

รายงานประจำปี
Annual Report 2560



บริษัท เอื้อวิทยา จำกัด (มหาชน)
Ua Withya Public Company Limited

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Business

IMPORTANCE INFORMATION IN TERM OF FINANCIAL

OPERATING RESULTS (MILLION BAHT)	For the Year ended		
	2017 (Consolidated)	2016 (Consolidated)	2015 (Consolidated)
REVENUE			
Revenue from projects	924	766	554
Revenue from sale of industrial equipments	397	335	44
Other income	50		40
Total Revenue	1,371	1,141	631
Profit (Loss)			
Earning (Loss) before Interest, Tax, Depreciation and Amortization (EBITDA)	(186)	97	56
Earning(Loss) before Income Tax	(297)	(79)	24
Net Earnings (Loss)	(274)	(56)	9
Net Earnings (Loss) (Parent Company)	(251)	(35)	(15)
FINANCIAL STATUS (MILLION BAHT)	2017	2016	2015
Assets			
Current Assets	1,391	1,383	1,723
Fixed Assets	1,543	1,407	1,073
Non Current Assets	627	811	185
Total Assets	3,561	3,601	2,981
Liabilities			
Current Liabilities	1,571	537	638
Non Current Liabilities	91	916	111
Total Liabilities	1,662	1,453	749
Capital			
Registered Capital	1,907	1,907	1,907
Fully Paid Capital	1,316	1,316	1,316
Total Shareholders' Equity	1,899	2,147	2,233
Total Shareholders' Equity (Parent Company)	1,853	2,073	2,138

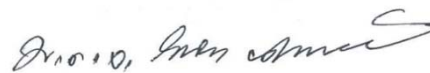
	For the Year ended		
	2017 (Consolidated)	2016 (Consolidated)	2015 (Consolidated)
PER SHARE DATA (BAHT)			
Par Value	0.10	0.10	0.10
Net Earning (Loss)	(0.0191)	(0.0025)	0.0019
Book Value		0.17	0.16
Market Price		0.17	0.20
FINANCIAL RATIOS			
Profitability Ratios			
Return on Equity (%)	(15.65)	(3.70)	1.08
Net Profit Margin (%)	(19.95)	(6.96)	3.82
Return on Total Asset (Times)	(8.34)	(2.21)	0.81
Capital Structure			
Debt to Shareholders' Equity (Times)	0.88	0.68	0.34
Debt to Shareholders' Equity (Times) (Parent Company)	0.90	0.70	0.35
Growth Opportunities (%)			
Total Assets	(1)	20	53
Total Liabilities	14	94	23
Total Shareholders' Equity	(11)	(4)	63
Total Shareholders' Equity (Parent Company)	(10)	(3)	61
Total Revenue	20	80	(10)
Net Earning	388	(672)	(71)
Net Earning (Parent Company)	608	(329)	(64)

Report from the Board of Directors To Shareholders

In 2017, it was the challenge for our business which had to inevitably confront external factor for risk management, effected to our business in overall. However, Company has modified strategic management for this change by reducing production cost of transmission line business, as well as increasing the effectiveness to be ready for market expansion in order to support the government investment plan according to Power Development Plan: PDP, as the master plan of national electric producer for long term electric power producing for 15-20 years. This is to create the stability and adequacy for electric generation to cover the electric transmission system modification for the whole Thailand during 2015-2036.

The power business last year, biomass power plant of the company has commenced the commercial operation. But there was some factor affected to the operation of Buriram Power Plant which needs more time to modify and to apply for permit from related authorities than the previous plan.

On behalf of Board of Directors, we would like to thank you shareholders and concern for the continued supporting to the operation of the Company always. The Company still commits to business operation by paying attention to management and governance with transparency as the Company has announced intention for participating for The Private Sector Collective Action Coalition against Corruption. Therefore, Board of Director, Executives and all employees will dedicate and perform the obligation with full capacities in order for further sustainable growth.



Police Colonel Kowit Piromwong

Chairman of the Board of Director

Vision Mission Objective and Target of the Company

Vision : To be leader for the high voltage transmission tower in ASEAN, together for energy operation business.

Mission

1. Investment in the power plant project to increase capacity and revenue.
2. Having a Financial plan with sufficiency and efficiency for the sustainable business growth.
3. Generate satisfactory return from investment in higher level than cost of capital in order to maximize shareholders' benefit.
4. Enhancing capabilities of company resources, both human and technology.
5. Explore any potential business opportunities in country and other countries

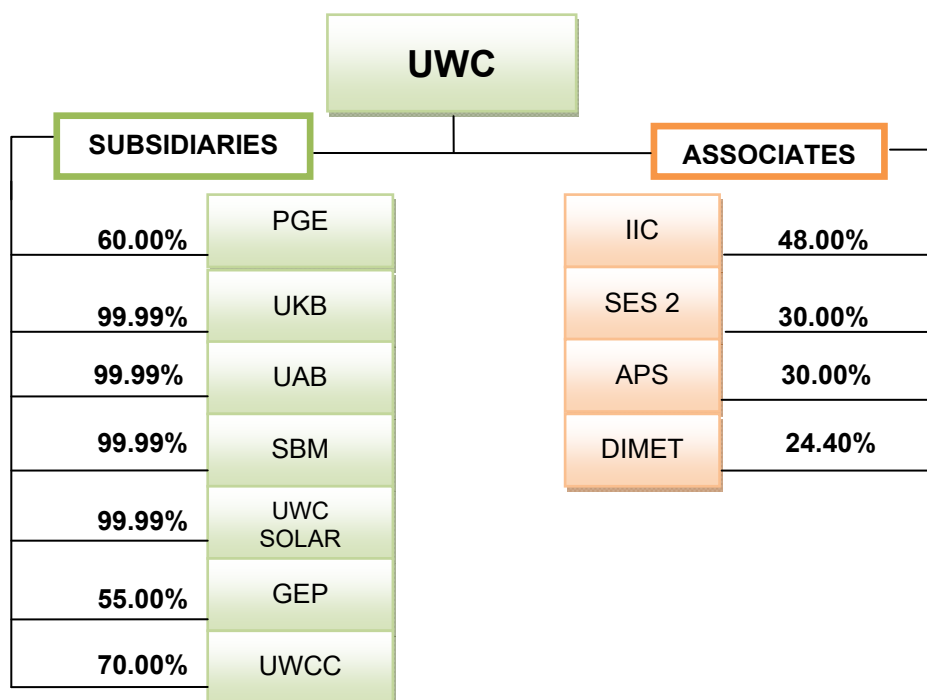
Objective :

- ✚ Continuous process development and quality assurance to optimize the quality of our product and service production.
- ✚ To prepare and provide sufficient additional capital for continuous expansion and growth
- ✚ To find, understand, and respond to customer needs
- ✚ To create profit with the return higher than the average for this type of business
- ✚ To have a good work environment and treat our employees with dignity and honor
- ✚ There are plans to raise the human resource capability
- ✚ To explore business opportunities in foreign markets
- ✚ To support our environment and society
- ✚ To invest, develop, and operate a renewable energy business for the benefit of all stakeholders in the society and the environment

Target : Company has policy and plan to be the first national leader of high voltage transmission tower by improving the effectiveness of organization and creating strengthens. Company will expand the production including improving the effectiveness of production in order to support the growth of high voltage transmission tower in Thailand and in ASEAN.

In the same time, Company will consider to invest in potential energy businesses in order to create the stability of revenue in long term. These shall be the projects which are able to manage risk and have return on investment not less than the cost of financial investment.

SHAREHOLDING STRUCTURE OF COMPANY



UWC	=	UA WITHYA PLC.
PGE	=	PARADISE GREEN ENERGY CO., LTD
UKB	=	UWC KOMEN BIOMASS CO., LTD.
UAB	=	UWC AMPHAN BIOMASS CO., LTD.
SBM	=	SATUEK BIOMASS CO., LTD.
UWC SOLAR	=	UWC SOLAR CO., LTD.
GEP	=	GREEN ENERGY PLANTATION CO., LTD.
UWCC	=	UWCC (CAMBODIA) CO., LTD.
IIC	=	INTERGLOB INVESTMENT CO., LTD.
SES2	=	SARABURI ENERGY SYSTEM 2 CO., LTD.
APS	=	AYUTHAYA POWER SYSTEMS CO., LTD.
DIMET	=	DIMET (SIAM) PLC.

Details of company investments and capital contributions to subsidiaries or associates
As of December 31, 2017

Item	Company name	Type or Business	Paid-up Capital (THB)	Percent of Shares with Voting Rights
1.	Paradise Green Energy Co., Ltd.	Biogas Power Plant and Energy Crops	250,000,000.-	60.00
2.	UWC Komen Biomass Co., Ltd.	Biomass Power Plant	240,000,000.-	99.99
3.	UWC Amphan Biomass Co., Ltd.	Biomass Power Plant	9,375,000.-	99.99
4.	Satuek Biomass Co., Ltd.	Biomass Power Plant	16,250,000.-	99.99
5.	UWC Solar Co., Ltd.	Solar Power Plant	18,250,000.-	99.99
6.	Green Energy Plantation Co., Ltd.	Agricultural product	100,000	55.00
7.	UWCC (Cambodia) Co., Ltd.	Woodchips product	US\$ 25,000	70.00
8.	Interglob Investment Co., Ltd.	Selling and rental real estate	US\$ 25,000	48.00
9.	Saraburi Energy System 2 Co., Ltd.	Waste -to- energy power plant	21,750,000	30.00
10.	Ayuthaya Power System Co., Ltd.	Waste-to- energy power plant	13,750,000	30.00
11.	Dimet (Siam) PLC.	Manufacturing and Trading of external paint	134,486,723.50	24.40

Nature of Business

Company has operated for production and distribution high voltage transmission line, telecommunication pole, and steel structure for substations, providing galvanizing for general customer, selling transmission equipment and industrial products, Company's products are the tailor made product as per customer requirement. In 2016, Company has expanded investment to power producer from renewal energy. In total for its subsidiary are for 7 companies and joint venture companies are for 4 companies. Details are as follows:

1. UWC Komen Biomass Co., Ltd. Company holds shares in equivalent to 99.99%, with registered capital for 240,000,000 Baht and paid capital for 240,000,000 Baht, which divides into common shares for 24,000,000 shares with par value 10 Baht each, conduct Biomass Power Plant business.

2. UWC Amphan Biomass Co., Ltd. Company holds shares in equivalent to 99.99%, with registered capital for 9,375,000 Baht and paid capital for 9,375,000 Baht, which divides into common shares for 93,750 shares with par value 100 Baht each, conduct Biomass Power Plant business.

3. Satuk Biomass Co., Ltd. Company holds shares in equivalent to 99.99%, with registered capital for 16,250,000 Baht and paid capital for 16,250,000 Baht, which divides into common shares for 162,500 shares with par value 100 Baht each, conduct Biomass Power Plant business.

4. Paradise Green Energy Co., Ltd. Company holds shares in equivalent to 60.00 %, with registered capital for 250,000,000 Baht and paid capital for 250,000,000 Baht, which divides into common shares for 2,500,000 shares with par value 100 Baht, conduct business for processing of energy plant and distributing the energy plant such as biomass gas, fertilizer, ready fodder, bio gradation packaging.

5. UWC Solar Co., Ltd. Company holds shares in equivalent to 99.99%, with registered capital for 70,000,000 Baht and paid capital for 18,250,000 Baht, which divides into common shares for 100,000 shares with par value 10 Baht and common stock for 6,900,000 shares with par value 2.50 Baht, conduct the renewable energy power plant business.

6. Green Energy Plantation Co., Ltd. Company holds shares in equivalent to 55.00%, with registered capital for 100,000 Baht and paid capital for 100,000 Baht, which divides into common shares for 20,000 shares with par value 5 Baht, conduct energy plant production and distribution

7. UWC (Cambodia) Co., Ltd. Company holds shares in equivalent to 70.00%, with registered capital for 25,000 USD and paid capital for 25,000 USD, which divides into common shares for 1,000 shares with par value 25 USD, conduct chopped wood factory business by providing raw material to send to power plant of subsidiary.

8. Interglobe Co., Ltd. Company holds shares in equivalent to 48.00%, with registered capital for 25,000 USD and paid capital for 25,000 USD, which divides into common shares for 1,000 shares with par value 25 USD, conduct land acquisition business.

9. Saraburi Energy System 2 Co., Ltd. Company holds shares in equivalent to 30.00 %, with registered capital for 87,000,000 Baht and paid capital for 21,750,000 Baht, which divides into common shares for 870,000 shares with par value 25 Baht, conduct waste power plant business.

10. Ayuthaya Power System Co., Ltd. Company holds shares in equivalent to 30.00%, with registered capital for 55,000,000 Baht and paid capital for 13,750,000 Baht, which divides into common shares for 550,000 shares with par value 25

11. Dimet (Siam) Public Company Limited. Company holds shares in equivalent to 24.40%, with registered capital for 135,000,000 Baht and paid capital for 134,476,723.60 Baht, which divides into common shares for 268,953,447 shares with par value 0.50 Baht, conduct Anti-rust painting from abroad and industrial painting business

Income Structure

Income Structure	Year 2017 (million baht)	%	Year 2016 (million baht)	%	Year 2015 (million baht)	%
High Voltage Transmission Tower	716.44	52.25	596.41	52.25	150.85	23.90
Telecommunication Tower	134.07	9.78	56.68	4.97	300.32	47.57
Substation Steel Structure	70.04	5.11	98.68	8.65	76.49	12.12
General Fabrication	2.62	0.19	6.57	0.58	7.67	1.21
Galvanizing Services	0.71	0.05	7.56	0.66	19.05	3.02
Distribution of Industrial Products	11.31	0.82	18.95	1.66	15.02	2.38
Distribution of other Products	30.72	2.24	44.53	3.90	15.37	2.43
Distribution of Electricity	355.39	25.92	271.00	23.75	13.87	2.20
Other Income	49.92	3.64	40.99	3.58	32.64	5.17
Total Income	1,371.22	100.00	1,141.39	100.00	631.28	100.00

Product Product of company

1. High Voltage Transmission Tower – TL: The company designs and manufactures the high voltage transmission tower for 115 kV / 230 kV / 500 kV with expertise in engineering, design, and manufacturing based on advanced quality control standards so the company has been approved by the Electricity Generating Authority of Thailand (EGAT), the company's high voltage transmission line towers have been trusted as parts of domestic and foreign customers.

2. Telecommunication Tower – TC: The company designs and manufactures telecommunication towers with the height from 20 meters to 100 meters to be installed in a network of leading companies in the country such as AIS, DTAC, Truemove H, CAT, and TOT.

3. Substation Steel Structure – ST: This is galvanized steel towers that support substation electric power devices such as disconnecting switches, lighting arrestors, capacitors and others. The substations receive electricity and convert the voltage from 69 kV to 115 kV, 230 kV and 500 kV to be forwarded through high voltage transmission lines and electrical distribution systems prior to being sent to consumers. The towers are small and not very high.

4. Building and Frame – BF, General Fabrication – GF: This is a metal structure used in various businesses and general construction with both galvanized and non-galvanized such as roof structures, walkway, fences, structures, buildings, sign structures, scaffolding, etc.

5. Galvanizing Services: This is a service provided to customers who want to bring their own steel products such as steel pipes, grating light rail line, etc. to be galvanized by the company making it resistant to rust. The company galvanizes by hot dipping with high standards such as ISO 1461, ASTM A123, ASTM A153, BS 729, JIS H 8641, JIS H 9124, AS 1214: AS / NZS 4680, and DIN. 50,976, etc.

6. Industrial Products Distribution: This is the company initial business. The main products are sold are transmission devices: chains, gears, and gear motors, etc. The company imports industrial products from several manufacturers from abroad. Products are mainly RENOLD brand imported from England and ARNOLD from Germany.

7. Production and Distribution of Electricity from Renewable Energy: The company has expanded its business to be a power producer from renewable energy in a variety of formats. It started in investing in a biomass power plant. Studies were conducted on all aspects of the data: technical, financial, and management of fuel in the area by using expertise engineering to develop and improve the power plant to efficiently operate to create value and sustainable income for the organization, shareholders, and stakeholders.

Market and Competition

1. Marketing Strategy

Company realizes the appropriateness for quality and price of product and services, including on time delivery project and keep excellent relationship with customer.

In energy business, Subsidiary has operated in the generation and distribution power from renewable energy by selling power to Provincial Electricity Authority. Currently, Company's power plant has total power capacity 26.9 MW. Regarding Investment, Company also considers investment in other power project both local and abroad by selecting the project which has high return on investment not less than the cost of financial investment, and be able to manage risk in order to create sustainably long term revenue

2. Product and Service

2.1 Quality Product that meet the standards

High Voltage Transmission Tower and Telecommunication Tower

The company strives to be the leader in product quality and maintain the quality of service before and after the sale. This is done by giving priority to the training and improving the company staffs to realize that the customer satisfaction is the priority resulting in the company having working teams with expertise and efficiency in operating the business the whole time. The company also has a tremendous good relationship and closeness to customers resulting in the company having been steadily and consistently trusted by customers. The company focuses on producing quality products and meeting the acceptable standards. This is done by designing products with a modern computer system. The quality is also monitored and controlled at every step with the industry standards and ISO 9001: 2015, which creates confidence for customers to purchase our products.

Energy Business

The subsidiaries operate electricity from renewable energy business with expertise and experience in power engineering to control and manage the power plants to most efficiently produce electricity.

2.2 Delivery on time and trust

High Voltage Transmission Tower and Telecommunication Tower.

For high voltage transmission tower and telecommunication tower will be the project base and shall provide the power purchase agreement prior to the operation. Period of each project can be 6 month till 2 years. Therefore, to delivery on time is very important in the operation of the Company due to Company's customer will have clear delivery date. Throughout the years, Company can delivery good quality products and on time to customers due to these were the results of planning and systematic production, including effective raw material reserve planning.

3. Customer Characteristics

The company sells products to customers to almost all customers within the country according to the segment as follows:

1. The group of foreign and domestic contractors with works from government agencies and state enterprises such as the Electricity Generating Authority of Thailand (EGAT) and the Provincial Electricity Authority (PEA).
2. Retail customers in the aspect of sales, industry, general assembly, and installation of steel frame.
3. The galvanizing services are provided to customers that are general private organizations that required their products to be galvanized.
4. Distribution of industrial products such as motors, chains and gears for general industrial use. The products sold by the company are imported from foreign RENOLD brand and the infamous ARNOLD with high quality that is commonly accepted abroad.
5. Energy business subsidiaries supply electricity to the Provincial Electricity Authority.

4. Pricing Strategy

High Voltage Transmission Tower and Telecommunication Tower

The company has established policies on pricing to be competitive in the business. The focus was on effective cost management to minimize the rate of loss from production. This enables the company to set a price that can compete in today's business. The company pricing policy was set by product cost plus profit margin. The factors taken into consideration are price s of the raw materials

and component used in the production, production difficulty, the period of pricing, the number and volume, production capacity, and the history of each customer that has a transaction together.

Energy Business

The electricity selling price is based on the terms and conditions in the signed contracts with the government.

5. Selling and Distribution Channel Strategies

High Voltage Transmission Tower and Telecommunication Tower

The company divided the distribution channels into up to 2 channels in order to reach customer needs effectively as follows:

1. The works are accepted by subcontractors through main contractor who won bids. Most work is high voltage transmission towers and telecommunication towers cases. The company has received high voltage transmission towers with high-value jobs from KEC International Limited, TEDA Co., Ltd. and Precise System and Project Co., Ltd. The company has also received telecommunication tower jobs from BB technologies Co., Ltd., Communication & System Solution PCL. (from Total Access Communication Co., Ltd.) and SSW Sky Wide Co., Ltd.

2. The company directly participates in auctions with main contractors of the mainly substation steel tower projects.

Energy Business

The subsidiaries operate in the power generation business distribution channel is supplying electricity to the Provincial Electricity Authority.

6. Industry Condition and Competition

High Voltage Transmission Tower Industry

High Voltage Transmission Tower Industry is following to Power Transmission System Expansion Project of Electricity Generating Authority of Thailand and Provincial Electricity Authority which still have high demand due to demand of electricity of country is still continually expanded, also the resolution by cabinet agreed to improve the transmission line system at lower southern part in order to strengthen the stability of power system during 2016- 2023 for the amount of 35,400 Million Baht by classified into 2 phases. (reference from interview of Spokesman for the Prime Minister's Office, Khaosod Newspaper dated 24 January, 2017)

Phase 1 starting from 2016 – 2020 construction of transmission tower 500 kV from Chumporn, Ranong, Surat Thani, Pang-Nga, Phuket.

Phase 2 starting from 2020 – 2023 construction of transmission tower 500 kV, the existing 230 kV and 115 KV, including high voltage station from Songkhla towards 3 provinces of southern border.

At present, in Thailand there are 5 large producers of high voltage transmission tower(sizing 500 kV). Company has market share in 2017 as the leader in this industry.

Factors to impact to business operation

The Fluctuation of raw material price has a bit increased in the past. The main raw material is iron and zinc which is fluctuated to the global condition. In 2017, price of iron and zinc were increased, affected to the cost of production to increase from previous.

New competitor, due to a lot of demand of high voltage transmission tower industry, so expected that there might be the new competitor which cause high competition. However, to enter into the mentioned business still has limitation of experience and certification by government authorities, but in the same time, the existing producers also emphasize on the international market expansion. Therefore, it could expect that the impact of the competitor will not severe, not in the near future.

The Demand for High Voltage Transmission Tower

The demand for transmission line towers in the country continues to grow according to the investment planned policy of the government during the years 2015-2025 worth 1.2 trillion THB separated in to production and a transmission line system at 50 % each.

Telecommunication Tower Industry

Demand for telecommunication tower industry is still continued due to the several mobile phone service providers have plan to expand 3G/4G network in order to cover more areas and to strengthen the stability of mobile signal. Also the Master Plan of Telecommunication No.2 based on the 20 years National Strategies (2017 - 2036) Digital Development for Economic and Social, including Thailand 4.0 policy, that telecommunication industry will play important role. Therefore, it is

expected that market of telecommunication tower is still continually demanding. Company has provided all types of telecommunication tower products.

Factors that affect business operations

The Fluctuation of raw material price has a bit increased in the past. The main raw material is iron and zinc which is fluctuated to the global condition. In 2017, price of iron and zinc were increased, affected to the cost of production to increase from previous.

The Demand for High Voltage Telecommunication Tower

The demand for Telecommunication towers in the country continues to grow 2016 to support 4G as well as overseas market that has started increasing network expansion.

Substation Steel Structure Industry

The construction of electricity substations requires steel structure to support electrical equipment such as circuit, breakers, disconnecting switches, lighting arresters that are required in substations.

The Demand for Substation Steel Structure

The demands for substation steel structure depend on the expansion of the transmission system of EGAT and PEA. Additionally, if there are large industrial plants occurring and electricity demand is high, it will also be necessary to have a power substation.

Steel Towers Industry

In general steel frame works, the company provides services on designing, modifying the format, size, height, features, and styles to suit each project to meet the needs of customers.

The Demand for General Steel Frame

The demands for general steel frame will continue to increase in the direction of the steel industry especially in parts of construction that uses it instead of concrete or other products.

Galvanizing services

The trend of steel products with the terms of being galvanized to prevent corrosion is increasing all the time and is expected to continue to rise for a long time in the future. The trend seen in developed countries. The company generally serves retail customers for only galvanizing accessories.

Industrial Products

The company distributes its Industrial transmission products such as the chain, gears, and the motor. The highlight is on RENOLD brand, high quality products.

Energy Business

The cost of fuel is important in energy business. The subsidiary has plans on accommodating the risks by adjusting the formula used to fuel power plants using wood chips instead of rice. The raw material supply sources have also been prepared to keep the administrative costs as low as possible.

Product Providing

High Voltage Transmission Tower and Telecommunication Tower Production

Effective inventory management is the major factor for operating business by Company and also is the major factor for competition. Company still keeps the capabilities of competition due to Company has have sufficient inventory, this affected for Company to deliver product to customer on time as required. Company has policy to control appropriate and sufficient inventory in order to immediately support customer requirement. Moreover, Company has order main raw material such as iron, zinc and other raw materials from local suppliers.

Currently, Company has ordered raw material of iron from the suppliers, not less than 5 suppliers. However, Company has provided iron and iron type according to Company's requirement and appropriate price by using price comparison all the times. In addition, each year Company has ordered total zinc from Padaeng Industry Public Co., Ltd. However, since 2016, Padaeng Industry Public Co., Ltd. changed status from zinc producer to zinc importer. So in case of the shortage, Company can directly order zinc from abroad.

The company purchases raw materials from domestic suppliers with the policy on advance purchasing to get sufficient quantity and quality material to meet the customer needs and uses. Additionally, the company also has efficient inventory administration and management. This includes the selection of raw material suppliers that are reliable in the aspect of quality of raw

materials and on time delivery. This results in the company having no obstacles that would cause the delivery to be delayed.

Industrial Products

The company imports almost all industrial products from England and Germany. The company inventory management is done by keeping track of back order statistics. In order to estimate market demand and appropriate inventory levels in each period, the company categorize the inventory management into two groups as follows:

- (1) Products with quick current speed or group with the regular orders, high demand and buyers needing to use the product immediately after the orders results in the company having to have sufficient reserve inventory and delivery time. This composes of the chain, joint, and other products
- (2) Products that are not often ordered with high value and buyers can wait result in the company not having to have a lot in the inventory. This composes of gear and COUPLING products, etc.

Production Capacity

Production Capacity and Volumes

High Voltage Transmission Tower and Telecommunication Tower Business

The company located at No. 247th Rom Klao Rd., Sansaeb Sub-District, Minburi District, Bangkok. The factory total capacity is approximately 24,000 tons per year.

Energy Business

The Company has subsidiaries that conduct renewable energy business as follows:

1. **UWC KOMEN Biomass Co., Ltd.** is located in Nakhon Ratchasima province. It is a biomass power plant with 9.9 MW. production capacity, having PPA with Provincial Electricity Authority for 8 MW.
2. **UWC Amphan Biomass Co., Ltd.** is located in Buriram province. It is a biomass power plant with 9.9 MW. production capacity, having PPA with Provincial Electricity Authority for 8 MW.
3. **Satuek Biomass Co., Ltd.** is located in Buriram province. It is a biomass power plant with 7.5 MW. production capacity, having PPA with Provincial Electricity Authority for 6.5 MW.
4. **Paradise Green Energy Co., Ltd.** is a biogas power plant from Napier grass. Moreover, there are transformation of energy crops to product such as fertilizer, cow feeds, and bio-degradable package. It is located in Chumphae District, Khon Kaen province.
5. **UWC Solar Co., Ltd.** is prepared to invest in solar energy project. Currently it's still not operated yet.

Risk Factors

Risk to Business Operations and risk management measures

Important risk factors that could affect the company and its subsidiaries operations and approaches to prevent such risks can be summarized as follows:

1) The risk of Raw Material Price Fluctuations

High Voltage Transmission Tower and Telecommunication Tower Business

The company main business is the production of steel towers, high voltage transmission towers, telecommunication towers, substation steel towers, general steel towers. The major raw materials are steel and zinc. Their processes depend on the demand and supply of steel and zinc of the producers and users around the world. Their changes in the prices will affect the cost of the company production.

However, the company has policies on risk management on such matters as follows:

(1) Pricing and Bidding Price have been defined by maintaining the profit margins to be at a level that can compete with other operators.

(2) The company has policies on closely tracking changes in raw material prices to assess the raw materials situation and price trend to be taken into consideration to determine the price of manufacturing steel towers and order planning, and inventory management to be appropriate.

(3) The company has continuously improved the production management to control production costs to be at a reasonable level.

(4) The company has policies on maintaining good relationships with our customers enabling the company negotiation with some customers to adjust prices according to the changes in raw material prices in the event of changes in raw material.

(5) The company follows up on products that are sold including monitoring problems to improve working at all times causing customer satisfaction with quality and after-sales service to be increased. This results in the company being able to increase the sale price at a reasonable level.

Energy Business

Fuel is the most important factor for power plant business operation. Company also emphasizes on the fuel management for power plant by focusing on providing and utilizing biomass of chopped wood in order to replace of using rice husk which has high price. Therefore, Company has established subsidiary in Cambodia in order to provide chopped wood raw material to supply fuel to power plant in the subsidiaries.

Company also has planned to install the chopped wood machine to produce chopped wood from log or root, including providing some area to manage for renewable plant cultivation in order to manage the cost of production for power plant.

2) Risk of Dependence on Raw Material Procurement and Key suppliers

High Voltage Transmission Tower and Telecommunication Tower Business

Companies buy almost all major raw materials from domestic suppliers so the company is at risk of raw material shortage that could be the case for distributors being unable to deliver raw materials to the company as scheduled and the company cannot procure raw material from another source to quickly replace to be according production plan as ordered by the customer.

However, the company has been monitoring the situation closely and has plans to purchase raw material in advance. The company purchases raw materials from distributors a long time and never had any problem with being in debt.

This results in the company having good relationships with key raw material suppliers. From the company past operation, the company has never faced any problem with shortage of raw materials. This results in the company believing that it will not be affected or damaged in any way in purchasing from the supplier of raw materials. Additionally, the company also has the option to buy the raw material from the raw material other suppliers.

Energy Business

The subsidiary is planning to supply the raw material can be transported in a radius around the plant. And supply fuel storage facility the reserve fuel can power the potential difficulties in harvesting and transport such as the rainy season at least 15-30 days. The company also operates a fuel production with biomass to supply biomass power plant to subsidiaries coupled with the company has a network of companies to supply fuel, which makes the cost to be controlled and prevent risks.

3) **Risk of dependence on customers**

High Voltage Transmission Tower and Telecommunication Tower Business

The company operates in the business of production of steel towers, high voltage transmission towers, telecommunication towers, substation steel towers, general steel tower, and industrial products as demanded by customers. The company's major customers are the main contractors or subcontractors from the Electricity Generating Authority of Thailand, PEA, CAT Telecom Plc. The company is at risk of reliance on revenue from such customers.

However, the company continuously receives orders from customers because the company's products meet the needs of customers in terms of quality, on time delivery, competitive price and the company monitors the products after having been sold, including tracks problems to improve work at all times. This results in customer satisfaction on quality and after-sales service coupled with the company's policies on building better relationships with customers. Additionally, the company relies on its expertise in the production and has experienced personnel.

4) **Personnel Risk**

High Voltage Transmission Tower and Telecommunication Tower Business

The company engages in the production and sale of galvanized steel towers, high voltage transmission line towers, telecommunication towers, substation steel poles, general steel structure, and galvanizing. This requires the expertise of experienced engineers in the design and manufacturing. As of December 31st, 2017, the company has employed 19 people in engineering so the company is at risk of reliance on engineers and specialists if they were to resign. This may result in the shortages of key personnel and may affect the company's business operation.

However, the company has plans to focus on retaining staffs to continue working with the company for a long time. The company's policy is to pay compensation at a level that can compete with other companies with similar operations. The company has a policy to develop human resources by training and sending them to check out various jobs including a policy focusing on evaluation system in line with the performance and compensation of employees. The company has never experienced a shortage of engineers and specialists.

Energy Business

For the operation in the field of electricity to be effective, it is important to have personnel with specialized expertise and experience, the company has policies on managing the existing human resources and selecting personnel with knowledge and experience to strengthen the operation along with the personnel promotion and development by continuously providing training both inside and outside regularly.

5) **Exposure to Customers Credit Risk**

High Voltage Transmission Tower and Telecommunication Tower Business

The company provides 30-120 days credit to the customer. Therefore, there is a risk of debt collection. If the collection is not the full amount, it may affect the liquidity and financial position of the company.

However, the company has prepared procedures in setting credit limits for customers that have been doing business with the company for a long time. For new customers who come to do business with the company for the first time, the company will perform a risk assessment and the customers may need to primarily pay cash. Additionally, there are policies on setting allowance for doubtful accounts by estimating losses that may be incurred in collection of receivables. The amount of the allowance for doubtful accounts is based on historical collection experience and current status of receivables outstanding. The evaluation of allowance for doubtful accounts is done by analyzing payment histories and predicting the potential and risk of future obligations and for receivables overdue for more than one year to set aside a percentage of 100 and performs quality monitoring receivables regularly.

Energy Business

In entering the power purchase agreement with the Electricity Authority and external customers, there will be credit provided to the purchase of electricity for about 30 days with no risk of collection from the buyer that is a government agency.

6) Risk at Capital

High Voltage Transmission Tower and Telecommunication Tower Business

The company business operation requires raw materials to be reserved in advance to be used to produce steel towers and delivered to the customer under the contract, so if the inventory turnover is not managed to be at a reasonable level, it may result in a shortage of working capital and reduced liquidity.

However, the company has policies on planning raw material and inventory reserves and considering appropriate changes in raw material prices and the amount of work that needs to be delivered to the customer during the period. The company had never experienced any problems with liquidity.

Energy Business

Power plants require raw materials to be reserved in advance to be used as a fuel in the production of electricity. In the aspect of sales of electricity to the Provincial Electricity Authority, about 30-day period is provided, which affects working capital and impact the liquidity and financial condition of the Company subsidiaries. Therefore, it is necessary to have policies on appropriate raw material money circulating reserves based on the income of the company in order to prevent problems with the liquidity.

7) Risk of capital sources and interest rate

High Voltage Transmission Tower and Telecommunication Tower Business

In the company business operation, capital resources are necessary to support its expansion to achieve important goals as planned. The company has a credit limit from several commercial banks that provide financial support with reasonable interest rates.

Energy Business

Energy business requires high capital but it is with long term income stability. Therefore, for the company to be able to invest to grow the business, the company has prepared plans for requesting for credit approval from banks to be consistent with the company expansion plans.

8) Risk of Government Policy and Support

Energy Business

The government has policies on promoting energy, which are consistent with Thailand electricity generating capacity development plan 2015-2036 (2015 PDP Plan), which has to be in line with the economic development of the country. There are also plans to develop renewable and alternative energy. It will encourage the production of electricity from waste fuels, biomass, and biogas. This also includes other renewable energy such as wind, solar power capacity. The 2015 PDP Plan has been reviewed and commented on by The Energy Regulatory Commission (ERC) and The National Energy Policy Council (NEPC) in May 2015.

However, the regulations may still not be conducive to the above policy or the terms of various government agencies may be modified, for example, the requirements for application buying and selling electricity license, requirements for factory operation, requirements regarding environmental impact assessment, and requirements based on city planning, which may result in delay or interruption of business operations. Therefore, the company has conducted studies and closely monitored the situation to prepare a business plan to be in line with the current situation.

9) Risk from Environmental Factors

High Voltage Transmission Tower and Telecommunication Tower Business

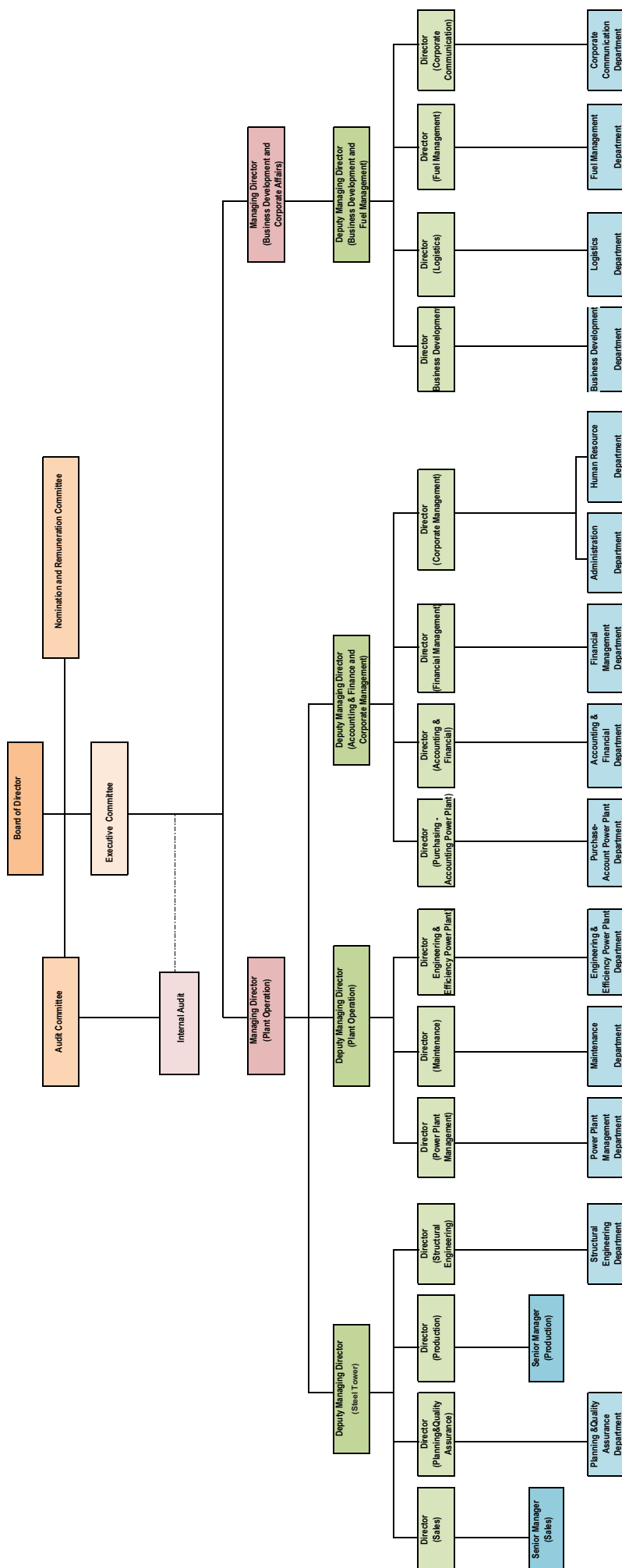
In the Company's production process might create pollution condition, air pollution, noise pollution that might cause any complaints from the villagers nearby.

In this case, Company has provided the environmental impact protection in several fields, including provided the quality environment monitoring for noise pollution, air pollution, waste water and waste from the production process by monitoring every year in order to analyze result comparing with standard in compliance with legal requirement. The result of the environmental impact monitoring was still in the criteria, not exceed standard criteria.

Management

ORGANIZATION CHART

ORGANIZATION CHART



Shareholding Structure and Management

1. SHAREHOLDERS

The following is the top ten major shareholders of the Company as of December 29, 2017 as follows :

Name of Major Shareholders		Proportion of Share Holding	
		No. of shares	%
1.	Capital Engineering Network Public Company Limited	5,164,003,750	39.23
2.	Mr. Nam Chonsaiphon	239,585,791	1.82
3.	Mr. Chaiwat Witchawut	188,000,000	1.43
4.	Mr. Jirawuth Kuwanan	183,068,000	1.39
5.	Leenabanchong Family	171,907,142	1.30
6.	Mr. Prakit Laohavisit	130,000,000	0.99
7.	Mr. Warawut Yancharoen	122,379,843	0.93
8.	Mrs. Kanokwan Yodwanit	100,000,000	0.76
9.	Mrs. Chonratorn Khunparin	91,000,000	0.69
10.	Mr. Prapon Limthamaisorn	90,000,000	0.68

Remark : Leenabanchong Family consists of

Leenabanchong Family		Proportion of Share Holding	
		No. of shares	%
Ms. Chinsiree	Leenabanchong	108,228,800	0.82
Mr. Chanachai	Leenabanchong	63,428,342	0.48
Ms. Panicha	Leenabanchong	250,000	0.00
Total		171,907,142	1.30

Dividend Policy

The company has a policy on paying a dividend of no less than 40 % of the net profit based on the consolidated financial statements after tax provided that the payout does not significantly affect the normal operations of the company. However, the company may require to pay dividends at a rate less than the rate specified above if the company is required to use the net amount for expanding the company operations.

In 2017, Annual General Meeting of 2017 was held on 26 April, 2017 had the resolution for not paying dividend for the operating performance for 1 January – 31 December, 2016 in which having net profit for 12.04 Million Baht due to the Company has to reserve cash for working capital and to invest in several projects.

Information of the past Dividend Payment

Year	2013	2014	2015	2016
Net Profit (Loss) per share	(0.02)	0.0124	0.0046	0.0012
Dividend Payment per share	0.00	0.00	0.002	0.00
Ration of Dividend Payment per Net Profit (%)	0.00	0.00	50.40	0.00

2. Management Structure

Management Structure of the Company consists of Directors, Sub-Directors are Board of Directors, Executive Committee, Audit Committee and Remuneration and Nomination Committee. After the Annual Shareholder Meeting, Board of Director will arrange for the meeting to appoint sub-committee. For 2017, the Board of Directors Meeting of 3/2017 dated 15 May, 2017 had resolution for Management Structure and assigned position and duties of directors as follows:

Structure of Board of Director

Name	Board of Directors	Executive Board	Audit Committee	Nomination and Remuneration Committee
1. Pol. Col. Kowit Piromwong	Chairman Independent Director			Chairman
2. Mr. Wutichai Leenabanchong	Vice Chairman Director	Chairman		
3. Pol. Lt. Sivaraks Phinicharomna	Independent Director		Chairman	
4. Mr. Pianchai Thawornrat	Independent Director		Director	Director
5. Dr. Nathee Naktnasukanjn	Independent Director		Director	
6. Mr. Peratus Dhanarachwattana	Director Managing Director (Plant Operation)	Director		
7. Mr. Theerachai Leenabanchong	Director Managing Director (Business Development and Corporate Affairs)	Director		
8. Mr. Monthon Chatuwatlopkul	Director Deputy Managing Director (Accounting & Financial and Corporate Management)	Director		Director
9. Mr. Surapat Chomrat	Director	Director		
10. Mr. Suthitsak Tanachoteporamat	Director	Director		
11. Ms. Usara Pattatung	Director	Director		
12. Mr. Pornthep Pipattangsakul		Director		
13. Mrs. Pimsiri Pinrod		Director		

Other Committees, scope, duties and responsibilities

Board of Director means persons is appointed to be Board of Director with duties to manage the business to comply with business's objectives, regulation and resolution of shareholders and to be responsible to shareholders.

As of 31 December, 2017, Board of Directors which the names are shown in the registration document with Ministry of Commerce for 11 persons consists of:

Name of Director	Position	Appointed Year	Number of Holds Position
1. Pol. Col. Kowit Piromwong	Chairman Independent Director	May 21, 2008	9 Years
2. Mr. Wutichai Leenabanchong	Vice Chairman	September 10, 2008	9 Years
3. Pol. Lt. Sivaraks Phinicharomna	Independent Director	October 5, 2009	8 Years
4. Mr. Monthon Chatuwatlopkul	Director	February 16, 2010	7 Years
5. Mr. Theerachai Leenabanchong	Director	March 27, 2013	4 Years
6. Ms. Usara Pattatung	Director	February 25, 2014	3 Years
7. Mr. Peratus Dhanarachwattana	Director	April 3, 2015	2 Years
8. Mr. Pianchai Thawornrat	Independent Director	December 17, 2015	2 Years
9. Mr. Surapat Chomrat	Director	February 25, 2016	1 Year
10. Dr. Nathee Naktnasukanjn	Independent Director	October 25, 2016	1 Year
11. Mr. Suthitsak Tanachoteporamat	Director	September 1, 2017	4 Months

Report on the Shareholding of Directors as at December 31, 2017

Name of Director	2016		2017		Increase/ decrease
	Director	Spouse	Director	Spouse	
1. Pol. Col. Kowit Piromwong	-None-	-None-	-None-	-None-	-None-
2. Mr. Wutichai Leenabanchong	-None-	-None-	-None-	-None-	-None-
3. Pol.Lt. Sivaraks Phinicharomna	-None-	-None-	-None-	-None-	-None-
4. Mr. Monthon Chatuwatlopkul	-None-	-None-	-None-	-None-	-None-
5. Mr. Theerachai Leenabanchong	-None-	-None-	-None-	-None-	-None-
6. Ms. Usara Pattatung	-None-	-None-	-None-	-None-	-None-
7. Mr. Peratus Dhanarachwattana	-None-	-None-	-None-	-None-	-None-
8. Mr. Pianchai Thawornrat	-None-	-None-	-None-	-None-	-None-
9. Mr. Surapat Chomrat	-None-	-None-	-None-	-None-	-None-
10. Dr. Nathee Naktnasukanjn	-None-	-None-	14,000,000	-None-	14,000,000
11. Mr. Suthitsak Tanachoteporamat	-None-	-None-	-None-	17,000,000	-None-

Authorized Directors to bind the company as at December 31, 2017

Authorized Directors to bind the company consists of Mr. Wutichai Leenabanchong signed conjunction with Mr. Peratus Dhanarachwattana or Mr. Monthon Chatuwallopkul or Mr. Theerachai Leenabanchong and with company's seal.

Board Composition

As per the Company's regulation, article 4 of Director, Item 21 requires that Board of Directors shall consist of at least 5 directors, and number of director is not less than half of total directors shall have residence in the Kingdom and director shall have qualification as per legal requirement.

Roles and responsibilities of Board of Directors

1. Perform duty in accordance with law, Company's objective and regulations, including resolutions of the Ordinary General Meeting of Shareholders, with honesty and reserve the Company's benefits.
2. Corporate Governance: revises and approves the policies, important strategies and annual budget.
3. To consider, define, and resolve the Board of Director's regulations.
4. To consider appointing, dismiss, authorize and assign Executive Committee, Chief Executive Officer, Remuneration Committee, Audit Committee and sub Board of Directors committee duties.
5. To consider appointing and replacing of chairman, Vice chairman Executive Committee, Chairman of Executive Committee, Managing Director, Remuneration Committee, Audit Committee, Independent Committee and sub Board of directors committee.
6. To regulate and resolve the conflict of interests including illegal used of company's assets of the Board of Directors and Executives.
7. To acknowledge the report of business management from Executive Committees.
8. To re-examine the compliances with the regulations and adequate information disclosure to public.
9. Create the Company's internal control and efficiency internal audit
10. To re-examine and approve of the audited financial statements from the auditor and/or Audit Committee.
11. Do the annual report of the committees and responsible for issuing and revealing financial statement showing financial standing and operating result during the previous year to present in the Shareholders' meeting.
12. Arrange the Ordinary General Meeting of Shareholders within 4 months after ending the Company's fiscal year.
13. To determine the scope of Executive Committee and Managing Director's purchasing, hire purchasing on property and payment authorization.
14. To consider and allocate the Directors' remuneration according to the approval from the Shareholders' Meeting.
15. To consider and approve of the financing activities, financial administrating and managing such as obtaining long term loans and/or short term loans with the amount beyond the authority of Executive Committees.
16. To consider and approve of purchasing assets with the amount beyond the authority of Executive Committees and Managing Director.
17. Consider and approve raw material purchasing for manufacturing in the part over Board of director's and Managing Director's authorization.
18. To consider and approve of hiring for producing when it is beyond the Executive Committee and Managing Director.

19. Consider and approve adjustment, selling, destroy, write off of the seedy fixed assets which are unusable in the part over Board of director's and Managing Director's authorization.
20. Consider and approve adjustment of price and/or quantity and/or destroy goods inventory, raw materials inventory which are seedy and/or out of date, in the part over Board of director's and Managing Director's authorization.
21. To consider and approve of establishing new subsidiaries or investing in subsidiaries.
22. To consider and approve of establishing new affiliate companies or investing in affiliate companies.
23. To set the date, time and place of the Ordinary Shareholders' Meeting and to determine the agenda, closing date for shares transfer, profit allocation, legal reserve, general reserve and/or dividend payment as well as to propose the recommendations to the shareholders.
24. To consider appointing of consultants to the Board of Directors and/or sub committee in order to provide opinions on a specific subject.
25. To consider other subjects those are beyond the authorities of the Executive Committee, Managing Director or as seen appropriate by Board of Director.

How ever, any issue which directors and/or any persons related to directors have benefits or conflict of interests with the Parent Company, and/or the Company, and/or subsidiaries, and/or joint venture. The director who has benefits or conflict of interests will not have right to vote in such issue.

More over, the committees have scope of duty to supervise the Company to follow the regulations of The Stock Exchange of Thailand or announcement of The Securities and Exchange Commission, Capital Market Supervisory Board, any law related to the Company's business for instance related transaction, receipt and sales of properties.

Executive Committee means director of executive or person which has been appointed by Board of Director or Executive Committee or Executive of its subsidiary of Capital Engineering Network Public Co., Ltd. and its duties to conduct and manage company operation according to scope of duties and responsibilities and assigned work by Board of Director in order to achieve targets, objectives and Company's regulation

In 2017 Board of Director consists of the following members:

Name of Executive	Position
1. Mr. Wutichai Leenabanchong	Chairman
2. Mr. Peratus Dhanarachwattana	Director
3. Mr. Theerachai Leenabanchong	Director
4. Mr. Monthon Chatuwatlopkul	Director
5. Mr. Surapat Chomrat	Director
6. Mr. Suthitsak Tanachoteporamat	Director (Appointed on September 1,2017)
7. Ms. Usara Pattatung	Director
8. Mr. Ladya Uriya	Director (Resigned on May 1, 2017)
9. Mr. Pornthep Pipattangsakul	Director (Resigned on July 1, 2017)
10. Mrs. Pimsiri Pinrod	Director (Resigned on November 15, 2017)

Roles and responsibilities of Executive Boards

1. Call for Board of Directors' meeting for the Executive Chairman and issue proxy of Board of Directors' meeting. In the urgent case that the Executive Chairman cannot issue the proxy, then allow deputy of Executive Chairman issuing the proxy of Board of Directors' meeting for the Executive Chairman.
2. To operate and manage the business in line with the company's objectives, articles of Association, policies, regulations, rules, directives and resolutions of the Board of Directors and/or resolutions of shareholders' meetings in all respects.
3. To consider and determine policy, direction and strategy for the Company's business Operations, financial plans, budget, manpower resources management, investment in information technology, expansion of business operations, public relations, control and supervision for all appointed working committees to achieve the targets.
4. Identify organization structure, organization management authorization; including appointment, hiring, restructure, dismissal, set up wages and compensation; consider the performance, bonus, allowance; and dismiss the employees in management level of the Company.
5. To consider annual budgetary appropriations as proposed by the management before presenting them for consideration and approval by the Board of Directors. This also includes consideration and approval for changes and additional annual budgetary appropriations at the time when there is no Board of Directors' meeting, and thereafter presentation to the next meeting of the Board.
6. To approve major investment transactions as defined in the annual expenditure budget as assigned by the Board of Directors, or as earlier approved in principle by the Board.
7. To have authority in approving capital expenditure although buying the fixed assets, office stationery, renovation and maintenance, dispense/ to sell fixed assets, to rent/hire purchase of assets which exceed budget estimation within the limit of each transaction not exceeds the budget which has been approved by Board of Directors.
8. Present business expansion plan and join with other party to the Committees.
9. Has an authorization to approve for loan borrowing, any financing, related to normal operation of Company's business within the limit of each item not over than authorized by the Company's committees.
10. To have authority to consider and approve borrowing of funds and/or to guarantee the Credit of subsidiaries and/or affiliated company and/or other companies which not exceed the budget which has been approved by Board of Directors.
11. Consider and approve for purchasing of raw materials for manufacturing within the limit not over than authorized by the Company's committees.
12. Consider and approve adjustment, selling, destroy, write off of the seedy fixed assets which are unusable, within the limit not over than authorized by the Company's committees.
13. Consider and approve adjustment of price and/or quantity and/or destroy goods inventory, raw materials inventory which are seedy and/or out of date, within the limit not over than authorized by the Company's committees.
14. To serve as advisers to the management relating to financial policy, marketing, personnel management, and other operational aspects.
15. To consider the profit and loss of the company, proposal for interim or annual dividend payment for approval by the Board of Directors.
16. To have authority in delegating any several directors or any individuals to carry out any particular assignment under the control and supervision of the Executive Committee, or delegate the authority to such individuals to have authority as deemed appropriate by the Executive Committee and within a period deemed appropriate. The

Executive Committee may rescind, revoke, amend or rectify the individuals or delegation of power as and when deemed appropriate.

17. To have power on any finance transaction of company as for example opening and/or closing an account/ Financial Institution by specified the authorization signature for bank accounts including specified the conditions authorization for other bank accounts as well.
18. To consider opportunities or new company in order to increase the value on investment.
19. To consider of increase or decrease on proportion of investment in affiliated company and subsidiaries in order to purpose to Board of Directors to be approved.
20. To engage in any other activities as assigned from time to time by the Board of Directors.

By this, the authority of the Executive Committee will not cover approvals of any transactions, which may have conflict of interests. These includes any transactions which the Executive Committee or any parties who may have conflict of interest with the Executive Committee, has vested interests or any other benefits, which may also be considered as conflict of interests with the Company or the subsidiaries. This has to be in line with the regulations of the Stock Exchange of Thailand and/or The Securities and Exchange Act B.E.2535 and/or the announcements of the Securities and Exchange Commission. Approvals of such transactions must be proposed for prior approval by the Board of Directors or the shareholders' meeting.

Audit Committee means director which has been appointed by Board of Director / Shareholder Meeting to duties to audit performance as per assignment in order to comply with legal requirement, rules and regulation of Good Corporate Governance.

In 2017, Audit Committee consists of the following 3 members:

Name of Audit Committee	Position
1. Pol. Lt. Sivaraks Phinicharomna	Chairman of Audit Committee
2. Mr. Pianchai Thawornrat	Audit Committee
3. Dr. Nathee Naktnasukanjn	Audit Committee
Mr. Komwuthi Pornnaradol	Secretary of Audit Committee

Audit Committee is the person which has knowledge and experience for review the credibility of Company financial statement and all Audit Committees are not the shareholder of the Company, no relationship with business or providing professional services to the Company, its subsidiary, joint venture company or juristic person might have the conflicts and not having position as Audit Committee for subsidiary or joint venture company.

Roles and responsibilities of Audit committee

1. To ensure that the company's financial statement is accurate, adequate and dependable.
2. To review that the company's internal control systems is appropriate and efficient in order to consider the audit committee independently throughout appointment, move, layoff Head of Internal controller or any institute which responsible form internal control division.
3. To review the Company's compliance with the law on securities and exchange the Exchange's regulations and the laws relating to the Company's business.
4. Examine opportunity for corruption in business as in line with company's policy and business ethics

5. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once year.
6. To review the connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for highest benefit of Company.
7. Consider revealing the Company's information if significant, to be correct and complete, In the case that related to benefits or has conflict of interests of benefits including receipt and sale of properties.
8. Verify the Company's risk management system to be appropriate and effective.
9. Assign roles in anti-corruption in anti-corruption policies and business ethics as management is responsible for manage in term of complaint process which covered process of receiving clues from employees regarding improper financial statement or other issues.
10. Verify correctness and effectiveness of information technology related to financial report and internal control.
11. Promote financial reporting system to be in the same level as international accounting standard.
12. Verify and comment to internal audit plan, internal audit team performance, or any organization who is responsible for internal audit.
13. To prepare, and to disclose in the Company's annual report, Audit Committee's reports which must be signed by the Audit Committee's chairman and consist of at least the following information:
 - a. an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - b. an opinion on the adequacy of the Company's internal control system,
 - c. an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - d. an opinion on the suitability of an auditor,
 - e. an opinion on the transactions that may lead to conflicts of interests,
 - f. the number of the Audit Committee meetings, and the attendance of such meetings by each committee member,
 - g. an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
 other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors;
14. Has an authorization to hire advisor or other third parties according to Company's regulation, to provide counsel or consult if necessary.
15. Review charter of the audit committee at least one a year.
16. To perform any other matters as assigned by the company's Board of Directors with the Audit Committee's agreement.
17. The audit committee has to evaluate its performance by self-auditing and report the evaluation result, including problem and barrier caused incomplete performance and cannot meet objective of auditor committee, to the Company's committees every year.
18. The audit committee should receive training and knowledge reinforcement about work regularly and continuously.

To perform the above duties and assignments, the audit committee has direct responsibility to the Company's committees and the Company's committees remain responsible for the Company's operation to third parties.

Remuneration and Nomination Committee means director and/or executive which have been appointed by Board of Directors, duties to be responsible for considering the appropriateness and fairness of the remuneration packages and criteria for directors and executives.

In 2017, Remuneration and Nomination Committee consists of the following 3 members:

Name of Nomination and Remuneration Committee		Position
1. Pol. Col. Kowit	Piromwong	Chairman
2. Mr. Pianchai	Thawornrat	Director
3. Mr. Monthon	Chatuwallopkul	Director and Secretary

Roles and responsibilities of Nomination and Remuneration Committee

1. Consider on recruitment and nomination of proper qualified candidate to hold the Company's director position in various subcommittees which have been appointed from the Board of Directors for replacement in case that the term is due, resign or other cases and propose to the Meeting, shareholders or the Board of Directors for consideration on approval and appointment as the case may be according to Articles of Association.
2. Review appropriateness of remuneration criteria currently applied.
3. Review the format of remuneration payment to every type of directors by considering amount of money and payment proportion, remuneration of each form a t to be proper.
4. Consider on remuneration payment information of other companies in the same industry of the Company.
5. Determine remuneration payment criteria to be proper for achievement occurrence as expected to be fair in return to the individual who helps the Company's works to be successful.
6. Consider on remuneration payment to be in line with the criteria required by government agencies or relevant suggestions.
7. To set criteria on evaluation of Managing Directors and remuneration fees and Nomination and Remuneration Committee also consider and evaluate remuneration as well.
8. Determine annual remuneration of the director and propose remuneration to the Board of Directors so that the Board of Directors will propose to the Shareholders' Meeting for approval.
9. Consider payment of any remuneration as assigned by the Board of Directors.
10. Operate other works as assigned by the Board of Directors in relation to nomination and consideration on remuneration of the directors and top executives.

Meeting of Committees

By 1 year in advance, the Company's committees would set the meeting quarterly and might have extra meeting schedule as necessary. In year 2017, there were the meetings of each committee as follows.

Meeting of Committees of each Committee	Year 2017 Total of Meeting
Shareholder's Meeting	1
Board of Director's Meeting	6
Executive Board of Director's Meeting	9
Audit Committee's Meeting	13
Nomination & Remuneration Committee	2

Name	Shares Holder's Meeting	Board Of Director	Audit Committee	Executive Boards	Nomination and Remuneration Committee
1. Pol. Col. Kowit Piromwong	1/1	6/6			2/2
2. Mr. Wutichai Leenabanchong	1/1	6/6		9/9	
3. Pol. Lt. Sivaraks Phinitcharomna	1/1	6/6	13/13		
4. Mr. Pianchai Thawornrat	0/1 *	4/6 **	10/13*/**		
5. Dr. Nathee Naktnasukanjn	1/1	6/6	13/13		2/2
6. Mr. Peratus Dhanarachwattana	1/1	6/6		9/9	
7. Mr. Theerachai Leenabanchong	1/1	6/6		9/9	
8. Mr. Monthon Chatuwatlopkul	1/1	6/6		9/9	
9. Mr. Surapat Chomrat	1/1	5/6 **		8/9 **	2/2
10. Mr. Suthitsak Tanachoteporamat ^{1/}	0/0	2/2		3/3	
11. Ms. Usara Pattatung	1/1	6/6		8/9 *	
12. Mr. Ladya Uriya ^{2/}	0/1 **	2/2		1/4 **	
13. Mrs. Pimsiri Pinrod ^{3/}	-	-		4/4	
14. Mr. Pornthep Pipattangsakul ^{4/}	-	-		0/0	

Remark

1/ Appointed to be Director on September 1, 2017

2/ Resigned from being Director on May 1, 2017

3/ Appointed to be Executive on May 15, 2017 and Resigned on November 15, 2017

4/ Appointed to be Executive on May 15, 2017 and Resigned on July 1, 2017

* Due to illness

** Due to business engagement

Legal Record

Directors and Executives of the Company have never been dismissed, or accused of misbehaviors, or prosecuted for bankruptcy, or committed offence under the law relating to securities and exchange, crime, and dispute or are in the process of prosecution

Selection of Directors and Executives

Method of selection of person to be Director

The Company has established Nomination and Remuneration committee to consider a candidate from his/her knowledge, ability and experience related to the Company's business in accordance with the Public Limited Companies Act B.E. 2535 and related notifications of The Office of the Securities and Exchange Commission. The list of the candidates for director position has to be proposed to a meeting of shareholders for consideration and approval according to the Company's regulations. In case that the retirement is not due to rotation, Nomination and Remuneration committee may consider and search for an appropriate person to be appointed as a director in replacement of the vacate position according to the Company's regulations.

Appointment of Committees in Shareholders' meeting and rights of minor investors

Appointment of Directors

Appointment

As Article of Association The appointment of Board of Directors have approval from Annual General Meeting of Shareholders as following rules and procedures.

- (1) One shareholder has votes in a number equal to number of shares he holds multiplied by number of directors to be elected.
- (2) Each shareholder may use all votes un Each shareholder may use all votes under (1) to elect one or more than one director. In case of voting for more than one director, he may distribute his votes as he pleases.
- (3) Persons who receive highest votes arranged in order from higher to lower in a number equal to that of directors to be appointed are elected directors of the company. In the event of a tie at a lower place, which would make the number of directors greater than that required, then the

As every meeting of Shareholders given to remove any Directors one in three If the number of Directors to be removed not match to three then removal should be to nearest to one in three.

Retire Directors in the first or second year following the registration of company if committee did not agree any other method then drawing will be issued. The subsequent year, the directors who serve the longest of holding the position will need to retired and may re-elect.

Executive means staff of the Company that has position in executive level and/or has authorized to manage Company

As of 31 December, 2017, Executive Committee consists of the following 8 members:

Name of Executive		Position
1. Mr. Wuttchai	Leenabanchong	Chairman of Executive Board
2. Mr. Peratus	Dhanarachwattana	Manager Directing (Power Plant Operation)
3. Mr. Theerachai	Leenabanchong	Manager Directing (Business Development and Corporate Affairs)
4. Mr. Monthon	Chatuwallopkul	Deputy Managing Director (Accounting & Financial and Corporate Management)
5. Mr. Chokchai	Niamratana	Deputy Managing Director (Steel Tower)
6. Ms. Ornin	Sangthong	Director (Corporate Communication)
7. Mr. Chayapong	Choonak	Senior Manager (Sales)
8. Mr. Ronnakrit	Bhirompakdee	Senior Manager (Production)

Controlling Person

- None -

Company Secretary

The Company has appointed Company Secretary to coordinate between Board of Director and Management, is responsible to coordinate for related regulation and legal requirement, to support for good corporate governance, also to conduct as per rules and regulation of mai and the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand. Therefore, the Board of Director Meeting No.06/2010 dated 10 November, 2010 had resolution to appoint Mr. Monthon Chatuwallopkul as Company Secretary. Company Secretary is duties and responsibilities in compliance with legal and Company requirements as follows:

1. To usually updated the Board of Directors of all relevant rules and regulation of the Company and legal requirement, and to follow up to perform accurately and continually, including to report of the significantly change to Board of Directors.
2. To coordinate between Board of Directors and Executive of all relevant rules and regulation of the Company and legal requirement, and to follow up to perform according to the resolution of Board of Director
3. To arrange the Shareholder Meeting and Board of Director Meeting in compliance with relevant rules and regulation of the Company and legal requirement,
4. To minute Shareholder Meeting, Board of Director Meeting, including following up to be undertaken according to resolutions of Shareholder Meeting and Board of Director Meeting.
5. To handle to disclose relevant data and information in compliance with rules and regulation of the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand for mai.
6. To provide and keep the following records.
 - (6.1) Registration Committee
 - (6.2) Invitation letter for Director, Minutes of the Board of Director Meeting and Company's Annual Report.
 - (6.3) Invitation to the General Meeting of Shareholders and Minutes of Shareholder Meeting.
7. To keep the report of interest of shareholders which reported by directors or executives.
8. To perform other as required by Capital Market Supervisory Board, including arranging the orientation for new director and promoting the understanding for good corporate governance to director, executive and employee.

Remuneration of Directors and Executives

Financial Compensation

(a) Remuneration of Directors

The remuneration of directors consists of monthly compensation and meeting allowance passed on the resolutions from the board of Nomination and Remuneration No.1/2017 held on February 22, 2017 and the board of directors No.1/2017 held on February 22, 2017 and approved by 2017 Annual General Meeting of Shareholders held on April 26, 2017 the amount of 2,300,000 THB. as follows details:

- (1) The Chairman of the Board (Each time the meeting is attended)
 - 30,000 THB per meeting for the chairman that receives a regular salary or 20,000 THB for the Chairman of a subsidiary.
- (2) Directors (Each time the meeting is attended)
 - 15,000 THB per meeting for the Directors that receive a regular salary or 5,000 THB for the employees in the affiliates
- (3) Executive Director (Every time of the Meeting)
 - Meeting Allowance for Chairman, each time 15,000 Baht, However, for any Chairman who receives permanent salary and/or is the executive in its subsidiary will receive meeting allowance each time participating in the meeting for 5,000 Baht
 - Meeting Allowance for Executives, each time 10,000.-Baht, for any Executive who receives permanent salary and/or is the employee in its subsidiary will receive meeting allowance each time participating in the meeting for 2,000.- Baht
- (4) The Audit Committee (Each time the meeting is attended)
 - 25,000 THB for the chairman
 - 15,000 THB for the Committee member

- (5) The Nomination and Compensation Committee. (Each time the meeting is attended)
- 25,000 THB for the chairman
 - 15,000 THB for the Committee member that receive a regular salary or 5,000 THB for the employees in the affiliates.

By this, in year 2017 the company had paid total of remuneration fees in the totaling amount of Baht 1,678,000 as detail follows:

Name/Position	Compensation (baht)				
	Board of Director	Executive Board	Audit Committee	Nomination and Remuneration Committee	Total
1. Pol. Col. Kowit Piromwong - Independent Director - Chairman of the Board - Chairman of Nomination And Remuneration Committee	180,000.-	-	-	50,000.-	230,000.-
2. Mr. Wutichai Leenabanchong - Vice Chairman - Chairman of Executive	30,000.-	45,000.-	-	-	75,000.-
3. Pol. Lt. Sivaraks Phinicharomna - Director - Independent Director - Chairman of Audit Committee	90,000.-	-	325,000.-	-	415,000.-
4. Mr. Pianchai Thawornrat - Director - Independent Director - Audit Committee - Nomination and Remuneration Committee	60,000.-	-	150,000.-	30,000.-	240,000.-
5. Dr. Nathee Naktnasukanjn - Director - Independent Director - Audit Committee	90,000.-	-	195,000.-	-	285,000.-
6. Mr. Peratus Dhanarachwattana - Director - Executive - Managing Director (Plant Operation)	30,000.-	18,000.-	-	-	48,000.-

Name/Position	Compensation (baht)				
	Board of Director	Executive Board	Audit Committee	Nomination and Remuneration Committee	Total
7. Mr. Theerachai Leenabanchong - Director - Executive - Managing Director (Business Development and Corporate Affairs)	30,000.-	18,000.-	-	-	48,000.-
8. Mr. Monthon Chatuwallopkul - Director - Executive - Nomination and Remuneration Committee - Deputy Managing Director	30,000.-	18,000.-	-	10,000.-	58,000.-
9. Mr. Ladya Uriya - Director - Executive - Deputy Managing Director (Business Development and Fuel Management) (Resigned from being Director on May 1, 2017)	10,000.-	-	-	-	10,000.-
10. Mr. Surapat Chomrat - Director - Executive	75,000.-	80,000.-	-	-	155,000.-
11. Mr. Suthitsak Tanachoteporamat - Director - Executive (Appointed to be Director on September 1, 2017)	30,000.-	30,000	-	-	60,000.-
12. Ms. Usara Pattatung - Director - Executive	30,000.-	16,000.-	-	-	46,000.-
13. Mrs. Pimsiri Pinrod - Executive (Appointed on May 15, 2017 and Resigned on November 15, 2017)	-	8,000.-	-	-	8,000.-
14. Mr. Pornthep Pipattangsakul - Executive (Appointed on May 15, 2017 and Resigned on July 1, 2017)	-	-	-	-	-
Grand Total	685,000.-	233,000.-	670,000.-	90,000.-	1,678,000.

(b) Remuneration of Executives

In 2017, amounting of remuneration paid to 9 Executives which includes salary, his profession, Social Insurance, Provident Fund and Employee Benefit in totaling amount of Baht 17.65 Million baht

ITEM	2016		2015	
	Executives	Amount (MB)	Executives	Amount (MB)
Salary, Professional of position, Bonus Other Benefits ext Provident Fun, Employee Benefit	9	17.65	8	17.18

(c) Other compensations or other benefits

The company has no policy on compensation other than compensation as directors or officers of the company as normal. No shares, debentures or any other security will be given to directors and executives of the company.

Compensation of Subsidiaries

UWC Komen Biomass Co., Ltd., UWC Amphan Biomass Co., Ltd., Satuek Biomass Co., Ltd., Paradise Green Energy Co., Ltd. and UWC Solar Co., Ltd, used the same rate of compensation as follows details

- The Chairman of the Board (Each time the meeting is attended)
 - 10,000 THB per meeting for the chairman that receives a regular salary or 5,000 THB for the Chairman of a subsidiary.
- Directors (Each time the meeting is attended)
 - 5,000 THB per meeting for the Directors that receive a regular salary or 3,000 THB for the employees in the affiliates

By this, in year 2017 the subsidiaries had paid total of compensation in the totaling amount of Baht 347,000 as detail follows:

Name	Position	Compensation (baht)					
		UKB	SBM	UAB	PGE	UWC SOLAR	Total
1. Mr. Wutichai Leenabanchong	Chairman	20,000	20,000	20,000	20,000	20,000	105,000
2. Mr. Peratus Dhanarachwattana	Director	12,000	12,000	12,000	15,000	12,000	63,000
3. Mr. Theerachai Leenabanchong	Director	12,000	12,000	12,000	15,000	12,000	63,000
4. Mr. Monthon Chatuwatlopkul	Director	12,000	12,000	12,000	15,000	12,000	63,000
5. Mr. Damri Santativongchai	Director	12,000	-	-	12,000	-	24,000
6. Mr. Sirichai Cherdchanpipat	Director	-	-	-	20,000	-	20,000
7. Mr. Ladya Uriya	Director	3,000	-	-	6,000	-	9,000
Total		71,00	56,000	56,000	108,000	56,000	347,000

Director development and training

The company encourages our directors and the committee members to participate in programs or activities organized by the Thailand Institute of Directors (IOD), Securities and Exchange Commission (SEC) or the organization to promote the development and functioning of the Board. The board of directors will be trained in the Director Accreditation Program (DAP), organized by the Thailand Institute of Directors (IOD), the profile would then appear in the history of each director. The company will also immediately provide DAP training courses for newly appointed directors.

For the year 2017, the directors of the company participants in the meeting are as follows:

Name of Director	Position	Training courses
1. Dr. Nathee Naknasukanjn	Independent Director Audit Committee	Directors Accreditation Program (DAP) 134/2017 on February 27, 2017
2. Mr.Theerachai Leenabanchong	Director Managing Director	1. Global Business Leaders Program Certificate Cornell University & Lead Business on January 27,2017 2. Thammasat Leadership Program (TLP 11) on August 7, 2017 – November 27, 2017

Total Number of Employees

Detail	UWC	UKB	SBM	UAB	PGE	Total
Production	296	38	25	42	53	454
Administration	104	12	17	2	19	154
Total	400	50	42	44	72	608

The number of employees changed significantly in the past 3 years

- None-

Shepherded significant labor dispute in the paste= 3 years

- None -

Policy of Employee Development

Company and its subsidiary pay attention to employee capabilities development continually by increasing skills and knowledge of operation for employees of each department. Company has set up plan for employee to participating in the several training courses.

Company and its subsidiary have annual training plans for employee. Human Resource Department will provide training course to employee as appropriate to duties and responsibilities, including having the survey to employee to specify for the requirement and interest for training courses. Trainings are also provided inside and outside the Company, including providing on the job training by having supervisor to train and transfer knowledge and experience to team. Each year, Company will set up budget for training by providing training for employees at least 6 hours/person/year and number of persons who receive training are not less than 50% of total employees as of end year.

In 2017, Company provided internal training for all employee levels, the courses can summarize below

Topics/Course	Participants	Hours
1. Motivation Techniques for working	All employee levels	6
2. Planning and Production Control	Department Manager /Section Manager	6
3. Business Ethics and Anti-Corruption Policy	All employee levels	6
4. Computer Law and Dangers of Internet	All employee levels	6
5. Safety Together	All employee levels	6
6. Art of Excellence Supervisory	Supervisor	6
7. Using Machine of CNC: TAPM2020A series	All employee levels	6
8. Committee of Safety, Occupational Health and Working Environment for employee and new employee, according to Occupational Safety, Health and Environment Act	All employee levels	6
9. Art of Excellence Supervisory	Supervisor	6
10. Advance Level for Internal Auditor for ISO 9001:2015	IQA working team WT working team	6
11. Energy Conservation and Power Management	All employee levels	6
12. Fire Drill and Exercise	All employee levels	6

Training	Amount of employees	Rate of Training
Complete Training for 6 hours	299	75%
Complete Training less than 6 hours	101	25%
Amount of Employees end of 2017.	400	100%

RELATED TRANSACTION

Related Company	Relationship	Type of Transaction	Value of Transaction (Million Baht)	Necessity and Reasonableness
Capital Engineering Network Public Company Limited	Parent Company,	Service Interest	0.72 0.42	Internal Audit Fee Short-term Loan
EMC Public Company Limited	Related Company through same major shareholder	Production of work to Order	-	Market Price in Normal Business
WJC Enterprise Company Limited	Related Company through same major shareholder	Sale product Rent Payroll	0.47 2.4 97.79	Market Price in Normal Business
HTP & Cen Corporation Company Limited	Related Company through same major shareholder	- None -	-	-
Rayong Wire Industries Public Company Limited	Related Company through same major shareholder	- interest -	0.26	Short-term-Loan
Enesol Company Limited	Related Company through same major shareholder	- interest -	0.79	Short-term-Loan
Pipeline Company Limited	Related Company through same major shareholder	- None -	-	Market Price in Normal Business
Picnic Corporation Public Company Limited	Related Company	- None -	-	-
Dimet (Siam) Public Company Limited	Related Company	Buy product	0.042	Market Price in Normal Business
Key Management Personnel	Executive Persons	- None -	-	-

Necessity and Reasonableness of the Related Transactions

Selling and service to related company in the last year had normal business and market price in trade.

Policy and Tendency to Approved Related Transaction in the Future

-None-

INTERNAL CONTROL AND RISK MANAGEMENT

Internal Controls and Risk Management

The company recognizes the importance of internal controls. Every company staff has a shared role and responsibilities. This is done by defining duties and responsibilities in the implementation of a management and operational levels are clearly written. This includes financial control, operations management, governance practices to ensure compliance with laws and regulations to ensure that the success of our work reasonably achieves the objectives of the company as follows:

1. Strategies and goals are clearly defined and are consistent with and support the company mission.
2. Performance is defined based on objectives with resource management to be efficient and cost-effective.
3. Reports on significant issues on finance, administration and operations are accurate and reliable.
4. Implementation and operation based on the policies, rules and regulations in compliance with the laws and regulations related to business operations.
5. Security of asset and personnel information and information system.
6. There being proper and effective supervision and management.
7. There being continuous work quality improvement.

The Board of Director Opinions on the Company's Internal Control System

The Board of Director reviewed and evaluated the Company's Internal Control System in the Board Meeting No. 1/2017 held on February 22, 2017, with two members attended. The review was done to assess the internal control system. From the interviews conducted on the management. The company has concluded that performance meets the standards is adequate based on the results of the evaluation of the adequacy of internal controls according to the assessment of the adequacy of the internal control system. This makes the company more efficient and effective internal controls even more.

The Internal Control System is effective and adequate. The classification of internal control system is as follows:

1. Control Environment

The company structure and environment encourages effective performance. There are also sufficient internal controls. The duties and responsibilities of each party are clearly defined for monitoring the operation and improving its systems in order to be effective and reduce redundant work for all parties to operate under the same standards. Additionally, the operation target for each year is clearly defined taking into account factors such as economic conditions, market and competitive conditions

2. Risk Assessment

The Company manages risk based on the nature of the business and the appropriateness from the risk assessment on external and internal factors to safeguard and manage risk to a level that is safe for implementation and acceptable by the organization employees and does not affect the company operations

3. Control Activities

The Company clearly defines the duties of the board and the management hierarchy. This includes designating the authority for the administration based on the approval of the executive committee and board of directors for transparent benefits for its shareholders and stakeholders and does not pose a conflict of interest and conflict of interest.

4. Information and Communication

The company is managed by using advanced information with internal and external communication systems that are fast, modern, and efficient. This enables quick communication. The company continuously develops its information to support the organization to streamline and enhance system performance and clearly meet the growth of the company.

5. Monitoring Activities

The company has a good system to evaluate and track the performance to ensure that the measure the internal control system are effective and always able to respond appropriately to changes in time. The company also has supervisor to monitor the performance of subordinates for the assessment of performance. The administration pays attention to the management that is fast and effective in achieving the goals to be able to submit clear reports to the board of directors.

The Audit Committee freely approved the Company's internal control system. This was done by reviewing the administration, financial report, and proving consultation, evaluation, and audit of the company. Board manages the organization to follow the principles in order to comply with the operational rules of the Stock Exchange of Thailand and other business related laws

Internal Auditor is responsible for auditing internal operation in order to achieve the objectives of internal control. The executive committee and audit committee jointly reviews and reports the internal audit with the adequate essence for all management process to be systematic and effective. All administrators are involved in consideration on how to improve / correct the practices that are consistent with company policy. Additionally, the internal controls are adequate.

The Board of Directors Opinion on the Company's Internal Control

The Board recognizes the importance of establishing a system of internal control and internal audit. The board of directors audit committee consists of 3 independent members to continuously supervise and review the company internal controls effectively and accurately based on the corporate Governance principles that are transparent, accurate, and reliable. The internal audit department conducts the audit and reviews the operation system in various divisions to directly report to the Audit Committee to be sure that the operation is efficient and effective. Audit and reviews are also conducted on the use of resources of the company to be worth the benefits. This also includes the control on the operation. The financial reports are accurate, reliable and timely. The reporting is also in compliance with the laws and regulations of the government. Reviews are regularly conducted on the effectiveness of the control system to be able to conduct business for the shareholder benefits based on fairness for all interested parties. Additionally, the audit committee also has a duty to consider and recommend the appointment of the auditor, the remuneration of the auditor, and to review the disclosure of information in case of transactions that may have conflicts of interest to ensure accuracy and completeness.

In 2017, the Audit Committee held 13 meetings with the management of the company having attended every meeting except the audit committee meetings with the auditors. For the fiscal year 2017 financial statement review, the company's Board of Directors and the Audit Committee has assessed the internal control system by assessing the adequacy of the 5 aspects of internal control environment, risk assessment, control activities, information and communication and performance monitoring system. From the results of the audit of the internal audit department, the company has concluded that the internal control system is adequate and appropriate to the business. There was no deficiency in internal controls. The company's financial report was prepared in accordance with generally accepted accounting principles. The disclosures in the financial report are accurate, reliable. The company operation is in compliance with the Securities and Exchange Commission and other related laws.

Audit Committee has opinion that the Company operating was in sufficient standard in according to the appropriateness of internal control assessment, this affected to Company to have effectiveness and efficiency for internal control.

Risk Management

The company and the subsidiaries strongly pay attention to risk management by recognizing the importance of good corporate management to drive the organization to stably grow and expand the business to have a strong financial position and able to generate returns for shareholders at the appropriate level. Therefore, the company and its subsidiaries practice a system of risk management. The operational framework and procedures for risk management are in accordance with the guidelines of The Committee of Sponsoring Organizations of the Tread way Commission (COSO), an international standard for those concerned with understanding the principles of risk management and applied appropriately. The risk management policy framework and action plan was approved by the Board of Directors Meeting No. 1/2016 held on February 25, 2016, which are detailed as follows:

Risk Management Policies

1. The risk management defined that it is the responsibility of staffs at all levels to be aware of the risks associate with the performance of their departments and organizations. The organization also needs to focus on different aspects of risk management to a level that is sufficient and appropriate.
2. The policies require all departments to be responsible for risk assessment and to define risk indicators, guidelines for the prevention and mitigation of risk or loss that may occur. This includes monitoring and evaluation to be consistently conducted on risk management and prepare reports on the risk based on risk management framework, operation, and procedures
3. The risk management process is set to be an integral part of the company decision making process, strategy planning, and operations.
4. When employees witness or are aware of any risk that may affect the company and its subsidiaries, they need to immediately report the risk to individuals involved to further manage the risk.
5. To continuously promote, support, and provide understanding on the process and guidelines for risk management to executives and employees to cultivate the habit of personnel at all levels of the organization to be aware of the importance and responsibility to participate in the implementation of the organization risk management as a part of the culture that led to the value creation.

As of April 1, 2016, Company had appointed Risk Management Committee by setting role and duties as follows:

Scope of Duties and Responsibilities of Risk Management Committee as follows:

1. To provide/ to revise / to recommend and to approve framework and guidelines of risk management of the Company consists of Policy of Risk Management, Risk Management Project, risk appetite, and risk management process.
2. To support / to promote / to develop and to communicate risk management and to provide continually internal control process in compliance with Company's objectives and targets and to be the culture of organization.
3. To follow up / to observe / to directorate risk management according to policy or risk management manual
4. To present the progress and report the performance to Audit Committee once a year.

Personal Information of the Company's Board of Directors

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					period	position	Company
1. Pol. Col. Kowit Piromwong Position : - Chairman - Independent Director - Chairman of Nomination & Remuneration Committee Appointed Date May 21, 2008	72	- Master of Social Science Administration Thammasat University - Bachelor of Law (Honor) Thammasat University Training roles of Directors from Thai Institute of Director (IOD): - Directors Accreditation Program (DAP) 79/2009	- None -	-None -	Holds position in listed companies	-None-	
					Holds position in related companies	-None-	
					Holds position in non-registered company	-None-	

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
2. Mr. Wutichai Leenabanchong Position: • Vice Chairman • Executive Chairman • Authorized Director Appointed Date: September 10, 2008	53	• Master of Business Law(Faculty of Law) Chulalongkorn University • Master of Business Administration (Faculty of Commerce and Accountancy) Chulalongkorn University • Bachelor of Engineering Program in Mechanical Engineering Chiang Mai University Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) No.78/2009 • Financial Statement for Directors (FSD) No.4/2009	-None-	Cousin with Mr. Theerachai Leenabanchong	Holds position in listed companies (Affiliate Companies) in totaling of 2 places		
					Year 2008 -Present	Chairman Executive Chairman Acting Chief Executive Officer	Capital Engineering Network PCL.
					Year 2008 -Present	Chairman Executive Chairman	Rayong Wire PCL.
					Year 2014 - Present	Chairman Remuneration Committee	
					Holds position in related companies in totaling of 9 places		
					Year 2008 -Present	Chairman	Enesol Co., Ltd.
					Year 2010 -Present	Chairman Managing Director	Pipe Line Engineering Co., Ltd.
					Year 2012 -Present	Chairman	Evergreen Biomass Co., Ltd.
					Year 2013 -Present	Chairman	WJC Enterprise Co., Ltd.
					Year 2015 -Present	Chairman	Paradise Green Energy Co., Ltd.
					Year 2015 -Present	Chairman	UWC Komen Biomass Co., Ltd.
					Year 2015 -Present	Chairman	UWC Solar Co., Ltd.
					Year 2016 -Present	Chairman	UWC Amphan Co., Ltd.
					Year 2016 -Present	Chairman	Satuek Bionass Co., Ltd.
					Year 2017-Present	Director	UWCC (Cambodia) Co., Ltd.
					Year 2017 -Present	Director	Interglob Investment Co.,Ltd.
					Year 2017- Present	Director	Green Energy Plantation Co., Ltd.

Name-Surname/ Position		Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
3. Pol. Lt. Sivaraks Phinicharomna Position: • Director • Independent Director • Chairman of Audit Committee Appointed Date: October 5,2009		67	• Master of Arts in Public Administration, Minnesota State University • Bachelor of Political Science, Chiang Mai University • Certificate (Accountancy) UCLA, California USA • Certificate (Taxation) H&R BLOCK TAX SCHOOL, California USA • Certified Public Accountant , California , USA • Certified Professional Internal Auditor from The Institute Internal Auditors (The IIA) • Certified Fraud Auditor from Association of Certified Fraud Examiners (The ACFE) Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 14/2004 • Directors Certification Program (DCP) 44/2004 • Audit Committee Program (ACP) 16/2007 • Role of the Chairman Program (RCP) 24/2009 • How to Measure the Success of Corporation Strategy 4/2014 • Successful Formulation & Execution of Strategy 20/2014 • Chartered Director Class (CDC) 9/2015	-None-	-None-	Holds position in listed companies in totaling of 3 places		
						Year 2008 - Present	Chairman of Audit Committee	TTCL PCL.
						Year 2015-Present	Chairman of Audit Committee	SRK PCL.
						Year 2010 - Present	Audit Committee	Ini3 Digital PCL.
						Holds position in non-registered company in totaling of 1 place		
						Year 2012 - Present	Director	Lee and Phinicharomna Co.,Ltd.
						Holds position in related companies - None-		

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
4. Mr. Panchai Thawornrat Position : • Director • Independent Director • Audit Committee • Nomination and Remuneration Committee Appointed Date: December 17, 2015	59	• Doctor of Public Administration Program Bangkok thonburi University (Doctor Candidate) • Master Degree of Public Administration Bangkok thonburi University • Bachelor Degree (Faculty of Science) Srinakharinwirot University Training roles of Directors from Thai Institute of Director (IOD): • Director Certification Program (DCP 198) • Role of the Chairman Program (RCP 36/2015) • Ethical Leadership Program (ELP 8/2560)	-None-	-None-	Holds position in listed companies -None-		
					Holds position in related companies -None-		
					Holds position in non-registered company in totaling of 3 places		
					Year 2007-Present	Chairman	PCT Asia Insurance Co., Ltd Lao People's Democratic
					Year 1997-Present	Chairman	PCTB Co., Ltd.
5. Dr. Nathee Nakmasukarnjn Position : • Director • Independent Director • Audit Committee Appointed Date: October 25, 2016	52	• D.B.A. (Finance),JDBA Program jointed by Thammasat University • M.B.A. (Finance), Ramkhamhaeng University • Bachelor of Law Sukhothai thammathirat University • Bachelor of Engineering (Electrical) Chiang Mai University Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 134/2017	14,000,000 shares Or 0.11 %	-None-	Holds position in listed companies -None-		
					Holds position in related companies -None-		
					Holds position in non-registered company in totaling of 1 place		
					Present	Lecturer in Finance Department	Bangkok University

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
6. Mr. Peratus Dhanarachwattana Position : • Director • Executive • Managing Director (Plant Operation) • Authorized Director Appointed Date: April 3, 2015	58	• Master Degree (Business Administration) Thammasat University • Bachelor Degree (Engineering) Chulalongkorn University Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 118/2015	-None-	-None-	Holds position in listed companies -None-		
					Holds position in related companies in totaling of 5 places		
					Year 2015-Present	Director	UWC Solar Co., Ltd .
					Year 2015-Present	Director	UWC Komen Biomass Co., Ltd.
					Year 2015-Present	Director	Paradise Green Energy Co., Ltd.
					Year 2016-Present	Director	UWC Amphan Co., Ltd.
					Year 2016-Present	Director	Satuek Biomass Co., Ltd.
Holds position in non-registered company –None-							

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
7. Mr. Theerachai Leenabanchong Position : • Director • Executive • Managing Director (Business Development and Corporate Affairs) • Authorized Director Appointed Date: March 27, 2013	46	• Master of Business Administration – Assumption University • Bachelor Degree of Business Administration (Marketing) Assumption University Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 104/2013	-None-	Cousin with Mr. Wutichai Leenabanchong	Holds position in listed companies (Affiliate Companies) in totaling of 2 places		
					Year 2013-Present	Director Executive	Capital Engineering Network PCL.
					Year 2016-Present	Director	Rayong Wire PCL.
					Holds position in listed companies in totaling of 1 place		
					Year 2016 Present	Director Executive	Dimet (Siam) PCL.
					Year 2017-Present	Director Executive	
					Holds position in related companies in totaling of 8 places		
					Year 2015 -Present	Director	Evergreen Biomass Co., Ltd.
					Year 2015 – Present	Director	Paradise Green Energy Co., Ltd.
					Year 2015 – Present	Director	UWC Komen Biomass Co., Ltd.
					Year 2015 – Present	Director	UWC Solar Co., Ltd.
					Year 2016– Present	Director	Enesol Co., Ltd.
					Year 2016– Present	Director	WJC Enterprise Co., Ltd.
					Year 2016– Present	Director	UWC Amphan Co., Ltd.
					Year 2016– Present	Director	Satuek Biomass Co., Ltd.
					Year 2017-Present	Director	UWCC(Cambodia) Co., Ltd.
					Year 2017-Present	Director	Interglob Investment Co.,Ltd.
					Year 2017-Present	Director	Green Energy Plantation Co.,Ltd.

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
8. Mr. Monthon Chatuwallopkul Position : • Director • Nomination & Remuneration Committee • Executive • Deputy of Managing Director (Accounting and finance and Corporate Management) • Corporate Secretary • Authorized Director Appointed Date: February 16, 2010	49	• Master Degree (Accounting) Thammasat University • Bachelor Degree (Accounting) Ramkhamhaeng University Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 82/2010	-None-	-None-	Holds position in listed companies (Affiliate Companies) in totaling of 2 places		
					Year 2010-Present	Director	Capital Engineering Network PCL.
					Year 2010-Present Year 2009-2016	Director Executive	Rayong Wire PCL.
					Holds position in related companies in totaling of 9 places		
					Year 2010-Present	Director	Enesol Co., Ltd.
					Year 2010-Present	Director	Pipe Line Engineering Co., Ltd.
					Year 2012-Present	Director	Evergreen Biomass Co., Ltd.
					Year 2013-Present	Director	WJC Enterprise Co., Ltd.
					Year 2015-Present	Director	Paradise Green Energy Co., Ltd.
					Year 2015-Present	Director	UWC Komen Biomass Co., Ltd.
					Year 2015-Present	Director	UWC Solar Co., Ltd.
					Year 2016-Present	Director	UWC Amphan Co., Ltd.
					Year 2016-Present	Director	Satuek Biomass Co., Ltd.

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
9. Mr. Surapat Chomrat Position : • Director • Executive Appointed Date: February 25, 2016	52	• Bachelor's Degree Electrical Engineering Chiang Mai University Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 132/2016	-None-	-None-	Holds position in listed companies -None-		
					Holds position in related companies -None-		
					Holds position in non-registered company in totaling of 3 places		
					Year 2013 -Present	Managing Director	Inventeca Co., Ltd.
					Year 2011 -Present	Business Development Consultant	Eastern Thai Consulting 1992 Co., Ltd.
					Year 2010 -Present	EVP of Operation and International Affairs	Log Plus Mining Services Co., Ltd.
10. Mr. Suthitsak Tanachoteperamat Position : • Director • Executive Appointed Date: September 1, 2017	58	• Master of Engineering Chulalongkorn University • Bachelor of Engineering King Mongkut's Institute of Technology North Bangkok Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 28/2004 • FND 17/2007	-None-	-None-	Holds position in listed companies -None-		
					Holds position in related companies -None-		
					Holds position in non-registered company in totaling of 1 places		
					Year 2015 -Present	Managing Director	Urban Intelligent Co., Ltd.

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
11. Miss Usara Pattatung Position : • Director • Executive Appointed Date: February 25, 2014	49	• Bachelor of Business Administration (Account and Finance) University of Thai Chamber of Commerce Training roles of Directors from Thai Institute of Director (IOD): • Directors Accreditation Program (DAP) 11/2014	-None-	-None-	Holds position in listed companies (Affiliate Companies) in totaling of 1 place		
					Year 2014-Present	Director Executive Director(Accounting and Finance)	Capital Engineering Network PCL.
					Year 2017-Present	Executive	Rayong Wire PCL.
					Holds position in related companies -None-		
					Holds position in non-registered company –None		

General Information

Parent Company

Name of Company	:	Ua Withya Public Company Limited
Natures of Business	:	- Manufacturing (1) High Voltage Transmission Towers (2) Telecommunication Towers (3) Substation Steel Structure (4) Steel Structures for General Constructions (5) Galvanizing Services (6) Selling Industrial Products (7) Generation and distribution of Electricity from Renewable Energy
Head Office	:	247 Romklao Road, Saensaeb , Minburi Bangkok Thailand 10510
Authorised Shares Capital	:	Baht 1,907,119,713.00
Issued and Fully Paid up Shares Capital	:	Baht 1,316,251,786.40
Par Value per share	:	0.10 Baht per share
Company Register NO.	:	0107548000129
Telephone	:	0-2543-9020
Fax	:	0-2543-9029 , 0-2915-2114
Website	:	www.uwcplc.com

Subsidiaries

Company name	:	UWC KOMEN Biomass Co., Ltd
Nature of business	:	Biomass Power Plant 386 Moo. 8, Mittrapab Road, Banpho Sub- District, Mueang District, Nakhon Ratchasima Province
	:	240,000,000 Baht
No. of shares issued	:	24,000,000 issued and paid- up shares at value of 10 Baht/share, totaling 240,000,000 Baht.
No. of shares held	:	23,999,998 shares, accounting for 99.99%.
Company Registration No.	:	0105550041633

Company name : **UWC Amphan Biomass Co., Ltd.**

Nature of business : Biomass Power Plant

Head office location : 100 Moo. 6, Donmon Sub-District,
Satuek District, Buriram Province

Registered capital : 9,375,000 Baht

No. of shares issued : 93,750 issued and paid- up shares at value of
100 Baht/share, totaling 9,375,000 Baht.

No. of shares held : 93,748 shares, accounting for 99.99%

Company Registration No. : 0315546000209

Company name : **Satuek Biomass Co., Ltd.**

Nature of business : Biomass Power Plant

Head office location : 111 Moo. 6 Donmon Sub-District, Satuek District, Buriram
Province

Registered capital : 16,250,000 Baht

No. of shares issued : 162,500 issued and paid- up shares at value of
100 Baht/share, totaling 16,250,000 Baht.

No. of shares held : 162,498 shares, accounting for 99.99 %.

Company Registration No. : 0315545000205

Company name : **Paradise Green Energy Co., Ltd.**

Nature of business : Biogas Power Plant and Energy Crops

Head office location : 302/9, Maliwan Road, Banpet Sub-District, Mueang District,
Khon Kaen Province

Registered capital : 250,000,000.00 Baht

No. of shares issued : 2,500,000 issued and paid-up shares at value of 100
Baht/share, totaling 250,000,000 Baht.

No. of shares held : 1,500,000 shares, accounting for 60%

Company Registration No. : 0405557002801

Company name : **UWC Solar Co., Ltd.**

Nature of business : Renewable Energy Power Plant

Head office location : 247 Romklao Road, Saen Saep Sub-District,
Min Buri District, Bangkok

Registered capital : 70,000,000 Baht

No. of shares issued : 100,000 issued and paid-up shares at value of 10 Baht/share,
totaling 1,000,000 Baht and 6,900,000 issued and paid-up
shares at value of 2.50 Baht/share, totaling 17,250,000 Baht

No. of shares held : 6,999,720 shares, accounting for 99.99%.

Company Registration No. : 0105558084463

Company name : **UWCC (Cambodia) Co., Ltd**

Nature of business : Woodchips product

Head office location : 82E 1 Phum Tuolkouk, Tuolsangkae, RuesseiKaev, Phnom Penh, Cambodia

Registered capital : 25,000 USD

No. of shares issued : 1,000 issued and paid- up shares at value of 25 USD/share, totaling US\$ 25,000

No. of shares held : 700 shares, accounting for 70.00%

Company Registration No. : 00023288

Company name : **Green Energy Plantation Co., Ltd.**

Nature of business : Agriculture product

Head office location : 869 Pattanakarn Rd., Suanluang, Suanluang , Bangkok.

Registered capital : 100,000 Baht

No. of shares issued : 20,000 issued and paid- up shares at value of 5 Baht/share, totaling 100,000 Baht.

No. of shares held : 11,000 shares, accounting for 55.00 %.

Company Registration No. : 0105559055904

Associates

Company name : **Interglob Investment Co., Ltd.**

Nature of business : Selling and rental real estate

Head office location : 82E2 Tuelsangkae, RuesseiKaev, Phnom Penh, Cambodia

Registered capital : 25,000 USD

No. of shares issued : 1,000 issued and paid- up shares at value of 25 USD/share, totaling US\$ 25,000

No. of shares held : 480 shares, accounting for 48.00 %.

Company Registration No. : 00023525

Company name : **Saraburi Energy Systems 2 Co., Ltd.**

Nature of business : Waste-to-energy power plant

Head office location : The Millennia Tower 62 ,Room 2002-3, 20th Floor, Lang Suan Rd., Lumpini, Pathum Wan Bangkok

Registered capital : 87,000,000 Baht

No. of shares issued : 870,000 issued and paid-up shares at value of 100Baht /share, totaling 21,750,000 Baht and 217,500 issued and paid-up shares at value of 25 Baht/share, totaling 5,437,500 Baht

No. of shares held : 261000 shares, accounting for 30.00 %.

Company Registration No. : 0105558112556

Company name : **Ayutthaya Power System Co., Ltd.**
Nature of business : Waste -to-energy power plant
Head office location : The Millennia Tower 62 ,Room 2002-3, 20th Floor,
 Lang Suan Rd., Lumpini, Pathum Wan Bangkok
Registered capital : 55,000,000 Baht
No. of shares issued : 550,000 issued and paid-up shares at value of 100
 Baht/share, totaling 13,750,000 Baht and 137,500 issued
 and paid-up shares at value of 25 Baht/share, totaling
 3,437,500 Baht
No. of shares held : 165,000 shares, accounting for 30.00 %.
Company Registration No. : 0105559185867

Company name : **Dimet (Siam) Public Company Limited**
Nature of business : Manufacturing and Trading of external paint
Head office location : 602 Moo 2 ,Bangpoo Industrial Estate Soi1, Sukhumvit Rd.,
 Bangpoomai, Mung, Samutprakarn
Registered capital : 135,000,000 Baht
No. of shares issued : 268,953,447 issued and paid- up shares at value of
 0.50 Baht/share, totaling 134,476,723.50 Baht.
No. of shares held : 62,817,583 shares, accounting for 24.40 %.
Company Registration No. : 0107550000165

Other Referemces

Securities Registrar : Thailand Securities Depository Co., Ltd.
 93 Ratchadaphisek Road, Dindaeng ,
 Bangkok, Thailand 10400
 Telephone 0-2009-900 Fax 0-2009-9991
Auditor Name : Mr. Pisit Thangtanagul
 CPA. No : 4095
 Pricewaterhouse Coopers ABAS Limited
 179/74-80 Bangkok City Tower,15 Floor, South Sathon
 Road, Tungmahamake, Sathon, Bangkok, Thailand 10120
 Telephone 02-344-1000 Fax 02-286-5050
Financial Institution : Bangkok Bank Public Company Limeted
 Thanachart Bank Public Company Limet

Corporate Governance

Corporate Governance

The Board of Director of Ua Withya Public Company Limited realizes the importance of developing good corporate governance systems, operate business with integrity, morality, responsible for the performances, ability to complete and fair to all stakeholders in order to build prosperity, increase shareholders' value adhere to the Principle of Good Corporate Governance for Listed Companies define by The Stock Exchange of Thailand and base on Sufficiency Economy is entails moderation, reasonableness and self-immunity system as underlying on knowledge, cautious and awareness to be used in planning and operating. As well as build Executives and every employees to have morals, honest, industrious, endure for people to shares and used their intelligences for operations and changes in Economy, Political, Culture and Social in order to meet the benefit well-balanced and sustainable by Board of Directors had adheres Principles of Good Corporate Governances and reconsidered of suitability every year which The Company see that Principles of Good Corporate Governance is appropriate to current situations.

In accordance with Principles of Good Corporate Governances by The Stock Exchange of Thailand, the company classify into five practices as follows:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board

Practice 1 Shareholder's Right

Board of Director realizes and emphasizes to the right of each shareholder, promotes and facilitates to shareholders for exercising rights both fundamental rights and right to receive and not to violate or to deprive shareholder's right. One share shall have on vote. There is no share to have special right. The major practice regarding shareholder's rights are as follows:

1.1 Fundamental Right is the right of shareholder which receive equally as stipulated in the Company's regulation and related law such as right to purchase and buy or right to transfer, right to attend the shareholder meeting and to vote for major approval, right to provide proxy to independent director or other to attend the meeting to vote, right to vote for appointment and demotion director and to specify the remuneration for director, right to vote to appoint Auditor and to specify fee for auditor, right to receive dividend, right to comment and to query during shareholder meeting, right to sufficiently receive updated information of business.

1.2 Right to receive main information besides the fundamental right, Company also emphasizes the disclosure of correct, complete, in-time and transparency information to shareholders. The disclosure of information both in Thai and English on Company's website: www.uwcplc.com and also through website of the Stock Exchange of Thailand: www.set.or.th for shareholder to receive information thoroughly such as:

- Company discloses shareholder structure of the Company, including top ten holding list of shareholders as the date of closing Registration Shareholders Book in order for Annual Meeting prior to the date of meeting.
- Board of Directors has provides the disclosure related transactions by practice in accordance with The Stock Exchange of Thailand and disclosed information in both Thai and English version to The Stock Exchange of Thailand and company's website together with summarized in Form 56-1 and Annual Report.

1.3 Right to attend the Shareholder Meeting: Board of Director arrange for Shareholder Meeting by considering right and equality to attend the meeting by all shareholders. Company will arrange for the Annual General Meeting of Shareholder within 4 months from the date at end of financial of Company by holding at Monthien Riverside Bangkok hotel regularly in order to facilitate for shareholder and to provide appropriate entertainment to shareholders who attend the meeting. Therefore, in 2017 Company held the Annual General Meeting dated Wednesday April, 2017 at 14.00 hrs. In the meeting every year, Company will consider to the right of shareholder in compliance with legal requirement, as well as promote using the right and not violate or deprive the shareholder's right as follows:

Prior to the date of Shareholder Meeting

Company will inform agenda of the Annual General Meeting of Shareholder Meeting more than 14 days in advance. In 2017, Company had informed the resolution of Board of Director to set up the Annual General Meeting of Shareholder of 2017 on 22 February, 2017 on Company's website and through the system of the Stock Exchange of Thailand, in order for shareholder to know and to assign the time to attend the meeting, also to publish the invitation and all supporting information for meeting that have the same information which Company submitted to Shareholder on Company's website since 21 March, 2017 in order for shareholder to have sufficient time to study and to understand information prior to the meeting. Also Company sent the meeting notice to shareholder not less than 14 days prior to the meeting date, and also published the notice for Shareholder Meeting on Kaohoon newspaper not less than three consecutive days prior to the date of the meeting.

For details document sent to shareholder consisted of Notice of Invitation of Meeting, supporting document for The Annual General Meeting of Shareholder which had sufficient details. Each agenda will have background, objective and reason, including comment from Board of Director, together with details of agenda such Annual Report in CD ROM, Curriculum Vitae of person who has been proposed to be Board of Director, definition of Independent Director, information of Independent Director which Company proposed as grantee from shareholder, Company's regulation regarding The Annual General Meeting of Shareholder, evidence which shareholder shall bring to present during participating in the meeting, map of meeting place, Form to receive hard copy of Annual Report, power of attorney type A which is easily and not complex and type B which shareholder specifies voting direction or download form of power or attorney type C or either through Company's website: www.uwcplc.com.

Company opened opportunities for shareholders to assign proxy to others to attend the meeting, can send the proxy 1 day in advance prior to the date of The Annual General Meeting of Shareholder in order for convenience, speedy to review document and to attend the meeting in advance.

Date of the Annual General Meeting of Shareholder

- Company prepared appropriate number of receptionists for registration. For shareholders who could not attend the meeting by himself, can assign proxy to anyone or Audit Director who is the Independent Director of Company to attend the meeting on their behalf in order to protect their own rights.

Company provides shareholder who attends the meeting to register 1 hour prior to the meeting commencement and continue till the end of last agenda in order to give right to shareholder who attends the meeting after starting the meeting to have right to vote in the agenda which is in the consideration and still not conclude. Company will provide ballot for every shareholder in order for voting, also facilitate the shareholder by providing stamp to attach on the proxy without charging, including provide break for serving to shareholder or proxy.

- Participating in the meeting Board of Director Board of Director emphasizes to shareholder meeting by its duties to participate in the meeting every time except ill or on mission. In the Annual General Meeting of Shareholder 2017 dated 26 April, 2017, having 11 directors, directors who participated in the meeting for 9 persons, absent for 2 persons due to illness and on mission. However, Chairman, Chairman of Executive, Chairman of Audit Committee, and Chairman of Remuneration and Nomination Committee attended the meeting in order to clarify and response any comment regarding agenda and Company's performance.

Moreover, the certified Auditor of Company for 2 persons: Miss Nunthika Limwiriyaalert and Miss Orrudee Jiamrattanapateep of PricewaterhouseCoopers ABAS Co.,Ltd. and legal advisor: Mr. Sakchai Viroonchewa of Banchong and Wittaya Law Office attended the meeting and was the inspector for vote casting during the shareholder meeting.

- Before starting the Annual General Meeting of Shareholder, The conductor duties to inform the number and proportion of shareholders who attend the meeting, as well as clarify for the voting procedure, and vote counting of shareholder who conclude. The vote casting and counting will disclose by the vote casting, Company will count 1 share for one vote and requires a majority of votes as resolution, except the case of specified resolution requires not less than two-third of total votes of shareholders who attends the meeting and have right to vote or the specified resolution requires the majority vote not less than three-fourth of total votes of shareholders who attends the meeting and have right to vote in compliance with Company's regulation and legal requirement.

- The meeting proceeding was held in sequence of the meeting agenda without any additional ones unstipulated in the notice of the meeting or revising major information without informing to shareholder in advance, also open opportunities equally for every shareholder to comment and to query each agenda by allocating sufficient time prior to vote casting for the conclusion of resolution, each agenda for "Approval", "Disapproval", and "Abstention". Moreover, Company still opened opportunities for shareholder who participates after the meeting being started, still had right to vote for the remaining agendas and count for quorum since the agenda which exercising the right for vote onward.

Importance agendas in Annual General Meeting of Shareholders

- (1) Appointment of Directors : The Company gives chance shareholders used their right to elect director individually by providing the profile of directors whom proposed to be directors together with mentioned position in other companies as clearly stated if a company engaged in business which has the same condition, competition with company business and number of participating in Board of Directors meeting by passing the consideration from Board of Nominating Committee.
- (2) Remuneration : The details of remuneration for Directors are given to be proposed which accordance to policies and conditions of remuneration for Directors. By this, the company proposed amount of compensation offered to get the approval from Annual General Meeting of Shareholders and this also disclosed in Annual Report and Form 56-1.
- (3) Appointment of Auditors and Audits Fee :The details of name of auditors, accounting office, independence, relationship with the company, number of years served, reason for changing auditors (if any) and comparative between current and passed audits fee. In addition, mentioned has passed the resolution from Audit Committee which includes other services from accounting office (auditor under)
- (4) Dividend Payment : The details of allocation of profit , Dividend Payment, policies of company Dividend Payment and comparative information between

current and passed Dividend Payment are given together with specify the date of closing registration book in order for right to receive Dividend Payment.

After the Annual General Meeting of Shareholder Day

- Disclose the resolution of Shareholder Meeting with the number of votes and proportion for each agenda item both in Thai and in English through the news system of the Stock Exchange of Thailand within the date of complete the meeting or the following day. For the Annual General Meeting 2017, Company announced the resolution after complete the meeting on 26 April, 2017.

Company Secretary recorded information and provided Minutes of Meeting of the Annual General Meeting of Shareholder correctly and completely with List of names and position of Board of Directors who were present at the shareholder meeting / not present at the shareholder meeting with reason, summary of inquiries, opinions, and recommendations of the shareholders as essential details of each agenda in the Minutes of Meeting, the votes of the shareholders which were clearly segregated as “Approval”, “Disapproval”, “Abstention”, and invalid ballot in terms of number of votes and proportion for each agenda item, Minutes of mentioned meeting was signed by Chairman of the meeting and submitted to The Stock Exchange of Thailand (mai) and related authorities within 14 days since the date of the Annual General Meeting of Shareholder and published through Company’s website: www.uwcplc.com. For shareholders did not attend the meeting, Company collected the pictures during the meeting and published on Company’s website for the details of the meeting.

Practice 2 Equitable Treatment of Shareholders

The Company has a policy to value and treat all shareholders fairly and equally, without offering any benefit to either. Shareholders can ensure that his own right will be protected and treated and can fully exercise the right as part of the business as follows:

2.1 Shareholder Meeting

- (1) In order for every shareholders to participate in consideration and voting in several activities of Company according to each agenda. If the shareholder cannot attend the meeting by himself, Company opens opportunities for shareholders to assign proxy to anyone or to assign proxy to Independent Director or any Audit Director to attend the meeting on their behalf by using the proxy assignment letter in order to keep their own rights. Company has provided information regarding 4 Independent Directors by providing name, address, age, and interest in each agenda of all 4 Independent Directors in the Notice of Invitation letter, including providing evidence, and instruction for proxy assignment for shareholders, in order for shareholder to correctly prepare and not having any problem when the grantee attending in the meeting. Therefore, in order for shareholder to utilize the mentioned information, Company provides the proxy type A which is easily and not complex and type B which specifies clear and fix several detail items for proxy assignment enclosed with the Notice of Invitation letter for shareholder to use proxy to specify voting. Moreover, shareholders can download provided proxy and perform according to Ministry of Commerce from Company’s website which has 3 types: type A, type B, and type C (type C will use only when the foreign shareholder and appoints the custodian in Thailand as depositor and stock guardian), can select either proxy.

The Annual General Meeting of Shareholder of 2017 on Wednesday, 26 April, 2017, assigned to Independent Directors and Audit Directors and assigned to others on behalf of their own rights, which having shares for the meeting for 7,437,473,496 shares, was equivalent to 56.51% of total shares for 13,162,475,256 shares as follows:

Proxies	Amount of Proxies	Amount of Shares	Percentage
Independent Director and Audit Committee	32	1,815,486,121	24.41
Other Person	13	5,219,137,925	70.17

- (2) Voting Right in the meeting in accordance with total amount of shares hold as one share equal to one vote.
- (3) The Company has preceded agendas respectively and no addition agenda in the meeting or changes importance information without notice to shareholders.
- (4) Voting is done openly; ballots for voting of each agenda are distributed to shareholders in order for effective and fast voting method. The company is only count disagreed and/or sustained and deducted with total votes attended meeting, the remaining vote seems as agreed. Therefore, if any agenda there are some shareholders vote as disagreed or sustained then this shareholder will use ballot for voting and lift up the ballot in order for staffs to collect it together with keeping ballot for voting for evidence.
- (5) Duty Stamps are available for any shareholders who donated / granted.

2.2 Maintenances of internal information

The company has measurement method of using inside information for prevent misuse for Directors, Executives and employee perform their duties with integrity, responsibility, discipline and good attitude toward themselves and public nor their position to seek benefit for themselves and/or other, keep company benefits and property by nor bring inside information or property to use for their own benefits and/or any other which may support other business competition of company. By this, the company has penalty for case of breach on inside information ranging from verbal warnings to termination of employment process.

In the past year Directors, Executives and employees are strictly follows the rules and seems that there are not misuses of inside information.

2.3 Determination on company stock

Directors, Executives and employees in acknowledged department are prohibited from buying and selling the Company's common shares for 1 month before disclosing financial statements publicly. In case that directors or management make buy, sell or transfer transactions of the Company's common shares, the transactions have to be reported to Securities and Exchange Commission within 3 days from transaction date as well as be copied for the Company's secretary in order to be reported to the Board of Directors.

In the past year Directors, Executives and employees are strictly follows rules and seems that there aren't determinations on company stock.

2.4 Control of related transaction

The company operates with a conflict of interest with reasonable diligence by considering on highest returns on benefits and set price in accordance with fair trade seems as transaction with third parties immaculately and follows rules of The Stock Exchange of Thailand by defines as one of policy on good corporate governance and disclosure to ensure equality in the information.

Any transaction may cause conflict of interest; the company will follow the steps of related transaction as announced from The Stock Exchange of Thailand as title of Disclosure of information and other acts of listed companies concerning the connected transaction and set directors who are connected person will not attend the meeting and have no right to vote in the meeting to Board of Directors whom are not entering connected transaction may have fully comments and vote independently. The company secretary will announce the person who entering connected transaction need to leave the room. After the meeting adjourned disclose name, relationship of who entering connected transaction, price set, transaction value and any opinion differ (if any) to The Stock Exchange of Thailand by schedule of time and disclose in company website which can be check.

The Company has standard control on related transaction and disclosed in 2017 Related Transaction in annual report and Form 56-1.

Practice 3 Roles of Stakeholders

Company realizes the equitable treatment of Stakeholders inside and outside Company by conducting business with responsibilities and fairness to all stakeholders, aims to develop the Company's business for growth, stability, advantage protection and taking care Company's asset, and not perform any action which might deprive right or provide negative impact to stakeholders. This is to ensure that each stakeholder will be treated fairly.

Business Ethics

Board of Director realizes importance of creating value of ethics in order to be the organization culture, then to provide written business ethics in order for directors, executives, and employees to understand and to realize the standard of ethics which Company implement for conducting business and also requires all employees within organization to use as framework to seriously perform, in order to promote behavior of responsibility to duties, shareholder, colleague, stakeholders, and society, including avoiding any behavior might be risky to violate ethics and might be against the law as specifies below:

Shareholder: Company realizes that shareholder is the owner of business and Company its duties to create value to shareholder in long term, then to specify for directors, executives, and employees to conduct in accordance with the following guidelines

- (1) Perform with integrity, as well as making decision all activities with careful, cautious and fair to major and minor shareholders in order for maximization advantage to overall shareholders.
- (2) Present the Company performance status consisting of actual financial statement, accounting statement and other reports regularly and completely
- (3) Equally inform all shareholders for the trend of organization future both positive and negative based on the possibility with supporting information and appropriate reason.
- (4) Don't allow to have personal interest and for others by using any information of Company which does not disclose to public or any conduct in which could create conflict of interest to organization.

Therefore, all shareholder of Company are invited to participate in the Annual General Shareholder Meeting of 2017 and have right to vote in major agenda by receiving important information in several types such as information document and Electronic Information.

Employee : Company has policy to treat employee with fairness due to Company realizes that employees are the major resources and extreme value for Company, and also the major factors to promote good image of Company to customers, partners,

shareholders, and other related. Company has policy to promote strong organization culture by adding value of the work, including adding knowledge and continual capabilities development of employee in order to comply with the mentioned policy, Company strictly holds code of conduct to employees as follows:

- (1) Conduct to employee with gentleness and respect the individual and prestige of human being.
- (2) Fair remuneration to employees
- (3) Provide safety working environment for employee's life and asset regularly.
- (4) Promotion and transfer, including reward and punishment to employee with honest and based on knowledge, capabilities and appropriateness of each employee.
- (5) Emphasizes to knowledge development, employee's capabilities by offering opportunities thoroughly and regularly.
- (6) Listen to comment and suggestion based on the professional knowledge of employees.
- (7) Perform in compliance with rule, regulation and legal requirement related to employees seriously.
- (8) Avoid any actions in which might be unfair and impact to stability of duties of employees or threaten and create pressure to employee's mind.
- (9) Provide employee to complain in case of receiving unfair treatment in accordance with system and specified process.

Also, Company has provided several welfares for employees in order to promote the good quality and good living as follows:

- Provided provident fund for saving in the future, members has to contribute with the rate of 3% of salary and will receive contribution by Company with the same rate every month.
- Provided annual medical examination
- Provided Uniform
- Provided employee transportation
- Provided hygiene canteen and welfare canteen in economy price.
- Cash contribution in case of father, mother, employee dies
- Sent employees for training outside with related authorities in order to develop and increase knowledge, capabilities, and working skill for employee continually.
- Provided medical room with professional nurse, medicine and medical supplies.

Company and its subsidiary emphasize on the Occupational Safety, Health and Environment for working by setting up safety policy clearly, also appoint Occupational Safety, Health and Environment Committee (SHE Committee) in order to handle occupational safety, health and environment for employees by providing safety audit in working place regularly, providing security officer 24 hours, installation of alert system, fire extinguisher, CCTV, providing Personal Protective Equipment (PPE) such as safety shoes, mask to protect from heat and chemical, etc. Moreover, Company also conducts emergency drill, firefighting and fire evacuation and first aid to employees every year.

Safety Working Group in accordance with the legal requirement of Company and its subsidiary as follows:

Board (Safety, Health and Environmental)						
Company and Subsidiary	Set By Law		Amount			
	Amount of Employee	Amount of Director	Employee	Board		
				Male	Female	Total
UWC	100 - 499	7	400	15	2	17
UKB	50 - 99	5	50	3	4	7

Safety Officers working in Company and its Subsidiary consists of the following list

Security in workplace	UWC			UKB			SBM			UAB		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total
1. Safety officer Management Level	9	2	11	1	-	1	1	-	1	1	-	1
2. Safety Officer Supervisor Level	29	6	35	6	3	9	4	-	4	1	-	1
3. Safety Officer Professional Level	1	1	2	-	1	1	-	-	-	1	-	1
TOTAL	39	9	48	7	4	11	5	-	5	3	-	3

Note : M=Male , F=Female

Policy of Employee Development

Company and its subsidiary pay attention to employee capabilities development continually by increasing skills and knowledge of operation for employees of each department. Company has set up plan for employee to participating in the several training courses.

Company and its subsidiary have annual training plans for employee. Human Resource Department will provide training course to employee as appropriate to duties and responsibilities, including having the survey to employee to specify for the requirement and interest for training courses. Trainings are also provided inside and outside the Company, including providing on the job training by having supervisor to train and transfer knowledge and experience to team. Each year, Company will set up budget for training by providing training for employees at least 6 hours/person/year and number of persons who receive training are not less than 50% of total employees as of end year.

In 2017, Company provided internal training for all employee levels, the courses can summarize as below

Topics/Course	Participants	No. of Hours
1. Motivation Techniques for working	All employee levels	6
2. Planning and Production Control	Department Manager Section Manager	6
3. Business Ethics and Anti-Corruption Policy	All employee levels	6
4. Computer Law and Dangers of Internet	All employee levels	6
5. Safety Together	All employee levels	6
6. Art of Excellence Supervisory	Supervisor	6
7. Using Machine of CNC: TAPM2020A series	All employee levels	6
8. Committee of Safety, Occupational Health and Working Environment for employee and new employee, according to Occupational Safety, Health and Environment Act	All employee levels	6
9. Art of Excellence Supervisory	Supervisor	6
10. Advance Level for Internal Auditor for ISO 9001:2015	IQA working team WT working team	6
11. Energy Conservation and Power Management	All employee levels	6
12. Fire Drill and Exercise	All employee levels	6

Training	Total Employee (persons)	Training Rate
Complete training for 6 hours	299	75%
Training less than 6 hours	101	25%
Total employees as of end of 2017.	400	100%

Communication Channel for Employees: Company has opens opportunities for employees to communicate, to suggest, to complain and to notify for any issues between employee and superior through Human Resource Department in order further propose to executive.

Human Right : Company promotes and respects Human Right and will conduct the business in accordance with principle and intention of Universal Declaration of Human Rights under the Company's authorities and will not conduct anything against Human Right.

Intellectual Property : Intellectual Property of the Company such as several copy right, patents, trademark, trade secret are the main competitive advantage for Company. Therefore, all directors, executives, and employees are responsible to prevent, preserve and protect Company's right of all intellectual properties and utilizes with responsibility. Moreover, all directors, executives, and employees shall respect the legal right of intellectual property of others.

Customer : Company realizes the importance of satisfaction to the achievement of Company business, aims to seek for methods to response to customer requirements for effectiveness and efficiency all the times, and then set up policy and procedure as follows:

- (1) Delivery product and service with quality as requirement or higher than customer's expectation with the fair price.
- (2) Provide correct, sufficient, and update information to customer in order to know about product and services by not exaggerate which might cause customer to misunderstand for quality, quantity or any conditions of those products or services.
- (3) Perform according to several conditions of customer requirement seriously. In case of non-performing according to any requirements, shall inform customer in order to provide mutual correction.
- (4) Contact customer with gentleness, effectiveness and to be trust by customer.
- (5) Provide complaint system and process for customer to complain for quality, quantity, safety of products and services, including rapidity to response or delivery, and the most immediate action in order for customer to quickly receive response.
- (6) Keep customers secret and not utilize for personal interest or related interest improperly.
- (7) Recommend instruction for products and services of Company effectively and for maximization benefit to customer.

Partners and / or Debtors: Company has policy to treat partners and/or debtors equally and fair by considering the maximization benefit of organization and based on the fair return for both parties, avoiding any situation of creating conflict of interest, including to perform in accordance with the obligation of contract, providing actual information, correct reporting, negotiation to resolve and to find solution based be on the business relationships by having the following practices.

- (1) Not utilize the opportunities when executives or employees who is responsible for procurement or providing services for personal interest.
- (2) Not call or receive or pay any benefit with un-honest to partners absolutely.

- (3) Perform according to condition and obligation of contract between partners strictly, not force to purchase-sell production or unfairly unfair pay the fee to partners

Trade Competition: Company has policy to support and promote trade competition with freedom and fairness. Company does not have any policy of trade competition with other means to receive illegal information of competitor and against ethics by having the following practices.

- (1) Behave under the framework of good competition.
- (2) Not seeking confident information of trade competitor with un-honest methods or inappropriate.
- (3) Not destroy the reputation of trade competitors by trade competitor by using misdemeanor

Society and Environment: Company determines to develop, modify and produce product with quality in compliance with friendly environmental standard by focusing on the selection quality raw material and appropriate with the production standard and also realizes for safety or employees, customers, partners, environment and community which impacted by organization. Company performs in accordance with legal requirement and other regulations according to the international practices. Moreover, Company determines to create attitude and culture of organization in order for employees to be responsible for society union.

Channel of participation by stakeholders: In case of stakeholders has complaints, suggestion or any issues regarding financial statement, weakness internal control system or illegal action and misconduct, shall communicate through Mr. Monthon Chatuwallopkul Company Secretary, Telephone: (02) 6826345, Facsimile: (02) 543-9029 E-mail : monthon@uwc.co.th and result will be reported to Board of Directors, therefore the whistle blower and complaints will be treated confidential. In 2017, Company did not receive any complaints from shareholders and stakeholders.

Practice 4. Disclosure and Transparency

Board of Director realizes the importance of disclosure information with correctness, completeness, quality and reliability, to disclose equally, transparency and fair both for financial information and non-financial information, as well as other main information and affects to the stock price of Company, which can affect to the decision of investor and stakeholder of Company. Company disseminates information both in Thai and in English through the Stock Exchange of Thailand and through Company's website: www.uwcplc.com for Annual Information (Form 56-1) and Annual Report.

To disclose information for all stakeholders for confidence as follows:

- **Corporate Governance:** Company has provided and disclosed business ethics, including corporate governance in compliance with the Good Corporate Governance of the Stock Exchange of Thailand in Article 5: shareholder's right, treat the shareholder equally, roles of stakeholders, disclosure and transparency and responsibilities of directors.
- **Importance information as for financial and non financial :** The company has disclose importance information including financial and non financial information under the condition of The Stock Exchange of Thailand and The Securities and Exchange Commission correctly, completely transparency and on time which passed through examination procedure in both Thai and English to The Stock Exchange of Thailand and company website (www.uwcplc.com). By this, Financial Statement (Annually and Quarterly) has passed examination

procedure and informed to The Stock Exchange of Thailand and The Securities and Exchange Commission. In addition, disclose information to shareholders and investors before hand. As other importance information on principles of good governance has been set in Annual Report, Form 56-1 and company website by updating information including all documents can be downloaded.

- **Shareholding Structure** : The company has disclose top ten major shareholders as at date of closing registration book to held Annual General Meeting of Shareholders.
- **Internal Control and Internal Audit:** Company discloses report from Audit Committee and also discloses the satisfaction assessment of sufficient internal control system which approved by Audit Committee and Board of Directors regarding Company's internal control system in several sectors such as:
 - (1) Control environmental
 - (2) Risk Assessment
 - (3) Control Activities
 - (4) Information and Communication
 - (5) Monitoring Activities
- **Report on responsibilities of Board of Directors on Financial Report** Board of Directors has realized on importance of financial report preparation correctly, in accordance with accounting standard which disclose such information that has been audited by independent auditors and approved by Audit Committees and Board of Directors prior to dissemination to shareholder. In order the ensure, Boards has prepared a report of Board of Directors for financial report was signed by Chairman and Executive Chairman which disclosed in Annual Report and Form 56-1 together with report from Independent Certified Public Accountants. By this, such report is meet accounting standard report and investors could find this information for their decision.
- **Management Structure** : The Company has disclosed Board of Directors and sub committees' roles on the number of meetings, the number of each Director attended meeting, shares holding including details on training.
- **Board of Directors and Executives remuneration** : The Directors' remuneration approval from the Shareholders' Meeting. By this, the company has disclosed policy of paying remuneration to Directors and Executives of company and including format in Annual Report and Form 56-1
- **The development and training of directors** those who were appointed as new directors of the company will attend the training course Director Accreditation Program (DAP) of IOD, the company has revealed the information on training participants in the annual report and Form 56-1 under the shareholding structure and management.
- **Related Transaction and/or Asset Acquisition:** Board of Directors has clear practice guidelines in order to discarded on beneficial and for highest returns to company and shareholders. Transactions which conflicts of interest then company will clarify and disclosed in meeting resolution in accordance with rules from Capital Market by stakeholders may leave the room and no right to vote in that agenda for independently in consideration.
- **Meeting and Communicate between Executives and Chief Executives, highest commanders of every department of company and subsidiaries:** Company has held the meeting between Executives Board and Chief Executives and highest commanders of every department of company and subsidiaries every month in accordance of the target of business operation and

business strategy. By this, communication is a way to cooperate with every employee for understanding and act in the same direction together with responsible for their duties in order to achieve their goals.

- **Investor Relation:** The company has set the center for disclosure importance information and news to investors and related person as following person:
Mr. Monthon Chatuwatlopkul Corporate Secretary
Phone: (02) 6826345
Fax: (02) 543-9029
Email : monthon@uwc.co.th

Practice 5 Responsibility of Board of Director

Board of Director consists of personnel who have knowledge, capabilities, skill and experience in several fields, having important roles to specify the policy, monitor management team, governance, inspect and assess Company's performance in compliance with specified plan and target. Company divides roles and responsibilities of each committee in order to follow up and monitor the business operation of Company.

1. Structure of Board of Director

- **Number of directors**

As per Company's regulation stipulated that Company shall have directors not less than 5 members, and not less than half of number of total directors shall have resident in the kingdom and director of Company shall be qualification in compliance with legal requirement. At present, Company's directors in total are 11 members consist of:

	Amount (people)			%
	Male	Female	Total	
Directors as Executives	4	-	4	36.36
Directors as Non-Executives	2	1	3	27.28
Independent Directors	4	-	4	36.36
Total	10	1	11	100.00

Board of Directors consists of 4 Independent Directors equivalent to 36.36 of total Directors as higher than standard of 1 in 3 or 33.33% follows regulation of Capital Market Commission.

- **Terms**

Directors who was appointed by The Annual General Meeting of Shareholder by having term in compliance with Company's regulation (each term for 3 years in accordance with Public Limited Companies Act, B.E.2535) and when term is due, then he/she might be appointed to the same position again.

Company do not stipulate the age of Board of Director for director election agenda and not specifies for term, due to the belief that business capabilities and skills of each board of director is not up to the age or number of company taken positions, also every Board of Directors has intention and fully responsibilities to conduct as Director who is trust by Board of Director and shareholders.

- **Qualification of Independent Director**

Board of Director agreed to specify the definition of Independent Director in line with Criteria of Capital Market Supervisory Board (Details was disclosed within structure of shareholders and management, item authorities, duties and responsibilities of Board of Directors.)

- **Number of company taken positions**

Company disclosed details of number of company taken position of each director in other company on the Annual Report and Form type 56-1. However, the personal data of Board of Director, currently, there were 11 members and each member had capabilities and business experience, also devoted his/her time to fully working by attending the meeting continually every time and provided the benefit to Company consistently.

Sub-Committee

Board of Director appointed several sub-committees which had appropriate knowledge and experience, be responsible each fields in order to assure shareholder that Company has operated and carefully reviewed, consisted of Audit Committee, Remuneration and Nomination Committee Executives Directors.

Board of Director clearly stipulated scope of authorities, duties, and responsibilities of each sub-committee, in order to conduct in compliance with policy and Company's objective. Each sub-committee will have one chairman to handle all the works in line with the Board of Director's policy.

- **Audit Committee**

Audit Committee consists of 3 independent directors whose qualifications are in line with the criteria of the Stock Exchange of Thailand and Company's definition. They have good knowledge, understanding and experiences on finance, accounting and management. Audit Committee has authorization, roles, duties and performing according the charter of Audit Committee which is the independent organization to support and to perform on behalf of Board of Director in compliance with the clear code of conduct to handle conflict of interest effectively, review financial data which proposed to shareholders and related parties, review the internal control system set up by management and Board of Directors for internal control process and communication with Company's Auditors. The Audit Committee has 3 years term

- **The Remuneration and Nomination Committee**

The Remuneration and Nomination Committee consists of 3 directors, duties and responsible for duties to nominate the qualified person to be Board of Director and also to consider type and criteria of remuneration for director and high executive director. Board of Director and /or Executive Directors are appointed by Board of Director to be the Remuneration and Nomination Committee under the stipulated regulation of authorities and duties of Board of Director.

- **Executive Directors**

Executive Directors consists of 7 directors whose qualifications such as having knowledge, capabilities, experiences in various fields and understanding roles and duties and good expertise in line with the business operations

Executive Director duties and be responsible to perform Company's business in terms of Committee by having Board of Director and/or Executive Director who are appointed and approved by Board of Director as Executive Director under the stipulated regulation by Board of Director. Executive Director has 1 year term and is appointed by Executive Director Meeting every year after the Annual General Meeting of Shareholder.

Nomination and Discharge of Director and High Executive Level

- **Nomination Procedure**

- **Through the Annual General Meeting of Shareholder**

As per Company's regulation, article 4 Director of item 23 stipulates that the Annual General Meeting of Shareholder to appoint director in compliance with procedure and criteria as follows:

1. A shareholder is equal to one share one vote.

2. Each shareholder will use his vote as mentioned in item 1 to appoint one candidate or many candidates to be directors but could not divide this vote more or less to either.
3. Candidate gaining the highest votes in sequence will be appointed as director and the number of appointed director subject to required number of director vacancy or selection. In case of a tie of votes and qualified candidates are exceeding the required number, the Chairman of the meeting shall have an additional casting vote.

- **Through the Board of Director Meeting**

As per Company's regulation, article 4, Director of item 27 stipulated that in case of the position of director is vacant due to other reason except by the expiration, Director shall appoint any person who has qualification in accordance with legal requirement to be director for the next board of director meeting, except that the term of that director is less than two months. That person who is appointed to be director, will reside in the position for the term left. The resolution of director consists of voting not less than three-fourth of the number of remaining directors.

• **Procedure to Discharge**

- **Retire when its due service term**

As per Company's regulation, article 4 Director of item 24 stipulated that at the Annual General Meeting of Shareholders, one-third of directors shall retire by rotation. In case the number to be divided cannot be made, the retiring number should be the number nearest to one-third.

For the retiring director in the first and second years after the Company's registration, drawing-lots method shall be applied to decide who will retire by rotation whereas for the next year, directors holding the longest service term shall retire and those retiring are eligible to be re-elected for another term.

- **Resign out of service term**

As per Company's regulation, article 4 Director of item 25, moreover stipulated that for directors to retire as per due service term in item 24, director will be discharged when

1. Dead
2. Resign by written notice to Company or Board of Directors
3. Miss some of qualification or illegal prohibit according to law.
4. The Annual General Meeting of Shareholders has resolution to retire with the vote not less than three-fourth of number of shareholders who attends the meeting and has right to vote and collecting vote not less than half of total shares holding by shareholders who attends the meeting and have right to vote in the meeting.
5. A court sentences to resign

Corporate Governance by Company

Roles, Duties and Responsibilities of Board of Director

Board of Director governances Company's business operation in order to comply with objective and target specified for Company's maximization benefit according to Good Corporate Governance. Board of Director has duties to set up policy, plan target, budget and business strategies, as well as control the Company's operation in accordance with business plan and specified budget effectively and efficiently, also to set up the authorities and responsibilities of each committee clearly. The major roles, duties and responsibilities are clearly defines as follows

Leadership and Vision

Board of Directors consists of person who possesses the knowledge, ability, several experiences and understanding on roles, responsibilities which make practical tasks more efficiently. Moreover, schedule roles, target and business strategy as well as follows and corporate performance of management by used corporate governance as a tool for value added and reach company objective for highest returns to company and shareholders. In addition, roles and responsibilities of Board of Directors, Executives and Employees are set separately.

Moreover, Internal Audit Committees are responsible for Internal Audit directly which includes make sure that internal control system are enough and appropriate risk management to keep company beneficial by used corporate governance as a tool for value added and reach company objective for highest returns to company and shareholders.

Good Corporate Governance

The Board of Directors realizes the importance of good corporate governance to build and organization with an effective system, transparency in business operation cause reliability, acceptance by shareholders, investors and public which brings prosperity, beneficial to shareholders, stakeholders, society as a whole as well as enhance employee progress.

Conflict of Interest

Company has policy to conduct business with integrity, reason and independent, everyone in organization shall decide in any actions for the overall benefit of the Company, not using opportunities as directors, executives and employees of Company and/or using information and asset for seeking personal interest or provide advantage to family or relatives or intimate

Practices for directors, executives and employees in order to eliminate conflict of interest which might have as follows:

- (1) Avoid any transaction related to personal in which might lead to conflict of interest.
- (2) In case of any director or employees having a conflict of interest in the matter being considered, therefore, director or employees shall not involve in the approval process.
- (3) For the transaction that might lead to any conflicts of interests, as well as are required by laws and/or regulation of the Stock Exchange of Thailand and to disclose that information completely and sufficiently.
- (4) Not using any opportunities or information of being director or employee to seek for personal interest and transaction compete with Company or to conduct the related business
- (5) Not using internal information for personal interest for Company's stock purchasing and selling or providing internal information to others for Company's stock purchasing and selling

Internal Control System and Internal Audit

The Board of Directors realizes the importance and provides internal control System for operation in term of Financial follows the policies and rules by appointed Internal Audit to be responsible for checking the operation system of internal control as planned to report Audit Committee and Board of Directors. Moreover, they are independently to perform their duties. There are 5 sections of Internal Control System Organization and Environmental, Risk Management, control practice of management, Information and Communication and monitoring system every year at least 1.

The Board of Directors and Audit Committee comments there are appropriate and enough internal control in accordance with Report from Audit Committee within annual report and Form 56-1.

Boards Meeting

The Board of Directors schedules date and time of each committee meeting during the year in advance with specific agenda. The meeting document is delivered at least 7 days in advance in order to provide the board members adequate time to study the document before the meeting. Except in case of emergency for protecting the Company's benefits, the notice can be less than 7 days. In every meeting for accuracy, transparency and auditable, all board members independently express their opinions on the Company's operating results in various aspects including cautiously consider conflicts of interest issues and are able to request for additional information for consideration.

Company Secretary will minute the Meeting and keeps Minuets of Meeting which is approved in the meeting and certified by Chairman, Chairman of Executive Director and Company Secretary.

Minutes of Meeting for Board of Director Meeting and Sub-committee Meeting shall be made in written. These document shall be kept in Hard Copy at Company's office in order for director and related to convenience review and refer.

Audit Committee and Internal Audit Department has setup to meeting with the Company's Auditor every quarter.

Moreover, Company still supported director who did not Executive Director, can have meeting without the management in order to open opportunities for discussion.

In 2017, there were the meeting of Board of Director for 6 times, Executive Director Meeting for 9 times, and Audit Committee for 13 times and Remuneration and Nomination Committee for 2 times.

• Development for Director and Executive Director

Board of Director and Executive Directors realizes for roles, duties and responsibilities to Company. Company also emphasizes on the personnel development for the whole organization in order to in line with the leadership and vision of Director and Executive Director to have knowledge, capabilities, and potential to support Board of Director and Executive Director to participate in the inside and outside seminar and training in the course with benefit to the operation and duties, including study visit in abroad in order to create professional leadership and to understand the actual road and to be role model to drive the organization for good corporate governance.

Company also provides orientation for new director in order to understand business policy of Company, including related information such as rules, regulations and Company's performance. Moreover, Company also provides the site visit for new director, including to disseminate "Manual for Directors of Listed Companies" the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand (SET) to director in order to be manual for new director including disseminate Annual Report together Presentation in order introduce Company's business to new director.

Succession Plan

Company also realizes the importance of personnel preparation who will be assigned in order to replace the high level Executive Director and the highest superior of each department when retirement. Company has set up the development of the second level of Executive Director who has potential, vision, knowledge and capabilities in order to be continually promoted to be consecutive higher Executive Director. The Development will be conduct both theory and on the job training in the real situation.

Therefore, Board of Director, and Executive Director to monitor and evaluate that person's performance that to be further promoted to be executive continually.

Governance for using inside information

Company has policy and method to monitor Executive Director for using inside information of Company for personal interest or other interest as follows:

- Company has policy for Director to be trained course for director in order to know for obligation, roles and duties of Director of listed Company which arranged by Institute of Thai Directors Association (IOD), including providing knowledge for Executive Director in various departments regard duties of Executive Director to report the Company's stock holding and penalty in compliance with The Securities and Exchange Act B.E. 2535 – and according to regulation of the Stock Exchange of Thailand mai.
- Company informs Director, Executive Directors, and Auditor of Company know and understand for duties and responsibility of reporting the stock holding and any adjustment of stock holding in own Company, spouse, and son/daughter underage to the Office of the Securities and Exchange Commission according to article 59 of The Securities and Exchange Act B.E. 2535 – and penalty according to article 275 of The Securities and Exchange Act B.E. 2535 – Company has policy no allow director or Executive Director to use the major inside information of Company and its subsidiary which does not disclose to public for personal interest or other interest, including for purchasing-selling stock of Company. If director, Executive Director or Employee in department knows for inside information, shall stop all purchasing of Company's share within 1 month prior to any financial statement disclosure to public.

Responsibilities to Society

Overall Policy

Company and its subsidiary realize how importance of participating in responsibility to society in all sectors, due to conducting business of its subsidiary might impact to society either way. Company has set up procedure for production and services process, by having less impact to society, environment and all stakeholders or not having impact, and also not limited to direct impact from business performance of its subsidiary only, but only considering for creating sustainable stability to society and environment by having the practices as follows:

- The Company and subsidiaries are committed to ensure prevention of all damages caused either by accidents, illness, or injury during operation and to emphasize on protecting the lives and properties of employees and the organization, including ensuring operational health and safety of employees, community, and stakeholders.
- The Company and subsidiaries are committed to ensure protection of the ecological system, including reducing the risks and enhancing efficiency in all activities or process or procedure relating to the production of products and services of the Company to minimize the impact caused by operational health and safety risks which may have on the community or the environment as much as possible.
- The Company and subsidiaries are committed to perform its operation in compliance with the laws or relevant industrial standards in order to ensure operational health and safety as well as environmental protection.
- The Company and subsidiaries shall emphasize on Quality Management using quality management tool and providing efficient production process of products and services in order to ensure prompt delivery for highest customer satisfaction.
- The Company and subsidiaries are committed to operate the business with honesty and shall instill good moral among all employees to encourage anti-corruptions, including cooperating with public and private sectors as well as the society and community in creating a sense of social responsibility.

In order to achieve the above principle, Company has set up the guidelines for society responsibilities as follows:

1. Conduct business with fairness
2. Anti-Corruption
3. Respect of Human Rights
4. Fair Labor Practices
5. Responsibility to Customer
6. Environment Protection
7. Community or Society Development
8. Innovation and Publication created from the business performance which has responsibility to society

1. Conduct Business with Fairness

Company is strongly determined to conduct with fairness by implementing ethics to related organization regarding Anti-Corruption, fair competition and conducting with responsibilities to society, respect of asset right and building the good relationships between business, government authorities and other business.

2. Anti-Corruption

Company participated and announced intentions of Private Sector Collective Action, Coalition against Corruption (CAC) on the first time since 2014 and set up policy of Anti-Corruption date 17 December, 2015, together with other activities in order for applying certification. But due to the document submission was overdue; Company has announced the new intention again in July, 2017 and revised the new policy of Anti-Corruption in order to cover the fraud and corruption in all types which may be occurred from working and connecting with stakeholders. This policy is enforced with all directors, executives and employees of Company. Right now Company is in the certification process.

Board of Director has duties and responsibilities to set up policy and to governance in order to support the system of effective Anti-Corruption and Fraud in order to ensure that executive also realizes and emphasizes on Anti-Corruption and Fraud and cultivate to be culture of organization. The main content of Anti-Corruption and Fraud Policy is as follows:

Duties and Responsibilities

1. All executives have duties and responsibility to ensure that its own subordinate realizes and understand the Anti-Corruption and Fraud Policy and already be trained sufficiently and regularly.
2. Employee will perform to be in line with Anti-Corruption and Fraud Policy. In case of any query or find any violation to Anti-Corruption and Fraud Policy, shall immediate report to superior or through the Company's reporting channel specified according to policy for misconduct and fraud, investigation, and protection the whistle blowers.

Policy and Practice

1. Company has Zero-Tolerance Policy and conduct in compliance with related legal requirement to Anti-Corruption and Anti-Bribery in Thailand
2. Company will not involve in the bribery and corruption both indirect and direct and determines to implement effective system to anti-bribery and anti-corruption.
3. Employee of the Company will not involve in the bribery and corruption to government officer and private officer such as personnel from various companies which have transaction with Company both direct and indirect in order to receive or maintain the business or competitive advantage.

Political Contribution

Company will not contribute for money, items and/or joining activities, as well as encourage employees to participate in the political activities on behalf of Company in order to gain advantage of competitive trade business. Therefore, not including employees who participate the activities as per personal right. Company has policy to conduct business as neutral, nonaligned to any politic or professional politician of any political party, and not use capital or other assistances to support politics as per above meaning by aiming to business advantage.

Charitable Contribution

Might be risk to Company due to these activities relates to spending money without any physical return and might be used as reference or route line for corruption and in order not to contribute for charity with hidden objective, Company has set up policy and criteria regarding Charitable Contribution, review process, and detail of control as follows:

- (1) Shall prove that the activities according to the charitable contribution project is real, and shall conduct to support to achieve objective of the project and to create real benefit to society.

- (2) Shall prove that that Charitable Contribution is not involve in reciprocal benefit to someone or some authorities, except the commemorative certificate announcement as general practice such as Logo attachment, name list announcement at the event or media in order for publication, etc.
- (3) For Charitable Contribution shall fill in the form of Charitable Contribution and others (Enclosure 1), specifies donee and objective of contribution with supporting document to propose to authorized person for Company to consider and approval according to the authorities table of Company
- (4) Shall follow up for thank you letter or acknowledgement or receipt in order to submit to Accounting & Finance Department.

Sponsorship

Objectives for business to promote brand or Company's reputation which might be risk due to it's the payment for services or benefit which is difficult to evaluate and follow up for sponsorship which might connect to bribery. Company has set up policy and criteria of sponsorship, review process, and detail of control including the assessment the received benefit as follows:

- (1) Shall prove that the done really conducts that project and to perform in order to achieve objectives of the project and to create real benefit to society.
- (2) Shall prove that sponsorship or other benefit can calculate as cash basis such as offering accommodation and food, etc., not related to reciprocal benefit to someone or some authorities, except the commemorative certificate announcement as general practice.
- (3) For Sponsorship shall fill in the form of Charitable Contribution and others (Enclosure 1), specifies donee and objective of contribution with supporting document to propose to authorized person for Company to consider and approval according to the authorities table of Company
- (4) Shall follow up for thank you letter or acknowledgement or receipt in order to submit to Accounting & Finance Department.

Providing and Receiving Gifts, Entertainment, and Hospitality or else.

- (1) Company realizes that building good relationship with business alliance is important to continually bring achievement to Company.
- (2) Employees can provide/receive gifts to/from others if it falls into the following condition.
 - (2.1) No action to intent to dominate, to lead or to compensate anyone in order to take the benefit from misconduct, or clearly exchange or hidden in order to receive assistance or benefit.
 - (2.2) To provide on behalf of Company, not on behalf of that employee.
 - (2.3) Not offering gifts in cash or equivalent to cash (such as gift card or complementary card).
 - (2.4) Appropriate to situation such as little gift during Song Kran Festival, Chinese New Year or New Year as normal custom.
 - (2.5) To disclose, no hidden.
- (3) Business Entertainment and other expenses related to conduct business contract which can perform but with reason, able to inspect, and proceed according the working expenses procedure.
- (4) Employee can receive gift which value not more than 5,000 Baht. In case of cannot deny and shall receive the gift which value more than 5,000 Baht, shall inform superior and use Receiving Gift Form (Enclosure 2) and send that gift to Human

Resources Department in order to be prize for employee or contribute to charity as appropriate.

Company and personnel related to business

- (1) Subsidiary and affiliate that Company has control power, Company will inform and support subsidiary and affiliate to conduct business in compliance with Anti-Bribery and Anti-Corruption Policy.
- (2) Representative and business media.

Not Allow for employee to hire representative or business media which having objectives to corrupt or bribe.

- (3) Product supplier/Service Provider/Contractor
Company will provide the procurement for product/service with fairness and transparency, including will carefully evaluate the Product supplier/Service Provider/Contractor. Moreover, Company will inform Product supplier/Service Provider/Contractor for this policy and Company will reserve the right to cancel order and service. If it's found out that Product supplier/Service Provider/Contractor corrupt or bribe.

Training and Communication

All employees will regularly receive training regarding anti-corruption bribery in order to create the awareness of Anti-Corruption and Fraud Policy, especially in several type of bribery. Risks participating in the process of bribery, as well as reporting method when finding malpractices or corruption.

All employees will receive copy of Anti-Corruption and Fraud Policy in order to ensure that they receive and understand for Anti-Corruption, Fraud and Bribery Policy. Moreover, still could see the policy from the updated information from Company's website: www.uwcplc.com. Company will keep employees inform when having updated major information.

Training for Anti-Corruption and Fraud Policy will be part of orientation or before taking the position of all new employee of Company

Reporting when find the bribery and corruption

If employee suspects or finds evidence that some employee or persons performing on behalf of Company entered into the bribery or corruption, shall report to superior immediate or report though whistle blowing channel. When Company receives that reporting, shall conduct seriously, and will not punish to that employee who inform with integrity.

Employee Protection

1. Company assures employee that no any employee will be demoted or penalty or receives any impact when denying for bribery. Even though that deny will cause Company to loss business or miss the new business opportunities. The Company believes that Policy of Anti-Corruption and Anti-Bribery and Zero-Tolerance Policy will create value to Company. Moreover, Company does not allow anyone to threaten or hold the willingness of employee to perform in accordance with this policy.
2. If employee believes that he is threaten or hold, shall report directly to subordinate or head of Human Resources Department immediately. If it is still not receiving any correction, shall report to the whistle blowing channel of Company

Violation Policy

Company will have discipline punishment to employee who violates the conduct according to this policy, including direct superior who ignore for misconduct or know for wrong actions but not try to correct. The discipline penalty has until dismiss. Not knowing this policy and/or related legal requirement cannot use as reference for un-perform.

Review and Monitoring

Internal Audit Office will audit internal control system and other processes regularly in order to ensure that internal control process is effective against bribery and corruption, by discussing finding of audit with related person in order to find appropriate correction and will further report to executive and Audit Committee.

Whistle Blowing Channel or Complaints of Corruption

Board of Director assigned to Chief Executive Officer and /or Managing Director and / or Company Secretary to consider for this reporting, complaints, doubt action that might have corruption in the Company both direct and indirect through the whistle blowing channel specified in this policy.

The complainers shall specify detail of issues or complaints together with name, address, and contact telephone number, and send through to whistle blowing channel as follows:

1. Inform through e-mail channel of
 - 1.1. Managing Director at peratus@uwc.co.th or theerachai@uwc.co.th
 - 1.2. Company Secretary at monthon@uwc.co.th
2. Send sealed post attention to
 - 2.1. Mr. Peratus Dhanarachtwattana “Director and Managing Director of Power Plant Operation” or
 - 2.2. Mr. Theerachai Leenabanchong “Director and Managing Director of Business Development and Corporate Affairs” or
 - 2.3. Mr. Monthon Chatuwatlopkul “Company Secretary”
UA Withya Public Company Limited.

247 Romklao Road, Saensaeab Sub-District, Minburi
District, Bangkok 10510

Whistle Blower or complainers regarding fraud are the stakeholders of Company; shareholders, customer, trade competitors, debtors, government, community, society, executives, and employees of Company. Therefore, either inform in whether whistle blowing channel, will receive right protection according to law or Company’s guidelines.

Measures for Complainers Protection or Whistle blowers for Corruption and confidentiality

- (1) Company will keep information and conceal name, address and other information which could identify the complainers or whistle blower and keep confidentially, especially the person who has responsibility to investigate complaint only that can access to that information.
- (2) The person who receives information regarding complaints has duties to keep information, complaints, and evidence of complainers as confidence, do not disclose to others who does not involve, except the disclosure in accordance with legal requirement.
- (3) Company will disclose when it's necessary by considering the safety and damage of whistle blower or concern.
- (4) Victims will be rescue for damage with the appropriate and fair process.

Publication of Anti-Corruption and Fraud Policy

In order to everyone in organization to know for Anti-Corruption and Fraud Policy, Company will perform as follows:

- (1) Company will post Anti-Corruption and Fraud Policy at every bulletin board of the Company
- (2) Company will publicize Anti-Corruption and Fraud Policy through Company's communication channel such as Electronic Mail (e-mail), Company's web site, Disclosure Report for Annual Data (56-1), Annual Report (56-2) and leaflet, etc.
- (3) Company will provide training for Anti-Corruption and Fraud Policy to new employee and also add in the employee manual.
- (4) Company will review Anti-Corruption and Fraud Policy every year.

3. Respects of Human Rights

Company has carefully operated and managed, respected the law, performed according to Human Rights, and realized that how to impact when violate the employee's, right, community and society's right, including providing the preventive measure for corporate governance in order not create any problem in which can violate the related parties.

4. Fair Labor Practices

Company realizes that employees are the major asset value for organization to grow, to strengthen, and perform the business operation for achievement. Company has policy and code of conduct in accordance with labor law for human resource management to have quality, ethics with conscious mind to contribute to overall society by providing knowledge and skills training to all employee levels to suite with each position.

5. Responsibilities to Consumer

Company aims to conduct marketing with fairness by presenting the quality product, as well as before-after sales service, gets feedback, and customer complaints in order for customer highest satisfaction.

6. Environmental Protection

Company pays attention and realize for the environmental impact, therefore in several production process, Company has set up clear code of conduct in order for each step of production process will effectively utilize the resource and not create any pollution into environment.

7. Community or Society Development

Company realizes to be part of the community or society, which be responsible, assist and support public activities for community, including development of community and society surrounding for better living through employment and also having activities with community in order to create stability and to strengthen community.

Corporate Social Responsibilities and Public Benefit Activities

Company has policy to strictly emphasize on community, including supporting several activities of community, government authorities, temple, etc.

January 2017: Subsidiary joined the National Children Day

Satuk Biomass Power Plant and UWC Amphan Biomass Co.,Ltd. supported local to arrange for National Children Day 2017 at Domon SAO, Satuk District, Burirum Province.



September, 2017: Subsidiary gave drinking water to the cyclist for CAR FREE DAY

Satuk Biomass Power Plant and UWC Amphan Biomass Co.,Ltd. together with Satuk, Burirum Province Bicycle Club arranged CAR FREE DAY by providing the drinking water and food point for all cyclists



December 2017: Company joined the Cooperation... Turn Cancer Patients Life Project

Company joined with Listed Company in The Stock Exchange of Thailand MAI to support the Cooperation... Turn Cancer Patients Life Project in order to help cancer patients to understand to correctly cope with cancer in order to increase the survival rate and to provide better quality life to cancer patients in Thailand.



Activities Supporting Education

Company realizes and pays attention to education which is the major tools to develop knowledge, ideas, and ethics of youth to be good and quality civilian, Company devotes to support the education in order for youth to be ready for learning and can further have self-development.

December 2017 : Subsidiary – CSR “Light of Smile”

Satuk Biomass Power Plant and UWC Amphan Biomass Co.,Ltd. provided lighting poles with solar cell, education material for distance learning, scholarship, Sports Equipment, Plaything, Outdoor court, and others to Ban Lakor School, Satuk District, Burirum Province.



Other Activities

18 April, 2017 : Students of Rajamangala University of Technology Isan visited UKB Power Plant, Nakhonratchasima Province.

17 July, 2017 : Student of Faculty of Agriculture, Khonkaen University visited PGE, Khon Kaen Province.

15 August, 2017 : Students of High Voltage Department, Burirum Technical College, visited at SBM Power, Burirum Province.

10 November, 2017 : Fire Fighting Training and Emergency Evacuation at the Transmission Line Production Factory, Romklao

29 November, 2017: Faculty from Chiang Mai University visited PGE.

8. Innovation and Publication created from the business performance with has responsibility to society.

Company understands for benefit and value of business which be responsible to society. Company initiated the new knowledge, advance technology that differed from the existing practices and have the related group to develop idea, and new knowledge.

Energy Conservation

Company emphasizes on the national energy consumption and determines for effective energy conservation. Company brings the energy management system to apply within Company in order to reduce the energy consumption in Company, and also responsibilities of all employees to cooperate for energy management continually and sustainable. Therefore, in order to conduct and develop energy management effective and benefit maximization. Company has set up energy conservation policy, detail is as follows:

1. Company will perform and develop appropriate energy management system by providing energy conservation as part of Company's operation in line with related requirement and law.
2. Company will modify the effectiveness of energy resources utilization continually and in appropriate to business, used technology and good practices.
3. Company will set up plan and target of energy conservation every year and communicate to employees to under and practice correctly.
4. Company will take energy conservation as the responsibility of owner, executives, and all levels employees of Company to cooperate to perform in accordance with specified measure, to follow up, to inspect and to report to energy conservation working group.
5. Company will necessary support, including personal resources, budget, working time, training and participation in the recommendation presentation for energy development
6. Executive and energy conservation working group will review and revise policy, target and energy plan every year.

In order to perform the energy conservation in accordance with specified policy, Company appointed 2 set of committees in order to be responsible for effective energy management in Company as follows:

1. Power Management Working Group has the following duties and responsibilities:

- (1) To provide guideline for power management in order to have advantage for power conservation and to decrease the operating cost as per Company's policy.
- (2) To train to realize for the energy conservation and code of conduct for the participation by employee in organization.
- (3) To effectively audit the energy operation of organization in order to achieve development target of organization
- (4) To summarize performance of energy management within organization, including to regularly publicize to employees
- (5) To present result from energy management and code of conduct to factory owner or executive, as well as executive also participates for setting up the target and revising the appropriate plan.
- (6) To support factory owner or executive to participate and to promote the operation in accordance with the Energy Conservation Promotion Act in order to comply with the legal requirement.

2. The Auditor for Energy Management within Organization duties to be audit the energy management in order to achieve the policy of energy management of the company, including the to assess the responsibilities of energy conservation of each areas for energy management.

Financial Status and Business Operation

Explanation and Analysis of Financial Status and Operating Results

Revenue Structures

(Unit : Million Baht)

Product Line	Year 2017	%	Year 2016	%	Year 2015	%
Transmission Line for high Voltage Tower	716.44	52.25	596.41	52.25	150.85	23.90
Telecommunication Tower	134.07	9.78	56.68	4.97	300.32	47.57
Substation Steel Structure Tower	70.04	5.11	98.68	8.65	76.49	12.12
General Structure	2.62	0.19	6.57	0.58	7.67	1.21
Service for Galvanizing	0.71	0.05	7.56	0.66	19.05	3.02
Selling Industrial Products	397.42	28.98	334.50	29.31	44.26	7.01
Other Revenue	49.92	3.64	40.99	3.58	32.64	5.17
Total	1,371.22	100.00	1,141.39	100.00	631.28	100.00

Note : Other Revenue consisted of : Sale of scrap from raw material , Zinc , steel (By product of the steel structure production and Galvanizing service) , Interest Income , Selling of Assets

Work in Progress not deliver

at December 31, 2017 The Company had project in progress and expected to be deliver in 2018 as follow

Products	Quantity of works (Ton)	Value of Works Not Deliver (Million Baht)
Transmission Line for High Voltage Tower	4,559.38	163.03
Telecommunication Tower	95.00	9.11
Substation Steel Structure Tower	130.61	32.57
General Steel Structure	4.95	0.09
Total	4,789.94	204.80

Performance analysis

For year 2017, the Company and its subsidiaries had total revenue of 1,371.22 million baht, an increase of 229.83 million baht or 20.14 percent, with the net loss total 273.57 million baht or increased 388.17 percentage net loss shareholders of the parent total 250.97 million baht or increased 608.75 percent compared to the same period in 2016 had total revenues 1,141.39 million baht while the net loss of 56.04 million baht and net loss shareholders of the parent 35.41 million baht the overall operating results of year 2017 compared to the same period in 2016 as shown in table 1:

Table 1 provides an overview of performance.

Unit : Million Baht

Items	For year ended of December 31			
	2017	2016	Increased (Decreased)	
			Amount	Percentage
Revenue from steel tower manufacturing	923.88	765.90	157.98	20.63
Revenue from sale industries products	11.31	18.96	(7.65)	(40.35)
Revenue from other products	30.72	44.54	(13.82)	(31.03)
Revenue from selling electricity	355.39	271.01	84.38	31.14
Other Revenue	49.92	40.98	8.94	21.82
Total Revenues	1,371.22	1,141.39	229.83	20.14
Total expenses	1,662.01	1,220.84	441.17	36.14
(Loss) profit before income tax	(297.05)	(79.45)	(217.60)	273.87
Net (Loss) profit	(273.57)	(56.04)	(217.53)	388.17
Net (Loss)profit shareholders of the parent	(250.97)	(35.41)	(215.56)	608.75

1. Analysis of results of operations.

1.1 Income

In 2017 the Company and its subsidiaries had the total revenues of 1,371.22 million baht as 229.83 million baht increased when compare to the same period of year 2016 as amounting of 1,141.39 million baht or 20.14 percent increased by following details

- The Company's income from manufacturing and project contract 923.88 million baht, an increased in the amount of 157.98 million baht or 20.63 percent compare to the same period of year 2016 was 765.90 million baht due to increase in delivered to customers.
- The revenue from sale of industries products of 11.31 million baht as 7.65 million baht decreased or 40.35 percent when compared to the same period of year 2016 was 18.96 million
- The company and its subsidiaries has revenue from selling other products of 30.72 million baht as 13.82 million baht decreased or 31.03 percent when compared to same period of year 2016 of 44.54 million baht
- The company and its subsidiaries has revenue from selling electricity of 355.39 million baht as 84.38 million baht increased or 31.14 percent when compared to same period of year 2016 of 271.01 Million Baht due to more sales volume in term of electricity
- The other income in 2017 as the amount of 49.92 million baht or 3.64 percent of total revenues by following details
 - The company and its subsidiaries has revenue from selling of scrap from raw materials as amounting of 39.69 million baht
 - The company and its subsidiaries has received interest and other as amounting of 10.23 million baht (interest from financial institution of 1.15 million baht, related companies of 7.92 million baht, and others of 1.16 million baht)

1.2 Cost and Expenses

In year 2017, the company and its subsidiaries had gross margin 4.73 percent and Net loss (19.95) percent of total revenues when compare to the same period in 2016 was gross margin 14.26 percent and Net loss (4.91) percent of total revenues.

Table2: Provides an overview of costs and expenses and gross profit to revenue.

Items	Amount (million baht) , %				Amount increased (decreased)	
	2017	Percent	2016	Percent	Million Baht	Percent
Total revenues	1,371.22	100.00	1,141.39	100.00	229.83	20.14
Cost of steel tower manufacturing and cost of sale	1,306.37	95.27	978.67	85.74	327.70	33.48
Gross profit	64.85	4.73	162.72	14.26	(97.87)	(60.15)
Sales and administrative expenses	309.26	22.55	182.65	16.00	126.61	69.32
(Loss)profit before finance cost and income tax expenses	(244.41)	(17.82)	(19.93)	(1.75)	(224.48)	1,126.34
Financial cost	52.64	20.60	59.52	5.21	(6.88)	(11.56)
(Loss) profit before income tax expenses	(297.05)	(21.66)	(79.45)	(6.96)	(217.60)	273.87
Income tax expenses	(23.48)	(1.71)	(25.92)	(2.27)	2.44	(9.14)
(Loss) profit from continuing operations	(273.57)	(19.95)	(53.53)	(4.69)	(220.04)	411.06
Loss from discontinued operations	-	-	(2.51)	(0.22)	2.51	(100.00)
Net (Loss) profit	(273.57)	(19.95)	(56.04)	(4.91)	(217.53)	388.17
Net (Loss) profit shareholders of the parent	(250.97)	(19.21)	(35.41)	(3.62)	(215.56)	608.75

1.2.1 Gross Profit

In the year 2017, the Company and its subsidiaries had gross margin 4.73 percent. It was a decreased when compare to the same period of 2016, the gross profit 14.26 percent

1.2.2 Expenses

In 2017, the Company and its subsidiaries had a total cost 1,662.01 million baht; the cost increased from 2016, with a total cost of 1,220.84 million baht, an increase of 441.17 million baht or 36.14 percent by the following reasons.

- Cost of steel tower manufacturing 868.11 million baht, an increase of 178.74million baht as approximately increased of 25.93 percent when compared to the same period in 2016in the amount of 689.37 million baht varied by amount of projects that the company has delivered to the customer.
- Cost of sales of industrial equipment 7.74 million baht, a decrease of 5.64 million baht or approximately 42.11percent compared to the same period in 2016as amounting of 13.38 million baht .

- Cost of sales of other products 66.36 million baht, an increase of 3.31 million baht or approximately 5.25percent compared to the same period in 2016as amounting of 63.05 million baht by fluctuate from sales volume and same cost of production
- Cost of selling electricity of 364.14 million baht as 151.29 million baht increased or 71.08 percent when compared to same period of year 2016 as amounting of 212.85 Million Baht by fluctuate from more usage of electricity
- Selling expenses of 10.21 million baht as 2.13 million baht decreased or 17.30 percent when compared same period of year 2016 of 12.34 million baht
- The cost of administration of 129.72 million baht, a decrease of 35.15 million baht or approximately 21.32 percent decrease when compared to the same period in 2016 as amounting of 164.86 Million baht
- Loss on impairment of goodwill of Paradise Green Energy Co., Ltd amounting to 52.32 million baht and loss on impairment of investment in associate Dimet (Siam) Public Company Limited amounting to 110.75 million baht.
- Finance costs consist of interest expense and banking fee of 52.64 million baht, a decrease of 6.88 million baht or 11.55 percent decreased when compared to the same period in 2016 as amount of 59.52 million baht

1.2.3 Net (Loss) profit

In Year 2017, the Company and its subsidiaries had a net loss of 273.57million baht was in profit to shareholders of the parent amount of 250.97 million baht and loss to non-controlling interests amount of 22.60 million baht as increased of 217.53 million baht or equivalent 388.17percent when compared to the same period in 2016has net loss of 56.04 million baht.

2. Financial Analysis

Items	Amount (Million baht)		Increased (decreased)	
	As of December 31,2017	As of December 31,2016	Million baht	Percent
Total Assets	3,561.21	3,601.56	(40.35)	(1.12)
Total Liabilities	1,662.64	1,453.92	208.72	14.36
Total Equity	1,898.57	2,147.64	(249.07)	(11.60)

2.1 Assets

As of December 31, 2017, the company and its subsidiaries had total assets of 3,561.21 million baht, a decreased from 2016, with total assets of 3,601.56 million baht, a decreased in the amount of 40.35 million baht, by following reasons.

- Cash and cash equivalents amount of 103.11 million baht had a net decreased of 351.60 million baht when compared to the same period in 2016had in the amount of 454.71 million baht due to usage of investment in subsidiaries
- Temporary investments 0.87 million baht, a net increase of 0.01 million baht, compared to the same period in 2016 had 0.86 million baht.
- Trade and other receivables 648.66 million baht, an increase of 170.98 million baht, compare to the same period in 2016, which had amount of 447.68 million as fluctuate from sales volume
- Short term loans to person or related business as amount of 8.86 Million Baht , decreased of 3.64 Million Baht when compared to year 2016 as amount of 12.50 Million Baht
- Net inventories of 596.32 Million Baht as net increase of 176.93 million baht when compared to same period of year 2016 of 419.39 million baht
- Current Assets of 33.87 million baht as 16.05 million baht increased when compared to same period of year 2016 of 17.82 million baht

- Investment in associates of 122.08 million baht as net decrease of 105.13 million baht when compared to same period of year 2016 as amount of 227.21 due to loss from impairment of investment in associate Dimet (Siam) Public Company Limited of 110.75 million baht and share of results of 6.26 million baht and had additions investment in three associates of 11.88 million baht
- Property, land and equipment in the amount of 1,542.66 million baht and increase of 134.85 million baht, compared to the same period in 2016 which amounted of 1,407.81 million baht. Cause of increased by investment in a subsidiary and associate and revaluation surplus on land
- Intangible assets in the amount of 375.41 million baht, a decrease of 48.59 million baht, compared to the same period in 2016 which had the amount of 424.00 million baht.
- Goodwill in the amount of 46.28 million baht. A decrease of 52.32 million baht compared to the same period in 2016 which had to amount of 98.60 million baht. Due to loss on impairment of Paradise Green Energy Co., Ltd.
- Other non-current assets of 30.29 million baht, a net decreased of 13.77 million baht, compared to the same period in 2016 which was 44.06 million baht. Cause by withholding taxes in the years of 2017 and 2016 and receive tax after payment of year 2015

Asset Quality

Net Account Receivables and the Receivables

In 2017, the company and its subsidiary's total net account receivables and other receivables were in the amount of 648.66 Million THB. The company has recorded an allowance for doubtful accounts. The separation of receivable accounts based on the period is as follows:

Maturity of Outstanding Debts	2016		2016		2015	
	MB	%	MB	%	MB	%
Undue Debtors	363.16	79.16	143.20	56.78	146.95	47.25
Default Debtors						
0 - 3 months	54.47	11.87	63.28	25.09	81.35	26.16
3 - 6 months	8.94	1.95	15.02	5.95	8.97	2.88
6 - 12 months	1.46	0.32	1.09	0.43	44.26	14.63
Over 12 months	30.71	6.70	29.62	11.75	29.48	9.48
Total	458.74	10.00	252.21	100	311.01	100
<u>Less:</u> Allowance for Doubtful Accounts	(32.60)	(7.11)	(30.96)	(12.38)	(28.39)	(9.13)
Account Receivables, Net	426.14	92.89	221.25	87.72	282.62	90.87
Other Receivables	222.52		256.43		51.86	
Total Account Receivables and Other Receivables	648.66		477.68		334.48	

As on December 31st, 2017, the company and its subsidiaries had account receivables before allowance for doubtful accounts estimated at 458.74 Million THB and the provision for doubtful accounts from receivables based on liquidity at 32.60 Million THB before the debts were due with the debtors who owed up to 12 months and account receivables that are more than 12 months overdue were in the amount of 363.16 Million THB, 64.87 Million THB, and 30.71 Million THB, respectively or 79.16 %, 14.14 %, and 6.70 %, respectively. The company executives determined that these accounts receivables were doubtful due to their lack of liquidity so they were included in the allowance for doubtful account receivables totalizing to be in the amount of 32.60 Million THB in 2017. The management has increased measures in loans to customers to be more rigorous and accelerated continuous overdue debt collection. However, the allowance for doubtful accounts was performed based on the law on debt collection for the chance to be

paid. When compared with those in 2016, net accounts receivable and other receivables decreased by 204.89 Million THB from 221.25 Million THB in 2016.

Based on the policy on trade credit, the company will typically provide commercial credit of about 30-90 days, the company is trying to improve the efficiency of debt collection by contacting customers with debts that are due and a short-term trade credit for new customers. In 2017, the average collection period was approximately 98 days, a increase when compared to 2016 with an average collection period was approximately 93 days.

Inventory

Inventories were valued at 596.32 Million THB in 2017, a increase from 2016, which was worth 419.39 Million THB, a increase in the amount of 176.93 Million THB or 42.19 %, the inventory details are shown as follows:

Inventory	2017		2016		2015	
	MB	%	MB	%	MB	%
Finished Goods	20.56	3.36	19.28	4.44	25.09	5.47
Work-in-progress	277.17	45.33	157.37	36.23	169.21	36.90
Raw Materials	261.54	42.77	218.55	50.30	229.07	49.95
Factory Supplies	52.23	8.54	39.21	9.03	35.24	7.68
Total	611.50	100.00	434.41	100	458.61	100
<u>Less</u> : Allowance for decrease in inventory	(15.18)	(2.48)	(15.02)	(3.46)	(17.06)	(3.72)
Inventory, Net	596.32	97.52	419.39	96.54	441.55	96.28

As of December 31st, 2017, the company inventory was in the amount of 596.32 Million THB, with the proportion of finished goods, work in process and raw materials amounting to 5.39 Million THB, 277.18 Million THB, 261.54 Million THB, and 52.21 Million THB respectively, or 0.90 %, 46.48 %, 43.86 %, and 8.75 %, respectively.

If the inventory turnover rate was reviewed, it can be seen that the company has the inventory turnover rate at 2.50 times in 2017 up from 2.19 times in 2016. This was in accordance with the demand of its customers and the projects accepted by the company.

FINANCIAL RATIO FOR THE YEAR END

FINANCIAL RATIO			FOR THE YARE ENDED		
			2017	2016	2015
<u>Liquidity Ratio</u>					
	Current Ratio	Time	0.89	2.57	2.71
	Quick Ratio	Time	0.48	1.74	1.42
<u>Leverage Ratio</u>					
	Debt / Equity Ratio	Time	0.88	0.68	0.33
	Interest Coverage	Time	(4.52)	(0.26)	5.15
<u>Profitability Ratio</u>					
	Gross Profit Margin	(%)	4.73	14.26	12.63
	Net Profit Margin	(%)	(19.95)	(4.91)	2.54
	Return on Assets	(%)	(0.07)	(0.01)	0.01
	Return to Equity	(%)	(15.65)	(3.70)	0.75
<u>Activity Ratio</u>					
	Accounts Receivable Turnover	Time	3.72	3.90	2.14
	Average Collection Period	Day	98	93	170
	Inventory Turnover	Time	2.50	2.19	1.33
	Average Sales Period	Day	146	166	275
	Fixed Asset Turnover	Time	(19.26)	(5.64)	1.50
	Total Asset Turnover	Time	(8.34)	(2.21)	0.54
<u>Detail per share</u>					
	Earnings(Loss) per Share	Baht	(0.0191)	(0.0027)	0.11

Investment in Subsidiaries and Joint Ventures

In 2017, the company group increased the investment on the subsidiary, Green Energy Plantation Co., Ltd. , at 55.00%, or 20,000 shares at 5.00 THB per share value at 0.06 Million THB, UWCC (Cambodia) Co., Ltd., at 70.00%, or 1,000 shares value at 0.89 Million THB, Investment in associates, Interglob Investment Co., Ltd. , at 48.00% or 1,000 share value at 1.22 Million THB, Ayutthaya Power System Co., Ltd. , at 30.00 % or 165,000 shares at 25.00 THB per share value at 4.13 Million THB, and Saraburi Energy Systems 2 Co., Ltd. ,at 30% or 261,000 shares at 25.00 THB per share value at 6.53 Million THB.

Sources of Capital Liabilities

At the year 2017, the Company and its subsidiaries had total liabilities of 1,662.64 million baht, an increase of 208.72 million baht from the 2016 which was amount 1,453.92 million baht due to increase in trade payable and other payable of 234.69 million baht, short term loan from related parties of 168.50 million baht, other current liabilities of 12.54 million baht and employee benefit obligations of 4.19 million baht. Due to decrease from bank overdrafts and short term loan from financial institution of 179.97 million baht, liabilities under finance lease agreement of 5.89 million baht and deferred tax liabilities of 25.34 million baht

Equity

In 2017, the Company and its subsidiaries had a loss from operations of 273.57 million baht. Other components of equity increase of 35.95 million baht and non-controlling interest decrease of 28.51 million baht thus leads decreased in equity of 1,898.57 million baht from year 2016 as amounting of 2,147.64 million baht or 249.07 million baht decreased

Capital Adequacy

The analysis on the source of funding, it can be seen that the company and its subsidiary sources of funding were bank overdrafts and short-term loans from financial institutions. And the part of the shareholders, the management of the company and its subsidiaries expected that the company has sufficient capital. If the company is experiencing a shortage of funds, it may request sufficient assistance grants or loans from the parent company had enough.

The company is procuring financing by using loans from banks or financial institutions, which as at 2017 year-end, the company has credit lines with banks detailed are as follows:

Description	Line of Credit Available (Million baht)	Line of Credit Used (Million baht)	Line of Credit Remained As of 31 December 2016 (Million baht)
A Bank	170	55	115
Notes (a financial institution)	300	-	300
Total	470	55	415

Optimal Capital Structure

As of December 31st, 2017, the company and its subsidiaries had the ratio of total liabilities to equity shareholders at 0.88 time, an increase from 2016 due to the increase in total debt at the rate of 94.32% from the increase short-term loans from related parties 168.50 Million THB, the reduction of short-term loans from financial institutions in the amount of 179.97 Million THB and equity reducing 10.63 % due to the net loss for the year 2017 in the amount of 250.97 Million THB while the ratio of total liabilities to owner equity as on December 31st, 2016, the ratio of total liabilities to equity of the company and its subsidiaries was at 0.68 times due to the increase in total debt at the rate of 94.32 % from an decrease in short-term loans from financial institutions amounting to 117.18 Million THB and shareholders' equity decreased 3.84 % due to net income attributable to the parent company in the amount of 35.41 Million

Liquidity Adequacy, Solvency, and the Ability to comply with the terms of the loan

As of December 31st, 2017, the company and its subsidiaries had the liquidity ratio of 0.89 times compared to 2.57 as at December 31, 2016, which indicated that the company's liquidity decreased from the year 2016, which indicated that the company and its subsidiary current liabilities ratio is at 0.89 times and 0.48 times faster than the equivalent of 1.74 times less than in 2016, which indicated that the company and its subsidiaries had more assets that can be converted into cash than the current liabilities. This may result in risk of the company and its subsidiary ability to repay being less than it should be. From the ability to make repayment ratio in 2017 being (4.52 times) as a result of the company's operating

performance, as net loss of 250.97 Million THB when compared with 2016 that was equal to 0.26 times, it was seen that the interest payments somewhat reduced. However, it still has the ability to pay the interest as per the loan contract.

Potential Factors Affecting Future Business Operation or Financial Status

The Company's sources of main revenues have been from manufacturing receipt of high voltage transmission tower, telecommunication tower, and distribution substation. They will be varied according to work quantity acquired by the Company. In the future, if the Company cannot bid and submit tender or not obtain works from work owners or major contractors, it will affect the Company's revenues in the same way. Nevertheless, risk factor on such contingent revenue variation has resulted in the Company's determination on personnel development and the use of modern technology for manufacture and delivery of international standardized and outstanding quality works to customers and punctual work delivery at price proper and satisfactory to its customers for customer base retention and mutual sustainable growth according to the Company's vision on obtaining highest reliance from its customers.

Corporate Governance Report from Audit Committee

To Shareholders

Audit Committee of Capital Engineering Network Public Company Limited has consists of 3 people is fully qualified and experienced. Year 2017, there are 13 times of Audit Committee meetings as name of audit committees attends the meetings as follows.

			Attended
Pol.Lt. Sivaraks	Phinicharomna	Chairman of Audit Committee	13/13
Mr. Pianchai	Thawornrat	Audit Committee	10/13
Dr. Nathee	Naktnasukanjn	Audit Committee	13/13

Audit Committee has independently conducted within the scope, duties and responsibilities according to charter which approved by the Board of Directors, to review the company for appropriate corporate governance. The Audit Committee has organized the meeting to consider and to provide opinion for the major issues with the executive and related department, auditors, Head of Internal Audit Department, and received performance report, including providing recommendations to the Board of Directors every quarter and performed according to the approved subjects by the Board of Directors. These can summarize as follows:

To review Financial Report

- Audit Committee has reviewed information of financial statement each quarter and 2017 annual report as passed reviewed from auditors. By this, executives and auditors has consulted this reviewed on rectitude, completely before comment on report of financial statement, adjustable of accounts as affected financial statement which includes enough information to be disclosed and remarks from auditors. Audit Committee had conformed to auditors mentioned report of financial statement had made with correction follows standard of financial reporting. Moreover, disclosures of important information in Noted to Financial Statement are sufficient, completely and trusted with selected reasonable of accounting policies

The adequacy of internal control system and Internal Audit Risk Management and Corporate Governance

- Audit Committee has reviewed the Company that has have efficient and effective internal control system by considering from the summary report of internal Control and following up by internal auditor every quarter according to the approved subjects which covering the major works of the Company, including the meetings with the executive of related departments to review the major systems and to provide the recommendation to be advantaged to the internal control system for further effectiveness, as well as considering the internal control system within the Company according the assessment of COSO 2013 of The Securities and Exchange Commission. Therefore, there is no any flaw or issues in which could significantly affect to the Company. This is to present that Company has paid high attention to the internal control. This can create reasonable confidence that Company has appropriate internal control which have efficient and effective.
- Audit Committee has governance the internal control by review the scope of operation, duties and obligations, responsibilities according to the charter of internal control department, independent, including budget and appropriate personnel, in order to ensure that the operation within internal control is appropriate and effective.

Moreover, also considered and approved the annual internal audit plan of internal auditors which provided for each level and likelihood of major risk of the Company and also covering to subsidiary, also adjusted the audit plan in consistent with the changed risks, as well as review the performance according to plan and Key Performance Index (KPI) of internal audit unit, evaluation performance in order to evaluate the performance of Head of Internal Audit Department, follow up the progress of Internal Audit Plan.

Audit Committee has opinions on internal audit control system is independent, adequate and practices of internal audit are relevant as required, good communication among executives and auditors and support any practices of Audit Committee

- Audit Committee has considered Risk Management Plan in order for Company to have the framework of working and procedure of risk management in consistent with the criteria of COSO as the international standard.
- Ua Withya Public Company Limited always promotes all personnel levels to have ethics and virtue, to create the awareness of prevent and against the corruptions in order to build the culture and core values of organization through the policy of against corruption by having guidelines for blowing the whistle for executive and all levels of personnel, and also has attentions to participating in the Private Sector Collective Action Coalition against Corruption in order to increase the effectiveness for corporate governance. The Company prepares to submit the “assessment form for against the corruption” in order to be certified by Collective Action Coalition against corruption (CAC)
- Audit Committee has reviewed the charter of Audit Committee to be in consistent with the current situation and is approved by the Board of Directors every year. This charter is still valid and consistent with the assigned duties and obligations and has opinion that the performing under the charter of the Audit Committee is complete.
- Audit Committee has reviews and assess performance appraisal by self-assessment in accordance to charter of Audit Committee which strengthen good corporate governance
- Audit Committee had report on performance of work (Audit Committee) to Board of Directors quarterly by year 2017 has acknowledge the Board of Directors in amount of 4 times.

Review on compliance

- Audit Committee has Reviews Company on practice in accordance to regulations and requirement from Securities and Exchange Commission and The Stock Exchange of Thailand and other related law for business operation includes any commitment with external. As the results, there are no issues with regard to illegal practices and requirements

Connected transaction

Acquisition and Disposition of Assets

- Audit Committee has considered on related transaction of company with person or related juristic person or any transaction as conflict of interest to company follows regulation of Securities and Exchange Commission and any other related division to make sure that has highest return to company

Audit Committee has agreed with Boards on related transaction as company has practices in accordance with reasonable, equitable and highest return to company includes important information has been disclosed and shown in financial statement also in noted to financial statement completely and adequately

- Audit Committee has considered transaction on acquisition of assets for size and value which may affect financial status and business operation in accordance to rules and guidelines of Securities and Exchange Commission and The Stock Exchange of Thailand and Capital Market Supervisory Board

External Auditors

- Audit Committee has considered on independent evaluation and performance of auditors year 2017 as continuously for 5th year overall as performances are very satisfied and independently
- Year 2018, company has considers and selects new auditor which be list of auditors approved by the office of Securities and Exchange Commission since previous auditor has continuously 5th year

for company's auditor therefore for independently Audit Committee has proposed to Board get approval from Shareholders meeting on appointment of company's auditor; Mr.Suwatchai Meakhaamnouychai C.P.A. Registration No. 6638, or Mr. Chavala Tienpasertkij C.P.A. Registration No. 4301, or Mr.Kiatniyom Kuntisook C.P.A. Registration No. 4800, or Mr. Wonlop Vilaivaravit, License No. 6797 from DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT COMPANY LIMITED ("DELOITTE") Request for the audit fee of Financial Statement 2018 and Financial Statement Review each quarter of the Company and Consolidated Financial Statement for 1,700,000.- Baht, decreased from the previous year for 30.56% Baht. The Board of Directors has opinion that the reason of decreasing is the major content due to the Company has expanded in the subsidiaries for a while regarding the conducting according to the Accounting Standard completely and appropriate internal control, then it's the reason for the new auditor proposed the audit fee in the lower fee compared to last year.

Overall comments and concerns

From duties of Audit Committee in year 2017 so believed that company has accurate and reliable in term of accounting and financial report system, adequate internal control, effective in term of risk management, good corporate governance includes any practice in accordance with laws, regulations and any related rules for business operation.

In the performance, Audit Committees has use their knowledge, can be attributed to the conservative and independent enough and no limitation on receive information from executives, employees and related person including any suggestion in order the have benefit in every division equally.

In the name of Audit Committee



Pol.Lt. Sivaraks Phinicharomna
Chairman of Audit Committee

Report of Responsibilities of the Board of Directors on Financial Reporting

The Consolidated and Company Financial Statements of Ua Withya Public Company Limited and its subsidiary and of Ua Withya Public Company Limited was made under policies of Board of Directors which in accordance with Thai Financial Reporting Standards and recorded adequately together with using judgment for estimating Financial Statements to reflect the reality in company and its subsidiary operation.

The Board of Directors has realized an importance of quality of the Consolidated and Company Financial Statements by review on Financial Statement information in Notes To Financial Statement together with explanation and analysis to beneficial of shareholders and investors.

In this regard, the Board of Directors has appointed an independent Audit Committee to oversee and responsible for the quality of Financial Statements. The Audit Committee has examined financial data, internal control and audit systems to ensure suitability and efficiency to ensure recording of accounts to be accurate, complete and adequate includes to prevent corruption or unusual by comments of this investigation appeared in report of Audit Committee which disclosed in this year annual report.

From Management Structure and Internal Control System and reviews from Certifies Public Accountant, it is reasonable confident to believe that the Consolidated and Company Financial Statements of Ua Withya Public Company Limited and its subsidiary and of Ua Withya Public Company Limited as at December 31, 2017 shows operating results, cash flow with reasonable accuracy accounting to Thai Financial Reporting Standards.



(Police Colonel Kowit Piromwong)
Chairman of the Board of Directors



(Mr. Wutichai Leenabanchong)
Executive Chairman

UA WITHYA PUBLIC COMPANY LIMITED

CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS
31 DECEMBER 2017

Independent Auditor's Report

To the shareholders and the Board of Directors of Ua Withya Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Ua Withya Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
Valuation of goodwill Refer to Notes 4 and 13 to the consolidated and separate financial statements on critical accounting estimates and judgements and goodwill. The Group's goodwill was attributable to the following Cash Generating Units (CGUs) Paradise Green Energy Co., Ltd. (PGE) of Baht 52.32 million; Satuek Biomass Co., Ltd. (SATUEK) of Baht 40.00 million; and UWC Amphan Biomass Co., Ltd. (UAB) of Baht 6.29 million. The Group was required to test goodwill for impairment at least annually. I focused on this area because the goodwill balance is material to the financial statements. Goodwill recoverable amounts are based on management judgments of variables such as revenue, revenue growth, profit margin and discount rates. Management tested the impairment of goodwill by: 1. Determining the recoverable amount of goodwill from the value-in-use for each CGU using a discounted cash flow (DCF) model. The cash flows of PGE are based on forecast cash flows (revenues, expenses and capital expenditure) for CGU for the next five years, with a terminal zero growth rate applied to the fifth year cash flows. The cash flows of SATUEK and UAB are based on forecast cash flows (revenues, expenses and capital expenditure) for each CGU for the remaining periods of power purchase agreements. These cash flows are then discounted to net present value using the weighted average cost of capital (WACC), and 2. Comparing the result of value-in-use for each CGU to their respective book values and determining whether to record an impairment provision if the DCF values in use are less than the book values. Based on the annual goodwill impairment test, management concluded that impairment loss on of PGE's goodwill of Baht 52.32 million was recorded in the consolidated financial statements. The key assumptions are disclosed in Note 13 to the consolidated and separate financial statements.	My key procedures included: • Obtaining, understanding and evaluating management's cash flow forecasts and the process by which the forecasts were developed; • Agreeing the cash flow forecasts with the approved budgets set by management; • Challenging management's key assumptions, such as for revenue, revenue growth, profit margin and discount rates and against the economic and industry outlook, taking into account the sensitivity of the changes in the goodwill balance in the respective assumptions; and • Testing the mathematical accuracy and considering the appropriateness of cash flows including in the enterprise discounted free cash flows model. Based on my procedures, I noted the key assumptions used by management were supportable and appropriate in light of the current environment and circumstances.

Key audit matter	How my audit addressed the key audit matter
<i>Impairment of Investment in associate</i> Refer to Notes 2 and 11 to the consolidated and separate financial statements on significant accounting policies, investments subsidiaries and associates. The Group holds interests in an associate, which is accounted for using the equity method. When the objective evidence that indicates impairment is identified, management assessed impairment by comparing the recoverable amounts of the interest in the associate with their carrying amounts. As at 31 December 2017, due to a downturn in the market, the Group found the carrying amount of an investment in Dimet (Siam) Public Co., Ltd. (DIMET), an associate with ownership interest of 24.50%, exceeded its market value. Hence, the Group assessed impairment on this investment by comparing its recoverable amount with its carrying value. The recoverable amount is the higher of its fair value less cost to sell and its value-in-use. The value-in-use is determined by the enterprise discounted free cash flow model. Based on the assessment result, the impairment loss on DIMET of Baht 110.75 million and Bath 117.34 million were recorded in the consolidated and separate financial statements, respectively. I focused on this area because the impairment loss of the investment in associates is material to the consolidated financial statements.	My key procedures included: • Evaluating management's process for preparing its impairment assessment and evaluating management's experience in prior years and the critical judgement made in the assessment; • Assessing the recoverable amount based on its fair value less cost to sell by reference to the fair value amount to the bid price listed in MAI's market; • Assessing the recoverable amount based on its value-in-use as determined by the enterprise discounted free cash flow model, reviewing documentation supporting key judgements and assumptions, and considering external evidence and the historical accuracy of management's assumptions and forecasts, particularly the growth rate, the margin and the discount rate; • Reconciling input data to supporting evidence, such as approved budgets; • Testing the mathematical accuracy and considering the appropriateness of cash flows included in the enterprise discounted free cash flow model; and • Checking the sensitivity analysis around the key assumptions, to ascertain the extent to which adverse changes, both individual or in aggregate, would result in the investment being impaired. Based on the procedures performed, the key assumptions made by management were reasonable regarding to supported evidence, appropriated with current circumstance and consistent with my understanding.

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Pisit Thangtanagul

Certified Public Accountant (Thailand) No. 4095

Bangkok

22 February 2018

Ua Withya Public Company Limited
Statement of Financial Position
As at 31 December 2017

		Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
Notes		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	103,117,401	454,718,117	60,006,368	392,453,714
Short-term investments	8	872,042	860,331	872,042	860,331
Trade and other receivables	9	648,665,299	477,682,164	632,787,911	390,316,949
Short-term loan to related parties	28.4	8,858,890	12,500,000	1,270,637,901	1,145,577,878
Inventories	10	596,317,486	419,393,528	566,102,401	367,205,518
Other current assets		33,871,374	17,825,321	12,562,688	331,473
Total current assets		1,391,702,492	1,382,979,461	2,542,969,311	2,296,745,863
Non-current assets					
Restricted cash at banks		42,725,000	3,125,000	41,125,000	1,525,000
Investment in subsidiaries	11.1	-	-	531,302,417	599,266,251
Investment in associates	11.2	122,076,045	227,212,163	122,900,375	228,360,983
Property, plant and equipment	12	1,542,668,166	1,407,812,640	314,453,213	288,733,337
Intangible assets	14	375,412,363	424,004,557	2,007,887	2,477,673
Goodwill	13	46,288,517	98,604,170	-	-
Deferred tax assets	18	10,044,953	13,756,949	-	-
Other non-current assets		30,298,013	44,067,915	30,298,013	44,067,915
Total non-current assets		2,169,513,057	2,218,583,394	1,042,086,905	1,164,431,159
Total assets		3,561,215,549	3,601,562,855	3,585,056,216	3,461,177,022

The accompanying notes on pages 13 to 63 are an integral part of these consolidated and separate financial statements.

Ua Withya Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings from financial institutions	15	63,333,042	243,306,453	63,333,042	243,306,453
Trade and other payables	16	500,782,212	266,092,575	421,157,186	169,101,084
Short-term loan from related parties	28.7	168,500,000	-	183,500,000	-
Debentures	15	800,000,000	-	800,000,000	-
Current portion of finance lease agreements	15	7,986,021	9,364,602	1,263,074	1,188,927
Other current liabilities		31,146,569	18,602,025	24,255,027	9,286,696
Total current liabilities		1,571,747,844	537,365,655	1,493,508,329	422,883,160
Non-current liabilities					
Debentures	15	-	800,000,000	-	800,000,000
Liabilities under finance lease agreements	15	9,022,516	13,531,810	1,998,690	3,261,764
Employee benefit obligations	17	38,952,031	34,760,142	36,425,653	33,175,267
Deferred tax liabilities	18	42,915,138	68,259,557	38,973,618	34,912,343
Total non-current liabilities		90,889,685	916,551,509	77,397,961	871,349,374
Total liabilities		1,662,637,529	1,453,917,164	1,570,906,290	1,294,232,534
Equity					
Share capital					
Authorised share capital					
Ordinary shares 19,071,197,130 shares, at par value of Baht 0.10 each	20	<u>1,907,119,713</u>	<u>1,907,119,713</u>	<u>1,907,119,713</u>	<u>1,907,119,713</u>
Issued and fully paid-up share capital					
Ordinary shares 13,162,517,864 shares, fully paid-up of Baht 0.10 each (31 December 2016: ordinary shares 13,162,475,256 shares, fully paid-up of Baht 0.10 each)	20	1,316,251,786	1,316,247,526	1,316,251,786	1,316,247,526
Premium on ordinary shares	20	264,331,893	264,331,893	264,331,893	264,331,893
Surplus - warrants	20	309,998,676	309,998,676	309,998,676	309,998,676
Retained earnings					
Appropriated - legal reserve	23	17,856,197	16,170,354	17,856,197	16,170,354
Retained earnings (deficit)		(271,662,745)	(13,468,930)	(93,349,582)	79,573,483
Other components of equity					
Unrealised gain on revaluation of land		223,920,876	180,622,556	199,060,956	180,622,556
Translation on financial statements		(156,138)	-	-	-
Changes in controlling interest in subsidiaries		(7,192,748)	-	-	-
Equity attributable to owners of the parent		1,853,347,797	2,073,902,075	2,014,149,926	2,166,944,488
Non-controlling interest		<u>45,230,223</u>	<u>73,743,616</u>	<u>-</u>	<u>-</u>
Total equity		1,898,578,020	2,147,645,691	2,014,149,926	2,166,944,488
Total liabilities and equity		3,561,215,549	3,601,562,855	3,585,056,216	3,461,177,022

The accompanying notes on pages 13 to 63 are an integral part of these consolidated and separate financial statements.

Ua Withya Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenues					
Revenue from steel tower manufacturing		923,878,399	765,900,911	923,878,399	765,900,911
Revenue from sale of industrial equipment		11,308,472	18,958,476	11,308,472	18,958,476
Revenue from sale of other products		30,723,158	44,536,129	-	-
Revenue from sale of electricity		355,390,620	271,008,756	-	-
Other income	24	49,923,974	40,986,494	117,500,205	86,317,336
Total revenues	6	<u>1,371,224,623</u>	<u>1,141,390,766</u>	<u>1,052,687,076</u>	<u>871,176,723</u>
Expenses	26				
Cost of steel tower manufacturing		868,115,830	689,379,507	868,115,830	689,379,507
Cost of sale of industrial equipment		7,749,323	13,386,415	7,749,323	13,386,415
Cost of sale of other products		66,362,786	63,051,636	-	-
Cost of sale of electricity		364,141,598	212,853,962	-	-
Selling expenses		10,211,456	12,347,458	4,660,756	4,527,072
Administrative expenses		129,720,233	164,867,144	72,591,877	69,351,041
Other expenses		163,070,590	878,142	199,688,834	15,207,848
Finance costs	25	52,642,259	59,518,392	57,503,698	58,908,431
Total expenses		<u>1,662,014,075</u>	<u>1,216,282,656</u>	<u>1,210,310,318</u>	<u>850,760,314</u>
Share of result of investments - equity method	11.2	(6,261,215)	(4,560,086)	-	-
(Loss) profit before income tax		<u>(297,050,667)</u>	<u>(79,451,976)</u>	<u>(157,623,242)</u>	<u>20,416,409</u>
Income tax revenue (expense)	19	23,479,468	25,923,761	(8,376,628)	(4,237,552)
(Loss) profit for the period from continuing operations		<u>(273,571,199)</u>	<u>(53,528,215)</u>	<u>(165,999,870)</u>	<u>16,178,857</u>
Loss for the period from discontinued operations		-	(2,514,197)	-	-
(Loss) profit for the year		<u>(273,571,199)</u>	<u>(56,042,412)</u>	<u>(165,999,870)</u>	<u>16,178,857</u>
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations	17	(6,809,593)	(4,168,457)	(6,546,690)	(5,177,794)
Gains on revaluation of land and buildings	12	54,122,900	-	23,048,000	-
Income tax relating to items that will not be reclassified	18	(9,462,662)	833,692	(3,300,262)	1,035,559
Total items that will not be reclassified to profit or loss		<u>37,850,645</u>	<u>(3,334,765)</u>	<u>13,201,048</u>	<u>(4,142,235)</u>
Items that will be reclassified subsequently to profit or loss					
Currency differences on translation		(223,054)	-	-	-
Total items that will be reclassified subsequently to profit or loss		<u>(223,054)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the year, net of tax		<u>37,627,591</u>	<u>(3,334,765)</u>	<u>13,201,048</u>	<u>(4,142,235)</u>
Total comprehensive income for the year		<u>(235,943,608)</u>	<u>(59,377,177)</u>	<u>(152,798,822)</u>	<u>12,036,622</u>
(Loss) profit attributable to:					
Shareholders of the parent		(250,970,209)	(35,410,029)	(165,999,870)	16,178,857
Non-controlling interests		(22,600,990)	(20,632,383)	-	-
		<u>(273,571,199)</u>	<u>(56,042,412)</u>	<u>(165,999,870)</u>	<u>16,178,857</u>
Total comprehensive income attributable to:					
Shareholders of the parent		(213,365,790)	(38,744,794)	(152,798,822)	12,036,622
Non-controlling interests		(22,577,818)	(20,632,383)	-	-
		<u>(235,943,608)</u>	<u>(59,377,177)</u>	<u>(152,798,822)</u>	<u>12,036,622</u>
Earnings per share	27				
Basic earnings per share					
From continuing operations		(0.0191)	(0.0027)	(0.0126)	0.0012
From discontinued operations		-	(0.0002)	-	-
Diluted earnings per share					
From continuing operations		(0.0191)	-	(0.0126)	0.0011
From discontinued operations		-	-	-	-

The accompanying notes on pages 13 to 63 are an integral part of these consolidated and separate financial statements.

Consolidated financial statements

	Notes	Attributable to owners of the parent									
		Retained earnings		Other components of equity				Changes in			
				Other comprehensive income				Unrealised gain on revaluation of land		Translation on financial statements	
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
		Issued and fully paid-up share capital	Premium on ordinary shares	Surplus-warrants	Appropriated - legal reserve	Unappropriated	Unrealised gain on revaluation of land	Translation on financial statements	Changes in interest in subsidiaries	Total owners of the parent	Non-controlling interests
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2016		1,316,212,957	264,331,893	309,998,676	15,417,135	52,352,782	180,622,556	-	-	2,138,935,999	94,375,999
Changes in equity for the year											
Issuance of ordinary shares from exercise of warrants	20	34,569	-	-	-	-	-	-	-	34,569	-
Appropriation to legal reserve	23	-	-	-	753,219	(753,219)	-	-	-	-	-
Dividends	22	-	-	-	-	(26,323,699)	-	-	-	(26,323,699)	-
Total comprehensive income for the year		-	-	-	-	(38,744,794)	-	-	-	(38,744,794)	(20,632,383)
Closing balance at 31 December 2016		1,316,247,526	264,331,893	309,998,676	16,170,354	(13,468,930)	180,622,556	-	-	2,073,902,075	73,743,616
Opening balance at 1 January 2017		1,316,247,526	264,331,893	309,998,676	16,170,354	(13,468,930)	180,622,556	-	-	2,073,902,075	73,743,616
Changes in equity for the year											
Issuance of ordinary shares from exercise of warrants	20	4,260	-	-	-	-	-	-	-	4,260	-
Addition of investment in subsidiaries by purchasing		-	-	-	-	-	-	-	-	-	301,472
Appropriation to legal reserve	23	-	-	-	1,685,843	(1,685,843)	-	-	-	-	-
Changes in controlling interest in subsidiaries	11.1	-	-	-	-	-	-	-	(7,192,748)	(7,192,748)	(6,237,047)
Total comprehensive income for the year		-	-	-	-	(256,507,972)	43,298,320	(156,138)	-	(213,365,790)	(22,577,818)
Closing balance at 31 December 2017		1,316,251,786	264,331,893	309,998,676	17,856,197	(271,662,745)	223,920,876	(156,138)	(7,192,748)	1,853,347,797	45,230,223
											1,898,578,020

The accompanying notes on pages 13 to 63 are an integral part of these consolidated and separate financial statements.

Ua Withya Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2017

Separate financial statements									
Notes	Issued and fully paid-up share capital	Premium on ordinary shares	Surplus- warrants	Retained earnings		Other components of equity		Total equity	Baht
				Appropriated - legal reserve	Unappropriated	Unrealised gain on revaluation of land	Baht		
	Baht	Baht	Baht	Baht	Baht	Baht	Baht		
Opening balance at 1 January 2016	1,316,212,957	264,331,893	309,998,676	15,417,135	94,613,779	180,622,556		2,181,196,996	
Changes in equity for the year									
Issuance of ordinary shares	34,569	-	-	-	-	-	-	34,569	
Appropriation to legal reserve	-	-	-	753,219	(753,219)	-	-	-	
Dividends	-	-	-	-	(26,323,699)	-	-	(26,323,699)	
Total comprehensive income for the year	-	-	-	-	12,036,622	-	-	12,036,622	
Closing balance at 31 December 2016	1,316,247,526	264,331,893	309,998,676	16,170,354	79,573,483	180,622,556		2,166,944,488	
Opening balance at 1 January 2017	1,316,247,526	264,331,893	309,998,676	16,170,354	79,573,483	180,622,556		2,166,944,488	
Changes in equity for the year									
Issuance of ordinary shares	4,260	-	-	-	-	-	-	4,260	
Appropriation to legal reserve	-	-	-	1,685,843	(1,685,843)	-	-	-	
Total comprehensive income for the year	-	-	-	-	(171,237,222)	18,438,400		(152,798,822)	
Closing balance at 31 December 2017	1,316,251,786	264,331,893	309,998,676	17,856,197	(93,349,582)	199,060,956		2,014,149,926	

The accompanying notes on pages 13 to 63 are an integral part of these consolidated and separate financial statements.

Ua Withya Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash flows from operating activities					
(Loss) profit before income tax		(297,050,667)	(81,966,173)	(157,623,242)	20,416,409
Adjustments for:					
Interest income	24	(9,069,841)	(3,376,737)	(79,377,112)	(58,890,938)
Interest expenses	25	48,231,283	55,874,454	53,092,722	55,265,249
Doubtful accounts	26	4,735,220	5,062,077	-	1,969,108
Reversal of allowance for doubtful accounts	26	-	(2,495,711)	-	(2,495,711)
Allowance for decline in value of inventories (reversal)	26	1,896,876	283,687	159,796	(2,031,994)
Depreciation	12	91,142,746	72,066,920	9,572,784	8,451,799
Amortisation	14	48,711,494	44,886,165	514,086	565,005
Employee benefit obligations	17	3,702,265	4,338,515	3,023,665	2,539,303
Gain on disposal of investments in joint ventures	24	-	(13,739,616)	-	(4,812,500)
Unrealised loss on foreign exchange		488,912	3,316	926,313	3,316
Loss from sales of investment in subsidiary		-	878,142	-	15,207,848
Gain from disposal of equipment		(1,800)	-	(1,800)	(26,261)
Shares of results of investments in joint venture		-	3,411,266	-	-
Shares of results of investments in associates	11.2	6,261,215	1,148,820	-	-
Loss on impairment of investment in associates	11.2	110,754,937	-	117,340,642	-
Loss on impairment of investment in subsidiary	11.1	-	-	82,348,192	-
Loss on impairment of goodwill	13	52,315,653	-	-	-
Changes in operating assets and liabilities					
Trade and other receivables		(175,138,147)	5,141,603	(209,880,129)	118,714,019
Inventories		(178,985,795)	22,057,709	(199,056,679)	60,410,713
Other current assets		(17,869,877)	(5,465,497)	(12,231,215)	2,851,657
Other non-current assets		5,977	-	5,977	-
Trade and other payables		242,853,606	(34,814,781)	261,492,101	(91,010,323)
Employee benefit obligations	17	(6,319,969)	(6,257,970)	(6,319,969)	(6,257,970)
Other current liabilities		12,538,544	(1,714,661)	14,968,331	(7,006,737)
Cash generated from operations		(60,797,368)	65,321,528	(121,045,537)	113,861,992
Interest received		8,610,995	7,009,159	45,856,485	2,676,933
Income tax received		21,255,488	23,527,183	21,255,488	23,527,183
Interest paid		(45,233,905)	(50,373,444)	(50,132,051)	(45,798,837)
Income tax paid		(13,283,356)	(26,783,196)	(15,107,178)	(24,451,614)
Net cash (used in) generated from operating activities		(89,448,146)	18,701,230	(119,172,793)	69,815,657

The accompanying notes on pages 13 to 63 are an integral part of these consolidated and separate financial statements.

Ua Withya Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2017

		Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Notes					
Cash flows from investing activities					
		(11,711)	(12,623)	(11,711)	(12,623)
Cash paid for short-term investments - fixed deposits					
Increase in restricted cash		(39,600,000)	(1,600,000)	(39,600,000)	-
Cash paid for short-term loan to related parties	28.4	(9,347,802)	(119,775,988)	(223,413,673)	(821,334,095)
Acquisition of equipment		(166,150,052)	(152,265,551)	(11,829,660)	(11,863,091)
Acquisition of intangible assets	14	(119,300)	(167,279)	(44,300)	(132,900)
Acquisition of investment in associates	11.2	(11,880,034)	(228,360,983)	(11,880,034)	(228,360,983)
Acquisition of investment in subsidiaries, net of cash received		(10,262,372)	(617,815,498)	(11,676,007)	(158,493,314)
Repayment received from short-term loans to related parties	28.4	-	126,815,988	84,927,794	159,545,650
Proceeds from sales of investment in subsidiary		-	134,800,000	-	134,800,000
Proceeds from sales of joint ventures		-	66,000,000	-	66,000,000
Proceeds from deposit for business acquisition		-	9,000,000	-	9,000,000
Proceeds from disposal of equipment		1,800	2,797,612	1,800	26,262
Net cash used in investing activities		(237,369,471)	(780,584,322)	(213,525,791)	(850,825,094)
Cash flows from financing activities					
Proceeds from short-term borrowings from financial institutions		80,000,000	-	80,000,000	-
Proceeds from short-term loans from parent	28.7	80,000,000	-	80,000,000	-
Proceeds from short-term loans from related parties	28.7	88,500,000	-	103,500,000	-
Proceeds from issues of debentures		-	800,000,000	-	800,000,000
Proceeds from exercise of warrants	20	4,260	34,569	4,260	34,569
Repayment of short-term borrowings from financial institutions		(280,000,000)	(104,547,061)	(280,000,000)	(104,547,061)
Repayment to liabilities under finance lease agreements		(11,221,875)	-	(1,188,927)	-
Dividends paid		-	(26,323,699)	-	(26,323,699)
Net cash (used in) provided by financing activities		(42,717,615)	669,163,809	(17,684,667)	669,163,809
Net decrease in cash and cash equivalents		(369,535,232)	(92,719,283)	(350,383,251)	(111,845,628)
Opening balance of cash and cash equivalents		454,718,117	547,437,400	392,453,714	504,299,342
Effects of exchange changes		(1,389)	-	-	-
Closing balance of cash and cash equivalents		85,181,496	454,718,117	42,070,463	392,453,714
For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:					
Cash and cash equivalents	7	103,117,401	454,718,117	60,006,368	392,453,714
Bank overdrafts	15	(17,935,905)	-	(17,935,905)	-
		85,181,496	454,718,117	42,070,463	392,453,714
Significant non-cash transactions					
Acquisition of equipment which has not been paid		415,000	-	415,000	-
Addition from finance lease		5,334,000	1,160,501	-	1,024,511

1 General information

Ua Withya Public Company Limited (“the Company”) is a public company limited, incorporated and resident in Thailand. The Company is listed in the Market for Alternative Investment (“MAI”) in Thailand. The address of its registered office is as follows:

247 Romklao Road, Saensaeab, Minburi, Bangkok.

The Company operates in business of manufacturing galvanized steel structure, electricity poles, telecommunication poles, electricity sub-station, galvanizing service and distributing power transmission equipment.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Group are summarised as follows:

Company	Nature of business
1. Paradise Green Energy Company Limited	Biogas power plant and distributing transformed products from energy crops business and selling agricultural products
2. UWC Komen Biomass Company Limited	Biomass power plant
3. UWC Solar Company Limited	Solar power plant
4. Satuek Biomass Company Limited	Biomass power plant
5. UWC Amphan Biomass Company Limited	Biomass power plant
6. Green Energy Plantation Company Limited	Manufacturing and selling agricultural products
7. UWCC (Cambodia) Company Limited	Manufacturing and selling woodchips

This Group consolidated and separate financial statements were authorised for issuing by the authorised Board of Directors on 22 February 2018.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis of preparation

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

The consolidated and separate financial statements have been prepared under the historical cost convention, except short-term investments (Note 2.6) and land (Note 2.9) as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 4.

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

2.2 Revised financial reporting standards, and related interpretations

Revised financial reporting standards and interpretations for the period are effective for accounting periods beginning on or after 1 January 2017 and 2018.

The Group's management assessed and considered that the revised standards will not have a material impact on the Group except for disclosure.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries

(1) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations, except business combinatory under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognise and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(2) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Disposal of subsidiary

When the Group ceases to have control it shall ceased to consolidate its subsidiaries. Any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries (Cont'd)

(4) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

(5) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in associates is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduction of the ownership interest in an associate is recognised in profit or loss.

The Group's share of its associates post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates equals or exceeds its interest in the associates, together with any long-term interests that, in substance, form part of the entity's net investment in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of associates in profit or loss.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(6) Separate financial statement

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

2 Accounting policies (Cont'd)

2.4 Foreign currency translation (Cont'd)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

(c) Group companies

The results and financial position of all of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.5 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Short-term investments

Investments other than investments in subsidiaries, associates and joint ventures are classified into the following three categories: (1) trading investments; (2) held-to-maturity investments; and (3) available-for-sale investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- (1) Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
- (2) Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- (3) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

2 Accounting policies (Cont'd)

2.6 Short-term investments (Cont'd)

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available for sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.7 Trade and other receivables

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within selling expenses.

2.8 Inventories

Inventories of the Group comprises raw materials (steel), industrial goods, agricultural products, biomass materials, factory supplies and work in progress.

Inventories are stated at the lower of either the cost and the net realisable value.

The cost of raw materials (steel), agricultural products, biomass materials, factory supplies and work in progress is determined by the weighted average method. The cost of industrial goods is determined by the first-in, first-out method.

The cost of finished goods comprises the purchase cost, conversion cost and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, the cost of goods is determined by the weighted average method, considered an appropriate cost allocation of production overheads. It is based on normal operating capacity.

Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.9 Property, plant and equipment

Land is shown at revalued amount, based on valuations by external independent valuers every 3 years. All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

2 Accounting policies (Cont'd)

2.9 Property, plant and equipment (Cont'd)

Increases in the carrying amount arising on revaluation of land are credited to other comprehensive income and shown as gain on asset revaluation in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against gain on asset revaluation directly in equity; all other decreases are charged to the statement of income each year.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building	10 - 20 years
Machinery and equipment	5 - 10 years
Furniture and fixture, and office equipment	5 years
Vehicle	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within profit or loss.

When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

2.10 Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liability of the acquired subsidiary and the fair value of the non-controlling interest in the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries (Note 2.3) is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

2.11 Intangible assets

Computer software licences

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of not more than 10 years.

Right to sale under Power Purchase Agreement

The right to sale under Power Purchase Agreements arising on acquisitions of subsidiary is amortised over the periods of the Power Purchase Agreements which are between 8 to 13 years. Amortisation is calculated using the straight-line method.

2 Accounting policies (Cont'd)

2.12 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.13 Lease - Where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

2.14 Borrowing

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised as expense in the period in which they are incurred.

2 Accounting policies (Cont'd)

2.15 Current and deferred income taxes

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting year in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management yearically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates and joint arrangements, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.16 Employee benefits

Retirement benefit

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in income statement.

2 Accounting policies (Cont'd)

2.17 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Share capital

Ordinary shares is classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transact costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.19 Warrants

Warrants are issued to existing shareholders to subscribe for ordinary shares. Proceeds from issuing warrants are shown net of related expenses under the caption of "Warrants" in shareholders' equity when the warrants are issued.

2.20 Revenue recognition

Revenue from sales

Revenue from projects

Revenue from projects is recognised when the projects are completely inspected by and delivered to the buyer at the Company's plant because the significant risks and rewards of ownership have been transferred to the buyer.

For the projects which included transportation to the customer, revenue is recognized when the customer assigned the work and issued the invoice (if any). Assigned work can be classified in proportion to its completion and delivery to the customer.

Revenue from sale industrial products and agricultural products

Revenue from sale of products is recognised when delivered goods and issued invoice to customers.

Revenue from sale of electricity

Revenue from sale of electricity and heat energy is recognised in profit or loss according to the term set out in the agreement to obtain the right of production and distribution of electricity. The revenue from sale of electricity is calculated basing on the accepted actual delivered electricity shown on the meter and the average price of each month according to the set out in the agreement.

2 Accounting policies (Cont'd)

2.20 Revenue recognition (Cont'd)

Other income

Interest income is recognised on a time proportion basis, taking into account the outstanding principle and the effective rate over the period to maturity, when it is determined that such income will accrue to the Company.

Income from the sale of raw materials scrap (steel) is recognised when the process of bidding occurs.

2.21 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders, and interim dividend are approved by the Board of Directors.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as "the board of directors" that makes strategic decisions.

3 Financial risk management

3.1 Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates risk, foreign exchange risk, market price risk of raw materials, credit risk, liquidity risk, and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

3.1.1 Interest rates risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Majority of the Company's short-term borrowings are charged at fixed interest rate, which was agreed at the beginning of each borrowing.

3.1.2 Foreign exchange risk

The Group is exposed to immaterial foreign currency risk relating to purchases which are denominated in foreign currencies. The Group does not enter into forward exchange contracts to hedge liabilities denominated in foreign currencies.

3.1.3 Market price risk of raw materials

The Company is exposed to market price risk of raw materials relating to purchases of steel, which is commodity that subjects to fluctuation in world market price. Management closely monitors price trend of steel and plan material usage ahead, in order to manage material purchase effectively. Nonetheless, the Company does not enter into forward contract to hedge against material price.

3 Financial risk management (Cont'd)

3.1 Financial risk management policies (Cont'd)

3.1.4 Credit risk

The Company has a credit policy in place to make sure that sales of products and services are made to customer with an appropriate credit history based on credit evaluation. The Company also closely follows up its receivables. Most sales made require credit over a certain amount. At the reporting date the Company has no significant concentrations of credit risk. Cash transactions are limited to high credit quality financial institutions.

3.1.5 Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operation. The Company invests excess liquidity in capital market to manage liquidity risk prudentially.

3.2 Fair value estimation

The different levels of valuation method have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

See Note 12 for disclosures of the land that are measured at fair value.

4 Critical accounting estimates and assumptions

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting result of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below

a) Business acquisition

The Group determines the fair value of the net identifiable assets by using the purchase price allocation method. The goodwill is dependent on the fair value of the net assets acquired. The valuation methodology involves management's judgement, based on the inputs and assumptions in the model, which affect the valuation of goodwill.

b) Estimated impairment of goodwill, property, plant and equipment and intangible assets

The Group tests annually whether goodwill has suffered any impairment, in accordance with accounting policy stated in Note 2.10. The Group also considers impairment indicator for property, plant and equipment and intangible assets. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. The change in the assumption used would impact the recoverable amount.

c) Allowance for doubtful accounts

Allowances for doubtful accounts are intended to adjust the value of receivables for probable credit loss. The management uses judgment to establish reserves for estimated loss for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of percentage of revenues, analysis of debt aging, collection experience, and taking into account of change in the current economic environment. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable loss and adjustments to the allowances may therefore be required in the future.

4 Critical accounting estimates and assumptions (Cont'd)

d) Useful lives for property, plant and equipment and intangible assets

The annual depreciation charge is sensitive to the estimated useful lives and residual values allocated to each type of asset. Useful lives and residual values are assessed annually and change when necessary to reflect current situation on their remaining useful lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned.

e) Deferred tax

Deferred tax assets and liabilities are recognised for temporary difference arising between tax bases of assets and liabilities and their carrying amount for accounting purposes as at the end of reporting date. Significant management judgment is used in considering whether it is highly probable that the Group will generate sufficient taxable profits from its future operations to minimize these deferred tax assets. The Group's assumptions regarding the future taxable profits and the anticipated timing of minimise of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on financial position and results of operations.

f) Employee benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employee benefit include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of high-quality government bonds that are denominated in the currency in which the benefits will be paid.

Other key assumptions for employee benefits are based in part on current market conditions. Additional information is disclosed in Note 17.

5 Capital risk management

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

6 Segment information

The Group's management has determined segment information in respect of the Group's business and geographic segments in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decision. The chief operating decision-maker review operating results in the same dimension as presented on the financial statements, principally based on profit (loss) before income tax.

Geographic segment

Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

6 Segment information (Cont'd)

Business segment

The Group comprises the following main business segments:

Segment 1: represents the business of manufacturing galvanized steel structure, electricity poles, telecommunication poles, electricity sub-station, galvanizing service and distributing power transmission equipment.

Segment 2: represents the business of property development which sold in November 2016.

Segment 3: represents the business of sale of other products.

Segment 4: represents the business of biomass power plant.

Consolidated financial statements					
	Segment 1	Segment 2	Segment 3	Segment 4	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
For the year then ended 31 December 2016					
Revenues from operation	880.10	-	45.34	271.99	1,197.43
<u>Less</u> Revenues from inter - segment	(55.66)	-	(0.38)	-	(56.04)
Total revenue	824.44	-	44.96	271.99	1,141.39
Segment results	36.86	-	(52.35)	(38.04)	(53.53)
Discontinued operations	-	(2.51)	-	-	(2.51)
Consolidated financial statements					
	Segment 1	Segment 2	Segment 3	Segment 4	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
For the year then ended 31 December 2017					
Revenues from operation	1,052.69	-	31.64	358.75	1,443.08
<u>Less</u> Revenues from inter - segment	(70.48)	-	-	(1.38)	(71.86)
Total revenue	982.21	-	31.64	357.37	1,371.22
Segment results	18.22	-	(107.32)	(73.72)	(162.82)
<u>Less</u> Loss on impairment of investment in associate					(110.75)
Operation results					(273.57)

There is a major customer who contributes around 37.80% of revenue from segment 1 (2016: 51.77%).

Revenues from inter-segment are interest on loan from segment 1 to other segments.

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash on hand	1,187,913	748,139	347,485	358,419
Deposits with banks - current and saving accounts	97,887,204	450,205,614	55,616,599	388,330,931
Short-term bank deposits	4,042,284	3,764,364	4,042,284	3,764,364
	103,117,401	454,718,117	60,006,368	392,453,714

During 2017, the interest rate of saving deposits at banks is 0.13% - 0.75% per annum (2016: 0.38% - 0.75% per annum).

During 2017, the interest rate on short-term bank deposits was 0.80% - 1.38% per annum (2016: 0.80% - 0.95% per annum) and these deposits have maturity within 3 months.

Cash, cash equivalents and bank overdrafts include the following for the purposes of the statement of cash flows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash and cash equivalent	103,117,401	454,718,117	60,006,368	392,453,714
Bank overdrafts (Note 15)	(17,935,905)	-	(17,935,905)	-
	85,181,496	454,718,117	42,070,463	392,453,714

8 Short-term investments

	Consolidated and Separate financial statements	
	2017 Baht	2016 Baht
Held-to-maturity debt securities - Fixed deposit accounts	872,042	860,331

Fixed deposit accounts represented fixed deposits at banks that have maturity dates within 12 months and carry interest at rate 1.38% per annum (2016: 1.38% - 1.50% per annum).

9 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade receivables - third parties	444,620,255	235,593,791	351,713,330	124,083,768
<u>Less</u> Allowance for doubtful accounts	(18,484,360)	(16,840,244)	(13,747,275)	(13,747,275)
Trade receivables - third parties, net	426,135,895	218,753,547	337,966,055	110,336,493
Trade receivables - related companies	14,121,977	16,620,653	14,127,113	15,855,269
<u>Less</u> Allowance for doubtful accounts	(14,120,263)	(14,120,263)	(14,120,263)	(14,120,263)
Trade receivables - related companies, net (Note 28.3)	1,714	2,500,390	6,850	1,735,006
Other receivables - third parties	10,555,330	25,631,961	8,608,010	11,333,817
Other receivables - related companies	172,706,187	172,504,984	172,706,187	172,504,984
<u>Less</u> Allowance for doubtful accounts	(272,176)	(272,176)	(272,176)	(272,176)
Other receivables - related companies, net (Note 28.3)	172,434,011	172,232,808	172,434,011	172,232,808
Prepaid expense	26,842,937	25,462,122	10,088,112	7,060,797
Accrued income - third parties	5,272,641	23,933,300	5,272,148	23,930,574
Accrued income - related companies (Note 28.3)	2,544,556	929,794	98,412,725	63,687,454
Deposit for biomass material	4,878,215	8,238,242	-	-
	<u>648,665,299</u>	<u>477,682,164</u>	<u>632,787,911</u>	<u>390,316,949</u>

Outstanding trade receivables can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Third parties				
Within credit terms	363,159,503	142,304,881	276,383,372	30,900,925
Overdue:				
Less than 3 months	54,468,495	62,836,139	53,598,248	62,730,072
3 - 6 months	8,942,395	13,860,291	7,984,435	13,860,291
6 - 12 months	1,456,618	1,087,733	-	1,087,733
Over 12 months	16,593,244	15,504,747	13,747,275	15,504,747
	444,620,255	235,593,791	351,713,330	124,083,768
<u>Less</u> Allowance for doubtful accounts	(18,484,360)	(16,840,244)	(13,747,275)	(13,747,275)
	<u>426,135,895</u>	<u>218,753,547</u>	<u>337,966,055</u>	<u>110,336,493</u>
Related companies (Note 28.3)				
Within credit terms	-	897,764	5,136	132,380
Overdue:				
Less than 3 months	1,714	447,592	1,714	447,592
3 - 6 months	-	1,155,034	-	1,155,034
6 - 12 months	-	-	-	-
Over 12 months	14,120,263	14,120,263	14,120,263	14,120,263
	14,121,977	16,620,653	14,127,113	15,855,269
<u>Less</u> Allowance for doubtful accounts	(14,120,263)	(14,120,263)	(14,120,263)	(14,120,263)
	<u>1,714</u>	<u>2,500,390</u>	<u>6,850</u>	<u>1,735,006</u>

10 Inventories

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Raw material	261,537,014	218,550,940	238,291,131	169,171,589
Factory supplies (net with allowance)	52,207,566	39,189,389	52,168,709	39,189,390
Work in progress (net with allowance)	277,178,208	157,090,155	271,679,739	155,165,246
Finished goods (net with allowance)	5,394,698	4,563,044	3,962,822	3,679,293
	<u>596,317,486</u>	<u>419,393,528</u>	<u>566,102,401</u>	<u>367,205,518</u>

The cost of inventories included in cost of goods sold amounting to Baht 630.53 million (2016: Baht 562.92 million).

Allowance for obsolescence of finished goods totaling Baht 15.19 million (2016: Baht 14.74 million). There is no allowance for decline in value of work in progress (2016: Baht 0.29 million).

11 Investments in subsidiaries and associates

11.1 Investment in subsidiaries

The details of investments in subsidiaries as follows:

Name of the entity	Type of business	Country of incorporation	Issued and paid-up share capital		Ownership interest	
			31 December 2017 Million Baht	31 December 2016 Million Baht	31 December 2017 %	31 December 2016 %
1. Paradise Green Energy Co., Ltd.	Agricultural product	Thailand	250.00	250.00	65.00	60.00
2. UWC Komen Biomass Co., Ltd.	Biomass power plant project	Thailand	240.00	240.00	99.99	99.99
3. UWC Solar Co., Ltd.	Solar power plant project	Thailand	18.25	18.25	99.99	99.99
4. SATUEK Biomass Co., Ltd.	Biomass power plant project	Thailand	16.25	260.00	99.99	99.99
5. UWC Amphan Biomass Company Limited	Biomass power plant project	Thailand	9.38	150.00	99.99	99.99
6. Green Energy Plantation Company Limited	Agricultural product	Thailand	0.10	-	55.00	-
7. UWCC (Cambodia) Company Limited	Woodchips product	Cambodia	US\$ 25,000	-	70.00	-

Movements of Investments in subsidiaries can be analysed as follows:

	Separate Financial statements Baht
For the year ended 31 December 2017	
Opening net book amount	599,266,251
Additions	14,384,358
Loss from impairment of investment in subsidiary	(82,348,192)
Closing net book amount	<u>531,302,417</u>

11 Investments in subsidiaries and associates (Cont'd)

11.1 Investment in subsidiaries (Cont'd)

Transactions incurred during 2017

Green Energy Plantation Company Limited (“GEP”)

On 17 April 2017, the Company acquired GEP by investing in 20,000 ordinary shares at par value of Baht 5 per share, totaling 55,000 Baht representing ownership interest of 55.00%.

UWCC (Cambodia) Company Limited (“UWCC”)

On 24 April 2017, the Company acquired UWCC, a new established company, by investing in 1,000 ordinary shares totaling Baht 0.89 million, representing ownership interest of 70.00%.

Satuek Biomass Company Limited (“SATUEK”)

On 10 March 2017, the Extraordinary General Meeting of the Shareholders No. 1/2017 has approved to reduce the number of the Company's common share from 2,600,000 shares to 650,000 shares, Baht 100 per share. The reduction amount will be compensated with the deficits. The Company completed the share reduction process and registered with the Ministry of Commerce on 19 May 2017.

On 7 June 2017, the Extraordinary General Meeting of the Shareholders No. 2/2017 has approved to reduce the number of the Company's common share from 650,000 shares to 162,500 shares, Baht 100 per share. The reduction amount will be compensated with the deficits. The Company completed the share reduction process and registered with the Ministry of Commerce on 17 July 2017.

UWC Amphan Biomass Company Limited (“UAB”)

On 10 March 2017, the Extraordinary General Meeting of the Shareholders No. 1/2017 has approved to reduce the number of the Company's common share from 1,500,000 shares to 375,000 shares, Baht 100 per share. The reduction amount will be compensated with the deficits. The Company completed the share reduction process and registered with the Ministry of Commerce on 9 May 2017.

On 31 May 2017, the Extraordinary General Meeting of the Shareholders No. 2/2017 has approved to reduce the number of the Company's common share from 375,000 shares to 93,750 shares, Baht 100 per share. The reduction amount will be compensated with the deficits. The Company completed the share reduction process and registered with the Ministry of Commerce on 19 July 2017.

Paradise Green Energy Co., Ltd. (“PGE”)

During the fourth quarter of 2017, the Company made addition investment in PGE amounting to Baht 13.43 million. Accordingly, the Company's shareholding proportion in PGE increased to 65.00% (31 December 2016: 60.00%). The Group recognised loss on change in controlling-interest in subsidiary amounting to Baht 7.19 million directly in equity attributed to the owners of the parent in the consolidated financial statements.

The Company assessed the impairment of investment in PGE and recognized impairment loss of Baht 82.35 million under “Other expenses” in the separate financial statements for the year ended 31 December 2017.

Transactions incurred during 2016

Imperial Land Company Limited (“IMP”)

On 13 February 2015, the Extraordinary Meeting of Shareholders no. 1/2558 approved disposal of investment in IMP to EMC Plc., a related company, which is a related party transaction, representing 100.00% sales of paid-up capital in the subsidiary.

In October 2016, the Board of Directors Meeting of EMC approved payment of acquisition of IMP shares. The transaction was completed in November 2016. The Group received the net proceeds of Baht 304.89 million. The Group recognised loss from sale of investment of Baht 0.88 million under “Loss from investment in subsidiary” in the consolidated financial statements. The Group ceased consolidating IMP since 1 November 2016.

In the separate financial statements, the net book value of investment in IMP was derecognised and loss from disposal of Baht 15.21 million was recognised under “Loss from investment in subsidiary”.

11 Investments in subsidiaries and associates (Cont'd)

11.1 Investment in subsidiaries (Cont'd)

Transactions incurred during 2016 (Cont'd)

Paradise Green Energy Co., Ltd. ("PGE")

On 3 July 2015, the Company acquired PGE by investing in 24,000 ordinary shares at par value of Baht 100 per share totaling Baht 2.40 million. The Group has ownership interest of 60.00% in PGE. PGE additionally issued 2,460,000 ordinary shares at par value of Baht 100 per shares. PGE and non-controlling interest additionally invested 1,476,000 shares and 984,000 shares, respectively. PGE has called total subscription of Baht 147.60 million and Baht 98.40 million, respectively. There was no change in ownership interest.

The Group completed measurement of fair value of identifiable assets acquired and liabilities assumed of PGE in the third quarter of 2016. In consideration of fair value of net assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

The fair value of identifiable assets acquired and liabilities assumed from this acquisition was as follows:

	Baht
Trade and other receivables	128,530
Other current assets	83,825
Property, plant and equipment	196,349,784
Other non-current assets	816,571
Trade and other payables	(696,033)
Other current liabilities	(371,345)
Net fair value	196,311,332
<u>Less</u> Non-controlling interest	(100,000,000)
Net fair value acquired	96,311,332
Consideration paid	150,000,000
Cash received from the subsidiary on acquisition date	(1,373,015)
Net consideration paid	148,626,985
The difference between consideration and fair value of net assets (Goodwill)	52,315,653

The net consideration paid exceed the fair value of net identifiable assets and identifiable liabilities of Baht 52.32 million was recognised as goodwill. The Group expects to receive future benefit from such investment by gaining know how of agricultural and development of product line in agriculture. In the fourth quarter of 2017, the company tested impairment of goodwill and fully recorded impairment loss of goodwill (Note 13).

The Group recognises non-controlling interest in the acquire at the non-controlling interest's proportionates share of the acquiree's net assets.

11 Investments in subsidiaries and associates (Cont'd)

11.1 Investment in subsidiaries (Cont'd)

Transactions incurred during 2016 (Cont'd)

UWC Komen Biomass Co., Ltd. ("UKB")

On 21 September 2015, the Company acquired UKB by investing in 24,000,000 ordinary shares at par value of Baht 10 per share totaling Baht 240.00 million. The Group has ownership interest of 99.99% in UKB.

The Group completed measurement of fair value of identifiable assets acquired and liabilities assumed of UKB in the third quarter of 2016. In consideration of fair value of net assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

The fair value of identifiable assets acquired and liabilities assumed from this acquisition was as follows:

	<u>Baht</u>
Trade and other receivables	586,008
Other current assets	1,376,773
Property, plant and equipment	360,137,314
Power purchase agreement	157,000,000
Trade and other payables	(17,900,644)
Other current liabilities	(471,084)
Current portion of liabilities under finance lease agreement	(1,180,985)
Deferred tax liabilities	(11,886,752)
Net fair value	487,660,630
<u>Less</u> Non-controlling interest	-
Net fair value acquired	487,660,630
Consideration paid	161,212,431
Cash paid for loan to the subsidiary	343,479,258
Cash received from the subsidiary on acquisition date	(20,654,625)
Net consideration paid	484,037,064
Gain from bargain purchase	3,623,566

The fair value of net identifiable assets and identifiable liabilities exceed the net consideration paid by Baht 3.62 million. It was recognised in the consolidated profit or loss as gain from bargain purchase under "Other income". The net consideration paid is lower than the fair value of net assets acquired due to the Group's negotiation capability.

11 Investments in subsidiaries and associates (Cont'd)

11.1 Investment in subsidiaries (Cont'd)

Transactions incurred during 2016 (Cont'd)

Satuek Biomass Company Limited (“SATUEK”)

On 15 February 2016, the Company has invested in 2,600,000 ordinary shares at par value of Baht 100 per share, which represents ownership interest of 99.99% in SATUEK.

The Group completed measurement of fair value of identifiable assets acquired and liabilities assumed of SBP in the fourth quarter of 2016. In consideration of fair value of net assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

The fair value of identifiable assets acquired and liabilities assumed from this acquisition was as follows:

	Baht
Inventories	184,392
Other current assets	2,503,891
Property, plant and equipment	190,323,561
Power purchase agreement	140,989,304
Trade and other payables	(738,958)
Other current liabilities	(2,092,462)
Employee benefit obligations	(578,000)
Deferred tax liabilities	(24,367,294)
Net fair value	306,224,434
<u>Less</u> Non-controlling interest	-
Net fair value acquired	306,224,434
Consideration paid	167,383,269
Cash paid for loan to subsidiary	179,163,606
Cash received from the subsidiary on acquisition date	(325,903)
Net consideration paid	346,220,972
The difference between consideration and fair value of net assets (Goodwill)	39,996,538

The net consideration paid exceed the fair value of net identifiable assets and identifiable liabilities of Baht 40.00 million was recognised as goodwill. The Group expects to receive future benefit from such investment by gaining know how and readiness of power plant operation.

UWC Amphan Biomass Company Limited (“UAB”)

On 15 February 2016, the Company has invested in 1,500,000 ordinary shares at par value of Baht 100 per share, which represents ownership interest of 99.99% in UAB.

The Group completed measurement of fair value of identifiable assets acquired and liabilities assumed of UAB in the fourth quarter of 2016. In consideration of fair value of net assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

11 Investments in subsidiaries and associates (Cont'd)

11.1 Investment in subsidiaries (Cont'd)

Transactions incurred during 2016 (Cont'd)

UWC Amphan Biomass Company Limited ("UAB") (Cont'd)

The fair value of identifiable assets acquired and liabilities assumed from this acquisition was as follows:

	Baht
Other current asstes	328,196
Property, plant and equipment	223,057,903
Power purchase agreement	170,589,108
Trade and other payables	(616,252)
Other current liabilities	(308,992)
Liabilities under finance lease agreement	(2,670,736)
Emplyee benefit obligations	(217,000)
Deferred tax liabilities	(13,548,444)
Net fair value	376,613,783
<u>Less</u> Non-controlling interest	-
Net fair value acquired	376,613,783
Consideration paid	102,421,281
Cash paid for loan to subsidiary	281,236,414
Cash received from the subsidiary on acquisition date	(751,933)
Net consideration paid	382,905,762
The difference between consideration paid and fair value of net assets (Goodwill)	6,291,979

The net consideration paid exceed the fair value of net identifiable assets and identifiable liabilities of Baht 6.29 million was recognised as goodwill. The Group expects to receive future benefit from such investment by gaining know how and readiness of power plant operation.

11 Investments in subsidiaries and associates (Cont'd)

Main subsidiary

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.

Summarised statement of financial position

	PGE	
	At 31 December	
	2017 Baht	2016 Baht
Current		
Assets	16,016,347	34,499,818
Liabilities	(37,004,844)	(125,299,869)
Total current net assets	(20,988,497)	(90,800,051)
Non-current		
Assets	261,385,241	281,770,857
Liabilities	(115,655,817)	(10,553,534)
Total non-current net assets	145,729,424	271,217,323
Net assets	124,740,927	180,417,272

Summarised statement of comprehensive income

	PGE	
	For the year ended 31 December	
	2017 Baht	2016 Baht
Revenue	31,634,889	45,338,838
Loss before income tax	(55,676,346)	(51,580,957)
Income tax expense	-	-
Post-tax loss from continuing operations	(55,676,346)	(51,580,957)
Other comprehensive income	-	-
Total comprehensive income	(55,676,346)	(51,580,957)
Total comprehensive expense allocated to non-controlling interests	(22,270,538)	(20,632,383)

Summarised statement of cash flows

	PGE	
	For the year ended 31 December	
	2017 Baht	2016 Baht
Cash flow from operating activities		
Cash (used in) generated from operations	(26,617,725)	28,885,188
Net cash (used in) generated from operating activities	(26,617,725)	28,885,188
Net cash used in investing activities	(3,875,500)	(36,738,548)
Net cash generated from financing activities	32,382,816	3,038,554
Net increase (decrease) in cash and cash equivalents	1,889,591	(4,814,806)
Cash, cash equivalents and bank overdrafts at beginning of year	481,750	4,333,056
Cash and cash equivalents at end of year	2,371,341	(481,750)

The information above is the amount before inter-company eliminations.

11 Investments in subsidiaries and associates (Cont'd)

Investments accounted for using equity method

The amounts recognised in the balance sheet are as follows:

At 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Associate	122,076,045	227,212,163	122,900,375	228,360,983

The amounts recognised in the statement of comprehensive income as follows:

For the Year ended 31 December	Consolidated financial statements	
	2017 Baht	2016 Baht
Associate	(6,261,215)	(1,148,820)
Joint venture	-	(3,411,266)
	<u>(6,261,215)</u>	<u>(4,560,086)</u>

11.2 Investment in associates

The details of interest in associate as follow:

Name of the entity	Type of business	Country of incorporation	Issued and paid-up share capital		Ownership interest	
			31 December 2017 Million Baht	31 December 2016 Million Baht	31 December 2017 %	31 December 2016 %
1. Dimet (Siam) Public Company Limited	Manufacturing and trading of external paint	Thailand	128.32	128.32	24.50	24.50
2. Ayutthaya Power Systems Company Limited	Waste - to - energy power plant	Thailand	13.75	-	30.00	-
3. Saraburi Energy Systems 2 Company Limited	Waste - to - energy power plant	Thailand	21.75	-	30.00	-
4. Interglob Investment Company Limited	Selling and rental real estate	Cambodia	US\$ 25,000	-	48.00	-

Movements of investment in associate can be analysed as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
For the year ended 31 December 2017		
Opening net book amount	227,212,163	228,360,983
Additions	11,880,034	11,880,034
Loss from impairment of investment in associate	(110,754,937)	(117,340,642)
Share of results	<u>(6,261,215)</u>	<u>-</u>
Closing net book amount	<u>122,076,045</u>	<u>122,900,375</u>

Transactions incurred during 2017

Dimet (Siam) Public Company Limited ("DIMET")

For the year ended 31 December 2017, the Company recognised impairment loss on investment in Dimet (Siam) Public Company Limited of Baht 110.75 million and Baht 117.34 million in the consolidated and separate financial statements respectively which presented under "Other expenses". This resulted from downturn in the market and the operating does not meet the expectation. The recoverable amount is based on its fair value less cost to sell by reference to the bid price listed in MAI's market.

11 Investments in subsidiaries and associates (Cont'd)

11.2 Investment in associates (Cont'd)

Transactions incurred during 2017 (Cont'd)

Ayutthaya Power Systems Company Limited ("APS")

On 30 November 2016, the Board of Directors Meeting 6/2559 approved the Company to invest in 165,000 ordinary shares of APS at par value of Baht 25 per share totaling Baht 4.13 million, which represents ownership interest of 30.00%. The Company completed the acquisition in February 2017.

Saraburi Energy Systems 2 Company Limited ("SES2")

On 30 November 2016, the Board of Directors Meeting 6/2559 approved the Company to invest in 261,000 ordinary shares of SES2 at par value of Baht 25 per share totaling Baht 6.53 million, which represents ownership interest of 30.00%. The Company completed the acquisition in February 2017.

Interglob Investment Company Limited ("IIC")

On 24 April 2017, the Company acquired IIC, a new established company, by investing in 1,000 ordinary shares totaling Baht 1.22 million, representing ownership interest of 48.00%.

Transactions incurred during 2016

Dimet (Siam) Public Company Limited ("DIMET")

On 9 July 2015, the Board of Directors Meeting 5/2558 approved the company to invest in 62,817,683 ordinary shares of DIMET at par value of Baht 3.60 per share totaling Baht 226.14 million, which represents ownership interest of 24.50%. The Company proceeded tender offering and completed the acquisition in January 2016.

Summarised financial information for associate

Set out below are the summarised financial information for the associates that are material to the Group. The information disclosed reflects the amounting presented in the financial statements of the relevant associates (not the Group's shares of those amounts). They have been amended to reflect adjustments made using the equity method, including fair value adjustments and modifications for differences in accounting policy.

Summarised statement of financial position

	DIMET	
	31 December	
	2017	2016
	Baht	Baht
Current		
Cash and cash equivalents	6,272,825	30,135,890
Other current assets	136,330,792	135,929,848
Total current assets	142,603,617	166,065,738
Total current liabilities	(83,947,814)	(85,614,217)
Non-current		
Total non-current assets	55,656,054	57,853,114
Total other non-current liabilities	(6,355,620)	(7,175,972)
Net assets	107,956,237	131,128,663

11 Investments in subsidiaries and associates (Cont'd)

11.2 Investment in associates (Cont'd)

Summarised statement of comprehensive income

	DIMET	
	For the year ended 31 December 2017 Baht	For the period from 12 June to 31 December 2016 Baht
Revenue	302,536,273	305,256,703
Other income	2,025,437	2,509,496
Cost and expenses	(328,817,722)	(312,590,950)
Interest expense	(400,315)	(494,753)
Loss before income tax	(24,656,327)	(5,319,504)
Income tax revenue	2,464,960	630,444
Post-tax loss	(22,191,367)	(4,689,060)
Total comprehensive income	(22,191,367)	(4,689,060)

Summarised financial information

	DIMET	
	31 December 2017 Baht	2016 Baht
Opening net asset	131,128,663	135,817,723
Loss for the period	(22,191,367)	(4,689,060)
Closing net assets	108,937,296	131,128,663
Interest in associate (24.50%)	26,689,637	32,126,522
Goodwill on acquisition date	195,085,641	195,085,641
Provision for impairment of investment in associate (Note 26)	(110,754,937)	-
Carrying value	111,020,341	227,212,163

Individually immaterial associates

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method.

	2017 Baht	2016 Baht
Aggregate carrying amount of individually immaterial associates		
Aggregate amounts of the Group's share of		
Loss from continuing operations	(824,330)	-
Total comprehensive income	(824,330)	-

12 Property, plant and equipment

	Consolidated financial statements						
	Revaluation	Cost					Total Baht
		Land Baht	Building and building improvement Baht	Machinery and equipment Baht	Office equipment Baht	Vehicles Baht	Construction In process Baht
At 1 January 2016							
Cost/ Revaluation amount	261,667,192		456,982,917	398,360,258	12,987,533	13,280,972	35,076,180
Less Accumulated depreciation	-		(126,887,405)	(119,188,823)	(8,738,630)	(7,494,117)	-
Net book amount	261,667,192		330,095,512	279,171,435	4,248,903	5,786,855	916,046,077
For the year ended 31 December 2016							
Opening net book amount	261,667,192		330,095,512	279,171,435	4,248,903	5,786,855	916,046,077
Addition	-		9,912,720	9,332,874	4,107,561	5,921,694	123,974,782
Asset from subsidiaries acquisition	79,502,200		165,771,895	163,289,390	216,599	4,601,380	-
Disposal, net	-		-	-	(1,309,611)	(1)	(1,488,000)
Transfer in (out)	-		23,060,955	-	-	-	-
Depreciation (Note 26)	-		(23,492,132)	(44,853,246)	(1,679,396)	(2,042,146)	(23,060,955)
Closing net book amount	341,169,392		505,348,950	406,940,453	5,584,056	14,267,782	1,407,812,640
At 31 December 2016							
Cost/ Revaluation amount	341,169,392		747,341,109	592,239,467	16,731,841	23,478,812	1,855,462,628
Less Accumulated depreciation	-		(241,992,159)	(185,299,014)	(11,147,785)	(9,211,030)	-
Net book amount	341,169,392		505,348,950	406,940,453	5,584,056	14,267,782	1,407,812,640

12 **Property, plant and equipment (Cont'd)**

	Consolidated financial statements						
	Cost						
Revaluation	Land Baht	Building and building improvement Baht	Machinery and equipment Baht	Office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
At 1 January 2017							
Cost/ Revaluation amount	341,169,392	747,341,109	592,239,467	16,731,841	23,478,812	134,502,007	1,855,462,628
Less Accumulated depreciation	-	(241,992,159)	(185,299,014)	(11,147,785)	(9,211,030)	-	(447,649,988)
Net book amount	341,169,392	505,348,950	406,940,453	5,584,056	14,267,782	134,502,007	1,407,812,640
For the year ended 31 December 2017							
Opening net book amount	341,169,392	505,348,950	406,940,453	5,584,056	14,267,782	134,502,007	1,407,812,640
Addition	5,840,000	6,174,819	56,763,817	4,957,083	5,959,885	92,203,448	171,899,052
Transfer in (out)	-	20,598,363	195,697,723	1,068,133	-	(217,364,219)	-
Revaluation surplus	54,122,900	-	-	-	-	-	54,122,900
Depreciation (Note 26)	-	(25,969,882)	(60,636,100)	(1,921,071)	(2,615,693)	-	(91,142,746)
Cumulative currency differences on translation	-	-	(23,680)	-	-	-	(23,680)
Closing net book amount	401,132,292	506,152,250	598,742,213	9,688,201	17,611,974	9,341,236	1,542,668,166
At 31 December 2017							
Cost/ Revaluation amount	401,132,292	774,114,291	844,677,327	22,757,057	29,438,697	9,341,236	2,081,460,900
Less Accumulated depreciation	-	(267,962,041)	(245,935,114)	(13,068,856)	(11,826,723)	-	(538,792,734)
Net book amount	401,132,292	506,152,250	598,742,213	9,688,201	17,611,974	9,341,236	1,542,668,166

Ua Withya Public Company Limited

12 **Property, plant and equipment (Cont'd)**

	Separate financial statements						
	Revaluation	Cost					
	Land Baht	Building and building improvement Baht	Machinery and equipment Baht	Office equipment Baht	Vehicles Baht	Construction in progress Bath	Total Baht
At 1 January 2016							
Cost/ Revaluation amount	230,480,000	147,092,424	132,305,155	10,390,472	8,625,939	2,555,824	531,449,814
Less Accumulated depreciation	-	(121,659,025)	(109,490,414)	(8,538,462)	(7,423,948)	-	(247,111,849)
Net book amount	230,480,000	25,433,399	22,814,741	1,852,010	1,201,991	2,555,824	284,337,965
For the year ended 31 December 2016							
Opening net book amount	230,480,000	25,433,399	22,814,741	1,852,010	1,201,991	2,555,824	284,337,965
Addition	-	-	9,079,800	880,256	2,887,116	-	12,847,172
Disposal, net	-	-	-	-	(1)	-	(1)
Depreciation (Note 26)	-	(1,953,488)	(5,350,791)	(711,276)	(436,244)	-	(8,451,799)
Closing net book amount	230,480,000	23,479,911	26,543,750	2,020,990	3,652,862	2,555,824	288,733,337
At 31 December 2016							
Cost/ Revaluation amount	230,480,000	147,092,424	141,384,955	11,270,728	11,187,821	2,555,824	543,971,752
Less Accumulated depreciation	-	(123,612,513)	(114,841,205)	(9,249,738)	(7,534,959)	-	(255,238,415)
Net book amount	230,480,000	23,479,911	26,543,750	2,020,990	3,652,862	2,555,824	288,733,337

12 Property, plant and equipment (Cont'd)

	Separate financial statements					
	Revaluation	Cost				
	Land Baht	Building and building improvement Baht	Machinery and equipment Baht	Office equipment Baht	Vehicles Baht	Construction in progress Baht
At 1 January 2017						
Cost/ Revaluation amount	230,480,000	147,092,424	141,384,955	11,270,728	11,187,821	543,971,752
Less Accumulated depreciation	-	(123,612,513)	(114,841,205)	(9,249,738)	(7,534,959)	(255,238,415)
Net book amount	230,480,000	23,479,911	26,543,750	2,020,990	3,652,862	288,733,337
For the year ended 31 December 2017						
Opening net book amount	230,480,000	23,479,911	26,543,750	2,020,990	3,652,862	288,733,337
Addition	-	-	10,496,242	1,298,418	450,000	12,244,660
Transfer in (out)	-	-	2,555,824	-	-	(2,555,824)
Revaluation surplus	23,048,000	-	-	-	-	23,048,000
Depreciation (Note 26)	-	(1,953,495)	(6,310,837)	(768,698)	(539,754)	(9,572,784)
Closing net book amount	253,528,000	21,526,416	33,284,979	2,550,710	3,563,108	314,453,213
At 31 December 2017						
Cost/ Revaluation amount	253,528,000	147,092,424	154,426,671	12,569,146	11,637,821	579,254,062
Less Accumulated depreciation	-	(125,566,008)	(121,141,692)	(10,018,436)	(8,074,713)	(264,800,849)
Net book amount	253,528,000	21,526,416	33,284,979	2,550,710	3,563,108	314,453,213

The Company's land was revalued in the fourth quarter of 2017 by an external independent valuer. Valuations were made on the basis of recent market transactions on arm's length terms. The revaluation was credited to other component of equity.

Land and buildings of Baht 275.05 million have been pledged for bank overdraft credit line and short-term borrowings from financial institutions (Note 15).

12 Property, plant and equipment (Cont'd)

Leased assets included above, where the Company is a lessee under a finance lease, comprise office appliance:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cost of assets under finance lease agreement	29,872,726	24,538,726	6,814,908	6,814,908
<u>Less</u> Accumulated depreciation	(8,425,452)	(3,088,159)	(1,768,822)	(1,010,998)
Net book amount	21,447,274	21,450,567	5,046,086	5,803,910

Depreciation expense of Baht 7.84 million (2016: Baht 6.90 million) has been charged to cost of goods sold and Baht 1.73 million (2016: Baht 1.56 million) has been charged to administrative expense.

As at 31 December 2017, there is no addition of asset under finance lease agreement where the Company is the lessee (2016: Baht 6.81 million).

If land was stated on the historical cost basis, the amounts would be as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cost	52,674,357	46,834,357	4,701,805	4,701,805
Net book amount	52,674,357	46,834,357	4,701,805	4,701,805

The fair value measurement information in accordance with TFRS 13 are given below.

Fair value hierarchy

	Consolidated financial statements		
	Fair value measurements at 31 December 2017 using		
	Quoted prices in active markets for identical assets (Level 1) Baht	Significant other observable inputs (Level 2) Baht	Significant unobservable inputs (Level 3) Baht
Recurring fair value measurements			
Land	-	401,132,292	-
	Separate financial statements		
	Fair value measurements at 31 December 2017 using		
	Quoted prices in active markets for identical assets (Level 1) Baht	Significant other observable inputs (Level 2) Baht	Significant unobservable inputs (Level 3) Baht
Recurring fair value measurements			
Land	-	253,528,000	-

12 Property, plant and equipment (Cont'd)

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of land and buildings have been generally derived using the sales comparison approach performed by an asset appraiser of capital market who is authorised by the Securities and Exchange Commission. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square wah.

There were no changes in valuation techniques during the year.

13 Goodwill

	Consolidated financial statements	
	2017 Baht	2016 Baht
At 1 January		
Cost	98,604,170	52,315,653
<u>Less</u> Provision for impairment	-	-
Net book amount	98,604,170	52,315,653
Year ended 31 December		
Opening net book amount	98,604,170	52,315,653
Acquisition of subsidiary	-	46,288,517
Loss on impairment	(52,315,653)	-
Closing net book amount	46,288,517	98,604,170
At 31 December		
Cost	98,604,170	98,604,170
<u>Less</u> Provision for impairment	(52,315,653)	-
Net book amount	46,288,517	98,604,170

During 2017, the Group recognized loss on impairment of goodwill of PGE amounting to Baht 52.32 million presented under "Other expenses" in the consolidated financial statements. This resulted from downturn in the market and the operating does not meet the expectation.

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

A segment-level summary of the goodwill allocation is presented below.

	Consolidated financial statements
	Power plant Baht
Goodwill allocation	46,288,517

The recoverable amount of the CGUs is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the 5 year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

13 Goodwill (Cont'd)

The key assumptions used for value-in-use calculations are as follows:

	Power plant
Gross margin ¹	35.29%
Growth rate ²	Nil
Discount rate ³	7.75%
Recoverable amount of the CGU (Baht Millions)	1,263.74

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ Pre-tax discount rate applied to the cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

14 Intangible assets

	Consolidated financial statements		
	Right to sale under power purchase agreements Baht	Software licence Baht	Total Baht
At 1 January 2016			
Cost	157,000,000	7,188,225	164,188,225
<u>Less</u> Accumulated amortisation	(3,408,008)	(3,635,186)	(7,043,194)
Net book amount	<u>153,591,992</u>	<u>3,553,039</u>	<u>157,145,031</u>
For the year ended 31 December 2016			
Opening net book amount	153,591,992	3,553,039	157,145,031
Asset from subsidiaries acquisition	311,578,412	-	311,578,412
Addition	-	167,279	167,279
Amortisation (Note 26)	(44,172,844)	(713,321)	(44,886,165)
Closing net book amount	<u>420,997,560</u>	<u>3,006,997</u>	<u>424,004,557</u>
At 31 December 2016			
Cost	468,578,412	7,355,504	475,933,916
<u>Less</u> Accumulated amortisation	(47,580,852)	(4,348,507)	(51,929,359)
Net book amount	<u>420,997,560</u>	<u>3,006,997</u>	<u>424,004,557</u>
For the year ended 31 December 2017			
Opening net book amount	420,997,560	3,006,997	424,004,557
Addition	-	119,300	119,300
Amortisation (Note 26)	(48,047,992)	(663,502)	(48,711,494)
Closing net book amount	<u>372,949,568</u>	<u>2,462,795</u>	<u>375,412,363</u>
At 31 December 2017			
Cost	468,578,412	7,474,804	476,053,216
<u>Less</u> Accumulated amortisation	(95,628,844)	(5,012,009)	(100,640,853)
Net book amount	<u>372,949,568</u>	<u>2,462,795</u>	<u>375,412,363</u>

14 Intangible assets (Cont'd)

	Separate financial statements
	Software licence Baht
At 1 January 2016	
Cost	6,516,640
<u>Less</u> Accumulated amortisation	<u>(3,606,862)</u>
Net book amount	<u>2,909,778</u>
For the year ended 31 December 2016	
Opening net book amount	2,909,778
Addition	132,900
Amortisation (Note 26)	<u>(565,005)</u>
Closing net book amount	<u>2,477,673</u>
At 31 December 2016	
Cost	6,649,540
<u>Less</u> Accumulated amortisation	<u>(4,171,867)</u>
Closing net book amount	<u>2,477,673</u>
For the year ended 31 December 2017	
Opening net book amount	2,477,673
Addition	44,300
Amortisation (Note 26)	<u>(514,086)</u>
Closing net book amount	<u>2,007,887</u>
At 31 December 2017	
Cost	6,693,840
<u>Less</u> Accumulated amortisation	<u>(4,685,953)</u>
Closing net book amount	<u>2,007,887</u>

15 Borrowings

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current				
Bank overdrafts	17,935,905	-	17,935,905	-
Bill of exchange	-	197,909,316	-	197,909,316
Short-term borrowings from financial institutions	45,397,137	45,397,137	45,397,137	45,397,137
Total bank overdrafts and short-term borrowings from financial institutions	63,333,042	243,306,453	63,333,042	243,306,453
Current portion of debentures	800,000,000	-	800,000,000	-
Current portion of liabilities under finance lease agreement	7,986,021	9,364,602	1,263,074	1,188,927
Total current borrowings	871,319,063	252,671,055	864,596,116	244,495,380
Non-current				
Debentures	-	800,000,000	-	800,000,000
Liabilities under finance lease agreement	9,022,516	13,531,810	1,998,690	3,261,764
Total non-current borrowings	9,022,516	813,531,810	1,998,690	803,261,764
Total borrowings	880,341,579	1,066,202,865	866,594,806	1,047,757,144

The debentures are due within January 2018 and carry interest at the rate of 5.40% per annum.

At 31 December 2017, short-term borrowings from financial institutions total amount of Baht 45.40 million (31 December 2016: Baht 45.40 million) are secured by land and buildings of the Company (Note 12).

The interest rate exposure on the borrowings of the Company is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Borrowings:				
- at fixed rates				
Due within 1 year	853,383,158	252,671,055	846,660,211	244,495,380
Due over 1 year	9,022,516	813,531,810	1,998,690	803,261,764
- at floating rates				
Due within 1 year	17,935,905	-	17,935,905	-
	880,341,579	1,066,202,865	866,594,806	1,047,757,144

The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2017 %	2016 %	2017 %	2016 %
- Bank overdrafts	MOR	-	MOR	-
- Bill of exchange	-	5.30 - 5.75	-	5.30 - 5.75
- Short-term borrowings from financial institutions	7.43	7.68	7.43	7.68
- Debentures	5.40	5.40	5.40	5.40
- Liabilities under finance lease agreement	2.75 - 6.85	5.00 - 6.85	6.00 - 6.85	6.00 - 6.85

15 Borrowings (Cont'd)

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant.

Liabilities under finance lease agreement - minimum lease payments:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not later than 1 year	8,619,629	10,219,812	1,426,386	1,426,386
Later than 1 year but not later than 5 years	9,339,359	14,248,767	2,107,674	3,534,060
	17,958,988	24,468,579	3,534,060	4,960,446
<u>Less</u> Future finance charges on finance lease agreement	(950,451)	(1,572,167)	(272,296)	(509,755)
Present value of liabilities under finance lease agreement	17,008,537	22,896,412	3,261,764	4,450,691

The present value of liabilities under finance lease agreement are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not later than 1 year	7,986,021	9,364,602	1,263,074	1,188,927
Later than 1 year but not later than 5 years	9,022,516	13,531,810	1,998,690	3,261,764
	17,008,537	22,896,412	3,261,764	4,450,691

16 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade payables - third parties	342,460,420	138,604,583	275,967,841	70,333,753
Trade payables - related companies (Note 28.6)	161,242	-	-	-
Deferred revenue - third parties	42,363,039	4,855,089	42,352,492	4,855,089
Accrued expenses - third parties	22,156,150	39,472,019	20,371,744	18,026,607
Accrued expenses - related companies (Note 28.6)	10,916,367	288,047	10,132,726	288,047
Other payables - third parties	14,396,377	11,004,868	4,144,466	3,729,619
Other payables - related companies (Note 28.6)	8,633,505	1,451,414	8,492,805	1,451,414
Payable for investment in a subsidiary	59,695,112	70,416,555	59,695,112	70,416,555
	500,782,212	266,092,575	421,157,186	169,101,084

17 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Liabilities in the statements of financial position				
Retirement benefits	38,952,031	34,760,142	36,425,653	33,175,267
Expenses in the statements of comprehensive income				
Retirement benefits	3,702,265	4,338,515	3,023,665	2,539,303
Remeasurement loss recognised in other comprehensive income	6,809,593	4,168,457	6,546,690	5,177,794
	<u>10,511,858</u>	<u>8,506,972</u>	<u>9,570,355</u>	<u>7,717,097</u>

The movement in the employee benefit obligation is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
At 1 January	34,760,142	31,716,140	33,175,267	31,716,140
Employee benefit obligations from subsidiaries acquisition	-	795,000	-	-
Current service cost	2,671,530	3,113,419	2,068,163	1,400,832
Interest cost	1,030,735	1,225,096	955,502	1,138,471
Remeasurement loss recognised in other comprehensive income	6,809,593	4,168,457	6,546,690	5,177,794
Benefit payments	(6,319,969)	(6,257,970)	(6,319,969)	(6,257,970)
At 31 December	<u>38,952,031</u>	<u>34,760,142</u>	<u>36,425,653</u>	<u>33,175,267</u>

The amounts authorised in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cost of sale	2,147,315	2,002,173	1,782,324	2,002,173
Selling expenses	1,037,195	1,018,298	1,036,168	335,313
Administrative expenses	517,755	1,318,044	205,173	201,817
	<u>3,702,265</u>	<u>4,338,515</u>	<u>3,023,665</u>	<u>2,539,303</u>

The principal actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2017	2016
Discount rate	2.39% - 3.03%	2.05% - 2.72%
Expected salary increase rate	4.08% - 5.99%	4.20% - 5.75%
Turnover rate	6% - 20%	9% - 27%
Mortality rate	100% of TMO17	100% of TMO08
Disable rate	10% of mortality	10% of mortality

17 Employee benefit obligations (Cont'd)

Sensitivity analysis for each significant assumption can be presented as follows:

	Consolidated and separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
	2017	2016	Increase in assumption		Decrease in assumption	
			2017	2016	2017	2016
Discount rate	0.50%	0.50%	Decreased 2.77%	Decreased 2.68%	Increased 2.92%	Increased 2.82%
Salary growth rate	0.50%	0.50%	Increased 2.80%	Increased 2.72%	Decreased 2.69%	Decreased 2.61%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

Expected maturity analysis of undiscounted retirement and post-employment medical benefits:

	Consolidated financial statements				
	Less than a year Baht	Between 2 - 5 years Baht	Between 6 - 10 years Baht	Over 10 years Baht	Total Baht
At 31 December 2017 Retirement benefits	5,651,026	21,803,312	20,944,711	38,041,645	86,440,694
At 31 December 2016 Retirement benefits	6,348,464	17,490,568	22,101,232	27,106,694	73,046,958
	Separate financial statements				
	Less than a year Baht	Between 2 - 5 years Baht	Between 6 - 10 years Baht	Over 10 years Baht	Total Baht
At 31 December 2017 Retirement benefits	5,601,097	20,202,495	16,588,120	23,709,739	66,101,451
At 31 December 2016 Retirement benefits	6,348,464	16,922,619	18,812,862	16,835,809	58,919,754

18 Deferred tax

The analysis of deferred tax assets and deferred tax liability is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Deferred tax assets:				
Deferred tax asset to be recovered within 12 months	4,667,288	4,667,288	788,479	788,479
Deferred tax asset to be recovered after 12 months	107,062,538	84,081,423	10,322,714	9,640,677
	<u>111,729,826</u>	<u>88,748,711</u>	<u>11,111,193</u>	<u>10,429,156</u>
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	9,714,910	9,714,910	-	-
Deferred tax liabilities to be settled after 12 months	134,885,101	133,536,409	50,084,811	45,341,499
	<u>144,600,011</u>	<u>143,251,319</u>	<u>50,084,811</u>	<u>45,341,499</u>
Deferred tax liabilities, net	<u>32,870,185</u>	<u>54,502,608</u>	<u>38,973,618</u>	<u>34,912,343</u>

The gross movement and the deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
At 1 January	54,502,608	46,312,921	34,912,343	34,678,946
Acquisition of subsidiary	-	37,915,736	-	-
(Credited) charged to profit or loss (Note 19)	(31,095,083)	(28,892,357)	761,013	1,268,956
Charged (credited) to other components of shareholders' equity	9,462,660	(833,692)	3,300,262	(1,035,559)
At 31 December	<u>32,870,185</u>	<u>54,502,608</u>	<u>38,973,618</u>	<u>34,912,343</u>

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements						
	Allowance for doubtful accounts Baht	Allowance for obsolete of inventory Baht	Allowance for declining in value of work in progress Baht	Property, plant and equipment fair value adjustment on consolidation Baht	Employee benefit obligations Baht	Loss carried Forward Baht	Total Baht
Deferred tax assets							
At 1 January 2016	788,479	2,876,758	535,264	19,326,156	6,343,228	-	29,869,885
Acquisition of subsidiary	-	-	-	22,201,983	-	15,666,538	37,868,521
Credited (charged) to profit or loss	-	71,399	(477,798)	(3,597,296)	(224,891)	24,405,199	20,176,613
Credited to other comprehensive income	-	-	-	-	833,692	-	833,692
At 31 December 2016	<u>788,479</u>	<u>2,948,157</u>	<u>57,466</u>	<u>37,930,843</u>	<u>6,952,029</u>	<u>40,071,737</u>	<u>88,748,711</u>
At 1 January 2017	788,479	2,948,157	57,466	37,930,843	6,952,029	40,071,737	88,748,711
Credited (charged) to profit or loss	-	89,426	(57,466)	(3,836,764)	(523,540)	25,947,540	21,619,196
Credited to other comprehensive income	-	-	-	-	1,361,919	-	1,361,919
At 31 December 2017	<u>788,479</u>	<u>3,037,583</u>	<u>-</u>	<u>34,094,079</u>	<u>7,790,408</u>	<u>66,019,277</u>	<u>111,729,826</u>

18 Deferred tax (Cont'd)

The movement in deferred tax assets and liabilities during the year is as follows: (Cont'd)

	Consolidated financial statements			
	Power purchase agreement Baht	Payable Long-term Loan Baht	Revaluation surplus on land Baht	Total Baht
Deferred tax liabilities				
At 1 January 2016	30,960,131	67,036	45,155,639	76,182,806
Acquisition of subsidiary	75,784,257	-	-	75,784,257
Charged (credited) to profit or loss	(8,834,568)	118,824	-	(8,715,744)
At 31 December 2016	97,909,820	185,860	45,155,639	143,251,319
At 1 January 2017	97,909,820	185,860	45,155,639	143,251,319
Charged (credited) to profit or loss	(9,609,599)	133,711	-	(9,475,888)
Charged to other comprehensive income	-	-	10,824,580	10,824,580
At 31 December 2017	88,300,221	319,571	55,980,219	144,600,011

	Separate financial statements				
	Allowance for doubtful accounts Baht	Allowance for obsolete of inventory Baht	Allowance for declining in value of work in progress Baht	Employee benefit obligations Baht	Total Baht
Deferred tax assets					
At 1 January 2016	788,479	2,876,758	535,264	6,343,228	10,543,729
Charged (credited) to profit or loss	-	71,399	(477,797)	(743,734)	(1,150,132)
Credited to other comprehensive income	-	-	-	1,035,559	1,035,559
At 31 December 2016	788,479	2,948,157	57,467	6,635,053	10,429,156
At 1 January 2017	788,479	2,948,157	57,467	6,635,053	10,429,156
Charged (credited) to profit or loss	-	89,426	(57,467)	(659,260)	(627,301)
Credited to other comprehensive income	-	-	-	1,309,338	1,309,338
At 31 December 2017	788,479	3,037,583	-	7,285,131	11,111,193

	Separate financial statements		
	Payable Long-term Loan Baht	Revaluation Surplus on land Baht	Total Baht
Deferred tax liabilities			
At 1 January 2016	67,036	45,155,639	45,222,675
Charged to profit or loss	118,824	-	118,824
At 31 December 2016	185,860	45,155,639	45,341,499
At 1 January 2017	185,860	45,155,639	45,341,499
Charged to profit or loss	133,712	-	133,712
Charged to other comprehensive income	-	4,609,600	4,609,600
At 31 December 2017	319,572	49,765,239	50,084,811

18 Deferred tax (Cont'd)

Statement of financial position expressed as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 31 December				
Deferred tax assets	10,044,953	13,756,949	-	-
Deferred tax liabilities	(42,915,138)	(68,259,557)	(38,973,618)	(34,912,343)
Deferred income tax - net	<u>(32,870,185)</u>	<u>(54,502,608)</u>	<u>(38,973,618)</u>	<u>(34,912,343)</u>

Deferred income tax assets are recognised for tax loss carried forwards only to the extent that recognised of the related tax benefit through the future taxable profits is probable.

The Group did not recognised deferred income tax assets of Baht 52.13 million in respect of tax loss carried forward approximately Baht 260.64 million. A summary of the tax loss carried forward and the expiry dates are set out below:

Expiry year	Consolidated financial statements Baht
2018	-
2019	-
2020	-
2021	106,210,716
2022	154,427,831
	<u>260,638,547</u>

19 Income taxes

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current tax	7,615,615	2,968,596	7,615,615	2,968,596
Deferred tax	(31,095,083)	(28,892,357)	761,013	1,268,956
Income tax (revenue) expense	<u>(23,479,468)</u>	<u>(25,923,761)</u>	<u>8,376,628</u>	<u>4,237,552</u>

19 Income taxes (Cont'd)

The tax on the Company's profit (loss) before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
(Loss) profit before tax	(297,050,667)	(81,966,173)	(157,623,242)	20,416,409
Tax calculated at a tax rate of 20%	(59,410,133)	(16,393,235)	(31,524,648)	4,083,282
Tax effect of:				
Income not subject to tax				
- reversal of allowance for doubtful accounts	-	(499,142)	-	(499,142)
Expenses not deductible for tax purpose	59,766,016	15,551,984	40,065,998	831,582
Expenses deductible for tax purpose	(164,722)	(178,170)	(164,722)	(178,170)
Tax losses for which no deferred income tax asset was recognised	-	(24,405,198)	-	-
Tax losses of the current year for which no deferred income tax assets was recognised	11,316,038	-	-	-
Previous tax losses which recognised deferred income tax assets in the current year	(25,947,540)	-	-	-
Tax exemption for income under BOI	(9,039,127)	-	-	-
Income tax (revenue) expense	(23,479,468)	(25,923,761)	8,376,628	4,237,552

The weighted average applicable tax rate was 4.83% (2016: 14.54%).

20 Share capital and share premium

	Consolidated and Separate financial statements				
	Number of shares Shares	Ordinary Shares Baht	Share Premium Baht	Surplus - warrants Baht	Total Baht
Authorised share capital					
At 1 January 2016	19,071,197,130	1,907,119,713	-	-	1,907,119,713
At 31 December 2016	19,071,197,130	1,907,119,713	-	-	1,907,119,713
At 31 December 2017	19,071,197,130	1,907,119,713	-	-	1,907,119,713
Issued and paid-up share capital					
At 1 January 2016	13,162,129,572	1,316,212,957	264,331,893	309,998,676	1,890,543,526
Issuance of ordinary shares from exercise of warrants	345,684	34,569	-	-	34,569
At 31 December 2016	13,162,475,256	1,316,247,526	264,331,893	309,998,676	1,890,578,095
At 1 January 2017	13,162,475,256	1,316,247,526	264,331,893	309,998,676	1,890,578,095
Issuance of ordinary shares from exercise of warrants (Note 21)	42,608	4,260	-	-	4,260
At 31 December 2017	13,162,517,864	1,316,251,786	264,331,893	309,998,676	1,890,582,355

21 Warrants

Warrants to purchase ordinary shares No.2 (UWC-W2)

On 3 April 2015, the Company issued warrants to offer to its existing shareholders detailed as follows:

Type of warrants	: Issued in the names of respective holder and negotiable
Term of warrants	: 4 years from the issuing and offering date
Number of warrants	: Unit 5,540,154,997
Ratio	: Old ordinary share per 1 warrant
Offering price	: Baht 0 per unit
Exercise ratio	: 1 warrant per 1 ordinary share (which will be changeable)
Exercise price	: Baht 0.1 per share (which will be changeable)
Exercise date	: On the last business day of March and September of each year, throughout the term of the warrants.
Last exercise date	: 29 March 2019

Movement of warrants to purchase ordinary share for the year end 31 December 2017 is as follow;

	Consolidated and Separate financial statements
	UWC-W2 Warrants
Opening balance	5,539,809,313
<u>Less</u> Exercised warrants during the year	<u>42,608</u>
Closing balance	<u>5,539,766,705</u>

In March 2017, there are 42,608 UWC-W2 warrants indicated to be exercised. Exercise price of these warrants amounting to Baht 4,260.80 were already received and share issuance process were completed in April 2017.

22 Dividends

Transactions incurred during 2016

On 28 April 2016, the Annual General Meeting of Shareholders 2016 of company had passed a resolution approving the Company to pay the dividend from the operating results of 2015, to the shareholders listed in the register on 12 May 2016. Dividends were announced at the rate of Baht 0.002 per share for 13,162,475,256 shares totaling Baht 26.32 million. Dividends were paid on 27 May 2016.

23 Legal reserve

	Consolidated and Separate financial statements	
	2017 Baht	2016 Baht
At 1 January	16,170,354	15,417,135
Appropriation during the year	1,685,843	753,219
At 31 December	<u>17,856,197</u>	<u>16,170,354</u>

The Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered Authorized capital. The legal reserve is not available for dividend distribution.

24 Other income

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Sale of scrap from raw materials	39,694,735	22,464,626	37,938,391	22,464,626
Gain on disposal of investment in associate	-	13,739,616	-	4,812,500
Interest income	1,145,276	2,178,876	971,892	2,033,920
Interest income - related companies (Note 28.1)	7,924,565	1,197,861	78,405,220	56,857,018
Others	1,159,398	1,405,515	184,702	149,272
	<u>49,923,974</u>	<u>40,986,494</u>	<u>117,500,205</u>	<u>86,317,336</u>

25 Finance costs

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest paid				
- Short-term borrowings from financial institutions	45,642,379	54,564,436	50,897,478	54,606,986
- Short-term loan from related companies (Note 28.2)	1,481,909	-	1,810,676	-
- Others	1,106,995	1,310,018	384,568	658,263
	<u>48,231,283</u>	<u>55,874,454</u>	<u>53,092,722</u>	<u>55,265,249</u>
Other finance costs				
- Debenture	3,251,322	3,035,246	3,251,322	3,034,490
- Bank fee	1,159,654	608,692	1,159,654	608,692
	<u>4,410,976</u>	<u>3,643,938</u>	<u>4,410,976</u>	<u>3,643,182</u>
Total	<u>52,642,259</u>	<u>59,518,392</u>	<u>57,503,698</u>	<u>58,908,431</u>

26 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Raw material and consumables used	888,630,121	771,437,822	630,497,900	562,309,759
Staff costs	176,486,221	151,059,458	130,322,245	118,492,179
Doubtful accounts	4,735,220	5,062,077	-	1,969,108
Reversal of allowance for doubtful accounts	-	(2,495,711)	-	(2,495,711)
Management remuneration (Note 28.2)	15,199,016	13,482,801	13,269,442	13,482,801
Depreciation (Note 12)	91,142,746	72,066,920	9,572,784	8,451,799
Amortisation (Note 14)	48,711,494	44,886,165	514,086	565,005
Loss on declining in value of inventories (reversal)	1,896,876	283,687	159,796	(2,031,994)
Finance costs (Note 25)	52,642,259	59,518,392	57,503,698	58,908,431
Loss from sales investment in subsidiary	-	878,142	-	15,207,848
Currency differences on translation	1,019,849	-	1,019,849	-
Other expenses				
- Loss on impairment of investment in subsidiary (Note 11.1)	-	-	82,348,192	-
- Loss on impairment of investment in associate (Note 11.2)	110,754,937	-	117,340,642	-
- Loss on impairment of goodwill (Note 13)	52,315,653	-	-	-
Others	218,479,683	100,102,903	167,761,684	75,901,089
	1,662,014,075	1,216,282,656	1,210,310,318	850,760,314

27 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of paid-up and issued ordinary shares during the year.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
For the year then ended 31 December				
(Loss) profit attributable to owners (Baht)	(250,970,209)	(35,410,029)	(165,999,870)	16,178,857
Net loss from discontinued operation attributable to owners of company (Baht)	-	(2,514,197)	-	-
	(250,970,209)	(37,924,226)	(165,999,870)	16,178,857
Weighted average number of ordinary shares (Shares)	13,162,507,475	13,162,390,252	13,162,507,475	13,162,390,252
Weighted average number of ordinary shares to be issued for warrants UWC-W2 (Shares)	1,593,175,899	1,866,965,078	1,593,175,899	1,866,965,078
Weighted average number of ordinary shares including diluted ordinary shares (Shares)	14,755,683,374	15,029,355,330	14,755,683,374	15,029,355,330
Basic earnings per share (Baht)				
From continuing operations	(0.0191)	(0.0027)	(0.0126)	0.0012
From discontinued operations	-	(0.0002)	-	-
Diluted earnings per share (Baht)				
From continuing operations	(0.0191)	-	(0.0126)	0.0011
From discontinued operations	-	-	-	-

28 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by Capital Engineering Network Public Company Limited ("Parent company") incorporated in Thailand, which holds 39.23% (2016: 39.23%) of the Company's issued and paid up share capital.

Relationship with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Company were as follows:

Name of entities	Country of incorporation	Natures of relationship
1. Capital Engineering Network Public Company Limited	Thailand	Parent company, some common directors
2. Paradise Green Energy Co., Ltd.	Thailand	Subsidiary company
3. UWC Komen Biomass Co., Ltd.	Thailand	Subsidiary company
4. UWC Solar Company Limited	Thailand	Subsidiary company
5. Satuek Biomass Co., Ltd.	Thailand	Subsidiary company
6. UWC Amphan Biomass Company Limited	Thailand	Subsidiary company
7. Green Energy Plantation Company Limited.	Thailand	Subsidiary company
8. UWCC (Cambodia) Company Limited.	Cambodia	Subsidiary company
9. Dimet (Siam) Public Company Limited	Thailand	Associated
10. Ayutthaya Power Systems Company Limited	Thailand	Associated
11. Saraburi Energy Systems 2 Company Limited	Thailand	Associated
12. Interglob Investment Company Limited	Cambodia	Associated
13. Enesol Company Limited	Thailand	Related company through same major shareholder
14. Rayong Wire Industries Public Company Limited	Thailand	Related company through same major shareholder
15. Pipeline Company Limited	Thailand	Related company through same major shareholder
16. Evergreen Biomass Company Limited	Thailand	Related company through same major shareholder
17. EMC Public Company Limited	Thailand	Related company through same major shareholder
18. WJC Enterprise Company Limited	Thailand	Related company through same major shareholder
19. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company (whether executive or otherwise)

28 Related party transactions (Cont'd)

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

Transactions	Pricing policies
Revenue from projects	Cost plus margin net of cost of around 10%
Revenue from sale	Cost plus margin net of cost of around 20% - 30%
Remuneration of directors and managements represent salary, meeting allowance, per diem and bonus	The amount approved by the Company's directors and ordinary general meeting of shareholders
Interest paid	The amount approved by the Company's directors, based on borrowing cost of the Company

The following transactions were carried out with related parties:

28.1 Revenues

For the year then ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenues from manufacturing service				
Related companies	165,718	1,216,294	165,718	1,216,294
Revenues from sales				
Subsidiaries	-	-	274,800	-
Related companies	254,110	4,296,780	254,110	4,296,780
	<u>254,110</u>	<u>4,296,780</u>	<u>528,910</u>	<u>4,296,780</u>
Rental income				
Related companies	2,400,000	-	2,400,000	-
Other income				
Related companies	58,281	-	58,281	-
Interest income				
Subsidiaries	-	-	70,480,655	55,659,157
Related companies	7,924,565	1,197,861	7,924,565	1,197,861
	<u>7,924,565</u>	<u>1,197,861</u>	<u>78,405,220</u>	<u>56,857,018</u>

28 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

28.2 Expenses

For the years then ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest paid				
Parent company	429,205	-	429,205	-
Subsidiaries	-	-	328,767	-
Related companies	1,052,704	-	1,052,704	-
	<u>1,481,909</u>	<u>-</u>	<u>1,810,676</u>	<u>-</u>
Key management remuneration (included in "Selling expenses" and "Administrative expenses")				
Short-term benefit	14,580,122	13,439,369	12,747,122	13,439,369
Provision for employment benefits	618,894	43,432	522,320	43,432
	<u>15,199,016</u>	<u>13,482,801</u>	<u>13,269,442</u>	<u>13,482,801</u>
Purchase of goods				
Related companies	18,714,827	96,735	-	96,735
Other fees				
Parent company	1,320,000	720,000	720,000	720,000
Outsource service expenses				
Related companies	97,796,617	23,852,800	97,796,617	23,852,800
Repair and maintenance of asset				
Related companies	42,250	-	42,250	-

28 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

28.3 Trade and other receivables (Note 9)

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade receivables				
Subsidiaries	-	-	5,136	-
Related companies	1,714	2,500,390	1,714	1,735,006
	<u>1,714</u>	<u>2,500,390</u>	<u>6,850</u>	<u>1,735,006</u>
Other receivables				
Related companies				
- proceeds from subsidiaries which has not been received	170,085,671	170,085,671	170,085,671	170,085,671
- other	2,348,340	2,147,137	2,348,340	2,147,137
	<u>172,434,011</u>	<u>172,232,808</u>	<u>172,434,011</u>	<u>172,232,808</u>
Accrued income				
Subsidiaries	-	-	95,868,169	62,757,660
Related companies	2,544,556	929,794	2,544,556	929,794
	<u>2,544,556</u>	<u>929,794</u>	<u>98,412,725</u>	<u>63,687,454</u>

28.4 Short-term loan to related companies

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Subsidiaries	-	-	1,261,779,011	1,133,077,878
Related companies	8,858,890	12,500,000	8,858,890	12,500,000
	<u>8,858,890</u>	<u>12,500,000</u>	<u>1,270,637,901</u>	<u>1,145,577,878</u>

Movement of short-term loan to related companies for the year then ended 31 December 2017 are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	12,500,000	19,540,000	1,145,577,878	653,189,433
Addition	9,347,802	119,775,988	223,413,673	821,334,095
Repayment	-	(126,815,988)	(84,927,794)	(159,545,650)
Transfer from loan to Investment in subsidiary	(12,500,000)	-	(12,500,000)	-
Settlement from sale of investment in subsidiary (Note 11.1)	-	-	-	(169,400,000)
Unrealised loss on exchange rate	(488,912)	-	(925,856)	-
Closing balance	<u>8,858,890</u>	<u>12,500,000</u>	<u>1,270,637,901</u>	<u>1,145,577,878</u>

Short-term loans to related companies are unsecured in Thai Baht and US Dollar. The loans are due within 6 months to 1 year, carry interest at the rate of 5.00% - 6.00% per annum (31 December 2016: 5.00% - 6.00% per annum).

28 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

28.5 Investment in a related party

(included in "other non-current assets")

	Consolidated and Separate financial statements	
	2017 Baht	2016 Baht
Related company	1,125	1,125

28.6 Trade and other payables (Note 16)

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade payable				
Related companies	161,242	-	-	-
Accrued expense				
Parent company	1,243,529	192,600	408,929	192,600
Subsidiaries	-	-	50,959	-
Directors	108,872	74,047	108,872	74,047
Related companies	9,563,966	21,400	9,563,966	21,400
	<u>10,916,367</u>	<u>288,047</u>	<u>10,132,726</u>	<u>288,047</u>
Other payable				
Related companies	8,633,505	1,451,414	8,492,805	1,451,414

28.7 Short-term loan from related companies

	Consolidated financial statements	Separate financial statements
	2017 Baht	2017 Baht
Parent company	80,000,000	80,000,000
Subsidiaries	-	15,000,000
Related companies	88,500,000	88,500,000
	<u>168,500,000</u>	<u>183,500,000</u>

Movement of short-term loans from related companies for the period ended 31 December 2017 are as follows:

	Consolidated financial statements	Separate financial statements
	2017 Baht	2017 Baht
Opening balance	-	-
Addition	168,500,000	183,500,000
Closing balance	<u>168,500,000</u>	<u>183,500,000</u>

Short-term loans to related companies are unsecured in Thai Baht. The loans are due within 3 months to 1 year, carry interest at the rate of 4.00% - 5.25% per annum (31 December 2016: Nil).

29 Commitments and contingency

The future aggregate minimum lease payment under non-cancellable operating leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not later than 1 year	844,487	1,128,888	704,487	888,888
Later than 1 year but not later than 5 years	-	844,487	-	704,487
	<u>844,487</u>	<u>1,973,375</u>	<u>704,487</u>	<u>1,593,375</u>

The future aggregate payment for other commitments are as follows:

	Consolidated and Separate financial statements	
	2017 Baht	2016 Baht
Bank guarantees	<u>42,427,000</u>	<u>9,438,824</u>

30 Promotional privileges

UWC Komen Biomass Company Limited

The Company received promotional privileges from the Board of Investment on 21 May 2008 for generating electricity from biomass. Under the promotional privileges, the Company received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is 11 October 2011 including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period. The Company must comply with the conditions and restrictions provided in the promotional certificates.

Satuek Biomass Company Limited

The Company received promotional privileges from the Board of Investment on 18 November 2003 for generating electricity. Under the promotional privileges, the Company received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is 21 January 2006 and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period. The Company must comply with the conditions and restrictions provided in the promotional certificates.

UWC Amphan Biomass Company Limited

The Company received promotional privileges from the Board of Investment on 28 November 2005 for generating electricity. Under the promotional privileges, the Company received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is 31 January 2008 and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period. The Company must comply with the conditions and restrictions provided in the promotional certificates.

Income from promoted and non-promoted activities comprises the following:

	Promoted activity	
	2017 Baht	2016 Baht
Sales	355,390,620	271,008,757
Other income	3,002,313	914,269
Total	<u>358,392,933</u>	<u>271,923,026</u>

31 Events after the reporting period

On January of 2018, the Company issued and offered the unsubordinated and guaranteed debentures with a debenture holders' representative in the named-registered certificate debentures publicly for Baht 600 million which already approved on 30 November 2015, the Extraordinary Meeting of Shareholders no. 2/2015. The debentures are due within January 2020 and carry interest at the rate of 6.25% per annum. The Company guaranteed debentures with pledges of the following:

- 1.) Land and building owned by UWC Komen Biomass Co., Ltd. (Subsidiary) have an appraisal value amounting to Baht 77,896,000.
- 2.) Machine owned by UWC Komen Biomass Co., Ltd. (Subsidiary) has an appraisal value amounting to Baht 317,391,000.
- 3.) 23,998,000 ordinary shares of UWC Komen Biomass Co., Ltd. owned by the Company of par Baht 10 each, totalling Baht 239,980,000 (Book value as at 31 December 2016 of Baht 154,319,987).
- 4.) 330,000,000 ordinary shares of Rayong Wire Industries (Public) Co., Ltd. owned by Capital Engineering Network (Public) Co., Ltd. (Parent) of historical average market price Baht 2 each, totalling Baht 660,000,000.

The Company pledges the following assets to guarantee of using investment in Rayong Wire Industries (Public) Co., Ltd. owned by Capital Engineering Network (Public) Co., Ltd. as collateral of its debentures issued.

- 1.) Land and building owned by UWC Amphan Biomass Co., Ltd. (Subsidiary) have an appraisal value amounting of Baht 44,125,044.
- 2.) Machine owned by UWC Amphan Biomass Co., Ltd. (Subsidiary) has a book value as at 31 December 2017 of Baht 217,337,099.
- 3.) Land and building owned by Satuek Biomass Co., Ltd. (Subsidiary) have an appraisal value amounting to Baht 134,841,000.
- 4.) Machine owned by Satuek Biomass Co., Ltd. (Subsidiary) has a book value as at 31 December 2017 of Baht 121,450,982.

Auditor's Remuneration

Audit Fee

The company and its subsidiary company had paid audit fees to the audit firm to which the auditor was affiliated in the previous accounting period as followed:

Item	Player	Name of Audit Firm	Audit Fee (Baht)
Head Office	Ua Withya Public Company Limited	Pricewaterhouse Coopers ABAS Limited.	2,448,000
Subsidiaries Company	Paradise Green Energy Co., Ltd.	Pricewaterhouse Coopers ABAS Limited.	880,000
	UWC Komen Biomass Co., Ltd.		546,000
	UWC Amphan Biomass Co., Ltd.		546,000
	Satuek Biomass Co., Ltd.		546,000
	UWC Solar Co., Ltd.		70,000
	Total of Subsidiaries Company		2,500,000

Non-Audit Fee

The company and its subsidiaries company has not received any services from the audit firm to which the auditor was affiliated, persons or businesses related to the auditor and audit fee to which the auditor was affiliated, in the previous accounting period. As in the future has not paid any fees for other services due to the agreement on services have not finished, in the previous accounting period.

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