,447	1,023	76
Payables for compensation of concession agreement - related parties (Note 6)		72,899	-	-	-
Accrued expenses - related parties (Note 6)		5,201	24	1	1
Accrued expenses		20,511	17,435	15,783	15,104
Total trade and other payables		<u>278,748</u>	<u>418,038</u>	<u>102,611</u>	<u>320,470</u>

20. Long-term loans

			(Unit: Thousand Baht)			
			Consolidated		Separate	
			financial statements		financial statements	
Loan	Interest rate (% per annum)	Repayment schedule	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
1	MLR - 1.75 and MLR - 2.75	33 monthly installments as from August 2018	170,554	285,145	170,554	285,145
2	MLR - 1.25	84 monthly installments as from May 2015	197,290	226,353	-	-
3	MLR - 1.25	84 monthly installments as from April 2018	83,228	88,828	-	-
4	MLR - 1.25	84 monthly installments as from March 2018	33,553	35,500	-	-
5	MLR - 1.25	84 monthly installments as from July 2015	-	16,659	-	-
6	MLR - 1.25	84 monthly installments as from September 2015	9,555	13,182	-	-
Total			494,180	665,667	170,554	285,145
Less: Current portion			(231,666)	(159,071)	(120,709)	(113,983)
Long-term loans, net of current portion			<u>262,514</u>	<u>506,596</u>	<u>49,845</u>	<u>171,162</u>

Movements of the long-term loans accounts 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	665,667	285,145
Less: Repayment of long-term loans during the year	(171,487)	(114,591)
Balance as at 31 December 2019	494,180	170,554

Long-term loan No. 1 is secured by the restricted bank deposits (Note 11) and the mortgage of machinery (Note 15.3). Under the loan agreements, the Company is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the ratio of Funded Debt/EBITDA.

Long-term loan No. 2 - 4 are secured by the mortgage of a subsidiary's land and structures thereon and machinery (Note 15.3) and guaranteed by the Company. Under the loan agreements, a subsidiary is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the debt to equity ratio, debt service coverage ratio.

Long-term loan No. 5 - 6 are secured by the mortgage of a subsidiary's machinery and equipment of the rooftop solar power plant (Note 15.3), a subsidiary's leasehold rights under the rooftop lease agreement, and guaranteed by the Company. Under the loan agreements, the subsidiary is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the debt to equity ratio, debt service coverage ratio.

21. Liabilities under long-term 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 long-term lease agreements	42,272	63,739	8,341	6,868
Less: Deferred interest expenses	(1,670)	(3,631)	(331)	(140)
Total	40,602	60,108	8,010	6,728
Less: Portion due within one year	(24,510)	(23,467)	(4,072)	(2,572)
Liabilities under long-term lease agreements - net of current portion	<u>16,092</u>	<u>36,641</u>	<u>3,938</u>	<u>4,156</u>

The Group have entered into the hire purchase and finance lease agreements for rental of machinery and equipment and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 5 years.

As at 31 December 2019 and 2018, the Group have assets which are on repayment schedules under finance lease agreements at cost as follows.

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
Machinery and equipment	201,794	201,794	-	-
Motor vehicles	26,887	26,645	21,216	15,940
Total	228,681	228,439	21,216	15,940

22. Debentures

The Company issued registered, unsubordinated and unsecured debentures amounting to Baht 400 million. These debentures, which have debenture holders' representative, were offered to institutional investors and major investors. Interest is payable every three months. The significant details are as follows:

Issue date	Units	Par value per unit	Total value	Interest rate	Maturity date
		(Baht)	(Million Baht)	(% per annum)	
12 June 2018	400,000	1,000	400	5.50	12 June 2020

The conditions regarding the rights and obligations of the debenture issuer stipulate certain covenants, pertaining to matters such as maintaining the net debt to equity ratio at the end of period not exceed 3.0:1.

23. Provision for long-term employee benefits

Provision for long-term employee benefits was as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
Provision for long-term employee benefits				
at beginning of year	19,382	17,382	17,234	15,628
Included in profit or loss:				
Current service cost	2,630	2,338	1,796	1,616
Interest cost	504	379	451	342
Past service costs and gains or losses on settlement	3,824	-	3,741	-
Benefits paid during the year	(4,991)	(717)	(4,991)	(352)
Provision for long-term employee benefits at end of year	21,349	19,382	18,231	17,234

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 Group has additional long-term employee benefit liabilities of Baht 3.83 million (the Company only: Baht 3.74 million) as a result. The Group reflects the effect of the change by recognising past service costs as expenses in the income statement of the current year.

The Group expects to pay Baht 0.05 million of long-term employee benefits during the next year (Separate financial statements: Baht 0.05 million) (2018: Baht 3.57 million, separate financial statements: Baht 3.57 million).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 13 to 25 years (Separate financial statements: 14 years) (2018: 13 to 25 years, separate financial statements: 14 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	2.38% - 3.13%	2.20% - 3.13%	2.30%, 2.71%	2.20%, 2.41%
Salary increase rate	5.00%	5.00%	5.00%	5.00%
Turnover rate	0.00% - 22.00%	0.00% - 22.00%	0.00% - 21.00%	0.00% - 21.00%

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 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(959)	1,026	(831)	889
Salary increase rate	1,135	(1,065)	984	(923)
	(Unit: Thousand Baht)			
	As at 31 December 2018			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(746)	798	(651)	697
Salary increase rate	800	(754)	701	(660)

24. Share capital

On 4 April 2018, the Annual General Meeting of the Company's shareholders No. 1/2018 approved the following resolution:

- a) Decrease the Company's registered share capital from Baht 433,942,650 (867,885,301 ordinary shares of Baht 0.50 each) to Baht 333,802,650 (667,605,301 ordinary shares of Baht 0.50 each), by eliminating the 200,280 ordinary shares of Baht 0.50 each with a total of Baht 100,140 that are not issued.
- b) Increase the Company's registered share capital from Baht 333,802,650 (667,605,301 ordinary shares of Baht 0.50 each) to Baht 367,183,150 (734,366,301 ordinary shares of Baht 0.50 each) to be reserved for the exercise of warrants as mentioned in Note 29 to the consolidated financial statements.

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salaries and wages and other employee benefits	116,867	109,368	82,663	77,496
Directors and management's benefits (Note 6)	40,551	36,774	28,757	25,610
Depreciation (Note 15)	103,858	107,128	65,785	67,625
Loss on impairment of property, plant and equipment (reversal) (Note 15)	8,515	11,317	(1,785)	-
Amortisation expenses (Note 16)	11,885	11,885	-	-
Rental expenses from operating lease agreements	11,514	11,730	7,793	8,523
Raw materials and consumables used	233,957	252,799	63,049	73,755
Changes in inventories of finished goods	(761)	6,413	(2,993)	8,762
Commission expenses	7,548	5,444	7,086	4,982

27. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Current income tax charge for the years	30,333	26,889	30,221	26,074
Deferred tax:				
Relating to origination and reversal of				
temporary differences	(8,884)	(4,644)	(4,719)	(495)
Income tax expenses reported in				
profit or loss	<u>21,449</u>	<u>22,245</u>	<u>25,502</u>	<u>25,579</u>

The reconciliation between accounting profit and income tax expense is 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>175,017</u>	<u>158,752</u>	<u>127,379</u>	<u>149,052</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by				
income tax rate	35,003	31,750	25,476	29,810
Effects of:				
Promotional privileges (Note 28)	(6,626)	(1,307)	-	-
Share of profit from investments in associates	(14,501)	(11,825)	-	-
Dividend income from associates	-	-	-	(4,813)
Non-deductible expenses	858	2,112	553	886
Additional expense deductions allowed	(531)	(304)	(527)	(304)
Utilised tax losses in the current year which were not recognised as deferred tax assets during previous year	-	(34)	-	-
Deductible temporary difference and tax losses which were not recognised as deferred tax assets during the year	6,882	1,229	-	-
Others	364	624	-	-
Total	<u>(13,554)</u>	<u>(9,505)</u>	<u>26</u>	<u>(4,231)</u>
Income tax expense reported in profit or loss	<u>21,449</u>	<u>22,245</u>	<u>25,502</u>	<u>25,579</u>

The components of deferred tax assets and deferred tax liabilities 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	170	170	-	-
Allowance for diminution in value of inventories	1,444	869	980	469
Provision for impairment of investments in subsidiaries	-	-	5,689	3,629
Provision for impairment of assets	13,142	11,439	8,818	9,175
Provision for long-term employee benefits	4,231	3,847	3,646	3,447
Deferred subsidy income	1,952	2,118	1,952	2,118
Unused tax loss	10,725	8,350	-	-
Total	31,664	26,793	21,085	18,838
Deferred tax liabilities				
Fair value of inventories through business acquisition	17	17	-	-
Fair value of property, plant and equipment through business acquisition	8,114	9,326	-	-
Intangible assets acquired through business acquisition	17,908	20,285	-	-
Liabilities under finance lease agreements	33,618	34,043	28,206	30,678
Total	59,657	63,671	28,206	30,678

As at 31 December 2019, the subsidiaries have deductible temporary differences and unused tax losses totaling Baht 46.14 million (2018: Baht 36.41 million), on which deferred tax assets have not been recognised as the subsidiaries believe that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax loss are summarised as below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	2018
31 December 2019	1,791	1,791
31 December 2020	3,894	3,897
31 December 2021	3,731	3,731
31 December 2022	12,471	12,471
31 December 2023	11,062	11,062
31 December 2024	65,935	41,749
31 December 2028	880	880
	<u>99,764</u>	<u>75,581</u>

28. Promotional privileges

The Company and 4 subsidiaries were granted investment promotional privileges by the Board of Investment (BOI). Significant tax privileges granted to the companies are summarised below.

	Exemption from corporate income tax for 8 years commencing from	50 percent reduction of corporate income tax rate for 5 years commencing from
UAC Global Public Company Limited		
Production of Compressed Bio Gas	8 August 2013	7 August 2021
Production of Compressed Natural Gas, Liquefied Petroleum Gas, and Natural Gas Liquid	17 January 2014	-
Production of Compressed Bio Gas	31 January 2016	30 January 2024
UAC Advance Polymer & Chemicals Company Limited		
Production of polymer solution and polymer emulsion	19 December 2017	-
UAC Energy Company Limited		
Production of electricity	26 January 2012	-
Production of electricity from solar rooftop energy	22 June 2015	21 June 2023
Solar Energy Roof Power Company Limited		
Production of electricity from solar rooftop energy	29 July 2015	28 July 2023
UAC & TPT Energy Company Limited		
Production of Compressed Bio Gas	Not yet commenced operation	Not yet commenced operation

The amount of exempted income tax shall not exceed investment amount excluding the cost of land and working capital for the production of Compressed Natural Gas, Liquefied Petroleum Gas and Natural Gas Liquid and the production of polymer solution and polymer emulsion.

As a BOI promoted company, the Group must comply with certain conditions and restrictions stipulated in the investment promotion certificates.

The Group's operating revenues for the years ended 31 December 2019 and 2018, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements						
	Promoted operations		Non-promoted operations		Total	
	2019	2018	2019	2018	2019	2018
Sales and service income						
Domestic	443,352	460,041	2,366,817	2,002,802	2,810,169	2,462,843
Export	16,697	6,942	45,093	83,109	61,790	90,051
Total sales and service income	460,049	466,983	2,411,910	2,085,911	2,871,959	2,552,894

(Unit: Thousand Baht)

Separate financial statements						
	Promoted operations		Non-promoted operations		Total	
	2019	2018	2019	2018	2019	2018
Sales and service income						
Domestic	156,342	186,774	2,291,125	1,909,739	2,447,467	2,096,513
Export	-	-	42,617	82,467	42,617	82,467
Total sales and service income	156,342	186,774	2,333,742	1,992,206	2,490,084	2,178,980

29. Warrants

The Board of Directors' Meeting of the Company No. 5/2018 dated 11 May 2018 approved the issued and offered 66,761,000 of warrants (UAC-W2) to the existing shareholders free of charge, in a ratio of 1 warrant for every 10 existing shares. These warrants can be exercised for a period of 2 years from the issue date with an exercise ratio of 1 warrant per 10 ordinary shares and an exercise price of Baht 5.55 per share. Warrant holders can exercise the warrants on the last working day of each quarter-end until the maturity date. The result of warrants allocation of UAC-W2 on 2 July 2018 were 66,759,974 units.

30. 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.

Diluted 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 plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit for the year attributable to				
equity holder (Thousand Baht)	163,878	139,578	101,876	123,473
Weighted average number of ordinary shares	667,605	667,605	667,605	667,605
(Thousand shares)				
Earnings per share (Baht)	0.245	0.209	0.153	0.185

Exercise prices of the warrants to purchase the ordinary shares of the Company (UAC-W2) were higher than the average market price of the Company's shares for the years ended 31 December 2019 and 2018. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share in the consolidated and separate financial statements for the years ended 31 December 2019 and 2018.

31. 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 chief operating decision maker has been identified as Chief Executive Officer. For management purposes, the Group is organised into business units based on its products and services as follows.

- (1) Trading
- (2) Manufacturing and sales of chemical products
- (3) Manufacturing and sales of petroleum
- (4) Consulting
- (5) Others

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2019 and 2018, respectively.

(Unit: Million Baht)

	Domestic						Overseas					
	Trading			Manufacturing and sales of chemical products			Manufacturing and sales of petroleum and sales of chemical products			Others		
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017
Revenue:												
Revenue from external customers	2,321.7	1,932.8	278.8	290.0	127.2	153.3	113.6	118.0	60.0	67.6	1.8	22.4
Segment profit (loss)	309.5	282.4	79.7	52.2	(13.6)	(13.2)	(0.8)	(1.2)	9.5	7.2	1.8	22.4
Unallocated income (expenses):												
Other income												
Share of profit from investments in associates												
Selling and distribution expenses												
Administrative expenses												
Finance cost												
Profit before income tax expenses												
Income tax expenses												
Profit for the year												

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2019</u>	<u>2018</u>
Revenue from external customers		
Thailand	2,810,169	2,462,843
Others	61,790	90,051
Total	<u>2,871,959</u>	<u>2,552,894</u>

Non-current assets

(other than financial instruments, deferred tax assets, net defined benefit assets and rights arising under insurance contracts)

	(Unit: Thousand Baht)	
	<u>2019</u>	<u>2018</u>
Thailand	2,348,182	2,383,603
The Lao People's Democratic Republic	131,671	-
Total	<u>2,479,853</u>	<u>2,383,603</u>

Major customers

For the year 2019, the Group has revenue from two major customers in amount of Baht 854.14 million and Baht 286.24 million, arising from sales by sales of chemical products segments (2018: Baht 843.54 million derived from one major customer, arising from sales by sales of chemical products).

32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 3 to 5 percent of basic salary. The fund, which is managed by Kasikorn 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 3.40 million (2018: Baht 3.14 million) (the Company only: Baht 2.58 million and 2018: Baht 2.31 million) were recognised as expenses.

33. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht per share)
Final dividends for 2017	Annual General Meeting of the shareholders on 4 April 2018	80,113	0.12
Interim dividends for 2018	Board of Directors' meeting on 7 September 2018	66,760	0.10
Total for 2018		146,873	
Final dividends for 2018	Annual General Meeting of the shareholders on 9 April 2019	40,056	0.06
Total for 2019		40,056	

34. Commitments and contingent liabilities**34.1 Operating lease commitments**

The Group has entered into several lease agreements in respect of office building rental, warehouse rental, and land rental for biogas and petroleum plants. The terms of the agreements are generally between 1 and 30 years.

As at 31 December 2019, the Group has future minimum lease payments under these non-cancellable operating leases agreements as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Payable:				
In up to 1 year	9.34	5.33	6.66	2.99
In over 1 and up to 5 years	23.10	18.94	16.02	11.71
In over 5 years	78.35	82.93	56.05	59.04

34.2 Service agreement commitments

The Group has entered into service agreements in respect of office building service, and warehouse service. The terms of the agreements are generally between 1 and 3 years.

As at 31 December 2019, the Group has future minimum service fee payments under these service agreements 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	4.03	2.33	2.14	0.67
In over 1 and up to 3 years	3.67	1.51	3.08	-

34.3 Purchase of goods, purchase of equipment and hiring contractors commitments

The Group has commitments relating to purchase of goods, purchase of equipment and hiring contractors as follows:

Currency	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Million)	(Million)	(Million)	(Million)
Baht	39.61	42.33	28.63	28.68
US Dollar	2.74	10.80	2.61	10.74
Euro	0.03	0.03	-	-
Yen	0.82	-	0.82	-

34.4 Bank guarantees

As at 31 December 2019, the Group had outstanding bank guarantees of Baht 37.9 million (2018: Baht 130.5 million) (the Company only: Baht 36.2 million (2018: Baht 125.5 million)) have been issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of its business. These letters of guarantee are to guarantee quality of products for some customers, contractor agreements, and duties and taxes for import goods.

34.5 Other commitments

- a) As at 31 December 2019, the Group had commitments to banks under letters of credit amounting to approximately USD 0.3 million (2018: USD 0.1 million) (the Company only: Nil (2018: USD 0.1 million)).
- b) As at 31 December 2019, a subsidiary has commitments in respect of uncalled portion of investments in its subsidiary of approximately LAK 23,697.2 million (or equivalent to Baht 80.4 million) (Note 12).

34.6 Related party guarantees

As at 31 December 2019, the Company has guaranteed loan facilities of its subsidiaries amounting to Baht 614.0 million (2018: Baht 645.8 million).

35. Fair value hierarchy

As at 31 December 2019 and 2018, the Group had the assets and liabilities that were measured or 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 measured at fair value				
Held for trade investments				
Debt instruments	-	1.81	-	1.81
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.05	-	0.05

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2018				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Debt instruments	-	1.91	-	1.91
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.92	-	0.92

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Debt instruments	-	0.08	-	0.08
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.03	-	0.03

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2018				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Debt instruments	-	0.01	-	0.01
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.85	-	0.85

36. Financial instruments

36.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, investments in trading securities, trade and other payables, loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts and short-term loans, debentures and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2019 and 2018, 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)

	Consolidated financial statements					
	2019					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				
						(% per annum)
Financial assets						
Cash and cash equivalent	-	-	29.14	11.32	40.46	0.04 - 1.00
Investments in trading securities	-	-	-	1.81	1.81	-
Trade and other receivables	-	-	-	315.90	315.90	-
Restricted bank deposits	-	-	30.09	-	30.09	0.90
	-	-	59.23	329.03	399.26	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	112.13	-	112.13	MOR, MOR - 1.50, MMR, and MLR - 2.00
Trade and other payables	-	-	-	278.75	278.75	-
Short-term loans from related parties	-	-	100.50	-	100.50	MLR - 0.75
Long-term loans	-	-	494.18	-	494.18	MLR - 1.25, MLR - 1.75, and MLR - 2.75
Liabilities under long-term lease agreements	23.81	14.91	-	1.88	40.60	3.80 - 11.07
Debentures	-	400.00	-	-	400.00	5.50
	23.81	414.91	706.81	280.63	1,426.16	

(Unit: Million Baht)

	Consolidated financial statements					
	2018					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				
	(% per annum)					
Financial assets						
Cash and cash equivalent	-	-	77.51	2.51	80.02	0.04 - 0.75
Investments in trading securities	-	-	-	1.91	1.91	-
Trade and other receivables	-	-	-	389.26	389.26	-
Short-term loans to related parties	15.67	-	-	-	15.67	5.50
Restricted bank deposits	-	-	10.00	-	10.00	0.90
	15.67	-	87.51	393.68	496.86	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions						MOR, MOR - 1.50, MMR, and MLR - 2.00
Trade and other payables	-	-	811.89	-	811.89	2.00
Short-term loans from related parties	-	-	103.50	-	103.50	MLR - 0.75
Long-term loans	-	-	665.67	-	665.67	MLR - 1.25 and MLR - 1.75
Liabilities under long-term lease agreements	22.78	34.76	-	2.57	60.11	3.80 - 11.07
Debentures	-	400.00	-	-	400.00	5.50
	22.78	434.76	1,581.06	420.61	2,459.21	

(Unit: Million Baht)

	Separate financial statements					
	2019					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				
	(% per annum)					
Financial assets						
Cash and cash equivalent	-	-	14.68	9.54	24.22	0.04 - 0.65
Investments in trading securities	-	-	-	0.08	0.08	-
Trade and other receivables	-	-	-	219.46	219.46	-
Short-term loans to related parties	-	-	320.50	-	320.50	MLR - 0.75
Restricted bank deposits	-	-	30.09	-	30.09	0.90
	-	-	365.27	229.08	594.35	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	68.58	-	68.58	MMR and MLR - 2.00
Trade and other payables	-	-	-	102.61	102.61	-
Long-term loans	-	-	170.55	-	170.55	MLR - 1.75 and MLR - 2.75
Liabilities under long-term lease agreements	3.38	2.75	-	1.88	8.01	3.80 - 6.92
Debentures	-	400.00	-	-	400.00	5.50
	3.38	402.75	239.13	104.49	749.75	

(Unit: Million Baht)

	Separate financial statements					
	2018					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				
	(% per annum)					
Financial assets						
Cash and cash equivalent	-	-	71.93	1.10	73.03	0.04 - 0.75
Investments in trading securities	-	-	-	0.01	0.01	-
Trade and other receivables	-	-	-	268.18	268.18	-
Short-term loans to related parties	-	-	264.20	-	264.20	MLR - 0.75
Restricted bank deposits	-	-	10.00	-	10.00	0.90
	-	-	346.13	269.29	615.42	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	747.86	-	747.86	MMR
Trade and other payables	-	-	-	320.47	320.47	-
Long-term loans	-	-	285.15	-	285.15	MLR - 1.75
Liabilities under long-term lease agreements	1.88	2.28	-	2.57	6.73	3.80 - 6.92
Debentures	-	400.00	-	-	400.00	5.50
	1.88	402.28	1,033.01	323.04	1,760.21	

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Group 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.

Consolidated financial statements						
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	0.50	0.32	1.10	30.36	30.1540	32.4498
Euro	-	-	-	0.02	33.7311	37.1252
<u>Vientiane Waste Management Company Limited</u>					(Lao Kip per 1 foreign currency unit)	
Baht	0.57	-	53.01	-	296.5250	262.8100

Separate financial statements						
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	0.32	0.19	0.88	30.13	30.1540	32.4498
Euro	-	-	-	0.02	33.7311	37.1252

As at 31 December 2019 and 2018, foreign exchange contracts outstanding are summarised below.

Consolidated financial statements			
2019			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.66	30.14 - 30.29	2 January 2020 - 7 April 2020

Consolidated financial statements			
2018			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	5.85	31.80 - 33.12	3 January 2019 - 2 October 2019
Euro	0.02	37.25 - 37.26	4 January 2019 - 11 January 2019

Separate financial statements			
2019			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.43	30.15 - 30.24	2 January 2020 - 13 March 2020

Separate financial statements			
2018			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	5.63	31.80 - 33.12	3 January 2019 - 2 October 2019
Euro	0.02	37.25 - 37.26	4 January 2019 - 11 January 2019

36.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

37. Capital management

The primary objective of the Group's capital management 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 1.11:1 (2018: 2.09:1) and the Company's was 0.71:1 (2018: 1.71:1).

38. Events after the reporting period

On 26 February 2020, the Meeting of the Company's Board of Directors No. 2/2020 passed significant resolutions to propose to the Annual General Meeting of the shareholders as the follows.

- 1) Approval the payment of dividends of Baht 0.135 per share from operating results of the year 2019, totaling approximately Baht 90.13 million.
- 2) Approval the issue and offering of debentures in amount not exceed Baht 2,000 million.

39. Reclassification

The Group had reclassified the following accounts in the statement of financial position as at 31 December 2018 to be consistent with the reclassification of accounts in the current year.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
Cash and cash equivalents	80,025	78,777	73,031	73,031
Trade and other receivables	389,257	401,653	268,177	277,724
Other current assets	7,940	-	6,339	-
Other non-current assets	39,184	35,976	11,648	8,440
Trade and other payables	418,038	508,403	320,470	410,199
Advance received from customers	90,365	-	89,729	-

The Group had reclassified the following accounts in the statement of comprehensive income for the year ended 31 December 2018 to be consistent with the reclassification of accounts in the current year.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
Other income	55,971	56,016	60,093	60,138
Cost of sales and service	2,203,043	2,203,515	1,890,257	1,890,257
Selling and distribution expenses	66,527	66,055	40,660	40,660
Administrative expenses	156,635	156,301	127,363	127,066
Finance cost	83,034	83,413	55,808	56,150

The reclassifications had no effect to previously reported profit or shareholders' equity.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2020.



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