

To Become a Leader
of **ALTERNATIVE**
ENERGY PRODUCER



Annual Report

'13



2012



บริษัท พลังงานบริสุทธิ์ จำกัด (มหาชน)
Energy Absolute
Public Company Limited

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Investors may find more information of Energy Absolute Public Company Limited, from the Form 56-1 available at www.sec.or.th or website of the Company at www.energyabsolute.co.th

Vision

Energy Absolute Public Company Limited is determined to become a leader of alternative energy producer by using modern technology. We not only take environment and the benefit of the end user into our own account, but also the interests of the shareholders, partners, and employees.



Mission

Apply modern technology to produce biodiesel from plants as an alternative energy source to diesel or other alternative energy, and to meet the need of the market.



GROWING TO SUSTAINABLE

เติบโตอย่างยั่งยืน



2010 / 2553

Upon the completion of new plant, the company has a 400,000 liter per day production capacity for Biodiesel and 40 ton per day for Refined Glycerin in 2009 and Doubled the production capacity of Biodiesel and Refined Glycerin to 800,000 liter per day and 80 ton per day respectively in 2010.

ก่อสร้างโรงงานแห่งใหม่แล้วเสร็จ ทำให้บริษัทมีขนาดกำลังการผลิตไบโอดีเซล เท่ากับ 400,000 ลิตรต่อวัน และกลีเซอรินบริสุทธิ์ ขนาดกำลังการผลิต 40 ตันต่อวัน ในปี 2552 และ ขยายกำลังการผลิตไบโอดีเซลเป็น 800,000 ลิตรต่อวัน และขยายกำลังการผลิตกลีเซอรินบริสุทธิ์เป็น 80 ตันต่อวัน ในปี 2553

2009 / 2552



Production Capacity
กำลังการผลิต



Message from the Chairman



Mr. Somchainuk Engtrakul

To all shareholders

On behalf of the Board of Directors of Energy Absolute Public Company Limited, I would like to thank all our shareholders for trust and support given to the Company for which it always support the Company to success in business operating.

For last year, the Company had the total operating income of Baht 3,998.99 million. The Company also gained of profit in the amount of Baht 267.92 million. In addition, the Company's Solar Power Plant project with capacity of 90 MW at Nakhon-sawan Province has also completely connected to power system of the Electricity Generating Authority of Thailand (EGAT) and commenced the operating of solar power plant (Commercial Operating Date : COD) for which it would bring more revenues to the year 2014.

For the business outlook, at present and near future, the Company continues policy to support the energy security and reduce the use of fossil fuels in the electricity sector. Meantime, the Company also promotes the producing of the electricity from the renewable energy.

Moreover, the Company plans to expand the renewable energy projects in the near future. Both of the solar power and wind power for which we believe that under our

goals and success would bring the satisfactory results to shareholders and investors. The Company recognizes that our business operations will be based on corporate governance, therefore, the Company will comply with all provisions and the relevant laws in order to maintain sustainable benefits to all shareholders and stakeholders.

Finally, I would like to thank the management and all employees for their dedicated and hardworking, resulting the Company move forward and sustainable growth. Moreover, I would like to thank all shareholders and community agency, public and private sectors both at central, regional and local. As well as stakeholders providing support and suggestions that would be the benefit to the operation of the Company and always be a driving behind these success things. It also encourages the Company to work towards for achieving the goals and business vision, in terms of production, quality renewable energy and meet the quality requirements to even greater social good.

Sincerely yours,

A handwritten signature in blue ink, which appears to read 'Somchai Engtrakul'. The signature is fluid and cursive.

(Mr. Somchainuk Engtrakul)
Chairman of the Board

The Board of Directors and the Audit Committee



1. **Mr. Somchainuk Engtrakul**
Chairman of the Board
of Directors

2. **Mr. Somphote Ahunai**
Director
Chairman of the Executive
Committee
Chief Executive Officer

3. **Mr. Amorn Saphaweekul**
Director
Executive Director
Chief Accounts and
Finance Officer

4. **Mr. Wutthilerd Chiannilkul**
Director
Executive Director

5. **Mr. Sutham Songsiri**
Director
Executive Director



6. Mr. Chatwat Pongpisitsakul

Director
Chairman of the Audit Committee
Independent Director

7. M.R. Bravochat Chatchai

Director
Audit Committee Member
Independent Director

8. Mr. Bannarat Pichyakorn

Director
Audit Committee Member
Independent Director

9. ACM. Chainan Thumasujarit

Director
Audit Committee Member
Independent Director

The Executive Committee



1. Mr. Somphote Ahunai

Chairman of the Executive Committee
Chief Executive Officer
(Acting) Chief Marketing Officer

2. Mr. Amorn Saphaweekul

Executive Director
Chief Accounts and Finance Officer
Chief Investment Officer
Director (Investment Planning)

3. Mr. Wutthilerd Chiannilkulchai

Executive Director

4. Mr. Sutham Songsiri

Executive Director

5. Mrs. Dujdao Luksanaviwat

Executive Director
(Acting) Chief of Operations

Board of Directors and Management

1.

Mr. Somchainuk Engtrakul 69 years

Chairman of the Board of Directors

Education

- Ph.D. (Honorary Degree) in Public Administration, Sripatum University
- Bachelor of Laws, Sripatum University
- B.A.(Economics) UPSALA COLLEGE NEW JERSEY U.S.A

Training Program

- The Role of Chairman Program Class 9/2549, Thai Institute of Directors (IOD)
- Directors Accreditation Program Class 98/2555
- Certificate, National Defence College of Thailand. (Class 35)

% of Total Share : Nil

Family - Relationship with other Management : Nil

Work Experience during 5 years

- 2008 - Present Chairman of the Board of Directors Energy Absolute PCL.
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 1995 - Present Chairman of the Board of Directors / Chairman of the Executive Directors / Independent Director of Dhipaya Insurance PCL * (Operating non-life insurance)
- 2004 - Present Chairman of the Board of Directors / Independent Director Major Cineplex Group PCL*
(Core business in cinema, bowling, karaoke, ice skating, retails space, film distribution and advertising media.)
- 2008 - Present Chairman of the Board of Directors Vejthani PCL (Hospital)
- 2000 - Present Director Siam Piwat Holding Co.,Ltd. (Investment in Bank institute and others)
- 2008 - Present Director Siam Piwat Co.,Ltd. (Rent and Providing utility services)
- Present Director Admiralty Thailand Co., Ltd. (Import - Export air-conditional and Refrigerators)

Directorship held in other listed company * : 2 companies

Directorship held in other company : 4 companies

Directorship held in subsidiary : Nil

2.

Mr. Somphote Ahunai 46 years

Director (Authorized Signatory Director) / Executive Committee Chairman /

Chief Executive Officer / (Acting) Chief Marketing Officer

Education

- MBA, University of Pittsburgh, USA
- Bachelor of Engineering Chulalongkorn University

Training Program

- Director Accreditation Program class 60/2549, Thai Institute of Directors (IOD)

% of Total Share : 41.17% held by Mr. Somphote 40.47% Spouse : 0.70 %

**Family - Relationship with other Management : Brother of Ms. Supaporn Ahunai
/ Spouse of Mrs. Blanca Shulan Huang**

Work Experience during 5 years

- 2008 - Present Director / Executive Committee Chairman / Chief of Executive Committee Energy Absolute PCL.
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2009 - Present Chief Executive Officer Energy Absolute PCL.
- 2012 - Present (Acting) Chief Marketing Officer Energy Absolute PCL.
- 2511 - Nov.2013 Director (Factory) Energy Absolute PCL.
- 2009 - Present Director Watabak Wind Co., Ltd (Operating Wind Power Plant)
- 2006 - 2009 Director of Eternal Energy PC former name : Seahorse) (Manufacturing eternal)

Directorship held in other listed company : 2 companies

Directorship held in other company : 4 companies

Directorship held in subsidiary : Nil

3.

Mr. Amorn Saphthaweeikul 39 years

Director (Authorized Signatory Director) / Executive Director /

Chief Finance Officer / Chief Investment Officer / Director (Investment Planning)

Education

- Master of Engineering, Chulalongkorn University
- Bachelor of Business Administration (Finance and Banking), Thammasat University

Training Program

- Director Accreditation Program Class 98/2555, Thai Institute of Directors (IOD)

% of Total Share : 3.19 % held by Mr. Amorn : 2.84 % Spouse : 0.35 %

Family - Relationship with other Management : Nil

Work Experience during 5 years

- 2012 - Present Director, Chief Investment Officer / Energy Absolute PCL (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2011 - Present Executive Director / Energy Absolute PCL
- 2010 - Present Chief Finance Officer, Director (Investment Planning) / Energy Absolute PCL
- 2009 - 2010 Vice Managing Director / Energy Absolute PCL
- 2006 - 2009 Director (Investment Banking) / BFIT SECURITIES PCL (BSEC)

Directorship held in other listed company : Nil

Directorship held in other company : Nil

Directorship held in subsidiary : 7 companies

4.

Mr. Wutthilerd Chiannilkulchai 43 years

Director (Authorized Signatory Director) / Executive Director

Education

- Master of Science Major Computer and Engineering Management, Assumption University
- Bachelor of Accountings, Chulalongkorn University

Training Program

- Director Accreditation Program class 71/2551, Thai Institute of Directors (IOD)

% of Total Share : 1.70%

Family - Relationship with other Management : Nil

Work Experience during 5 years

- 2007 - Present Director / Energy Absolute PCL (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2008 - Present Executive Director, Director in following companies / Energy Absolute PCL
- 2004 - Present Director in following companies / Perfect Oil Co.,Ltd. (Wholesale of fuel oil)
- 2001 - Present Director in following companies / Power 10 Co.,Ltd. (Wholesale of fuel oil)
- Director in following companies / Double 10 Co.,Ltd. (Wholesale of fuel oil)
- Director in following companies / Famous 10 Co.,Ltd. (Wholesale of fuel oil)
- 1995 - Present Director in following companies / Chalee Trading Co., Ltd. (Wholesale of fuel oil)
- Director in following companies / Ma Jarearn Co., Ltd. (Wholesale of fuel oil)
- Director in following companies / Sueb Nueng Karn Kha Co., Ltd.(Wholesale of fuel oil)
- Director in following companies / Two Plus One Oil Co., Ltd. (Wholesale of fuel oil)
- 1994 - Present Director in following companies / Malee Oil Co., Ltd. (Wholesale of fuel oil)
- Director in following companies / C.C. Oil Co., Ltd. (Wholesale of fuel oil)

Directorship held in other listed company : Nil

Directorship held in other company : 10 companies

Directorship held in subsidiary : 5 companies

5.

Mr. Sutham Songsiri 75 years**Director / Executive Director****Education**

- Master of Economics, San Francisco State University
- Bachelor of Economics, San Francisco State University
- Change Management Course at M. I. T. USA 2009
- Strategy Formulation and Execution at Columbia University, USA, 2010
- Kaplan - Norton Master Class to Mastering, New Management System Boston, USA, 2010

Training Program

- Directors Certification Program class 97/2550, Thai Institute of Directors (IOD)
- The Role of Chairman Program class 22/2552, Thai Institute of Directors (IOD)
- Role of the Nomination and Governance Committee class 1/2544, Thai Institute of Directors (IOD)

% of Total Share : 0.07%**Family - Relationship with other Management : Nil****Work Experience during 5 years**

- 2008 - Present Director, Executive Director / Energy Absolute PCL
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)

Directorship held in other listed company : Nil**Directorship held in other company : Nil****Directorship held in subsidiary : 2 companies**

6.

Chaiwat Pongpisitsakul 67 years**Chairman of Audit Committee / Independent Director****Education**

- Master of Public Administration, The National Institute of Development Administration (NIDA)
- Bachelor of Accounting and Laws, Thammasat University

Training Program

- Director Accreditation Program Class 32/2548, Thai Institute of Directors (IOD)
- Audit Committee Program Class 41/2555, Thai Institute of Directors (IOD)

% of Total Share : Nil**Family - Relationship with other Management : Nil****Work Experience during 5 years**

- 2008 - Present Chairman of Audit Committee, Independent Director / Energy Absolute PCL.
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2009 - Present Manager, Auditor / Chaiwat Auditing Office

Directorship held in other listed company : Nil**Directorship held in other company : Nil****Directorship held in subsidiary : Nil**

7.

M.R. Bravochat Chatchai 53 years**Audit Committee Member / Independent Director****Education**

- Master of Arts Pranakhon Pajabhat University
- Bachelor of Laws, Ramkhamhaeng University

Training Program

- Director Accreditation Program class 98/2555, Thai Institute of Directors (IOD)
- Audit Committee Program class 41/2555, Thai Institute of Directors (IOD)

% of Total Share : Nil**Family - Relationship with other Management :** Nil**Work Experience during 5 years**

- 2010 - Present Audit Committee Member, Independent Director / Energy Absolute PCL (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 1999 - Present Director / M.R. Bravochat Laws Office (Providing Legal consultant)

Directorship held in other listed company : Nil**Directorship held in other company :** Nil**Directorship held in subsidiary :** Nil

8.

Mr. Bannarat Pichayakorn 46 years**Audit Committee Member / Independent Director****Education**

- Master of Business Administration New Hampshire College, Manchester NH, U.S.A.
- Bachelor of Science New Hampshire College, Manchester NH, U.S.A
- Associate in Science Bunker Hill Community College, Boston, MA

Training Program

- Director Accreditation Program class 71/2551, Thai Institute of Directors (IOD)
- Audit Committee Program class 41/2555, Thai Institute of Directors (IOD)

% of Total Share : Nil**Family - Relationship with other Management :** Nil**Work Experience during 5 years**

- 2008 - Present Audit Committee Member, Independent Director / Energy Absolute PCL (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2011 - 2013 Sales Director / DAS Services Limited (Import and selling cars for government only)
- 2009 - 2011 Diplomatic and Fleet Sales / Mercedes-Benz (Thailand) Ltd. (Import and selling cars)

Directorship held in other listed company : Nil**Directorship held in other company :** Nil**Directorship held in subsidiary :** Nil

9.

ACM. Chainan Thumasujarit 63 years**Audit Committee Member / Independent Director****Education**

- Bachelor of Engineering (the 2nd Class Honors) Chulalongkorn University
- Bachelor of Arts in Political Science, Ramkhamhaeng University
- Bachelor of Business Administration (General Managements) Ramkhamhaeng University
- Bachelor of Business Administration (General Managements) (the 1st Class Honors) Sukhothai Thammathirat Open University
- Thailand National Defence College Group (2546)
- Royal Thai Navy Staff College, Institute of Advanced Naval Studies

Training Program

- Director Accreditation Program class 67/2550,
- Audit Committee Program class 22/2551,
- Monitoring of the Quality of Financial Reporting class 16/2555,
- D. Eng. (Candidate) Asian Institute of Technology (A.I.T.)
- M. Eng. Asian Institute of Technology (A.I.T.)

% of Total Share : Nil**Family - Relationship with other Management : Nil****Work Experience during 5 years**

- 2012 - Present Audit Committee Member, Independent Director / Energy Absolute PCL (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2007 - Present Chairman of Audit Committee, Independent Director / Hydrotek PCL* (Operating the construction and environmental engineering management business as follows; 1. Water Treatment Plant 2. Wastewater Treatment Plant 3. Solid Waste Treatment Plant 4. Waste to Energy)
- 2006 - Present Retired Government Official / Office of the Permanent Secretary for Defence (Government Organization)
- 1974 - Present Special Qualified General, Assistant Chief of Staff for Minister of Defence, Director, Office of Post Engineer, -Director, Design Division, Post Engineer Department, Head of Engineer Department, Design Division, Office of Post Engineer / Freelance Structural Engineer / The Supreme Command Headquarters Head of Technical Department Technical Division, Civil / Royal Thai Air Force (Government Organization)

Directorship held in other listed company * : 1 company**Directorship held in other company : Nil****Directorship held in subsidiary : Nil**

10.

Ms. Dujdao Luksanaviwat 44 years**Executive Director / (Acting) Chief of Operations****Education**

- Master of Business Administration, Khon Kaen University
- Bachelor's Degree from Faculty of Humanities, Surattthani Rajabhat University

Training Program

- Certificate "Human Resource and Organization Development" from the National Institute of Development Administration (NIDA)

% of Total Share : Nil**Family - Relationship with other Management : Nil****Work Experience during 5 years**

- 2012 - Present Executive Director, (Acting) Chief of Operations / Energy Absolute PCL (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2010 - Dec 2013 Director of Human resource and General Service / Energy Absolute PCL
- 2550 - 2552 Manager, Administrative Office / Sahaviriya Plate Mill PCL (Manufacturing Hot Rolled Steel Plate)

Directorship held in other listed company : Nil**Directorship held in other company : Nil****Directorship held in subsidiary : Nil**

11. ■

Mrs. Blanca Shulan Huang 49 years

Director of Information Technology and System Development

Education

- Master of Business Administration from University of Pittsburgh, USA
- Bachelor of Art, Major of Business Administration from Northeast Missouri State University, USA

Training Program : Nil

% of Total Share : 41.17% Held by Mrs. Blanca : 0.70 % Spouse : 40.47 %

Family - Relationship with other Management : Spouse of Mr. Somphote Ahunai

Work Experience during 5 years

- 2009 - Present Director of Information Technology and System Development / Energy Absolute PCL (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2009 Advisor (Organization Development for Management information system)

Directorship held in other listed company : Nil

Directorship held in other company : Nil

Directorship held in subsidiary : 1 company

12. ■

Mr. Weerasil Sattayapakdeewong 31 years

Director of Accounting

Education

- Master of Accounting, Chulalongkorn University
- Bachelor of Business Administration (Accounting) , Ramkhamhaeng University

Training Program : Nil

% of Total Share : Nil

Family - Relationship with other Management : Nil

Work Experience during 5 years

- 2012 - Present Director of Accounting (Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2006 - 2009 Assistant Senior Auditor / Office of Pitisevi Co.,Ltd. (Account Auditing, Legal Consultant and others)

Directorship held in other listed company : Nil

Directorship held in other company : Nil

Directorship held in subsidiary : Nil

13.

Ms. Supaporn Ahunai 37 years**Director of Finance****Education**

- Master of Science Information System, the Pennsylvania State University
- Bachelor 's degree from faculty of Commerce and Accountancy, Thammasat University

Training Program

- Directors Certification Program 71/2551, Thai Institute of Directors (IOD)

% of Total Share : 0.64%**Family - Relationship with other Management : Sister of Mr. Somphote Ahunai****Work Experience during 5 years**

- 2008 - Present Director of Finance / Energy Absolute PCL
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)

Directorship held in other listed company : Nil**Directorship held in other company : Nil****Directorship held in subsidiary : Nil**

14.

Mr. Peranat Waratpob 56 years**(Acting) Director of Procurement and Logistics****Education**

- Bachelor of Arts in Political Science, Ramkhamhaeng University

Training Program : Nil**% of Total Share : Nil****Family - Relationship with other Management : Nil****Work Experience during 5 years**

- 2010 - Present (Acting) Director of Purchasing and Logistics / Energy Absolute PCL
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2009 - 2010 Manager (General Services) (Selling of Concentrated Fuel)
- 1992 - 2009 Purchasing officer / Com-Link Co.,Ltd. (Network installation of fiber optic cable)

Directorship held in other listed company : Nil**Directorship held in other company : Nil****Directorship held in subsidiary : Nil**

15.

Mr. Patipat Sakdawongsiwimol 40 years**Director of Sales****Education**

- Master of Business Administration, Khon Kaen University
- Bachelor of Science in Biology Mahidol University

Training Program : Nil**% of Total Share : Nil****Family - Relationship with other Management : Nil****Work Experience during 5 years**

- 2012 - Present Director of Sales / Energy Absolute PCL
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2000 - 2012 Manager (products) / (Distribution of Polymer products)

Directorship held in other listed company : Nil**Directorship held in other company : Nil****Directorship held in subsidiary : Nil**

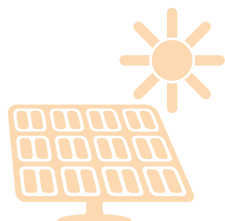
16.

Mr. Thanakit Burapanontachai 50 years**Director of Factory****Education**

- Bachelor of Chemical Engineering, Prince of Songkla University
- Bachelor of Business Administration
- Bachelor of Science (Public Health) Program in Occupation Health and Safety)

Training Program : Nil**% of Total Share : Nil****Family - Relationship with other Management : Nil****Work Experience during 5 years**

- 2013 - Present Director of Factory / Energy Absolute PCL
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 1997 - 2013 Manager (Manufacturing), Manager (Occupational Health and Safety and Environment)
(Manufacturing Caustic Soda and Chlorine)

Directorship held in other listed company : Nil**Directorship held in other company : Nil****Directorship held in subsidiary : Nil**

17.

Ms. Peerada Pakdeepanit 50 years**Director of Human Resource and General Services****Education**

- Bachelor of Political Science, Chulalongkorn University

Training Program : Nil**% of Total Share** : Nil**Family - Relationship with other Management** : Nil**Work Experience during 5 years**

- 2013 - Present Director of Human Resource and General Services / Energy Absolute PCL
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)

Directorship held in other listed company : Nil**Directorship held in other company** : Nil**Directorship held in subsidiary** : Nil

18.

Ms. Yaowalug Pukpikul 46 years**Company Secretary****Education**

- Bachelor of Laws, Thammasat University

Training Program

- Certificate "Merchant Marine Management", Chulalongkorn University
- Certificate "Marine Insurance", Singapore National Shipping Association, Singapore
- Company Secretary Program (CSP) Class 56/2014, Thai Institute of Directors (IOD)

% of Total Share : Nil**Family - Relationship with other Management** : Nil**Work Experience during 5 years**

- 2013 - Present Company Secretary / Energy Absolute PCL
(Manufacturing and distributing Biodiesel products and Glycerol Renewable energy generation and distribution)
- 2011 - 2012 Manager (Office of Corporate Secretariat) / Thai Beverage PCL
(Holding Company (Drinking / Beverage & Restaurant))
- 2542 - 2554 Manager (Legal) / Precious Shipping PCL (Services/Transportation & Logistics)

Directorship held in other listed company : Nil**Directorship held in other company** : Nil**Directorship held in subsidiary** : Nil

Energy Absolute For PURE SOCIETY

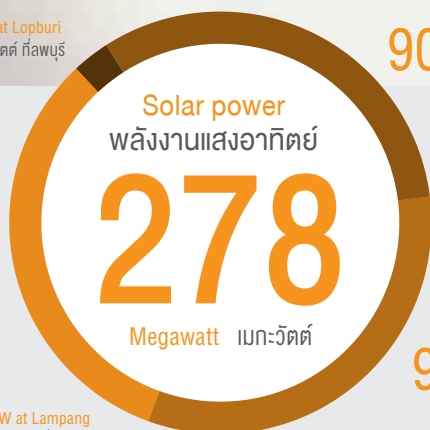
พลังงานบริสุทธิ์ เพื่อสังคมที่บริสุทธิ์



Production Capacity
กำลังการผลิต

8 MW at Lopburi
เมกะวัตต์ ที่ลพบุรี

90 MW at NakhonSawan
เมกะวัตต์ ที่นครสวรรค์



90 MW at Lampang
เมกะวัตต์ ที่ลำปาง

90 MW at Phitsanulok
เมกะวัตต์ ที่พิษณุโลก

2009, the company has also expanded business to produce and distribute electricity from solar and wind energy, the solar power plant. The Company entered into a Power Purchase Agreement will be total 278 MW divided by 8 MW 1 project in Lopburi and 3 projects are producing the 90 megawatts Nakhonsawan, Lampang and Phitsanulok.

ปี 2552 บริษัทยังได้ขยายธุรกิจไปยังธุรกิจผลิต และจำหน่ายกระแสไฟฟ้าจากพลังงานแสงอาทิตย์ บริษัทได้เข้าทำสัญญาซื้อขายไฟครบหมื่นแล้วทั้งสิ้น 278 เมกะวัตต์ โดยแบ่งออกเป็นขนาด 8 เมกะวัตต์ จำนวน 1 โครงการที่จังหวัดลพบุรี และอีก 3 โครงการ ขนาดกำลังการผลิตโครงการละ 90 เมกะวัตต์ ในจังหวัดนครสวรรค์ จังหวัดลำปาง และจังหวัดพิษณุโลก



General information and other information

1. General information of company

Company name	: Energy Absolute Public Company Limited
Abbreviation	: EA
Registration No.	: 0107551000061
Type of business	: 1) Produce and distribution biodiesel (B100), Diesel fuel, pure glycerin, material and by-product. 2) Produce and distribution current from renewable energy
Location of Head Office	: No. 888, I Tower, 15 th floor, Vipavadee-Rungsit Road, Jatujak Sub-District, Jatujak District, Bangkok 10900
Location of plant	: 1) For produce and distribution biodiesel <ul style="list-style-type: none"> • No. 507 Village No. 9 Soi. 7, Kabinburi Industrial Park, Kabinburi-Nakornratchasima Road, Km.12, Hnongki Sub-district, Kabinburi District, Prachinburi Province 25110. 2) For produce and distribution solar power <ul style="list-style-type: none"> • Solar power plant 8 Megawatts / Lopburi No. 188 Village No. 3, Koktoom-Pasak River Road (Highway no. 3333) Km.21, Pattananikhom Sub-District, Pattananikhom District, Lopburi Province 15140. • Solar power plant 90 Megawatts / Nakorn Sawan Province Huawai Sub-District, Taklee District, Nakornsawan Province • Solar power plant 90 Megawatts / Lampang Province Banouam Sub-District, Banpao District, Muang Lampang District, Lampang Province and Hnonglom Sub-District, Hangchai District, Lampang Province • Solar power plant 90 Megawatts / Pitsanulok Province Matong Sub-District, Prompiram District, Pitsanulok Province
Telephone/Fax	: 0 2544 9238-42 / 0 2544 9243
Website	: www.energyabsolute.co.th
Paid-in capital	: 373,000,000 baht (Three hundred seventy three million baht only) after proposal, ordinary share is increase for first time on 24 January, 2013.
Face value	: 0.10 Baht (Ten Satang)



2. Information of shareholding from 10% up of all distributed share number

Company	Location	Type of business	Registered capital (Baht)	Distributed share (Share)	Par share (Baht)	Shareholding (Share)	Proportion of shareholding (%)
1. Continental Oil Co., Ltd. *	888, I Tower, 15 th floor, Vipawadee-Rungsit Road, Jatujaik Sub- District, Jatujaik District, Wholesale fuel Bangkok 10900 Tel. 0-2554-9238 Fax. 0-2554-9243		100,000	1,000	100	993	99.30
2. Sahapanich Petroleum Co., Ltd.*	888, I Tower, 15 th floor, Vipawadee-Rungsit Road, Jatujaik Sub- District, Jatujaik District, Wholesale fuel Bangkok 10900 Tel. 0-2554-9238 Fax. 0-2554-9243		100,000	1,000	100	993	99.30
3. Petro-planet Co., Ltd. **	888, I Tower, 15 th floor, Vipawadee-Rungsit Road, Jatujaik Sub- District, Jatujaik District, Wholesale fuel Bangkok 10900 Tel. 0-2554-9238 Fax. 0-2554-9243		100,000	1,000	100	993	99.30
4. Surachai (1997) Co., Ltd.	888, I Tower, 15 th floor, Vipawadee-Rungsit Road, Jatujaik Sub- District, Jatujaik District, Produce and Bangkok 10900 distribute current Tel. 0-2554-9238 Fax. 0-2554-9243		12,000,000	12,000	1,000	11,800	99.33
5. Surachai (1997) Solar Co., Ltd.	888, I Tower, 15 th floor, Vipawadee-Rungsit Road, Jatujaik Sub- District, Jatujaik District, Produce and Bangkok 10900 distribute current Tel. 0-2554-9238 Fax. 0-2554-9243		1,000,000	1,000	1,000	-	Direct : - Indirect : 98.13 Total : 98.13

Remark : * Company as mentioned is registered dissolution in September, 2012 and paid account in February, 2013
 ** Company as mentioned is registered dissolution in September, 2012 and paid account in September, 2013.

3. Other reference person

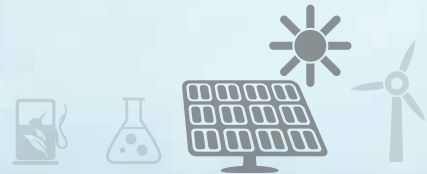
Security registrar	Thailand Securities Depository Co., Ltd. 61 Stock Exchange of Thailand Building Ratchadapisek Road, Klongtoey Sub-District, Klongtoey District, Bangkok 10110 Tel. 0-229-2800 Fax 0-2654-54277 Website : http://www.tsd.co.th/th/index.html	
Certified Public Accountant	1. Miss Chawana Wiwatphonchart 2. Miss Wanpen Ounruan Pitisewi Co., Ltd. 8/4 Wanachart Building, Vipawadee-Rungsit Road Ladyao Sub-District, Jatujak District, Bangkok 10900 Tel. 0-2941-3584 Fax 0-2941-3658 Website : http://www.pitisevi.com	Certified Public Accountant No. 4712 Certified Public Accountant No. 7750
Legal consultant	Royal Advocate International Co., Ltd. 2/4 Nailert Tower, 5 th floor, Wireless Road Lumpini Sub-District, Pathumwan District, Bangkok 10330 Tel. 0-2655-2112 Fax. 0-2655-2118 Website : http://www.rai.co.th	

4. Other information

-None-



Energy Absolute For PURE ENVIRONMENT

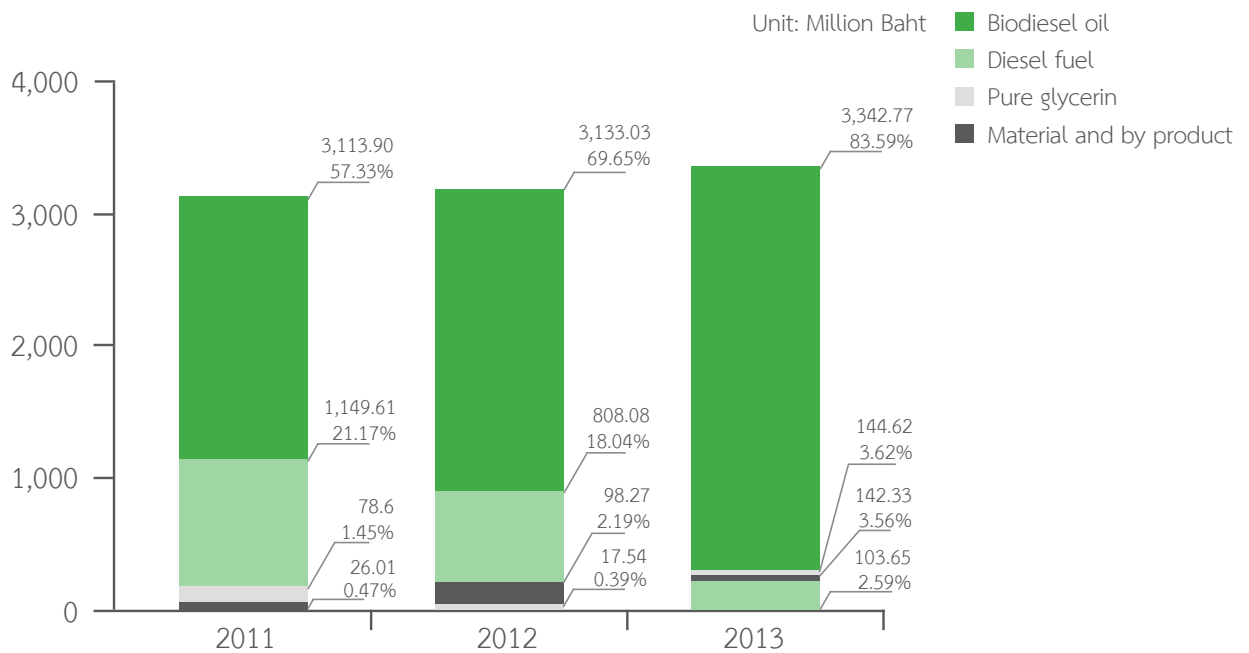


Financial Highlights

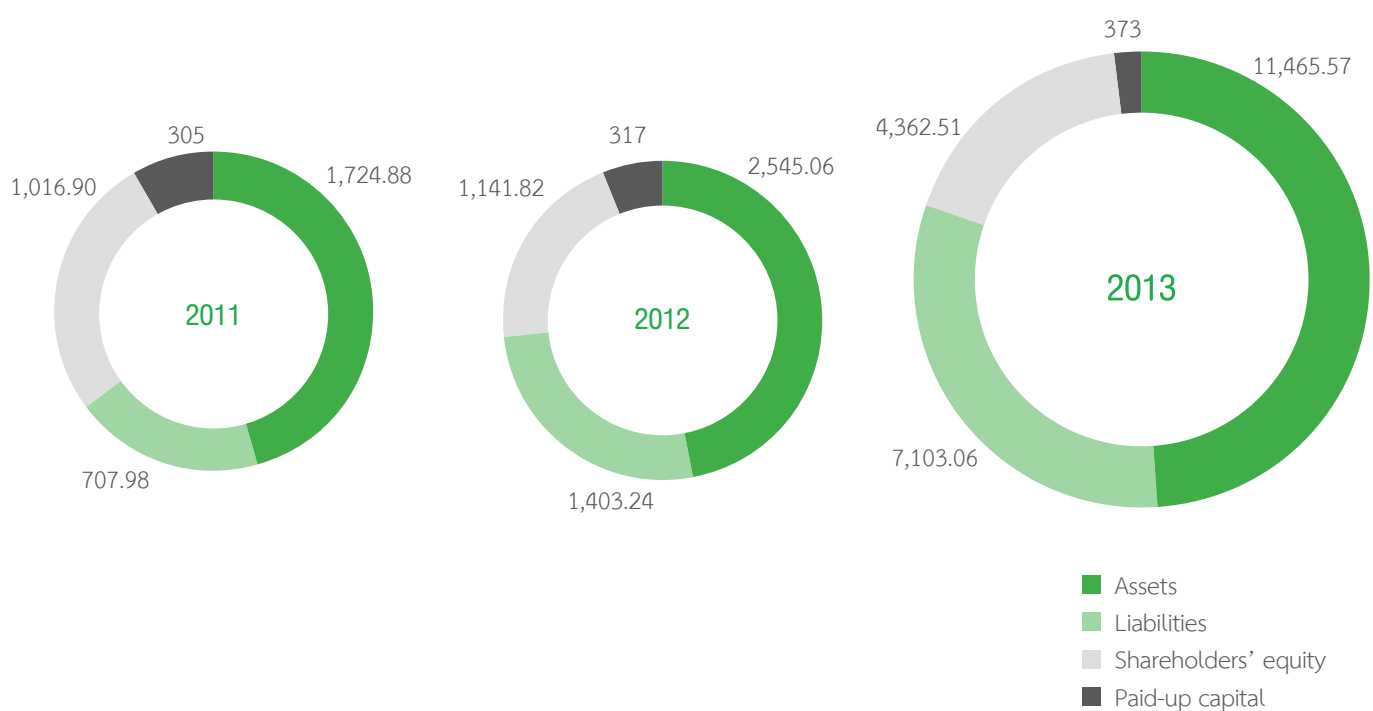
Unit: Million Baht

		2013	2012	2011
profit and loss statement (Million baht)				
Revenues from Sales and Services		3,936.42	4,457.73	5,423.98
Gross profit		478.79	252.18	231.47
Profit beofore income tax		283.66	107.15	61.12
Profit beofore income tax, Interest and Depreciation		411.24	168.98	112.03
Not profit (loss) : owners of the parent		267.92	107.01	63.01
Statement of Financial Position (Million baht)				
Assets		11,465.57	2,545.06	1,724.88
Liabilities		7,103.06	1,403.24	707.98
Shareholders' equity		4,362.51	1,141.82	1,016.90
Paid-up capital		373	317	305
Financial Ratio				
Return on Asset	%	3.82%	5.01%	4.51%
Return on Equity	%	9.74%	10.08%	8.28%
Gross profit margin	%	12.16%	5.66%	4.27%
Net profit margin	%	6.81%	2.40%	1.16%
Total Debt to Equity Ratio		1.63	1.23	0.70
Net Debt to Equity Ratio		1.03	0.99	0.26
Debt to Equity Ratio / EBITDA		10.95	6.68	2.35
Earnings per share	(Baht per share)	0.073	0.034	0.022
Book Values	(Baht per share)	1.18	0.36	0.34

Income from sales and services



Statement of Financial Position



Report of Audit Committee

To shareholder
of Energy Absolute Public Company Limited

Audit Committee of Energy Absolute Public Company Limited consists of 4 independent directors. They are ability and specific experienced as requirement of Stock Exchange of Thailand, they are independent in handling their duty as per charter of Audit Committee

- | | |
|--------------------------------|-----------------------------|
| 1. Mr. Chaiwat Pongpisitsakul | Chairman of Audit Committee |
| 2. ACM. Chainan Thamasujarit | Audit committee Member |
| 3. M.R. Bravonchat Chatchai | Audit committee Member |
| 4. . Mr. Bannarat Pitchayakorn | Audit committee Member |

In 2013, the Audit Committee conducted total of 9 meetings. Each meeting, all Audit Committee Member had fully attended (100%). The Audit Committee invited executives to join meeting on the agenda involved in order to give information on the relevant matter. This included the Internal Audit, the Auditor certified public accountant in order to explain on the financial statements including result of audit every quarter. In addition, Audit Committee had held a meeting with the auditor of the Company and without the Company's management in the meeting.

The Audit Committee has adopted a charter of the Audit Committee approved by the Board of Directors. The result of the meeting are summarized and send to Managements as details below :

1. Verify quarterly financial statements and 2013 yearly financial statements before submission to the Board of Directors. To ensure that, the financial statements are prepared with accuracy and compliance to accounting standards, provision, including the disclosure in the notes to the financial statements and provide adequate notice and acknowledge the solutions for the benefit of the Company. Audit Committee is of the opinion that the financial statements of the Company have been prepared in accordance with accounting principles generally accepted as accurate as they should be trusted to choose accounting policies are reasonable.
2. Reviewing the adequacy of internal controls and internal audit. The Audit Committee has concluded that effective, adequate and no significant defects and internal agency has independence. In addition, the Audit Committee has approved the internal audit plan for the year 2013, which was organized by risk and focus on the effectiveness and efficiency performance in order to develop the internal audit system continued to provide good internal control system.
3. Verify to ensure compliance with the Securities and Exchange of Thailand and laws relating to business of the Company. Audit Committee is of the opinion that the Company has complied with the law and proper. They also reviewed the related transactions or any transactions that may have conflict of interest. The Audit Committee has concluded that it is reasonable and for the benefit of the Company and in accordance with law and regulations of the Stock Exchange of Thailand and disclosed in the notes to the financial statements.
4. To review the risk management report on the audit findings and observations of internal control system, including a discussion with the senior management of company. Set for the meeting of the Executive Committee on a regular basis every month, including the Board of Directors on a quarterly basis by the Audit Committee at the meeting were discussed, performance risk factors, potential impacts and proposed measures to prevent or mitigate significant risks. Moreover, reported on the progress of the operation by continuously responsibility. The Audit Committee has concluded that the risk management measures prescribed is effective and adequate coverage of high risk operational processes in line with the current business environment.
5. Reviewing the adequacy of internal controls in the form prescribed by the Securities Commission and Stock Exchange of Thailand. The evaluation found that the company has adequate internal control systems and complete.

6. The selection of the auditor considers transparency and Principles of Good Corporate Governance. Including performance of the external auditors over the past year with regard to credibility, the ability to monitor and guarantee the financial statements on time and regularly. The Audit Committee has proposes for the Board of Directors to consider and future propose to the shareholders' as follows.

- Appointment auditor of NSP Siam Aud it Ltd. as follows:

Mr. Narong Luktharn Registration No. 4700 and / or
Miss. Maliwan Phahuwatanakorn Registration No. 4701

As auditor of Energy Absolute Public Company Limited for accounting period of 2014, with audit fees Baht 920,000.- (Baht Nine hundred twenty thousand only) and the relevant expenses for not over 10% of audit fees.

- Appointment auditors of NSP Siam Audit Ltd. as list as following

Mr. Narong Lukthan Registration No. 4700 and/or
Miss Maliwan Phahuwattanakorn Registration No. 4701 and/or
Mr. Manit Warakitjaporn Registration No. 7326 and/or
Miss Kamontat Jitkarnka Registration No. 10356

As auditors of 7 subsidiaries for accounting period of 2014 with audit fees of Baht 980,000.- (Baht Nine hundred eighty thousand only) and the other relevant expenses for not over 10% of the audit fees.

7. The Audit Committee has evaluated the performance of the audit committee self-assessment by the Board as a whole for the year 2013. Audit Committee has the overall opinion that the Audit Committee has conducted duties under the Charter of the Audit Committee with the adequately and completed accurately .

Energy Absolute Public Company Limited

(Mr. Chaiwat Pongpisitsakul)
Chairman of Audit Committee
3rd March 2014

Policy and Business Industry

1. Vision, objective, target, strategies of company operation

Vision

Company has strived to be a leader in the alternative energy business with use of modern technology. The power of biodiesel quality in order to use as renewable energy and reducing foreign oil imports. In order to support the policy of the government to make the price of agricultural commodities such as palm oil are more stable. As well as helping to solve environmental problems in terms of air pollution and global warming (Global Warming). The Company will implement a policy push and support the development of the biodiesel industry in Thailand. Including as leader in producing electricity from renewable energy, such as electricity from solar energy and electricity from wind turbines.

Strategy target of operation as following

1. Leader of efficiency production and value power
2. Marketing plan for increasing customer by extending distribution channel
3. Control production process in order to decrease cost of production, maintain quality level including risk management may occur in production process.
4. Development and training all levels of personnel in order to efficiency take advantage of long-term competition in business.
5. Development method of work and information technology in order to more efficiency.

Perspective of business

Energy Absolute Public Company Limited was registered as a company on the March 6, 2006. Original name is Suntech palm. Oil Co., Ltd., with registered capital of 50 million baht. Afterward, 2008 was registered as a public limited company and renamed as Energy Absolute Public Company Limited. Currently, the company has registered capital of 373 million baht divided into 3,730,000,000 shares at par value of 0.10 baht per share.

The company's main business is the production and distribution of biodiesel (B100) diesel fuel, Pure glycerin and raw materials and by-products from the production of biodiesel (The company is licensed as a fuel trader under Section 7 of the Fuel Trade Act, 2000 from Ministry of Energy on 14 October, 2009) and production business, distribution of electricity from renewable energy are solar energy and wind power. In the case of solar

power, company entered into a purchase-sale contract with Electricity Generating Authority of Thailand (EGA.) totaling 278 MW, capacity 8 Megawatts for 1 project in Lopburi Province and a capacity of 90 MW for 3 projects at province of Nakhonsawan, Lampang and Phitsanulok. For the wind power plant, company has submitted information to sell electricity to the Electricity Generating Authority of Thailand, a total of 12 projects with a total capacity of 621 MW has been considered response to the purchase of power from EGA. 8 projects, total capacity 386 MW (3 Hadkunghan Projects, total capacity is 126 MW and the 5 projects of Hanuman, total capacity of 260 MW, the 4 remaining projects are being consideration.

Business lines of company

1. Biodiesel business

Product of biodiesel business line of the company consists of 3 main types: 1) Biodiesel (B100) 2) diesel fuel 3) purified glycerin and also raw materials and by-products from the production. In addition, company is licensed as the oil traders according to Fuel Trader Act, 2000, section 7 (Fuel trader as section 7 mean trading each fuel or for all type from 100,000 metric ton, or approx. 120 million litre) of the main products of the company include.

1) Biodiesel (B100) is liquid fuel was produced by vegetable reaction called Transesterification process, mixed with alcohol, e.g. methanol until incurred ester has similar properties with diesel, directly replaced diesel called biodiesel (B100).

2) Diesel Fuel (B2, B3, B4, B5) is biodiesel (B100) mixed with diesel (B0) in any ratio such as diesel fuel B2 is diesel fuel (B0) has mixture of biodiesel (B100) as portion of 2% with diesel 98%. Diesel Fuel B3 is diesel fuel (B0) has mixture of biodiesel (B100) as portion 3% with diesel 97%. Diesel fuel b4 is diesel fuel (B0) has mixture of biodiesel (B100) as portion 4% with diesel 96%. Diesel fuel B5 is diesel fuel (B0) has mixture of biodiesel (B100) as portion 5% with diesel 95%.



3) Pure glycerin has properties of liquid, clear, colorless, scentless, sweet and better soluble in alcohol and water, but insoluble in fat. Due to glycerin has varies chemical properties of substrate in other chemical synthetic. Glycerin is popular in food industry, drug, cosmetic and soap, etc. Pure glycerin is derived from raw glycerine of produce biodiesel passing glycerine refining process until acquired purified glycerin. Later, incurred one product of company as mixture of varies products. Such as cosmetic, medical supplies as well as daily product such as toothpaste and so on.

4) Raw material and by product was acquired production such as crude glycerin and free fatty acid: FFA.

2. Power plant business from renewable energy

Electricity from renewable energy business line of the company consists of four solar power projects and a total capacity of 621 MW wind power project. The plan includes 12 projects, total capacity 621 MW as details of the project are:

- Solar power plant 4 projects, total capacity 278 Megawatts including.

1) Project of solar power plant, capacity 8 Megawatts: Lopburi Province

Located on no. 188 Village No. 3, Koktoom-Pasak River Road (Highway no. 3333) Km. 21, Pattananihkom Sub-District, Pattananihkom District, Lopburi Province 15140. This plant has distributes commercial operating (Commercial operating date: COD) on 17 October, 2012 as already.

2) Project of solar power plant, capacity 90 Megawatts: Nakornsawan Province

Located on Huawai Sub-District, Taklee District, Nakornsawan Province, which has sale electricity contract with The Electricity Generating Authority of Thailand (EGA) as already. Currently, this project has distributes commercial operating (Commercial operating date: COD) on 23 December, 2013 as already.

3) Project of solar power plant, capacity 90 Megawatts: Lampang Province

Located on Banouem Sub-District, Muang Lampang District, Lampang Province, which has sale electricity contract with The Electricity Generating Authority of Thailand (EGA) as already. There is conducting sufficient land to execute project, not proceeding operation and no income.

4) Project of solar power plant, capacity 90 Megawatts: Pitsanulok Province

Located on Matong Sub-District, Prompiram District, Pitsanulok Province, which has sale electricity contract with The Electricity Generating Authority of Thailand (EGA) as already. Currently, being proceeding supply land and used land 60% of total land target and no income.

- Wind power plant has total 12 projects, capacity 621 Megawatts including.

- 1) Wind power plant project total 4 projects, capacity 171 Megawatts, located on Nakornsrihammarat to Songkhla Provinces, has particulars as following.

Name of wind power plant project	Capacity	Location	Application date	Starting commercial operating date (SCOD)
1. Hadkunghan 1	36 Megawatts	Ranode Sub-District, Ranode District, Songkhla Province.	1 February, 2012	21 March, 2015
2. Hadkunghan 2	45 Megawatts	Huasai Sub-district, Husai District, Nakornsrihammarat Province.	1 February, 2012	21 March, 2015
3. Hadkunghan 3	45 Megawatts	Khanabpak Sub-district, Pakphanang District, Nakornsrihammarat Province.	1 February, 2012	30 September 2015
4. Hadkunghan 4	45 Megawatts	Satingphra Sub-district, Satingphra District, Songkhla Province.	5 March, 2013	December 2017
Status of project	<ul style="list-style-type: none"> • Hadkunghan Project 1-3, total 3 projects: Company has acquired correspondence from EPA, approved purchase electricity and being proceeding sign for sale contract (PPA) • Hadkunghan 4: Company is application and proposal sale electricity of EPA and execute guarantee to EPA, now being studying possibility of project 			
Surplus of electricity price	3.5 baht per kilowatts-hour for 10 years			

- 2) Wind power plant 8 projects. capacity 450 Megawatts. located on Chaiphoom and Mukdahan Provinces.

Name of wind power plant project	Capacity	Location	Application date	Starting commercial operating date (SCOD)
1. Hanuman project 1	45 Megawatts	Yangkla Sub-district, Tepsatit District, Chaiphoom Province.	3 February 2012	21 March 2017
2. Hanuman project 5	48 Megawatts	Pongnok Sub-district, Tepsatit District, Chaiphoom Province.	3 February 2012	21 March 2017
3. Hanuman project 8	45 Megawatts	Nayangkak Sub-district, Tepsatit District, Chaiphoom Province.	9 October 2012	August 2017
4. Hanuman project 9	42 Megawatts	Pongnok Sub-district, Tepsatit District, Chaiphoom Province.	9 October 2012	August 2017
5. Hanuman project 10	80 Megawatts	Banchuan Sub-district, Chaiphoom Province.	9 October 2012	December 2017
6. Hanuman project 11	90 Megawatts	Banrai Sub-district, Tepsatit District, Chaiphoom Province.	9 October 2012	February 2018
7. Hanuman project 13	50 Megawatts	Koktoom Sub-district, Mukdahan Province.	9 October 2012	August 2020
8. Hanuman project 14	50 Megawatts	Kamchachee Sub-district, Mukdahan Province.	25 April 2013	August 2020
Status of project	For all 8 projects company has application and proposal sale into system of EPA and execute guarantee of proposal sale to EPA and now being studying possibility of project.			
Surplus of electricity price	3.5 baht per kilowatts-hour for 10 years			

2. Changing and development

Company has development as following.

1. Important development regarding registered capital and paid-in capital, structure of shareholding and establishment subsidiary of company.

Year • 2008 March 12, 2008 extraordinary shareholder meeting has resolution, company transformed as a public company. In order to prepare the common stock of the company has registered in MAI Stock Exchange (MAI) and resolution to change the company name to Energy Absolute Public Company Limited and to streamline the distribution share and increase the liquidity of the shares of the company. Therefore, the resolution changes are par from 100 baht to 0.10 baht, and a resolution to increase the share capital in the amount of 49 million baht by issuing ordinary shares 490,000,000 shares at par value of Baht 0.10 per share to be offered to initial public (IPO), the company has registered capital of 299,000,000 baht, divided into ordinary shares 2,990,000,000 shares at par value of 0.10 baht per share, with a paid up capital of 250,000,000 baht as to 27 March 2008, registered as a public company by changing the company name to Energy Absolute Public Company Limited.

Year • 2009 Board of Directors meeting and Shareholders meeting has resolution to change the purpose of the issuance of shares on 2008. There are changing from proposal sale to people for 490,000,000 shares to be offered to the limited person. The Company has resolved to reduce the share capital of 299,000,000 baht to 250,000,000 baht by canceling the shares are not sold. Have resolution increase registered capital of company from 250 million baht to 360 million baht par value of 0.10 per share, the shares are allocated as following.

- Proposal sale to people in first time (IPO) for 55,000,000 baht or 550,000,000 shares and
- Proposal sale to person in limit amount 55,000,000 baht or 550,000,000 shares in order to as fund of project in production fund and distribution current in the future and circulate capital of company consist of.
 - Proposal to sale person in limit amount 50,000,000 baht or 500,000,000 shares, par share 1,00 baht
 - Proposal to sale executives of company 5,000,000 baht or 50,000,000 shares, par share 0.10 baht

Year • 2010 The shareholders meeting have approved the stake sale for ordinary share capital of 293,800,000 shares by the allotment of shares into the offer price of 0.10 baht, 50,000,000 shares and 1.00 baht, 243.8 million shares, the Company's paid-in capital change from 250,000,000 baht to 279.38 million baht for outstanding shares. Funds have not been allocated a total of 256.2 million shares because the company is in the process of investing in solar power projects. This requires working capital project was conducted without problem of liquidity. Company was proposed terms of the offering ordinary shares have not been allocated as follows.

- Proposal sale to original shareholder, par share 1.00 baht
- Proposal sale to new shareholder, par share 1.20 baht In addition, in case of original shareholder sold ordinary share par share 1.00 baht will silent period from this purchase 6 months.

Year • 2011 Meeting of shareholders has approved the allotment of shares, the rest of the subscription by the resolution of the General Meeting of Shareholders on 2010, which has a period of 1 year to conduct the sale of ordinary shares have not been allocated a total of 256.2 million shares for the next period of 1 year after the date of the meeting of shareholders. By pricing the minimum price per share of 1.20 baht in June 2011, company completed the sale such shares to existing shareholders and new shareholders at a price of 1.50 baht per share, total 384.3 million baht and is registered with the Ministry of Commerce as a result company paid-in capital of 305 million baht.

Year • 2012 Meeting of shareholders has resolution to approve company from 360,000,000 baht to 305,000,000 baht par value of 0.10 baht per share as the shares are not sold or which have not been released. There are resolution increase the registered capital of 305 million baht to 373 million baht through the issuance of 680,000,000 new ordinary shares at par value of 0.10 baht per share by issuing new shares as follows.

- Initial public offering (IPO) 560,000,000 shares
- Rights offering (RO) 120,000,000 shares in par share 1.50 baht

Year • Company is initial public offering for 560,000,000
2013 baht during 21-23 January, 2013. As a result, paid-in registered capital of company increasing 317,000,000 baht to 373,000,000 baht.

2. Important development of biodiesel business

Year • The Company has received promotional privileges
2008 from the Board of Investment (BOI) in the manufacture of glycerin percent pure 99.50%, capacity of 6,000 tons per year (later supported a larger capacity. production of 24,000 tons per year) has benefit of the exemption corporate income tax on profits from the operation not over 100% of the investment. Excluding land and working capital for a period of 8 years from the date the income from the operation and later will be tax deductible on profits from investment in 50% of the normal rate for a period of 5 years, the company has revenue of the operation such as from 13 May 2010.

- The Company has received promotional privileges from the Board of Investment (BOI) in the production of biodiesel, capacity of 120 million liters per year (later supported a capacity of 240 million liters per year) with the benefits of the exemption corporate income tax on net income from operations for a period of 8 years from the date the income from the operation.

Year • The company's new biodiesel plant construction
2009 completed. Making capacity of biodiesel (B100) is equal to 400,000 gallons per day and glycerine purification plant, capacity of 20 tons per day.

- On October 14, 2009, the Company authorized a fuel trader under Section 7 of the Trading fuel Act, 2000 from Department of Energy.

Year • The company expanded the production capacity
2010 by the construction of a biodiesel plant expansion. As a result, company has production capacity of biodiesel is 800,000 liters per day up from its original capacity of 400,000 liters per day and capacity expansion glycerine purification is 80 tons per day, an increase of capacity of 20 tons. The day includes a built in navigation methanol distillation residues from the production process is reused in the new.

- The company has developed a process by bringing Palm Fatty Acid Distillate: PFAD as substrate other than Stearine, crude palm oil (CPO) and palm oil semi-refined (RBD) in production of biodiesel (B100) of company, has a production capacity of PFAD Esterification of 20 tons per day (or 20,000 liters per day).

Year • The Company has received promotional privileges
2011 from the Board of Investment (BOI) in the production of semi-refined palm oil (RBD) capacity of 158,075 tons per year and receives the benefits of tax exemption. Net profit from operations combined not exceeding 100% of the investment, excluding land and working capital for a period of 8 years from the date the income from the operation. And thereafter will be deductible from corporate income tax on profits from investment in 50% of the normal rate for a period of 5 years from this time. No revenues from pure oil palm tax benefit mentioned above. Because it is not sold to outsiders, but the company imported RBD was used as raw material for biodiesel production. It could not have exercised the tax from BOI.

- The Company has received promotional privileges from the Board of Investment (BOI) in the manufacture of glycerin, purity 99.5%, capacity of 124,800 tons per year with benefits in the income tax exemption on profits. It derived from the operation of not more than 100% of the investment, excluding land and working capital for a period of 8 years from the date the income from the operation. And thereafter will be deductible from corporate income tax on profits from investment in 50% of the normal rate for a period of 5 years.
- The company began construction of distillation of crude palm oil. To increase production capacity by 600,000 liters per day, for a total capacity was 800,000 gallons per day and build refineries, glycerine, purified an additional 80 tons per day to increase the efficiency of refined glycerine to yield better to expand the capacity of the system Esterification in production of bio-diesel and 40 tons per day into 80 tons per day. Company began commercial operations in the distillation of crude palm oil and Esterification Process Biodiesel in September 2555 and the glycerine purification refinery is undergoing testing on start commercial operations next.

- Year 2012**
- The Company has been certified Roundtable on Sustainable Palm Oil: RSPO is the second part of Thailand, which is certified by the PT.TÜV NORD INDONESIA. Company was certification standards are intended to support the production of sustainable palm oil to cover the management and implementation of the law has possibility of economic, environmental as appropriate and social beneficial under the RSPO standards.
 - The Company has been certified Quality Management System ISO 9001: 2008 from URS Thailand (United Registrar of Systems (Thailand) Ltd.)

Year 2013 Develop and increase capacity to 800,000 Liters/day

(3) Development of solar power plant business

- Year 2009**
- The Board of Directors has approved investment projects generating electricity from solar energy of 270 MW divided into 3 projects, capacity projects of 90 MW. Location of project is Nakhon Sawan Province, Lampang Province and Phitsanulok Province, respectively.

- Year 2011**
- The company began expanding the production and distribution of electricity from solar energy. On May 2011, the Company to acquire shares in Surachai (1997) Company Limited from the existing shareholders as portion 75% of the registered capital of the company as mentioned. Share price at 5,583.33 baht, representing a total amount of 50.25 million baht (including investment of 50.00 million and expenses directly related to the acquisition of approximately 0.25 million baht). Buyer and seller are not related persons with regard to the company. In addition, investment in ordinary shares of the Surachai (1997) Co., Ltd. has business of producing and distributing electricity from solar power. Due to Surachai (1997) Co., Ltd. is a direct party to the sale of electricity was produced from solar power projects, Capacity of 8 MW in Lopburi Province with The Provincial Electricity Authority (PEA), this project will be the purchase price of electricity (Adder) for very small power producers (VSPP) of renewable energy at a rate of 8 baht per kilowatt – hour, has period support for 10 years from the start date of trading of electricity (Commercial Operation Date: COD). On March 1, 2011 (prior date of purchase ordinary share in Surachai (1997) Co., Ltd.). Surachai (1997) Company Limited has transferred rights in contract as mentioned to Surachai (1997) Solar Co., Ltd.

Under the terms of the company as Revenue Code, Section 39 (3), namely Surachai (1997) Co., Ltd. is transferable right in sale contract to Surachai (1997) Solar Co., Ltd. Due to holding more than 50% of its capital Surachai (1997) Solar Co., Ltd. The Company saw that solar power projects will help generate solid returns over the long term, and diversify the business risk of the company's other hand.

- After the acquisition of shares of Surachai (1997) Company Limited, Energy Absolute Public Company Limited has established EA Solar Co., Ltd. with an initial capital of 100,000 baht, with a par value of 100 baht per share, consisting of common stock of 490 shares and preference shares in the name of 510 shares (10 shares of Preferred Stock are entitled to one vote). To execute produce and distribute electricity from solar energy, capacity of 8 MW, Lopburi Province. Surachai (1997) Solar Co., Ltd. is holding 51% and Energy Absolute Public Company Limited is holding 48.70% of the share capital of the EA Solar limited.
- The meeting of the shareholders of the EA Solar Limited, a subsidiary of the company has resolution to increase the share capital of the EA Solar Co., Ltd in order to invest in solar projects 8 MW, Lopburi Province. There is rights offering if the existing shareholders do not wish to take the rights of other shareholders can exercise their right to purchase the remaining shares, which issued share capital. This amount of 1,999,000 shares at par value of 100 baht per share, or a total 199.9 million baht comprising 979,510 ordinary shares of preferred stock and 1,019,490 shares of company. Has registered and paid-in capital consists of ordinary shares of 980,000 baht to 200,000.00 shares and preferred shares, 1,020,000 shares. After the capital increase in the EA Solar Limited, the Surachai (1997) Solar Co., Ltd. is holding share in the proportion of 51% (according to the shareholding structure of PEA in terms of a company affiliated as Revenue Code, Section 39 (3), so Surachai (1997) Solar Co., Ltd. has transfer the contracts to EA Solar Company Limited. Energy Absolute Public Company Limited is holds in the proportion of 34.30% and. Mr. Surachai Ngamsakulrungsot is holds 14.70% of the registered EA Solar Co., Ltd.
- EA Solar Ltd. has been transferred rights and obligations under the contract to the Provincial Electricity Authority (PEA), capacity of 8 MW in Lopburi Province followed by Surachai (1997) Solar Co., Ltd. Under conditions of a subsidiary company

Surachai (1997) Solar Co. as Revenue Code, Section 39 (3)) and the Provincial Electricity Authority (PEA) consent to the transfer of such structures. From structure of shareholding and directors will see that Surachai (1997) Limited, Surachai (1997) Solar Co., Ltd. and EA Solar Co., Ltd. is all affiliates and are under their control of Energy Absolute Public Company Limited.

- In November 2011, the Company entered into a power purchase agreement (PPA) with Electricity Generating Authority of Thailand (EGAT) to sell electricity produced from solar power projects, Takhli, Nakhon Sawan Province, capacity of 90 MW to the Electricity Generating Authority of Thailand (EGAT). Commercial Operation Date: COD to EGAT on December 23, 2013 and recognized revenue in date as mentioned.
- Moreover, Company has entered into a power purchase agreement (PPA) with the Electricity Generating Authority of Thailand (EGAT) to sell all of the electricity produced from the solar power plant in Lampang Province, capacity. 90 MW to the Electricity Generating Authority of Thailand (EGAT) by the date specified in the PPA. is 1 December 2014.
- On November 17, 2554, company has been promoted by the Board of Investment (BOI) in electricity generation from solar energy, Lopburi, capacity of 8 MW benefits in the income tax exemption on profits derived from such business for a period of 8 years from the date the income from the operation. And later will be tax deductible on profits from investment in 50% of the normal rate for a period of 5 years.

Year 2012 • On July Board of Director meeting has resolution as following.

1. Approved purchase more share from group of Mr. Surachai Ngamsakulrungsot, holding in Surachai (1997) Co., Ltd. and EA Solar Co., Ltd.
 - Surachai (1997) Co., Ltd.
Energy Absolute Public Company Limited holding 75.00%
กลุ่มของนายสุรัชย์ งามสกุลรุ่งโรจน์
Group of Mr. Surachai Ngamsakulrungsot holding 25.00%
 - EA Solar Co., Ltd.
Energy Absolute Public Company Limited holding 34.30%
Surachai (1997) Solar Co., Ltd. holding 51.00%
Mr. Surachai Ngamsakulrungsot holding 14.70%

2. Approved investments ordinary shares in the Energy Solutions Management Limited (ESM). Company has continued to invest to acquire shares in ESM (ESM was established on 21 June 2555 with registered capital of 10,000,000 shares, 100 baht par value of 25 baht per share as paid-in, or the amount of 2,500,000 baht) on 24 July, 2012, in order to carry out construction design business and maintenance of power plants Solar (Solar Farm), and so the company has experienced personnel in the field of civil and installation of solar power plants. When combined with existing personnel of the Company will ensure that the organization has a better performance, cost management of construction and the cost of maintaining the power plant can be improved in the future. By the meeting of The Board of Directors has approved the acquisition of such par only the paid-in capital and transfer personnel EPC (Engineering Procurement and Construction) to this company. Including approval for the allocation of shares in the amount of 49% to the team project solar power plants of company in par price, sold as 1 of 3 of the shares allocated to such teams on the project. Solar power has capacity of 90 MW, completed each project of company (Project to distribute electricity commercially (COD). By the allocation each time must seek approval from the Board of Directors, whenever the team is entitled to the allocate of such shares, including: 1) Mr. Suphon Chanthapanyarat, 2) Mr. Kitthituts Tutsanawiwat 3) Mr. Kongsak Charoenphon 4) Mr. Nanthasak Sakkosit and 5) Soilcrete Technology Co., Ltd. If in the future the company will have to issue stock of ESM company shall be required to meet the regulations or related regulations of The Securities and Exchange Commission and Stock Exchange of Thailand, e.g. criteria of acquisition or disposition of assets of listed companies or subsidiaries transactions and so on.

Schedule of Energy Solution Management (ESM) Co., Ltd. prior and after purchase ordinary share

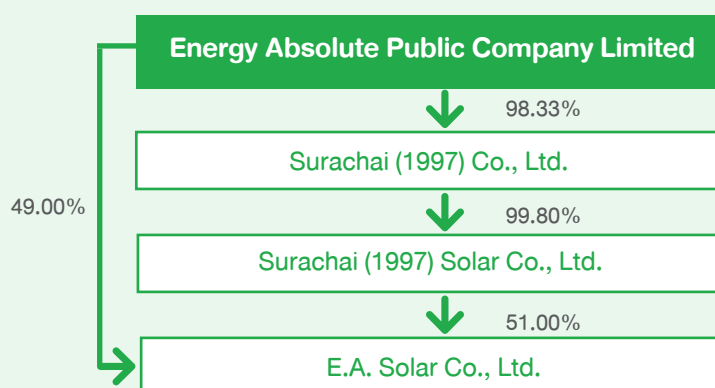
Information of Energy Solution Management Co., Ltd. Pre-purchase ordinary share		Information of Energy Solution Management Co., Ltd. Post-purchase ordinary share	
Registered capital/ Paid-in capital	Registered capital 10,000,000 baht, each share 100 baht, paid-in 2,500,000 baht (each share 25 baht)	Registered capital/ Paid-in capital	Registered capital 10,000,000 baht, each share 100 baht, paid-in 2,500,000 baht (each share 25 baht)
Type of operate business	Design construction and maintain solar power plant	Type of operate business	Design construction and maintain solar power plant
Establishment date	21 June, 2012	Establishment date	21 June, 2012
List of director	1 Mr. Anucha Buranchai 2 Mr. Decha Homsirikamon 3 Mr. Kititut Tutsanawiwat	List of director	1 Mr. Kititut Tutsanawiwat 2 Mr. Sompote Hahunai 3 Mr. Amorn Trupthaveekul
Shareholder list (At 15 May, 2012)	1 Mr. Anucha Buranchai (portion 40.00%) 2 Mr. Decha Homsirikamon (Portion 40.00%) 3 Mr. Kititut Tutsanawiwat (Portion 20.00%)	Shareholder list (At 24 July, 2012)	1 Energy Absolute PCL, (Portion 99.995%) 2 Mr. Kititut Tutsanawiwat (Portion 00.001%) 3 Mr. Suphon Chanthapanyarat (Portion 00.001%) 4 Mr. Kongsak Charoenpol (Portion 00.001%) 5 Mr. Nunthanasak Sakkosit (Portion 00.001%) 6 Soilcrete Technology Co., Ltd. (Portion 0.001%)

On September 7, 2555 ESM has paid the balance in full as caused ESM has paid-in capital of 10.00 million baht and company holds 99.995%.

On August, the company purchased additional shares of the group of Mr. Surachai Ngamsakulrungsrot as resolution of the Board of Directors.

On July, entering purchase share of a group of Mr. Surachai Ngamsakulrungsrot as holding ordinary share in the Surachai (1997) Co., Ltd. in the proportion of 23.33% of the registered capital of

Surachai (1997), and in the proportion of 14.70% of the registered capital of EA Solar company limited, the company is structured to holding shares as follows:



Company	Registered capital/ Paid-in	Type of business	Director list name	Shareholder list name: Portion of shareholding (%)
Surachai(1997)Co., Ltd.	<ul style="list-style-type: none"> Registered capital 12.00 million baht (par value 1,000 baht) Paid-in registered capital 12 million baht 	Operate business of produce and distribute current	1. Mr. Sompote Hahunai 2. Mr. Amorn Thupthaveekul 3. Mr. Wutthilert Jiaraninkulchai	1. Energy Absolute Public Company Limited : 98.33% 2. Mr. Sompote Hahunai : 0.83% 3. Mr. Amorn Trupthaveekul : 0.83%
Surachai (1997) Solar Co., Ltd.	<ul style="list-style-type: none"> Registered capital 1 million baht (par value 1,000 baht) Paid-in registered capital 1 million baht 	Operate business of produce and distribute current	1. Mr. Sompote Hahunai 2. Mr. Wutthilert Jiaraninkulchai 3. Mr. Amorn Thupthaveekul	1. Surachai (1997) Co., Ltd. : 99.80% 2. Mr. Sompote Hahunai : 0.10% 3. Mr. Amorn Trupthaveekul : 0.10%
EA Solar Co., Ltd.	<ul style="list-style-type: none"> Registered capital 200 million baht (par value 100 baht) Paid-in registered capital 200 million baht 	Operate business of produce and distribute current from solar power	1. Mr. Sompote Hahunai 2. Mr. Amorn Thupthaveekul 3. Mr. Wutthilert Jiaraninkulchai	1 Surachai (1997) Solar Co., Ltd. : 51.00% (Has vote for 9.43%) 2 Energy Absolute Public Company Limited : 49.00% (Has vote for 90.57%) 3 Mr. Sompote Hahunai : 0.0001% (Has vote for 0.0001%)

- In August, the company has established EA Solar Nakornsawan Co., Ltd. in order to produce and sell electricity from solar energy, capacity of 90 MW in a Nakhon Sawan Province, with registered capital and paid-in capital of 1,000,000 baht. The Company holding 99.99% of the company have undertaken to transfer the contracts to sell the electricity produced from the project to the Electricity Generating Authority of Thailand (EGAT), to EA Solar Nakornsawan Co., Ltd. under the terms of affiliates, Revenue Code, Section 39 (3). Namely, companies can transfer the contracts to companies EA Solar Nakornsawan limited because EA holds more than 50% of the share capital of EA Solar Nakornswan Co., Ltd.
- September- meeting of the shareholders of EA Solar Nakornswan Co., Ltd, has resolved to increase the share capital of the EA Solar Nakornswan Co., Ltd in the amount of 19,000,000 baht, the company has paid-in capital of 20,000,000 baht. In January, 2013 at a meeting of the shareholders of EA Solar Nakornswan Co., Ltd has resolved to increase the share capital of EA Solar Nakornswan Co., Ltd from Baht 20 million baht to 1,690 million baht.

3. Structure of shareholding of company group

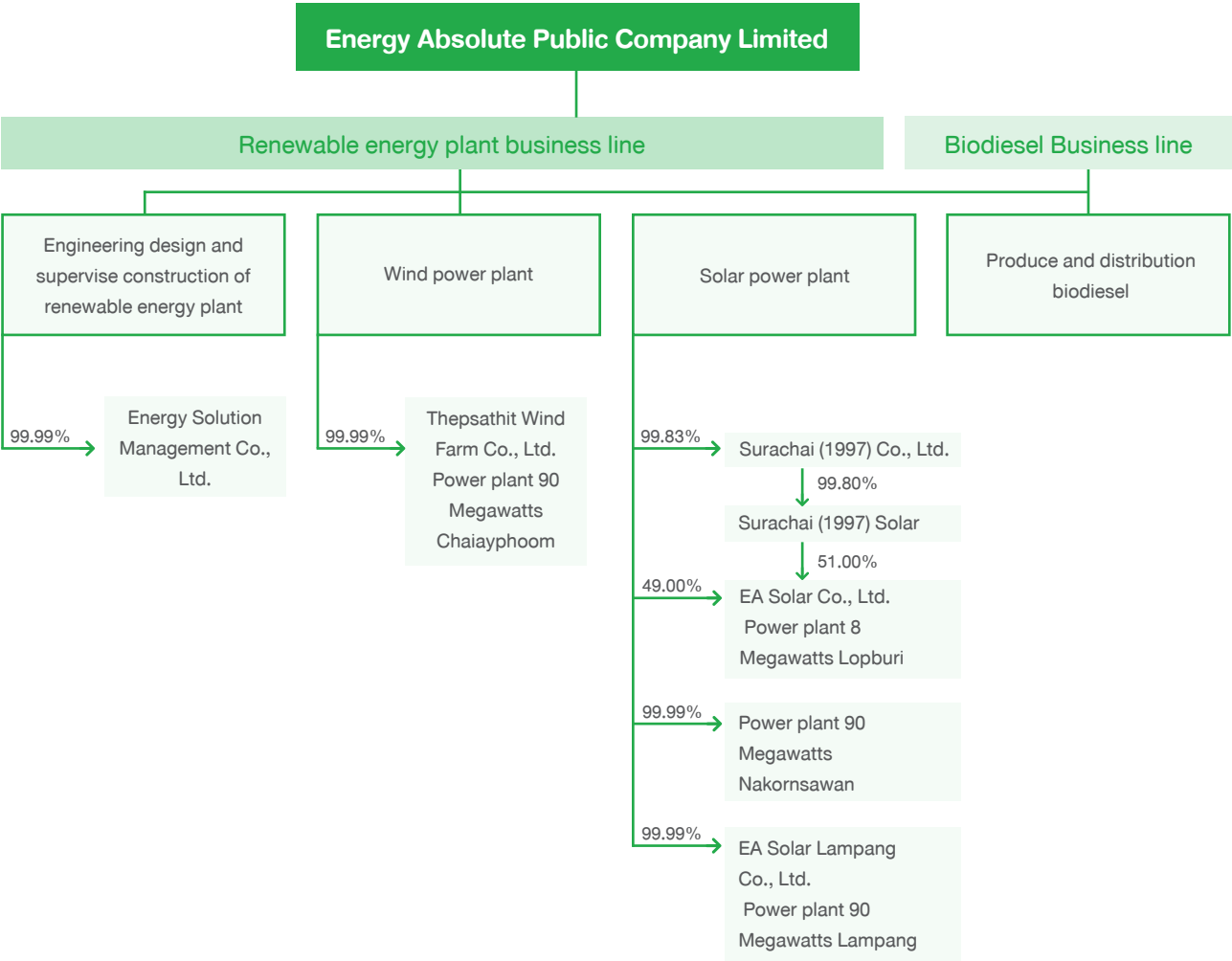
Company has policy of operation division as type of company, main business of company as following.

1. Biodiesel line
2. Power plant from renewable energy

Moreover, company has business of consult and construction solar power plant is supporting power plant of company.

Chart of shareholding structure of company group

Energy Absolute Public Company Limited has business structure of 7 subsidiaries which display shareholding structure as following.



Particulars of subsidiary

1. Surachai (1997) Co., Ltd.

Surachai (1997) Co., Ltd. or (“Surachai (1997)”) was incorporated on February 24, 1997. Currently, has registered capital and paid-in capital of 12 million baht, divided into ordinary share 12,000 shares at par share 1,000 baht, which is a produce and supply electricity from solar energy alone. Energy Absolute Public Company Limited or (“the Company”) holding share 98.33%.

2. Surachai (1997) Solar Co., Ltd.

Surachai (1997) Solar Co., Ltd. was established on 1 December, 2010 in order to produce and distribute electricity from solar power. We currently registered and paid-in capital of 1,000,000 baht, divided into 1,000 ordinary shares at par value of 1,000 baht. On March 1, 2011, Surachai (1997) Solar Co., Ltd. has the right to transfer the electric sale contract to the Provincial Electricity Authority (PEA), under Revenue Code, section 39(3). Currently, Surachai (1997) Co., Ltd., holding share in Surachai (1997) Solar Co., Ltd. in the proportion of 99.80%

3. EA Solar Co., Ltd.

EA Solar Co., Ltd. or (“EA Solar”) was established on May 27, 2011 in order to produce and distribute electricity with initial capital of 100,000 baht is divided into ordinary shares specific name 490 shares and preference shares specific name 510 shares at par share 100 baht (by preference share 10 shares and voting rights have 1 vote). Later, the General Meeting of Shareholders No. 1/2011 on July 7, 2011 has approved to increase the registered capital 199,000,000 baht, par value of 100 baht per share, or a total of 1,990,000 shares. Consist of 979,510 ordinary shares and 1,019,490 preferred shares. The company has also registered and paid-in capital of 200,000,000 baht on total amount of investment in the construction of an 8-megawatt solar power plant in Lopburi. On July 26, 2011, EA Solar was transferred right in contract to the Provincial Electricity Authority (PEA), capacity 8 MW from Surachai (1997) Solar Co., Ltd., as Revenue Code, Section 39 (3). Provincial Electricity Authority (PEA) has consent to transfer right but reserves the right to cancel the contract with EA Solar. If appeared that EA Solar is ceasing to be a subsidiary of Surachai (1997) Solar Co., Ltd. under the terms of Revenue Code. Currently, Surachai (1997) Solar Co., Ltd. is holding share in EA Solar 51%, Energy Absolute Public Company Limited holding 34.30% and Mr. Surachai Ngamsakulrungle holding 14.70%.

Subsequently, on August 20, 2012, Energy Absolute Public Company Limited has purchased additional shares from the group of Mr. Surachai Ngamsakulrungle. As a result, Energy

Absolute Public Company Limited has direct shareholding of 49% in EA Solar and indirectly held through Surachai (1997) Solar Co., Ltd. in the portion of 51%.

4. EA Solar Nakornsawan Co., Ltd.

EA Solar Nakornsawan Co., Ltd. or (“ESN”) was established on 24 August, 2012 in order to produce and distribute electricity from solar power, capacity of 90 MW in a Nakhon Sawan Province. There is initial registered capital and paid-in capital of 1,000,000 baht, divided into 100,000 ordinary shares at par value of 10 baht per share. Thereafter, on September 27, 2012 capital increase and paid-in capital 20,000,000 baht consisting of 2,000,000 shares at par value of 10 baht per share. Currently, Energy Absolute Public Company Limited is holding 99.99%.

5. Energy Solution Management Co., Ltd.

Energy Solutions Management Limited or (“ESM”) was incorporated on June 21, 2012, in order to engage in construction design and maintenance of solar power plants. Has registered capital 10 million baht was paid-in 2,500,000 Baht (paid-in 25 baht per share), divided into 100,000 shares with par value of 100 baht per share. Thereafter, on September 7, 2012 ESM has remaining full paid-in. As a result, the current ESM has registered and paid-in capital of 10,000,000 baht, divided into 100,000 ordinary shares at par 100 baht. Moreover, Energy Absolute Public Company Limited is holding 99.995%.

6. EA Solar Lampang Co., Ltd.

EA Solar Lampang Limited or (“ESL”) was established on 1 July, 2013 in order to produce and distribute electricity from solar energy, capacity of 90 MW in Lampang Province. Has initial registered capital and paid-in capital of 2,000,000 baht, divided into 200,000 ordinary shares at par value of 10 baht per share. Currently, Energy Absolute Public Company Limited is holding 99.995%.

7. Thepsathit Win Farm Co., Ltd.

Thepsathit Win Farm Limited was incorporated on September 5, 2008, in order to produce and distribute wind power, has registered capital and paid-in capital of 2,000,000 baht, divided into 20,000 ordinary shares at par value of 100 baht per share. Currently, Energy Absolute Public Company Limited is holding 99.998%.

4. Relation with business group of holding company

Non-disclosure information due to company is not affiliate of holding company.

Natural Energy For BETTER FUTURE

พลังงานธรรมชาติ สู่พลังงานอนาคต



Production Capacity
กำลังการผลิต

171 MW

เมกะวัตต์
From Nakornsrihammarat
to Songkla
จากนครศรีธรรมราช
ถึงสงขลา

Wind power
พลังงานลม

621

Megawatt เมกะวัตต์

450 MW

เมกะวัตต์
at Chaiyaphum and Mukdahan
ที่ชัยภูมิ และมุกดาหาร

2012 the company had also expanded business to produce and distribute electricity from wind energy total 621 MW on 12 power plants. The company had entered into a Power Purchase Agreement 450 MW on 8 power plants, and pending soonest on 4 power plants, 171 MW.

ปี 2555 บริษัทฯ ได้ขยายธุรกิจไปยังธุรกิจผลิตและจำหน่ายกระแสไฟฟ้าจากพลังงานลม มีโครงการโรงไฟฟ้าพลังงานลมอยู่ในแผนงานรวม 12 โครงการ ขนาดกำลังการผลิตรวม 621 เมกะวัตต์ โดยบริษัทฯ ได้รับจดหมายตอบรับจากการไฟฟ้าฝ่ายผลิตแห่งประเทศไทย อนุมัติรับซื้อไฟฟ้าแล้ว แบ่งเป็น 8 โครงการ รวมกำลังการผลิต 450 เมกะวัตต์ ส่วนอีก 4 โครงการ บริษัทฯ ได้ยื่นแบบคำร้องและข้อเสนอการจ่ายไฟฟ้าเข้าระบบ และวางหนังสือค่าประกันการยื่นข้อเสนอขายไฟฟ้าให้แก่การไฟฟ้าฝ่ายผลิตแห่งประเทศไทยไปแล้ว รวมกำลังการผลิต 171 เมกะวัตต์



Nature of Business

Company is a manufacturer and distributor of biodiesel (B100), diesel fuel, pure glycerin and raw materials and by-products. Company has licensed a fuel trader under Section 7 of the Fuel Trading Act, 2000 (Oil trader has quantity of each fuel types, or a combination of all kinds, from 100,000 metric tons per year, or about 120 million liters or more). In addition, the company also expanded its business operations access to production and distribution of electricity from solar energy. There is split into 2 business lines as.

- 1 Biodiesel business includes production and distribution of biodiesel (B100), diesel fuel, pure glycerin and raw materials and by-products.
- 2 Renewable energy business including production and distribution of electricity from solar power projects with 4 projects, total capacity 278 MW and from wind power projects 12 projects, total capacity of 621 MW.

Structure of income

Income type	2011		2012		2013	
	MB	%	MB	%	MB	%
Income from sale						
Biodiesel business group						
1. Biodiesel oil	3,113.90	57.33	3,133.03	69.95	3,342.77	83.59
2. Diesel fuel	1,149.61	21.16	808.08	18.04	103.65	2.59
3. Pure glycerin	78.6	1.45	17.54	0.39	144.62	3.62
4. Material and by product ³	26.01	0.48	98.27	2.19	142.33	3.59
1) Palm acid	-	-	-	-	56.02	1.40
2) Crude Glycerin	26.01	0.48	98.14	2.19	62.81	1.57
3) Others	-	-	0.13	0	23.50	0.56
	4,368.12	80.42	4,056.92	90.57	3,733.37	93.36
Alternative Energy Plant Business group						
5. Solar energy current ²	-	-	10.61	0.24	65.03	1.63
6. Subsidy of purchase electricity ²	-	-	23.92	0.53	138.03	3.45
	0	0	34.53	0.77	203.06	5.08
7. Liquefied petroleum gas ¹	1,055.85	19.44	366.28	8.18	-	-
Total income from sale	5,423.97	99.86	4,457.73	99.52	3,936.43	98.44
Income from service ⁴	0	0	6.18	0.14	-	-
Other income ⁵	7.34	0.14	15.07	0.34	62.56	1.56
Total income	5,431.31	100.00	4,478.98	100.00	3,998.99	100.00

Remark: ^{/1}: The Company has revenue from the sale of liquefied petroleum gas in quarter 3/2010 and ceased operations in April of 2012, in order to company focused on the distribution of biodiesel which is the main product of the company is important. Because of liquefied petroleum gas of company began operations in study business. The gross profit rate is very low, required personnel operating is rather expensive and requires more fund in long-term competitive including the risk of government policy.

^{/2}: The Company has revenue from the sale of electricity from solar energy in quarter 4/2012 from solar power plant project, capacity 8 megawatts, Lopburi. EA Solar Co., Ltd. is subsidiary of company has subsidized the purchase price of electricity (Adder) of the project at a rate of 8 baht per kilowatt for a period of 10 years from the date of purchasing electricity commercially.

^{/3}: Revenue from the sale of raw materials and by-products consist of revenue from the sale of palm acid has occurred during the years 2012 – 2010. This is revenue from sale FFA (Free Fatty Acid), which since early 2011. Company had no income from the sale of palm acid, due to implement manufacturing process of FFA reused in the production of biodiesel. Revenues from sales of crude palm oil and stearin that occurred in 2012. Due to company has more outstanding raw materials inventory need to drain off some material in the archives. And revenue from the sale of crude glycerin is likely due to higher revenue. Company found that sales crude glycerin was created profitability for the company to have better selling in pure glycerin. Due to initial production of pure glycerin still has to be improved, modified to increase the efficiency of the production process for the better. There will be help reduce costs and create profitability for the better of the old tendency to distribute glycerin crude could be expected to diminish from the company. Company is ability to compete in the production of pure glycerin is already full and revenue from the sale of Sterol Glucoside is substance that occurs in the production of biodiesel.

^{/4}: Revenue from services of 6.18 million baht, which was the last revenue of the construction of Surachai (1997) Co., Ltd., subsidiary of company. According to employment contract to improve the school

in the year 2010, before company has purchase ordinary shares in Surachai (1997) Co., Ltd.

^{/5}: Other revenues include gains from foreign exchange, disposal of assets, interest, income from sales of scrap, etc.

1. Type of product or service

1.1 Biodiesel business (B100)

1.) Biodiesel (B100)

Biodiesel (B100) is bringing liquid fuel produced from vegetable oils and animal fats such as Crude Palm Oil (CPO), Refined Bleached Deodorised Palm Oil (RBD), Stearine, used to make a chemical reaction is called Transesterification Process of triglycerides is exist in vegetable oils and animal fats with alcohols, such as methanol and produced an ester (Ester) with properties similar to diesel fuel that can replace diesel fuel directly called biodiesel

2.) Diesel Fuel

Diesel fuel (B2, B3, B4, B5) is biodiesel (B100) mixed with diesel fuel in various ratios, for example.

- B2 diesel fuel is diesel fuel containing biodiesel (B100) in the proportion of 2 to 98%, has properties similar general diesel fuel and help the engine run better.
- B3 diesel fuel is diesel fuel containing biodiesel (B100) in the proportion of 3 to 97%, has properties similar to diesel fuel are generally complete combustion. Easy to start, clean engine, less carbon and wear, complete acceleration, available fill it up with regular diesel car models.
- B4 diesel fuel is diesel fuel containing biodiesel (B100) in 4% 96% percent, has properties similar diesel fuel.
- Diesel B5 is a diesel fuel containing biodiesel (B100) in the proportion of 5% diesel, 95%, has properties similar general diesel. Such engines, good ignition, complete combustion, non-smoke, response to driving, acceleration continues both in normal driving uphill and downhill and save gas.

The diesel fuel is typically used with diesel engines with speeds up to 1,000 rpm or more, including diesel trucks, small cars, big trucks, tractor, fishing boat, passenger boat, generators in vessel, etc.

3.) Pure glycerin.

Purified Glycerine is a colorless liquid with a sweet odor is soluble in alcohol and water but not fat soluble. Because glycerol has a wide range of chemical properties it can be used as a substrate in the synthesis of other chemicals often used in food, pharmaceutical, cosmetics and soap, etc. Pure glycerin is derived from taking raw glycerin raw from the biodiesel production process, via Glycerine Refining Process as Purified Glycerine became one of company products. Moreover, use as ingredients in a variety of products such as cosmetics, Pharmaceutical products as well as items used in daily life such as toothpaste, etc.

4.) Raw materials and by-products

The main product of the above 3 products, company has also generates revenue from the sale of such material; crude palm and by product was derived from biodiesel production, including Crude Glycerine

and FFA (Free Fatty Acid). In recent years, company is not focused on supplying raw materials but distribute palm oil as raw material of company in order to support the production of a range of raw materials in the market is only shortage. Currently, company no distribution of such material and no distribution of free fatty acids (FFA) as well. Due to company has develop production process can lead to fatty acids used in produce biodiesel.

For the sale of diesel fuel, the company will start by received orders for diesel oil from the customer and company will purchases order of diesel fuel (B0) from trader (B0), the major trader was blended with biodiesel (B100) at factory of the company. It has diesel fuel are sold to the customer.

Production capacity and capacity

In 2011-2013 company has capacity categorized as product in term of promotion from Board of Investment (BOI) and term of not support from Board of Investment (NON-BOI) as following.

Biodiesel	2011			2012			2013		
	NON-BOI	BOI	Total	NON-BOI	BOI	Total	NON-BOI	BOI	Total
Average production (Ton per day)	11,433	247,776	259,209	16,192	270,905	287,097	-	371,833	371,833
Max. production (Litre /day)	-	-	800,000	-	-	800,000	-	-	800,000
Portion of capacity	1%	31%	32%	2%	34%	36%	-	46%	46%

Remark :

- Above capacity has calculated from hour of full capacity
- Currently, company is being construction new pure glycerin refinery, replaced original plant. Now company is being testing for commercial operating in further.

Biodiesel	2011			2012			2013		
	NON-BOI	BOI	Total	NON-BOI	BOI	Total	NON-BOI	BOI	Total
Average production (Ton per day)	0.48	10.5	10.98	0.12	1.99	2.11	-	18.1	18.1
Max. production (Litre/day)	-	-	80	-	-	80	-	-	80
Portion of capacity	1%	13%	14%	1%	2%	3%	-	23%	23%

Company has benefits from Board of Investment according to Promotion Investment Act, 1977 has particulars as following.

	Type of promotion	Promotion card no.	Capacity per year	Approved date from BOI	Date of starting earn income
1.	Pure Glycerin production	16,192	24,000 tons	12 May, 2008	13 May, 2010
2.	Biodiesel production	1657(2)/2551	2182(9)/2551	27 October, 2008	6 March, 2009
3.	Semi-pure palm oil	1889(2)/2554	158,075 ตัน	23 May, 2011	Due to company fail in production process and distribute to outsider. Therefore, unable to asking tax benefits as promotion card (BOI).
4.	Pure Glycerin ^{1/}	2037(2)/2554	124,800 ตัน	11 July, 2011	No income due to being testing for starting commercial operating in further

Remark : ^{1/} Acquired benefits same pure glycerin production as card no. 1657 (2)/2551

Acquired benefits from important promotion investment as following

Pure glycerin Production business

1. Exempt from import duty on machinery was approved by The Board of Directors.
2. Has been reduced import duties on 75% of the normal rate for raw materials or imported materials needed for manufacturing in country for 1 year from date of import, anyhow, according to assigned by Commission.
3. Exemption from income tax for net profits from the operation that has been promoting a combination not exceeding 100% of the investment fund, excluding land and circulate fund for a period of 8 years from the date of income from operations.
4. The exemption on dividends paid by the company has been promoted to tax calculation for the duration of the exemption corporate income tax.
5. Received deduction for corporate income tax on net profits from investment in 50% of the normal rate for a period of 5 years from the date of the expiration specified in clause 3.
6. Permitted deduct transportation, electricity and water costs as twice as much as a period of 10 years from the date the income from the operation.
7. Permitted deduct the cost of the installation or construction of facilities 25% percent of investment in addition to normal depreciation.
8. Exempt from import duty on raw materials and supplies needed to be imported from abroad in order to use in production for export 5 years from the date of first import.

Biodiesel production business

1. Exempt from import duty on machinery was approved by The Board of Directors.
2. Exemption from income tax for net profits from the operation operation that has been promoting for 8 years from date of starting income from operations.
3. The exemption on dividends paid by the company has been promoted to tax calculation for the duration of the exemption corporate income tax.
4. Received deduction for corporate income tax on net profits from investment in 50% of the normal rate for a period of 5 years from the date of the expiration specified in clause 2.
5. Permitted deduct transportation, electricity and water costs as twice as much as a period of 10 years from the date the income from the operation.
6. Permitted deduct the cost of the installation or construction of facilities 25% percent of investment in addition to normal depreciation.

Semi-pure palm oil (RBD) production business

1. Exempt from import duty on machinery was approved by The Board of Directors.
2. Exemption from income tax for net profits from the operation that has been promoting a combination not exceeding 100% of the investment fund, excluding land and circulate fund for a period of 8 years from the date of income from operations.
3. The exemption on dividends paid by the company has been promoted to tax calculation for the duration of the exemption corporate income tax.
4. Received deduction for corporate income tax on net profits from investment in 50% of the normal rate for a period of 5 years from the date of the expiration specified in clause 2.
5. Permitted deduct transportation, electricity and water costs as twice as much as a period of 10 years from the date the income from the operation.
6. Permitted deduct the cost of the installation or construction of facilities 25% percent of investment in addition to normal depreciation.

Currently, company was certified quality management system ISO 9001: 2008 and has also been certified to Roundtable on

Sustainable Palm Oil: RSPO, is the 2nd largest of Thailand. RSPO has objective to support the production of Roundtable on Sustainable Palm Oil. It covers the management and implementation of the law, possibility of economic, appropriate with environment and beneficial to society under the RSPO standards.

Benefits of RSPO principles and criteria set by the framework of RSPO include.

- The importance of sustainability, as well as managing the economy, society and environment.
- Increase the amount and quality of palm oil.
- Protect the fundamental rights of workers and land owners in the community.
- Create opportunities for competitive manufacturing.

1.2 Business of renewable power

Company has operates manufacturing and distribution of electricity from renewable energy to sell to the public sector, including the Provincial Electricity Authority (PEA) and the Electricity Generating Authority of Thailand (EGAT) according to policy of support, production and utilize electricity from renewable energy, as detailed below.



1. Solar Power Plant

Company is a manufacturer and distributor of electricity from solar energy, including commercial facilities and project for 4 places, total capacity of 278 MW, are summarized below.

Project	Capacity	Status/Progressive
Proceed power plant		
1. Solar power plant: Lopburi Province	8 Megawatts	Starting commercial operating date (COD) from 17 October, 2012
2. Solar power plant: Nakornsawan Province	90 Megawatts	Starting commercial operating date (COD) from 23 December, 2013
Planned project		
3. Project of solar power plant: Lampang Province	90 Megawatts	Supply sufficient land as planned. Starting sale contract (SCOD) on 1 December, 2014
4. Project of solar power plant: Pitsanulok Province	90 Megawatts	Starting sale contract (SCOD) on 1 December, 2015
Total capacity	278 Megawatts	



- 1.1 Solar power plant, capacity of 8 MW, Lopburi Province.
Solar Power Plant, capacity of 8 MW, Lopburi Province. Considered to be the first solar power plant of company under operating of EA Solar Company Limited, a subsidiary of the company is Very Small Power Producer: VSPP is located at No. 188 Moo 3, Khoktum - Pa Sak River Road, (Highway no. 3333), km 21, Patananikhom Sub-District, Pattananikhom District, Lopburi Province 15140, with an area of approximately 315 Rais with a power purchase agreement (PPA) between the EA Solar Limited and The Provincial Electricity Authority ("PEA"), a term of 5 years and continuous period of 5 years old automatically, has valid until the termination of the contract. The power plant has started to commercial of distribution (COD) since October 17, 2012 and receive the purchase price of electricity (Adder) for very small power producer (VSPP) of renewable energy at a rate of 8 baht per kilowatt - hours support for a period of 10 years from the start date of Commercial Operation Date (COD). As announced by the Electricity Authority about determining the incremental purchase price for electricity from small renewable energy from renewable energy, as resolution of The Board of Directors of the National Energy Policy, dated March 9, 2009 and received tax incentives from the Board of Investment (BOI). Has exempt from corporate income tax for 8 years and are pay tax at the rate of one-half of the normal rate for further 5 years.
- 1.2 Solar power plant, capacity of 90 MW of Nakhon Sawan Province
Solar power plant, capacity of 90 MW of Nakhon Sawan Province, starting selling Commercial Operation Date (COD) from December 23, 2013 are classified "Small Power Producer (SPP)". The Electricity Generating Authority of Thailand (EGAT) has purchase all electricity. The project is located at 747, Highway of rural Takhli - Banhuawai, Moo 1, Ban Huawai, Takli Sub-District, Nakornsawan Province. The companies is operating under the EA Solar Nakornsawan Co., Ltd., a subsidiary of company, has total area is approximately 1,852 Rais. Company has execute contract PPA between EA Solar Nakornsawan Co., Ltd. with The Electricity Generating Authority of Thailand ("EGAT") contract for 5 years and can be renewed for a term of 5 years. The party who wishes to renew the contract must be in writing notice to the other party not less than 30 days before the expiration of the contract. For price of electricity for the project of Nakorn Sawan company received an additional purchase price (Adder) for Small Power Producer (SPP) of renewable energy at the rate of 6.50 baht per kilowatt - hours support for a period of 10 years from the start date of Commercial Operation Date (COD), and receive tax incentives from the Board of Investment (BOI) exempt from corporate income tax for 8 years at the rate of one-half of the regular rate for the next 5 years.
- 1.3 Solar power projects, capacity of 90 MW, Lampang Province
Solar power projects, capacity of 90 MW, Lampang Province, is small power producer (SPP) with the Electricity Generating Authority of Thailand (EGAT) as solely purchaser electricity. The sole power plant is located in Tambon Banouam, Banpao Sub-District, Muang Lampang District. It covers the Hnonglom Sub-District, Hangchat District, Lampang Province as to 31 December, 2013 purchased 2,154 Rais enough to carry solar power plant project already.
Power plant project has contracts with The Electricity Generating Authority of Thailand ("EGAT") contract for 5 years and can be renewed for a term of 5 years. The party wishing to renew this contract must notify the other party not less than 30 days before the expiration of the contract. And receive the purchase price of electricity (Adder) for small power producers (SPP) of renewable energy at the rate of 6.50 baht per kilowatt - hour support period of 10 years from the date of Commercial Operation Date (COD) are scheduled to start supplying electricity to commercial (SCOD) is dated December 1, 2014, as specified in the PPA with The Electricity Generating Authority of Thailand ("EGAT") However, this project licensed BOI is completed.

1.4 Solar power projects, capacity of 90 MW, Pitsanulok Province.

Solar power projects, capacity of 90 MW, Pitsanulok, is small power producer (SPP) with the Electricity Generating Authority of Thailand (EGAT) as solely purchaser electricity. The sole power plant is located in Ban Klongkla, Matong Sub-District, Prompiram District, Pitsanulok Province. Company is being supply land for project on 31 December. Company has sold some land of 1,161 Rais and receive the purchase price of electricity (Adder) for renewable energy at the rate of 6.50 baht per kilowatt - hour support period of 10 years from the date of Commercial Operation Date (COD) are scheduled to start supplying electricity to commercial (SCOD) is dated December 1, 2015, as specified in the PPA with The Electricity Generating

Authority of Thailand (“EGAT”), and application for promotion investment from solar power from Board of Investment (BOI).

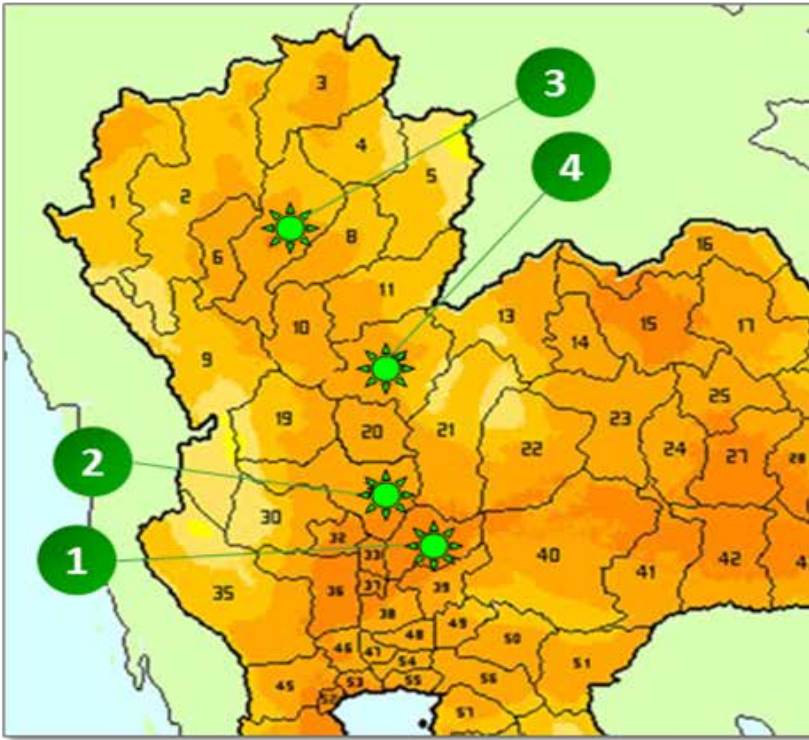
2. Wind power plant

Company has project of production and distribution current from wind power in the chart, total 12 projects, capacity 621 Megawatts as particulars as following.

- Hadkunghan Project for 4 projects, total capacity 171 Megawatts was approved sale electric for 3 projects, capacity 126 Megawatts.
- Hanuman project for 8 projects, total capacity 450 Megawatts was approved sale electric for 5 projects, capacity 260 Megawatts (126-260)

Approved for trading electric, total 8 projects, total capacity 386 Megawatts (126-260)

Schedule of annual information (Form 56-1), 2012
Energy Absolute Public Company Limited



Summary of particulars of project as follows.

1. Hadkunghan Project

Name of project	Capacity	Location	Status	Schedule commercial operation date (SCOD) ^{/1}
1. Hadkunghan 1	36 Megawatts	Ranode Sub-District, Ranode District, Songkhla Province.	Approved of purchase electricity	21 March 2019
2. Hadkunghan 2	48 Megawatts	Huasai Sub-district, Huasai District, Nakornsrihammarat Province.	Approved of purchase electricity	21 March 2019
3. Hadkunghan 3	45 Megawatts	Kanabnok Sub-district, Pakpanang District, Nakornsrihammarat Province.	Approved of purchase electricity	30 September 2019
4. Hadkunghan 4	45 Megawatts	Satingphra District, Songkhla Province.	Waiting for approval of purchase electricity	December 2017
Total	171 Megawatts			

2. Hanuman Project

Name of project	Capacity	Location	Status	Schedule commercial operation date (SCOD) ^{/1}
1. Hanuman 1	45 Megawatts	Yanglak Sub-district, Tepsatit District, Chaiyaphoom Province.	Approved of purchase electricity	21 March 2017
2. Hanuman 5	48 Megawatts	Pongnok Sub-district, Tepsatit District, Chaiyaphoom Province.	Approved of purchase electricity	21 March 2017
3. Hanuman 8	45 Megawatts	Yanglak Sub-district, Tepsatit District, Chaiyaphoom Province.	Approved of purchase electricity	August 2017
4. Hanuman 9	42 Megawatts	Pongnok Sub-district, Tepsatit District, Chaiyaphoom Province to Wangtakhae Sub-district, Nongbualahaew District, Chaiyaphoom Province.	Approved of purchase electricity	August 2017
5. Hanuman 10	80 Megawatts	Bankhuan Sub-district - Kokphet Sub-district, Bamnetnarong Sub-district, Kokpetchattanan District, Chaiyaphoom Province.	Approved of purchase electricity	December 2017
6. Hanuman 11 ^{/2}	90 Megawatts	Banrai Sub-district, Tepsatit District, District, Chaiyaphoom Province.	Waiting for approval of purchase electricity	February 2018
7. Hanuman 13	50 Megawatts	Koktoom Sub-district, Dongluang District, Mukdahan Province.	Waiting for approval of purchase electricity	August 2020
8. Hanuman 14	50 Megawatts	Kham Cha E District, Mukdahan Province.	Waiting for approval of purchase electricity	December 2020
Total	450 Megawatts			

Remark : Scheduled Commercial Operation Date (SCOD) is specify date of distribute as stipulated in PPA contract.
^{1/} : Scheduled Commercial Operation Date (SCOD) in above schedule is starting sale electric as stipulated in proposal of sale. Currently, company is not yet made contract with EGAT.
^{2/} : Hanuman project 1,5,8,9,10 and Hanuman project 13-14 is wind power plant project has proposed sale electric of EGAT, in the name of Energy Absolute Public Company Limited and Hanuman Project 11 is wind power plant has proposed to sale electric in the name of Thepsathit Wind Farm Co., Ltd. is subsidiary of company is holding share 99.99%.

- 3.1 Wind power plant project, total capacity 171 Megawatts, Nakornsrihammarat Province to Songkhla Province (Hadjkunghan project 1-4) Wind power plant project, total capacity 171 Megawatts divided into 4 projects consist of.
- Wind power plant, capacity 36 Megawatts for 1 project (Hadjkunghan 1 project).
 - Wind power plant, capacity 45 Megawatts for 3 projects (Hadjkunghan 2,3 and 4 project)

Each project will be a small power producers (SPP) in order to sell electricity to the Electricity Generating Authority of Thailand (EGAT) directly. Company has submit a petition and offers to sell electricity into the system to The Electricity Generating Authority of Thailand (EGAT) and received a written response to the purchase of Hadkunghan Project 1, 2 and 3 and will continue to sign the power purchase agreement (PPA) with the. Electricity Generating Authority of Thailand (EGAT). Next, for 4 projects of Hadkunghan are pending for purchasing power from EGA. These 4 wind power projects will be support from renewable energy projects by the Office of Energy Policy and Planning, Ministry of Energy. Has benefits of the increased purchase price (Adder) for small power production from wind power at 3.50 baht per kilowatt -Hours for a period of 10 years from the Commercial Operation Date (COD) can also be application for promotion Investment (BOI)

- 3.2 Wind power plant project has total capacity 450 Megawatts, Chaiyaphoom Province and Mukdahan Province (Hanuman project). Wind Power Plant Project has capacity of 450 MW and in Chaiyaphum Province and Mukdahan Province is divided into 8 project consists Hanuman project 1,5,8,9,10,11,13 and 14, each project is a small power producer (SPP), in order to directly sell current to the Electricity Generating Authority of Thailand (EGAT). Hanuman project 1,5,8,9 and 10 projects have been approved to purchase power from EGAT and in the process signed the power purchase agreement (PPA) with the Electricity Generating Authority of Thailand (EGAT). But the Hanuman project 11, 13 and 14 still pending purchase electricity from EGAT, each project will be supported by the Renewable Energy

of Policy and Energy Planning Office, Department of Energy. They have benefits of the increased purchase price (Adder) for small power producer from wind power at 3.50 baht per kilowatt - hour support period of 10 years from commercial operation date. : COD. It also can file a request for the promotion of investment in electricity generation from wind power from the Board of Investment (BOI).

2. Marketing and competition

Biodiesel business

Marketing strategy

1. Product or service strategy

The company sells biodiesel (B100) that satisfied standard requirement of Department of Energy Business, Ministry of Energy. The company continuously develops company's production technology to enable to use various type of raw material. Furthermore, the company gives precedence to Research & Development : R&D in order to seek new material with low budget for standard quality biodiesel production process. This will enhance long term competition potential and value added to the company. Moreover, it will also develop production process to add value to the company's products. Furthermore, the company inspects raw material quality every time by sampling from every production tank to monitor product quality. If the product does not meet the standard, it will be re-processed. Product that pass standard requirement will be kept into processed product tank. In addition, the company has quality testing room that re-monitor by sampling product to check the quality.

2. Price strategy

The company set product price policy according to type of product as follows:

1. Biodiesel (B100)

Generally, market price of biodiesel refers from the declaration of Energy Policy and Planning Office (or as known as "declaration price"). It will be declared weekly. The declaration price is depended on overall demand and supply at that time. The company cannot set product price. In order that, the company determines the policy that biodiesel price will be at least declaration price with the company discount. The discount will be reconsidered

in time of selling contract in order to facilitate the company's client. It will make the advantage of pricing for marketing strategy. When contract almost expire, the company will bid the biodiesel by considering discount from biodiesel price that declared by government office for big customer in order to use for considering the next renew contract. However, if necessary to sell with lower policy set price, the company must propose to board meeting for approval.

2. High speed diesel (B2, B3, B4, B5)

The company set high speed diesel price by referring to cost plus margin of the company.

3. Pure glycerin

Pure glycerin price is referred to ICIS Pricing which is reference standard price for chemical product and energy of global market. The company determines the policy that pure price will be sell at least at ICIS price with the company discount. However, if necessary to sell with lower policy set price, the company must propose to board meeting for approval.

4. Raw material and by-product

Raw material and by-product form biodiesel processing are crude glycerin and free fatty acid (FFA). Nowadays, the company stop selling FFA due to the company can develop production process to use FFA in biodiesel production. The company determines raw material and by-product selling policy according to suitable market price.

3. Distribution channel strategy (Place)

The company sells biodiesel via direct distribution channel to big oil seller. The direct contact is performed by the company marketing. Moreover, the company may distribute to big customer by give more discount in order to increase sell volume. This will decrease production cost by economies of scale.

For pure glycerin, the company will sell it to domestic and foreign customers that use glycerin as a raw material or customer that produce and distribute chemical and commodities. Since 2011, the company has expanded pure glycerin distribution channel to abroad e.g. India, Pakistan and Bangladesh in order to reduce dependent on domestic market. It also expands customer base.

4. Marketing and promotion strategy

The company has marketing and promotion strategy by maintaining quality of product to satisfy the standard requirement. Moreover, the company intends to have good relationship to customer to maintain recent customer as well as expand new customer base.

In addition, the company attends to serve the customer by in advance transport planning with customer. The plan comprise of product amount, date and time of transportation in order to ensure the customer that the company can send product with right amount and on time. In order that, it will maximize the efficiency of production and purchasing plan of the company.

Target customer

The company's target customer can be divided according to the company product as follows:

1. Biodiesel (B100)

Main customers are oil trader under section 7 that are major oil traders of Thailand and oil trader under section 10. The company have sell contract with major customer with 3-6 month contract or 1 year maximum. More than 99% of all biodiesel is trade with major oil traders.

Nowadays, the company has sell contract with 6 major oil traders which are:

- 1 Esso (Thailand) Public Company Limited
- 2 Chevron (Thai) Co., Ltd.
- 3 Star petroleum refining Public Company Limited
- 4 Thai Oil Public Company Limited
- 5 PTT Public Company Limited
- 6 IRPC Public Company Limited

2. High speed diesel (B2, B3, B4, B5)

Customers group are oil trader under section 10 and oil transporter under section 12 of Fuel Trade ACT B.E. 2543 that determined by Department of Energy Business, Ministry of Energy.

Where oil trader under section 7 of Fuel Trade ACT B.E. 2543 are:

1. Any person is fuel trader having trade volume of each type of fuel or in all types altogether per year from 100,000 metric tons or 120 million liters or upwards
2. Fuel trader of only liquefied petroleum gas having trade volume per year from 50,000 metric tons or upwards

Where oil trader under section 10 of Fuel Trade ACT B.E. 2543 are:

- 1 Any person is fuel trader having trade volume of each type of fuel or in all types altogether per year from 30,000 metric tons or upwards but not as much as 100,000 metric ton nor not as much as 50,000 metric ton for liquefied petroleum gas trader.
- 2 Any fuel trader who has capacity of tank that is able to keep in stock fuel exceeding 200,000 liter. Oil transporter under section 12 of Fuel Trade ACT B.E. 2543 is any person who transport non-owned fuel by special vehicle for transport fuel with 3,000 metric ton or upward.

3. Pure glycerin

Glycerin is a product that can be graded according to their purity. The company glycerin purity is under 99.50%. Therefore, it is an industrial grade for using as a raw material in general manufacture. If glycerin purity is 99.50% or upward, it will be pharmaceutical grade. Glycerin customers are both domestic and foreign e.g. India, Pakistan and Bangladesh that use glycerin as a raw material as well as who are chemical manufacturer and distributor. The market share of domestic and foreign customers is as follows:

Pure glycerin customer group	2011		2012		2013	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic	24.14	30.72	7.88	44.91	1.30	0.84
Foreign	54.46	69.28	9.65	55.09	153.29	98.95
Sum of selling pure glycerin	78.60	100.00	17.53	100.00	154.59	100.00

4. Raw material and by-product

Customers of the company are domestic and foreign chemical manufacturer and distributor.

Alternative energy power plant business

Trend of power production from renewable and solar energy industry

In 2010-2011, GDP growth rate of Thailand was about 4.4% per year (data from BOT). Power consumption growth rate was about 6.8% per year (data from EGAT). It is indicate that, growth of power consumption is faster than Thailand economy.

Moreover, power consumption needs trend of each year is higher than power production capacity expansion. Therefore, government sector should plan to expand power production capacity to meet the requirement in future. The expansion plan includes alternative energy power. The Ministry of Energy revised alternative energy development plan B.E. 2555-2564 (revised issue: July 2013). The plan issue that Thailand must have 13.927 megawatt of alternative energy power production in B.E. 2555-2564 as follows:

Energy Source	MW
Hydro Power	324
Wind Power	1,800
Waste to Energy	400
Biogas	3,600
Biomass	4,800
Solar PV	3,000
Other	3
Total	13,927

Marketing strategy

Power production and trading business of the company is concerned to be non-competitive directly with others entrepreneur. It is due to all produced power will be trade to government electricity authorities which are Provincial Electricity Authority (PEA) or Electricity Generating Authority of Thailand (EGAT) according to power purchase agreement (PPA) of the company and government electricity authorities.

The company has marketing strategy for power production and trading business from solar and wind energy. In addition the company strives to be a leader in business related to alternative energy using modern technology via adopting efficient equipment and technology from quality manufacturer. It allows the company power plant to perform power production efficiently. The power will be regularly and stable supplied. Efficiency of solar cell panel in solar energy power plant project in Nakornsawan Province with 90 megawatt capacity is 25 year warranty by manufacturer. Furthermore, the company aims to

obtain efficiency team by Energy Solution Management Co., Ltd., which is subsidiary company. This company design, build and maintain solar energy power plant. It will result in obtaining of expert staff of engineering of 90 megawatt solar energy power plant in Lampang and Pitsanulok provinces in the future.

Target customer

Target customer of solar and wind power plant is government electricity authority which are Provincial Electricity Authority (PEA) for 8 megawatt solar power plant in Lopburi Province and Electricity Generating Authority of Thailand (EGAT) 90 megawatt solar power plant in Nakornsawan Province, Lampang and Pitsanulok Provinces and all wind power plant according to detail in PPA. These support government policy for increasing power production form alternative energy and reducing energy import from abroad. The entire projects are as follows:

Power plant project	Capacity	Customer
1. Solar energy power plant project, Lopburi Province	8 Megawatt	Provincial Electricity Authority
2. Solar energy power plant project, Nakornsawan Province	90 Megawatt	Electricity Generating Authority of Thailand
3. Solar energy power plant project, Lampang Province	90 Megawatt	Electricity Generating Authority of Thailand
4. Solar energy power plant project, Pitsanulok Province	90 Megawatt	Electricity Generating Authority of Thailand
5. Wind power plant project, Kangan Beach	171 Megawatt	Electricity Generating Authority of Thailand
6. Wind power plant project, Hanuman	450 Megawatt	Electricity Generating Authority of Thailand
Total	899 Megawatt	



3. Product or service purchase

Factory is located on 30-1-80 Rai at No. 507, Village No. 9, Kabinburi-Nakornratchasima Road, Hnongkee Sub-District, Kabinburi District, Prachinburi Province, 25100. Factory consists of administrative, palm oil, biodiesel and glycerin production, oil receiving/distribution, warehouse, engineering and parking buildings.

The company continuously concern for increasing production process efficiency. Nowadays, biodiesel and glycerin capacities are 800,000 liter and 80 ton per day, respectively. Resolution of board meeting No. 2/2012 at 30 March 2012, is establishing of purchase committee consisting of representative from production, purchase and sale departments which under executive board. Information from production department will support suitable decision. It will increase purchasing efficiency to conform to market status, in order to obtain cost that be able to compete in long term. Biodiesel raw materials are as follows:

1. Crude palm oil (CPO), stearine and semi-refined palm oil (RBD)
Crude palm oil (CPO), stearine and semi-refined palm oil (RBD) are major raw material for biodiesel production. These raw materials are purchased directly from various supplier that are vegetable or raw palm oil manufacturers or purified palm oil distributors which consist of regional factory in southern, eastern and central region, in order to prevent risk of lacking of material in each region or seasonal unmatched. Nowadays, there are more than 100 CPO producers. However, the company purchases raw materials from 30 reputable suppliers. In the past, the company has never confronted to purchase raw material. In addition, the company has been developing the production process to be able to use various type of raw material to produce biodiesel e.g., palm fatty acid distillate (PFDA) and free fatty acid (FFA). It also decreases risk of fluctuation of raw material price.

The company policy is considering raw material of biodiesel production by reserve amount according to regulation of fuel trader under section 7 with future selling plan. The others considering factors are risk of raw material cost, market status and declaration price of Energy Policy and Planning Office at that time.

2. Methanol

Methanol is chemical that used in Transesterification reaction. The company buys them from domestic chemical supplier.

3. Catalyst

Catalyst in biodiesel production is sodium methyllate. It is used for catalyzing in Transesterification reaction. The company buys them from domestic chemical manufacturer and distributor.

4. Activated carbon

Activated carbon is used for decolorization of glycerin. The company buys them from domestic chemical supplier.

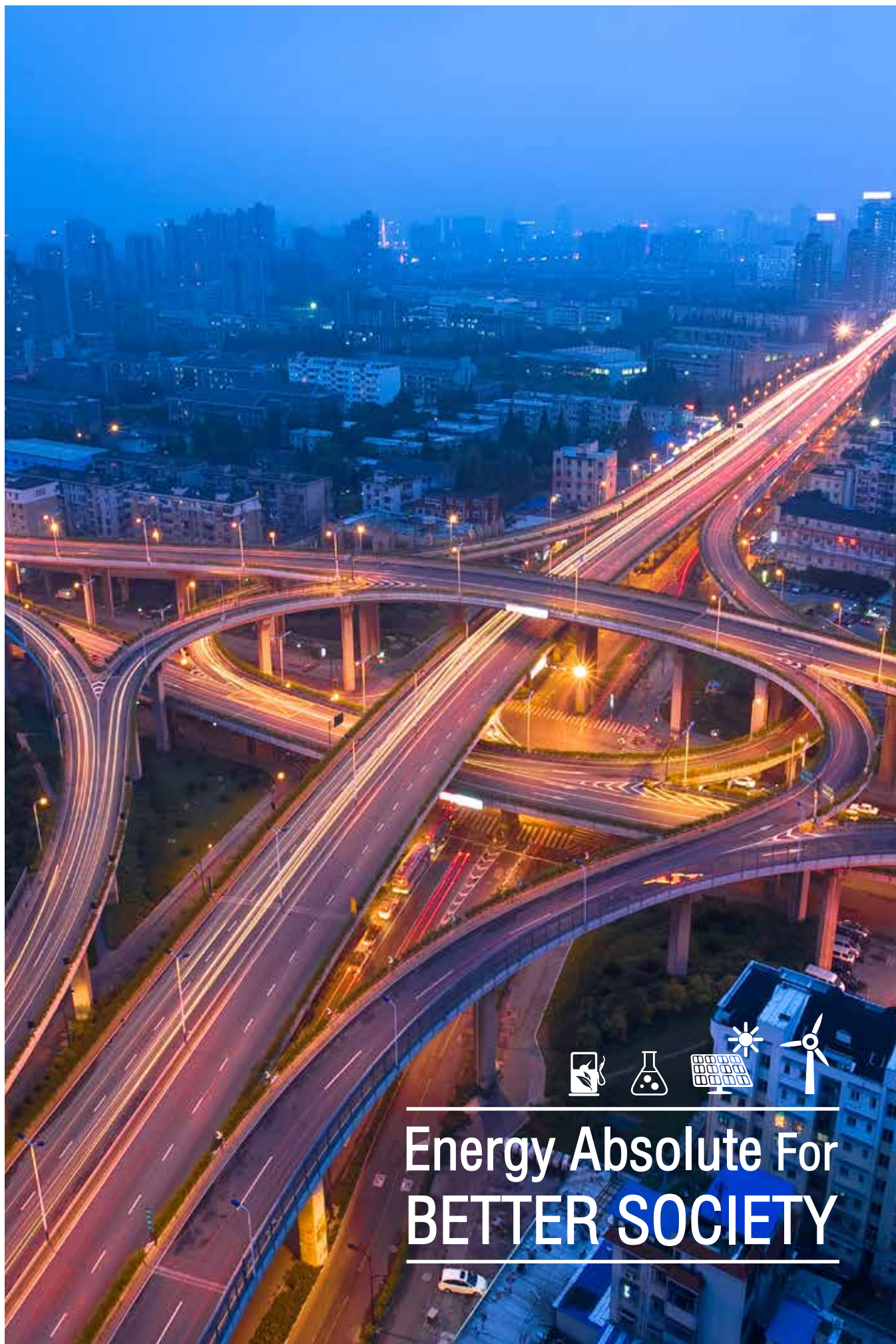
For purified glycerin that produced and distributed by the company, produce by using raw glycerin that obtained from biodiesel production and then pass through purifying process and further distribute to the customer

For high speed diesel, the company buy diesel form major oil trader which are customer of the company that buy biodiesel (B100). There is blending of diesel (B0) and biodiesel (B100) in order to sell as high speed diesel. Product is supplied by purchase diesel when dealing of purchase with customer. The customer will receive product at warehouse of diesel trader of the company.

4. Pending work

- None-





Energy Absolute For
BETTER SOCIETY

Risk Factors

1. Risk factors in business of the company or company group

1.1. Risk factors in operate business

1. Risk from rely on large customer

The company's main business is the production and distribution of biodiesel (B100) diesel fuel. Diesel fuel is combination of diesel fuel (BO) and biodiesel (B100) to be used as fuel. Moreover, the company is also a manufacturer and distributor of refined glycerin including raw materials and by-products. The Company's reliance on major customers and suppliers Biodiesel number representing the number 5-7 for customers in the years 2012- 2013 was mainly selling biodiesel to customers under Sales Agreement. However, each sale representing not more than 30% of total revenues due to the sale of goods to major oil companies of Thailand. This can be beneficial to the company as a major oil company has financial reliability. However, the proportion of the transaction may be lowered to meet the demand for traded goods in each period. Additionally, the company believes that Potential loss of a major customer is minimal. Due to company currently has a contract with a major customer (Sales Agreement) contract period of 3-6 months and a maximum not over 1 year, with a discount price of diesel announced by the government. When dealing with a customer's contract to expire, company will be offering sale biodiesel (Bid) by the discount price of diesel announced by the government for a major client in the next time. In a continuous offering of each contract period government has determined that the fuel major under Section 7 (fuel trader under Section 7 refers to oil traders that trade volume of fuel types or a combination of all kinds per year from 100,000 metric tons, or about 120 million liter or more) to biodiesel (B100) is a mixture of diesel fuel distributor. Therefore, the demand of biodiesel (B100) is increased by the rate of increase in vehicles using biodiesel and mixture proportion while available capacity of manufacturers is still sufficient to meet demand increases. So if the partners of the company would not purchase biodiesel (B100), we can find a niche distribution of biodiesel (B100) to other major oil companies and retailers for the sale of diesel fuel.

Due to serious competition for selling high speed diesel, the profit is decrease. The company view as proper that

it should slow down the high speed diesel marketing. Their resource should be used for improve biodiesel and pure glycerin production. However, the company still keeps contact with customers and continuously monitors the situation.

2. The risk of fluctuations in the price of biodiesel.

From demand of oil is rising globally, renewable energy is energy that has received much attention during the oil price situation. The biodiesel is a renewable energy supported by government but in a situation where oil prices are likely to rise, it will result in demand for palm oil for biodiesel production is likely to increase, which will result in the actual cost of producing biodiesel increased, and likely to increase in line with crude oil prices in the world market. If it can be said that fossil fuel production from crude palm oil prices are high, demand for biodiesel as a renewable energy will more increase. As a result, the price of oil rising distributions affect production costs of biodiesel to increase the price of oil affects the price of biodiesel by the Executive Committee Energy Policy (ECEP).

For an overview of biodiesel in the last 3 years, the biodiesel industry has the potential competition and consumption of biodiesel, according to government policy. In early 2009 the use of biodiesel has grown dramatically as a result of the government's policy to encourage the use of high speed diesel (B5). However, in the second half of year 2009, industry of biodiesel is decline consumption. Part of the affected especially during low season, which is usually in the annual term. The sale of biodiesel during Low Season is during the rainy season. Since most consumers are in the construction, transportation, and the rainy season will affect the business operations of these industries. As a result, fuel consumption is reduced.

In 2010 the biodiesel industry continues to fluctuate and there are more major manufacturers in the market. As a result, the supply and price competition in the market are higher. However, during the fourth quarter of 2010, there is the decline in oil output caused by flooding in

the south. Output is less than expectation. Reserved stock of oil fell sharply in late 2010 resulted in a shortage of vegetable oil crude palm oil and their prices rose. And as a result, the price of biodiesel in the fourth quarter of 2010 the price of biodiesel was increased continuously.

In the year 2011, there was a change of government policy in favor of biodiesel due to insufficient of palm oil for consumption for domestic sales and the prices rise again in early 2011, the government had to abandon its support of biodiesel to produce B5 and B3 high speed diesel fuel, remaining only B2 diesel in early 2011. The market demand for biodiesel is greatly reduced. But in the second half of 2011, there was increasing proportion use of diesel fuel as B4.

For the year 2012, biodiesel price did not fluctuate as much as the years 2010-2011. Moreover, the country's current stock of CPO increased. Recently, the Department of Energy to determine the characteristic and quality of diesel according to a document dated October 21, 2012 determine the use of fatty acid methyl esters biodiesel will be not less than 4.5% and no higher than 5%, effective since 1 November, 2012 onwards.

Whereas, the fuel diesel (B2, B3, B4, B5) is biodiesel (B100) that mixed with diesel (B0) in various ratios such as.

- Fuel diesel B2 is fuel diesel (B0) that mixed with biodiesel (B100) in portion of 2% with diesel 98%.
- Fuel diesel B3 is fuel diesel (B0) that mixed with biodiesel (B100) in portion of 3% with diesel 97%.
- Fuel diesel B4 is fuel diesel (B0) that mixed with biodiesel (B100) in portion of 4% with diesel 96%.
- Fuel diesel B5 is fuel diesel (B0) that mixed with biodiesel (B100) in portion of 5% with diesel 95%

For year 2013, the Fuel Business Department has not change regulation of biodiesel. Fatty acid methyl esters biodiesel still will be not less than 4.5% and not more than 5%. It results that, consumption value is according to demand of high speed diesel. In this year, CPO production is increasing until it causes price drop. Therefore, there is study of the possibility of increasing demand of fatty acid methyl ester by 4.5 and not more than 7% again. This ratio was approved and effective since 1 January 2014.

3. Risk of competition in the industry.

Currently, competition of production and sale of biodiesel is likely to increase. It can be seen from the policy aspects of renewable energy from governments to support such a privilege tax under the privileges of the Board of Investment (BOI). Therefore, since 2005, the number of biodiesel manufacturer is increase. As of November 2012, name list of fatty acid methyl ester (B100) biodiesel manufacturer that approved for sale or distribution of biodiesel from the Department of Energy (Including name of company) are 13 companies with total capacity of approximately 5,205,800 liter per day. Data showed that 3 companies with 650,000 liter per day have stop production. However promotion by Ministry of Agriculture and Cooperative increase retail community biodiesel production. Increasing in number of retail and major manufacturer may create competition risk to the company such as more discounts from biodiesel declared price.

However, in the case of biodiesel small producers, they mainly used machine for agricultural purposes only and has not yet been developed to improve product to use with the common engine. Because it is a promotion to use vegetable oil instead of rely on solely diesel. For the major manufacturer, however, the company realizes the trend of serious competition.

Therefore, the company has developed a process that can use various type of raw material that differs from the competitor. The company can use more second grade CPO (CPO-B) than other manufacturer. CPO-B is lower price than CPO-A. However, process that use CPO-B produce more fatty acid than CPO-A. The company has ability to use palm fatty acid distillate (PFAD) in biodiesel production process again. Nowadays, there is no other manufacture has ability to use more than 5% of PFAD in biodiesel production process as our company. It is an important advantage when compared with other company, especially when raw material price is fluctuating. The company also adds value to processing by-product which is glycerin. Moreover, the company is able to reduce cost per product unit by using various and low cost raw material with maintain standard quality of product, in order to create competition advantage, especially in serious completion market.

4. Risk of changing policy of government sector

In the past, a global market oil price has increased continuously. Therefore, government has a policy to develop alternative energy in various forms. For biodiesel, the government has recognized the importance of biodiesel as well. When considering the price, amount that can develop to be alternative energy, the government has promoted the use of palm oil as a raw material in the production of biodiesel which is an alternative choice to oil palm farmers. It also supported the palm oil price. Ministry of Energy and Ministry of Agriculture and Cooperatives are defined strategic of development and promotion of used biodiesel from palm oil. The aim is to promote the production and use to 8.5 million liters of biodiesel per day. It will replace 10% of diesel consumption in the year 2012. As of November 2012, name list of fatty acid methyl ester (B100) biodiesel manufacturer that approved for sale or distribution of biodiesel from the Department of Energy (Including name of company) are 13 companies with total capacity of approximately 5.21 liter per day. However, 3 companies with 650,000 liter per day have stop production.

In this regard, the government has prepared an action plan to develop and promote the use of biodiesel for example supporting 4 million Rai of palm oil crop as raw material for biodiesel production. Support is also the production of biodiesel with the privileges of the Board of Investment (BOI), such as import duty exemption on machinery, income tax exemption for 8 years. In addition, create market for the sale of biodiesel by the measure of the tax to determine the lower retail price of diesel with

a biodiesel mixture. Moreover, the declaration the issued by the Department of Energy, regarding the characteristic and quality of methyl Esters of fatty acids biodiesel in order to build confidence in quality to the consumer. It is clear that the policy of the government facilitate the biodiesel manufacturer. Therefore, business manufacturing and trading of biodiesel is worth for investment. However, the risk of changes in government policies that may affect the company if there is a change in supporting policy such as regulation to determine the price of biodiesel may result in a lower profit. But the company is confident that the possibility for the government to cancel the policy to support alternative energy industry is minimal. It is due to diesel price has been increased.

From the former information, due to the shortage of consumable palm oil since late 2010, therefore, the government changed policy in 2011 with 15 years (2008-2022) development plan of bio-diesel. Instead of force selling of B5 nationwide and B10 as alternative in 2011, there was only sell B2, B3, B4 and B5 throughout country (depend on government declaration at that time). Currently, the Ministry of Energy change blending proportion of B100 in diesel to be B5. Effective date is 1 November 2012 and onward. This change of government sector is for suitability of palm quantity in country

However, Risk of changing policy of government sector is external factor with uncontrollable by the company. The company attempts to reduce this risk by expand business to manufacturing and distributing of solar power energy electricity.

From the information in the year 2010 until present, the Ministry of Energy has reduced the percentage of Biodiesel (B100) in blend Diesel according to the demand and supply of market. The details are as follows :

Period	Percentage of Biodiesel (B100) in blend diesel (%)	
	High Speed Diesel	
	High Speed Diesel	High Speed Diesel (B5)
1 February 2010 – 31 May 2010	Not lower than 1.5% Not higher than 2%	Not lower than 4% Not higher than 5
1 June 2010 – 28 February 2011	Not lower than 2.5% Not higher than 3 %	Not lower than 4% Not higher than 5
1 March 2011 - 30 April 2011	Not lower than 1.5% Not higher than 2%	Not lower than 4% Not higher than 5%
1 May 2011 – 30 June 2011	Not lower than 3% Not higher than 5%	
1 July 2011 – 20 October 2011	Not lower than 4% Not higher than 5%	
21 October 2011– 18 July 2012	Not lower than 4.5% Not higher than 5%	
19 July 2012 – 31 October 2012	Not lower than 3.5% Not higher than 5%	
1 November 2013 onward	Not lower than 4.5% Not higher than 5%	

from : announcement of the Department of Energy Business

remarks : High speed diesel are divided into

1) High speed diesel : blend with biodiesel of 1.5% - 2%

2) High speed diesel B5 (B5) : blend with biodiesel of 4% - 5%

1.2. Risk of product and purchase

1. Risk of raw material supply

Main biodiesel production raw materials are CPO, Stearine and RBD palm oil. Government sector has duty to consider reserve stock quantity of palm oil to meet demand and supply of country. They determine policy using of palm oil to produce biodiesel and push biodiesel in to nationwide commercially available. In 2010-2011, however, there was shortage of consumable palm oil due to less raw palm or over export palm oil. It leads to imbalance of demand and supply in consumable palm oil and biodiesel palm oil. This could be problem to supply raw material to the company. Nonetheless, since 2008, there is no problem with raw material supplying. Nevertheless, to prevent shortage of CPO, the company plan and improve production process to be able to use various raw material including CPO, Stearine, RBD palm oil, PFAD or FFA.

For the year 2012, the proportion of the raw material in the production of biodiesel is 60% crude palm oil (CPO), 19% Stearine, 11% semi-refined, 10% FFA (both fatty acid are by-product of biodiesel production process). The reason why company use CPO as mainly raw material due to capacity expansion of company's CPO refinery tower in 2011. Therefore, the company has ability to use more CPO which has lower price than RBD palm oil which is intermediate raw material with higher price. Therefore, this is the advantage of the company.

Nowadays, the company obtain raw material by individual buying contract. The company purchase raw material from vegetable and palm oil manufacturers without long term purchase contract. Therefore it is a risk when those manufactures could not provide raw material as demand by the company or when those manufactures turn to produce their own biodiesel and do not provide raw material to the company. It would affect the company business.

The company has plans to prevent and mitigate those risks by trading and keeping relationship with manufacturers and suppliers in many region of country. For instance, the company will purchase CPO from oil producer in the south, where as RBD palm oil and Stearine will be purchased from major vegetable oil producer in east and central regions. It avoids the risk in case of some region would face to disasters that reduce the production yield.

Moreover, the company contact to many raw material supplier that reach to the company's standard. The company has developed a process that can use various type of raw material that differs from the competitor. The company can use more second grade CPO (CPO-B) than other manufacturer. CPO-B is lower price than CPO-A. However, process that use CPO-B produce more fatty acid than CPO-A. The company has ability to use palm fatty acid distillate (PFAD) in biodiesel production process again. Therefore, the company believes that risk of raw material supply will decrease. In addition, the company has never experienced to that problem.

However, due to the location of the biodiesel plant of the company is in Prachinburi Province, where the distance is the limit of transportation of raw materials. However, the impact of the transport of the raw materials is not a huge disadvantage when compared with other biodiesel producer. There are some advantages of location in Prachinburi Province. It is the suitable location to distribute product to northeastern and eastern part of the country. In order that, the company pay attention to other factor that allow to decrease production cost such as low cost coal to be heat generator and develop technology to use CPO-B which is less expensive. Moreover, palm cropping is gradually expanded to eastern and southern part of north-east region. The company expects that the limitation of present location is gradually decrease. It would be more benefit to the company in long term.

2. The risk of fluctuations of global raw materials price

The Company may be exposed to risks from fluctuations in raw material costs. The raw material of biodiesel (B100) production such as crude palm oil (CPO) Stearine and semi refined palm oil (RBD Palm Oil) may fluctuate according to demand and supply of market.

Because Stearine is a byproduct of refining crude palm oil obtained from the fruit crop. However, palm yields in 2009 were affected by drought. As a result, palm yield is lower than expected, resulting in higher crude palm oil prices. Moreover, governments in countries like China or India announce to cut palm import duties. It may result in the supply of oil flow more into those countries. Palm oil price is increased. The supply of raw materials in the country may be even more difficult.

Anyhow, price of crude palm oil in country is base on Malaysia market prices which is a major producer of palm oil in global market as shown in the graph.



Source: Office of Promotion Agricultural Products, Department of Internal Trade

From the graph, it could be seen that in late 2010 to early 2011, the price of crude palm oil prices are muchfluctuated. Due to in the fourth quarter of 2010, severe flood events in the south cause lower oil yield. The output yield is less than expectation. Moreover, there are also some middlemen have exported crude palm oil in the significant amount cause the stock reserve of oil fell sharply in late 2010.It result in higher price of CPO. The biodiesel price in fourth quarter of 2010 to first quarter of 2011 is also deviated.

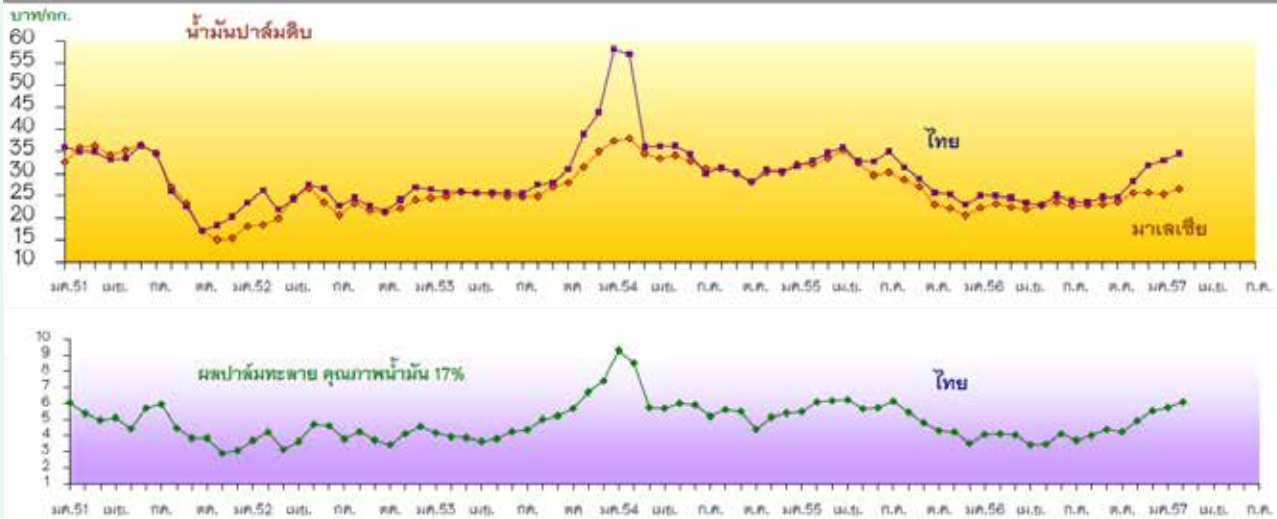
Palm oil price of third quarter of 2011 is decreased due to:

- 1 A slowdown in the global economy, demand for oil has been reduced. The price of crude palm oil in the global market decreased.
- 2 Volume of stock crude palm oil in Malaysia in September 2012 has increased to 2.4 million tons.
- 3 More palm product of Thailand goes into the market and the Department of Energy revised to decrease ratio of blending CPO in diesel from 5% to 3.5% in 19 July - 31 October 2012. It results in increasing of palm oil stock. This lowers the palm oil price.

However, due to the current production has continuously go to market. Ministry of Energy has increased the use of biodiesel (B100) into a B5 blended diesel with effect from 1 November 2012 onwards. It is expected that biodiesel plant would increasingly buy crude palm oil. As a result, palm oil prices are likely to be maintained or slightly rose in the year 2012.

Moreover, in January 2013, Malaysia will cut crude palm oil export tax from 23% to 4.5 to 8.5% depending on the global market status in order to stimulate exports and drain stock that high in record amount as well as to be able to compete with Indonesia. In addition they cancel 3 million ton per year of tax-free Crude Palm Oil or CPO.

ราคาปาล์มน้ำมันและน้ำมันปาล์ม (ไทยและมาเลเซีย)



	ไทย												เฉลี่ย
	ม.ค.	ก.พ.	มี.ค.	เม.ย.	พ.ค.	มิ.ย.	ก.ค.	ส.ค.	ก.ย.	ต.ค.	พ.ย.	ธ.ค.	
1. ผลปาล์มทะลาย คุณภาพน้ำมัน 17% (หน้าโรงงานสกัดฯ แหล่งผลิตสำคัญ) : บาท/กก.													
ปี 2551	6.05	5.37	4.96	5.10	4.42	5.70	5.95	4.46	3.84	2.93	2.88	3.06	4.56
ปี 2552	3.68	4.19	3.14	3.62	4.70	4.60	3.79	4.22	3.71	3.43	4.09	4.65	3.99
ปี 2553	4.15	3.92	3.87	3.63	3.80	4.23	4.35	5.01	5.22	5.67	6.70	7.40	4.83
ปี 2554	9.27	8.49	5.72	5.68	6.01	5.91	5.60	5.49	4.38	5.13	5.39		6.02
ปี 2555	5.47	6.09	6.17	6.23	5.66	5.72	6.14	5.44	4.80	4.30	4.21	3.53	5.31
ปี 2556	4.05	4.09	4.02	3.43	3.47	4.09	3.70	4.00	4.38	4.22	4.92	5.53	4.16
ปี 2557	5.73	6.09											5.91
2. น้ำมันปาล์มดิบ (ขายส่งถึงโรงกลั่น) : บาท/กก.													
ปี 2551	35.98	35.02	34.95	33.15	33.53	36.26	34.61	25.87	22.52	17.02	18.32	20.32	28.96
ปี 2552	23.51	26.13	21.78	24.16	27.51	26.50	22.72	24.56	22.65	21.48	24.00	26.90	24.33
ปี 2553	26.36	25.73	25.92	25.43	25.66	25.61	25.38	27.49	27.95	31.01	38.91	43.80	29.10
ปี 2554	58.20	57.07	36.00	36.21	36.28	34.38	30.00	31.30	30.18	28.14	30.81	30.49	36.59
ปี 2555	31.68	33.05	34.71	35.90	32.86	32.79	35.08	31.46	28.89	25.62	25.30	22.95	30.86
ปี 2556	25.00	25.00	24.49	23.38	23.02	25.12	23.73	23.58	24.68	24.62	28.34	31.90	25.24
ปี 2557	33.07	34.50											33.79
3. น้ำมันปาล์มบริสุทธิ์ Bulk (ขายส่งถึงผู้ซื้อ) : บาท/กก.													
ปี 2551	42.31	42.62	41.32	41.37	41.77	44.23	43.95	38.14	34.01	30.04	27.63	29.34	38.06
ปี 2552	32.08	34.04	31.51	31.29	32.78	30.80	27.55	28.91	28.69	26.62	27.43	30.58	30.19
ปี 2553	31.07	29.45	30.21	30.21	30.11	29.04	29.07	31.68	32.27	33.29	42.09	48.10	33.05
ปี 2554	57.45	63.28	53.00	45.88	42.50	39.64	35.87	36.50	35.86	34.50	35.32	36.50	43.03
ปี 2555	36.50	36.50	38.26	38.50	38.50	38.60	40.50	38.00	35.70	30.68	29.82	26.33	35.66
ปี 2556	27.23	27.50	27.19	26.97	26.23	27.75	27.05	26.61	27.20	27.44	30.50	34.69	28.03
ปี 2557	35.52	36.79											36.16
4. ไขมันปาล์มบริสุทธิ์/สเดียน (ขายส่งถึงผู้ซื้อ) : บาท/กก.													
ปี 2551	31.91	32.83	34.57	32.53	33.03	34.08	34.01	28.75	22.19	16.69	14.48	14.70	27.48
ปี 2552	15.35	17.66	18.26	22.42	26.65	27.57	25.60	24.10	23.73	21.01	23.31	25.99	22.64
ปี 2553	26.25	25.74	26.54	26.39	26.19	26.06	25.73	27.40	27.95	30.68	37.86	42.96	29.15
ปี 2554	55.21	57.30	40.84	34.18	34.81	33.42	29.68	31.44	30.40	28.35	30.95	31.01	36.47
ปี 2555	31.86	33.28	35.12	36.55	33.63	33.09	35.57	31.94	29.86	26.34	26.43	25.00	31.56
ปี 2556	24.99	24.78	24.55	23.52	22.50	25.28	24.29	23.85	25.17	25.10	28.49	32.08	25.38
ปี 2557	33.30	34.80											34.05
มาเลเซีย													
5. น้ำมันปาล์มดิบ (ซื้อขายในมาเลเซีย) : บาท/กก.													
ปี 2551	32.65	35.90	36.29	34.14	35.24	36.51	34.51	26.91	23.26	16.98	15.00	15.37	28.56
ปี 2552	18.13	18.47	19.80	24.45	26.63	23.49	20.55	23.26	21.55	21.09	22.10	24.05	21.96
ปี 2553	24.46	24.84	25.64	25.55	25.27	24.85	24.79	27.37	27.01	27.94	31.45	35.02	27.02
ปี 2554	37.39	38.00	34.53	33.50	34.13	32.82	31.10	31.22	30.07	28.12	30.41	30.27	32.63
ปี 2555	32.12	32.04	33.55	35.34	32.34	29.63	30.28	28.68	27.02	23.02	22.15	20.51	28.89
ปี 2556	22.23	23.17	22.38	21.93	22.68	23.55	22.67	22.84	23.05	23.54	25.55	25.60	23.27
ปี 2557	25.28	26.49											25.89
6. น้ำมันปาล์มบริสุทธิ์ Bulk (ส่งออก F.O.B. มาเลเซีย) : บาท/กก.													
ปี 2551	35.07	38.64	41.98	40.42	40.85	41.19	38.87	30.90	26.66	20.18	18.27	18.74	32.65
ปี 2552	21.28	21.52	22.54	26.97	28.29	25.44	22.45	25.01	23.28	22.82	23.79	25.56	24.08
ปี 2553	25.77	26.12	26.58	26.45	26.07	25.83	26.04	29.27	28.58	29.66	32.93	36.37	28.31
ปี 2554	38.60	39.65	36.64	35.58	36.66	35.47	34.39	34.62	32.98	30.51	32.77	33.29	35.10
ปี 2555	33.74	33.59	34.84	36.18	33.26	30.69	31.50	30.22	28.96	24.86	24.59	23.48	30.49
ปี 2556	24.45	24.99	23.93	23.13	23.94	24.88	23.99	24.44	24.63	24.92	26.62	26.67	24.72
ปี 2557	26.09	27.51											26.80

The company aware the potential risks of fluctuation of raw material price. To prevent that situation, the company tries to manage the raw materials amount to be minimal as possible by setting time frame for buying raw material to harmonize to advance trading product plan. It minimize risk of raw material inventory. Moreover, the company does the Hedging by advance trading contract. The company research and develop production process to be able to use various type of raw material such as PFAD and FFA which are by-product of biodiesel production process to reduce risk of fluctuation price.

Moreover, resolution of board meeting No. 2/2012 at 30 March 2012, is establishing of purchase committee consisting of representative from production, purchase and sale departments which under executive board. The committee will select and negotiate the quality, amount and price of main raw material to obtain them in the adequate amount and suitable as well as rapid decision can be made to support continuously production.

1.3. The risk of management

1. Risk from rely on executives

Due to business operations of the company for more than 5 years, is administrated by the major shareholders and Chief Executive Officer, Mr. Sompote Hahunai, the director, director with authorized signature represent the company, chief executive officer and a major shareholder of the Company. He is person who has the knowledge, expertise and experience in the production planning, development process, expanding distribution channels, improving the quality of the products in order to meet the requirement of customers or partners. Moreover, he has concept of professional management, plans to expand its business operations to generate profit and growth of the company. Therefore, the company need the present CEO to administer and manage.

However, the company has adopted a professional management. There are clearly assign duty and responsibility to other director and staff in each department. There is planning of internal control and database and data storage. There are also regularly changing necessary information between board and staff. Moreover, there is investment in personal development to enhance knowledge and skill of work. The company staff truly understand role and duty of themselves. In addition, the company has policy to recruit staff with skill and

knowledge to work with the company to create the long term sustainable growth of the company.

1.4. Risk from investment in new project

The company is engaged in 4 projects of the manufacture and trading of electricity from solar energy with a total capacity of 278 megawatt. The two-fourth of the projects has started. The first project is a solar power plant with a capacity of 8 megawatt. It is located at no.188 Village no. 3, Saikoktoom-Maenampasak Road (Highway No. 3333) Km 21, Pattananikhom Sub-District, Pattananikhom District, Lopburi Province 15140. This project provide commercial operations in October 2012. The other project is solar energy power plant in Nakornsawan Province with 90 megawatt. It is first 90 megawatt of the company. It is at highway No. 3329, Huawai Sub-District, Ta Klee District, Nakornsawan Province with 1,858 Rai. This power plant has start trading power since 23 December 2013. Moreover, the power plant is operating under the EA Solar Nakornsawan Co.LTD., a subsidiary company that the company held direct and indirect shares of 100.00%. The other 2 projects, solar power projects capacity 90 MW project are located in Lampang Province and Phitsanulok Province. It will be investment in the years 2014 and 2015, respectively. The operation of the power plant will generate solid returns over the long term. It will diversify the business risk of the company. Moreover, the implementation of the government policy to promote the use of renewable and alternative energy

For the investment in solar energy power plant, the company is in the progression process that lead to the risk of investment in these project as follows:

1. Risk of acquired land for the power plant.

For solar energy power plant in Lampang Province, the company purchase land with 2,154 Rai which enough for the planning. However, 90 megawatt solar energy power plant in Pitsanulok Province, the company is still acquiring for the land. Nowadays, the company purchase 1,161 Rai (58% of total) and will buy more to obtain 2,000 Rai. Due to the company obtain 80% of required land amount for 2 projects, therefore, the risk of land acquiring is quite minimal.

2. Risk in document of the project plant.

Nowadays, company entered into a power purchase agreement (PPA) with the Electricity Authority (PEA) for 1 project of 8 megawatt solar power projects, in Lopburi Province and with EGAT for 3 projects of 90 megawatt solar power project in Nakhon Sawan Province and Phitsanulok Province and Lampang Province. The trading has already done with government electricity authority, therefore, there is no risk of electricity trading contract. However, there is some risk of licensing document such as licensing permit of factor business (Ror.ngo 4). Nevertheless, if the company could not construct the power plant in setting time frame, the company would not trade commercial electricity in time of contract with EGAT.

3. Risk in financing for the power plant.

The company plans to construct solar power plant of 2 projects to the 90megawatts, which is located in Lampang Province and Phitsanulok Province in 2014 and 2015, respectively with the huge investment. The company may be at risk of unable to find the capital and loan from financial institutes for process the power plant in time. If there is delaying, it will affect to profit and process. In order that, the company hire financial consultant for acquire loan form financial institutes. They will be consultant and manage finance project to solar energy power plant projects and other mentioned projects.

The company has a plan to acquire construction capital with D/E Ratio of 3:1. It is loan of Thailand financial institutes of 75% and 25% from investment of shareholders. The investment of shareholder will be from the rest of first new ordinary share for public and cash of the company operation.

4. The financial risk of the power plant.

For the solar power plant in Lopburi Province and Nakornsawan Province, there is borrowing money from financial institutions for the construction. Proportion of debt to equity ratio 3:1. Moreover, 2 projects of 90 megawatt solar power plant in Lampang Province and Pitsanulok Province have a debt to equity ratio 3:1 as well. As a result the company have higher debt lodge and would result in a overall debt to equity ratio of the company grow as well.

5. risk that the return on investment may not be as expected.

The construction capitol is the major factor that effect to the project return. Moreover, the project require imported equipment e.g. solar cell panel or inverter. These equipment are high price with compare to capital ratio. Therefore, the project has risk from changing of price of those equipment. However, the project will have fixed price date certain contract with construction contractor to get rid of the risk of fluctuation of equipment price. However, the company have to pay with the foreign currency, therefore, there still have risk from fluctuation of exchange rate. In order that, the company manage the risk by performing FX Forward.

In addition, the capital of each project would effect from different factors such as location of project, different engineering design. It may effect to the return of each project. The other factor are electricity fee reduction, low light intensity or natural disasters.

Any how, the company evaluates the effect of electricity fee reduction and low light intensity as minimal effect. For the natural disaster, the company get rid of risk by buying insurance to compensate income and damage that cause by natural disaster.

6. Risks to the success in the implementation of power projects.

Technology for solar power generation in the country is considered to be a alternative power business that highly dependent on technology. In addition, during the development and implementation of commercial production is substantial. Therefore, companies need to obtain people with enough knowledge, expert to manage operational power projects effectively. They have to understand the used technology and be able to plan to prevent risks that may arise in future in order to guarantee the successful implementation of the project.

However, in case of a power plant in Lopburi Province, which has start trading power since October 2012, the company has been studied the feasibilityof a business and hire an independent consultant who is an expert in the technique of producing electrical energy alternative to study the feasibility of project. Moreover, there are negotiate with contractors to supply electricity to be

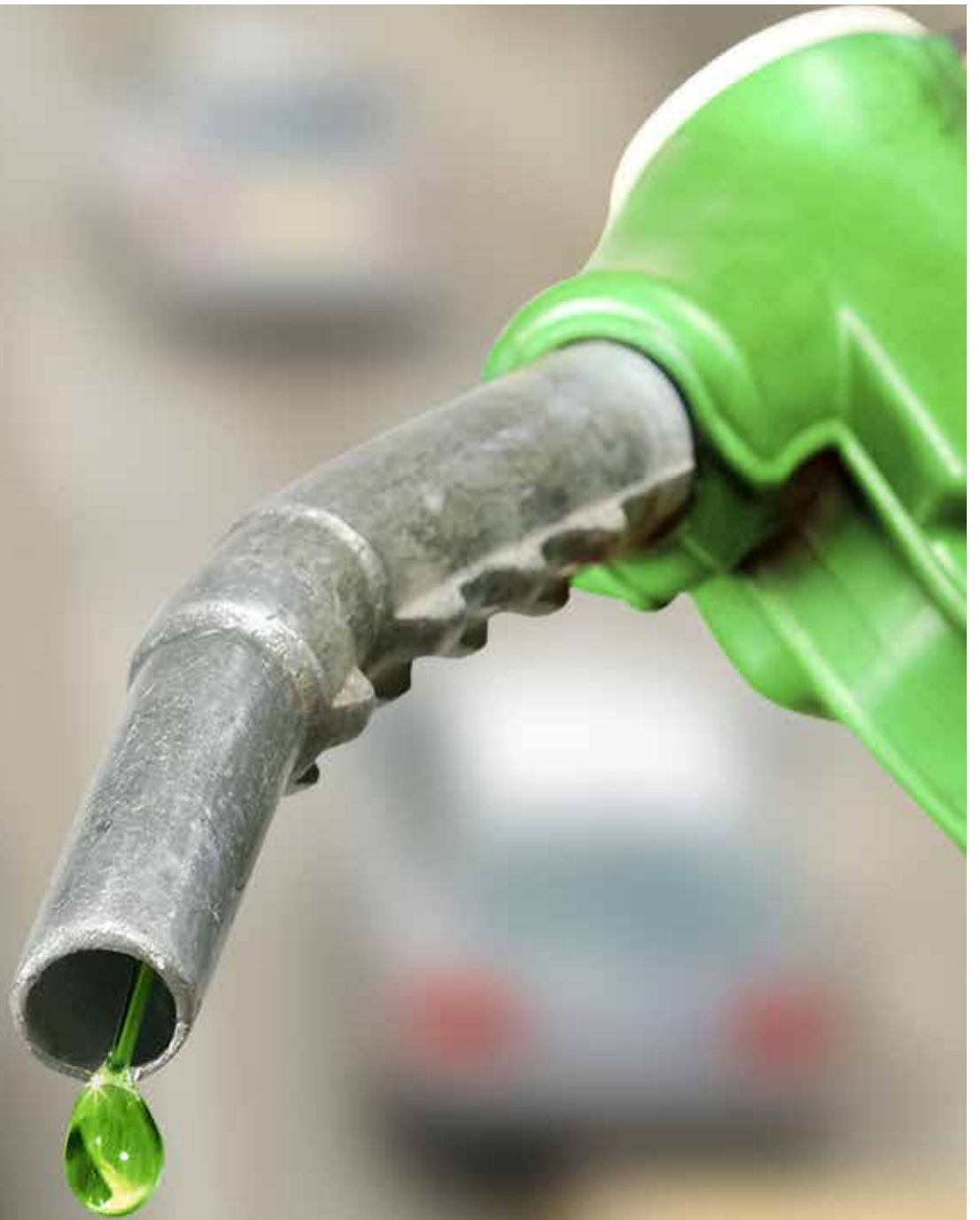
produced from the solar power plant is a 10-year period in order to ensure proper operation and reduce the risk of uncertainty and earning power of the company's business to some extent. The company also conducts insurance contractor's all risks. From the start of construction until the project is completed and the next one year. For solar power projects, capacity 90 MW, Nakornsawan Province, the company hire consultant of project technique and insurance as well as the contractors project with expert business powerhouse to be the manager (Operation and Maintainance Service: O & M). In addition, the project also use a solar panel manufacturer that is well known in China with performance guarantee in the power generation of solar panels (Power Output Guarantee) from the manufacturer with a lifetime of 25 years and warranty for 10 years. The project use Inverter technology manufactured by Italy with product warranty for 5 years. Furthermore, the company aims to obtain efficiency team by Energy Solution Management Co., Ltd., which is subsidiary company. This company design, build and maintain solar energy power plant. Due to the company has experience and knowledge from above 2 projects, therefore, the company is able to develop and apply to other alternative power plant in the future in order to reduce risk and increase certainty of project operation.

7. The risk that the project may be carried out later than expected.

The Company may experience to the delay of solar power plant operation by many factors such as the inability to land immediately as required. The inability to obtain financing for the project at any given time in construction period, the project could be delayed by problems such as raining, flooding or technical problem. It would lead to delay of trading that written in the contract of PPA as specified in the power purchase agreement (Scheduled Commercial Operation Date: SCOD). The delay may delay the return. However, the company can apply for an extension of time for the trading of electricity to the Electricity Generating Authority of Thailand (EGAT) within 12 month. The approval by the Authority is not considered an extension of the PPA. The company will need to identify the reasons and continuously reports on the progress of the construction of the power plant to EGAT.

Risk of shareholder investment

- None -



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Securities and shareholder information

1. Assets of company

At 31 December, 2013 company has registered capital of 373,000,000 baht (Three hundred seventy three million baht). It is divided into ordinary share 3,730,000,000 shares, registered share with paid-in 373,000,000 baht (Three hundred seventy threemillion baht only) which divided into ordinary share 3,730,000,000 shares, par value 0.10 baht (Ten Satang).

2. Shareholder structure

List of Major Shareholders as of 12th March 2014

Shareholders name/group	Number of shares	% of paid shares
1. Ahunai Group	1,655,587,883	44.39%
Mr. Sompote Ahunai	1,509,660,186	40.47%
Mr. Somboon Ahunai	64,798,988	1.74%
Mr. Churin Ahunai	29,448,053	0.79%
Mrs. Balang Ga Sue Lan Whang	25,983,607	0.70%
Miss Supaporn Ahunai	23,697,049	0.64%
Mrs. Wilai Ahunai	2,000,000	0.05%
2. FIRST ASIA INVESTMENT LIMITED	470,628,593	12.62%
3. Chiannikulchai Group	194,612,737	5.22%
Mrs. Mukda Bunsiang	131,115,288	3.52%
Mr. Wutthilerd Chiannikulchai	63,497,449	1.70%
4. Sapthaweekul Group	149,935,309	4.02%
Mr. Amorn Sapthaweekul	105,868,316	2.84%
Mr. Anat Sapthaweekul	30,834,206	0.83%
Ms. Wassa Rimchala	13,232,787	0.35%
5. Mr. Luchai Phukhananan	120,487,508	3.23%
6. Mr. Somkiet Thanatchalernkul	62,945,900	1.69%
7. Mr. Kasidit Ajanant	43,646,800	1.17%
8. Ms. Malinee Boonruk	41,172,000	1.10%
9. Ms. Voramas Srivaddhanaprabha	33,088,400	0.88%
10. Mr. Aiyawat Srivaddhanaprabha	27,250,000	0.73%
11. Mr. Pathomphob Chuenpanichkit	21,700,000	0.58%
12. Other ^{2/}	908,944,870	24.37%
Total	3,730,000,000	100.00%

Remark : ^{1/} : FIRST ASIA INVESTMENT LIMITED is ultimate shareholder is Mr. Lee Chee Seng, Christopher which holding Singapore nationality, holding the shares under Green Prosperity Holding Limited.

^{2/} : Other shareholders = 6,987 shareholders

Dividend Policy

Dividend Policy of the company

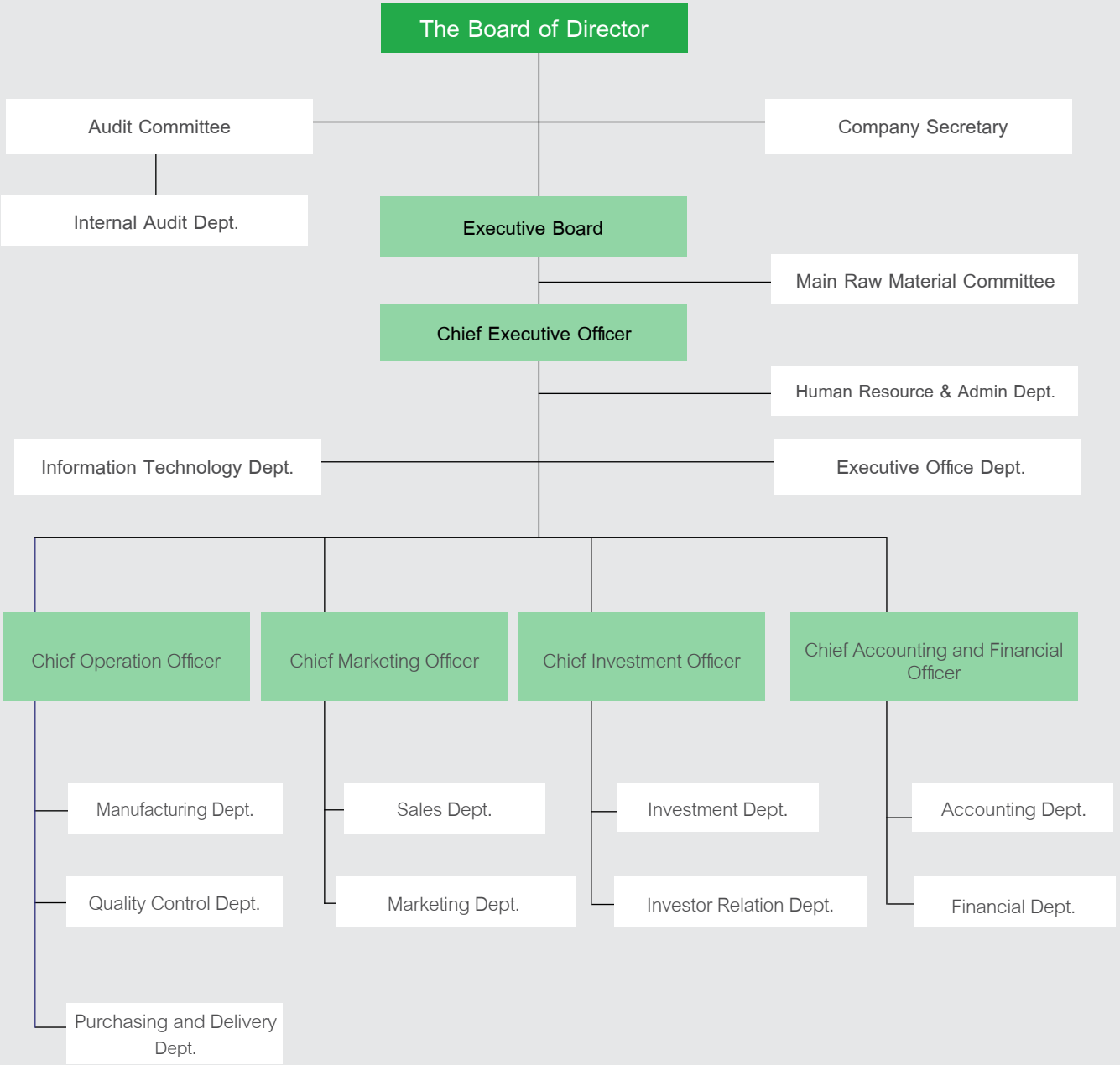
Company has policy of dividend payment to each shareholder in rate not less than 30% of net profit after deducted tax income and any reserved fund for all kind is defined in article of association and defined by law. Anyhow, dividend as mentioned may be altering depend on cash flow, investment plan, term and condition in any contract is bond company, including law limitation, necessary and any appropriate in the future. In addition, resolution of board of directors are approved payment dividend is proposed to approval from shareholder meeting, except interim dividend payment that board of director has authorized to payment and report to shareholder meeting in next time

Dividend Policy of the subsidiary company

For policy of dividend policy of subsidiary, board of director and shareholder of subsidiary will considering announce for dividend time from time. Anyhow, subsidiary was established operate solar power plant must consider constitute condition of retain capacity of debt service coverage ratio: DSCR according to creditor of finance institution is support credit for operate solar power plant. Now, EA Solar Co., Ltd in position of subsidiary is operate solar power plant, Lopburi Province has condition of retain portion of DSCR at 1.1.



Organization Chart Of Energy Absolute Public Company Limited



Management structure

1. Board of directors

The Board of Directors

At 31 December, 2013 the Board of Directors consists of 9 directors

Name - Surname		Position	Appointed Date	No. of attend the meeting/ No. of meeting
1. Mr. Somchainuk	Engtrakul	Chairman of the Board of directors	12 March 2008	5/7
2. Mr. Chaiwat	Pongpisitsakul	Chairman of Audit Committee Member and Independent Director	12 March 2008	7/7
3. M.R. Bravonchat	Chatchai	Audit Committee Member and Independent Director	26 November 2010	7/7
4. Mr. Bannarat	Pichayakorn	Audit Committee Member and Independent Director	12 March 2008	7/7
5. ACM Chainan	Thumasutjarit	Audit Committee Member and Independent Director	7 August 2012	7/7
6. Mr. Somphote	Ahunai	Director	4 March 2009	6/7
7. Mr. Amorn	Sapthaweeikul	Director	17 June 2009	6/7
8. Mr. Sutham	Songsiri	Director	12 March 2008	6/7
9. Mr. Wuthilerd	Chiannikulchai	Director	1 January 2008	5/7
Miss Yaowalag	Pukpikul	Company Secretary and secretary of board of directors. (since 14 November 2013 - present)		

Authorized director was signed.

Any 2 of the following persons, Mr. Somphote Ahunai, Mr. Wuthilerd Chiannikulchai / Mr. Amorn Sapthaweeikul, sign together with the Company Stamp.





Scope of duty and responsibility of board of director

- 1 The Board of Directors shall conduct the business in accordance with law, the Articles of Association and the resolution of the shareholders' meeting with honesty and carefully to protect the interests of the company.
- 2 The Board of Directors is responsible for setting policy and direction of the company's operations and provides information management operations in accordance with the policies set forth effectively and efficiently increase the maximum economic value for shareholders and sustainable growth.
- 3 The Board of Directors have duty to determined significant issues such as policies and business plans, large investment projects, transaction and management and any other legal requirements.
- 4 The Board of Directors is responsible for evaluating and setting executive compensation.
- 5 The Board of Directors is responsible for the establishment and operation of management willing and careful in their work.
- 6 The Board of Directors is responsible for providing accounting system, financial reporting and auditing secure and perform to ensure the process of assessing the internal control and the audit efficiency and effectiveness, risk Management, financial reporting and monitoring.
- 7 The Board of Directors is responsible for the issue of conflict of interests between the stakeholders of the company.
- 8 The Board of Directors is responsible for the corporate governance practice in an ethical manner.
- 9 The Board has the responsibility to report to the Board of Directors in the preparation of financial reports, presented together with the auditor's report in the Annual Report and coverage in most matters, policy of conduct for directors of listed companies, on the Stock Exchange of Thailand.

The Board of Directors may assign, authorize or appoint director(s) to act on behalf of the Board, however, such assignment or authorization shall not for the approval of the connected (related) transaction in which director(s) is interested party. Unless, such connected (related) transaction has been approved according to the policy of the Company and the approval of the shareholder's meeting

2. Executives and Management

At 31 December, 2013, Company has 10 Executives and Management as follows :

Name - Surname		Position
1. Mr. Somphote	Ahunai	Chairman of Executive Committee Chief Executive Officer Chief Marketing (Acting)
2. Mr. Amorn	Sapthaweekul	Chief Accounting and Financial Officer Chief investment
3. Mrs. Dujdao	Laksanaviwat	Chief Operating Officer (Acting)
4. Mrs. Blanca	Shulan Huang	Director of Information Technology and System Development
5. Mr. Weerasil	Sattayapakdeewong	Director of Accounting.
6. Miss Supaporn	Ahunai	Director of Finance.
7. Mr. Peeranat	Waratpop	Director of Purchasing and deliver (Acting).
8. Mr. Patipat	Sakdawongsiwimol	Director of Sales.
9. Mr. Tanakit	Burapanontachai	Director of Factory
10. Miss Peerada	Pakdeepanich	Director of Human Resource & Administration Dept.

- Remarks :
- The Executives and Management are as per the definition according the SEC.
 - Mr. Tanakit Burapanontachai was appointed to be director of factory on 4 November 2013
 - Miss Peerada Pakdeepanich was appointed to be director of Human Resource & Administration Dept. on 16 December 2013

Scope of duty and responsibility of Chief Executive Officer

1. Administer the Company in accordance with the laws, regulations shareholders' meeting, as well as policies, rules, regulations and resolutions of the board of directors.
2. Perform their duties with honesty. And carefully protect the interests of the company.
3. Prepared business plan and the operating budget for the fiscal year as well as revised operating plan during the year if necessary to comply with the changes and presented to the Board for approval.
4. Perform the policy, business plan and budget approved by the Board of Directors to achieve the goals set forth.
5. Reported operating results and financial position of the Company for the quarter and fiscal year and other reports that are critical to the operations of the Company's Board of Directors for consideration and approval.
6. Prepared or revised organizational structure (Organization Chart), as well as the authority responsible for the administration under his command and presented to the Board for approval.
7. Oversee the general management of the Company to be effective and ensure that employees comply with the rules, regulations, orders and resolutions of the Board of Directors strictly.
8. Own the power to approve or carry on matters specified in the Schedule as the designated authority. The Board of Directors has approved them. However, the authority does not act in the event of a potential conflict of interest. (As defined in the Securities and Exchange Commission) has a conflict of interest or potential conflict of interest with the Company or its subsidiaries. Except for normal business transactions with trading conditions generally and the Board of Directors has already approved in principle by the Securities and Exchange Commission.
9. Perform other duties as assigned by the Board of Directors

In order that, Authorize of Chief Executive Committee as well as authorize to other parties who the Board of Directors deems appropriate does not include authorization or delivering the items to the person or persons concerned with the possibility of conflict of stakeholders or have a conflict of interest in any other manner, or conflict with the interests of company and subsidiaries (if any), or items that do not fall under the normal business operations of the company. The approval must be submitted to the Board of Directors and / or the shareholders of the Company. Consider and approve the articles of association or the laws of the relevant requirements.

3. The company secretary

Chief Executive Committee appoint the company secretary according to section 89/15 of Security and Exchange Act B.E.2535 and Revised issue to perform and storage important document of strategy which are committee list, invitation to meeting, minute of meeting, annual report, shareholder meeting invitation, minute of shareholder meeting and storage report of conflict of interest that reported by committee or executive or other operation according to declared in law.

In 2013, Board of directors meeting appoint the company secretary with the following detail:

- At the Board of directors meeting of 2/2013 on 28 February, 2013, the Meeting appointed Miss Sasinthorn Rojarayanont, take a position of secretary. Whereas, Miss Sasinthorn Rojarayanont resigned from secretary of company on 1 June, 2013.
- At board of directors meeting of 7/2013 on 14 November 2013, the Meeting appointed Miss Yaowal Pukpikul, take a position of secretary of company and board of director secretary. with effective from 14 November 2013 onward.

4. Remuneration of Directors and Sub-Committee

Resolution of shareholder meeting No. 1/2013 at Friday 19 April 2013 approved remuneration of the Board of Directors and and subcommittee for 2013 as follows:

1. Meeting allowance of the Board of Directors and subcommittee is not more than 5,000,000 Baht per year. It is divided to
 - Chairman of the Board 35,000 Baht per time of attending
 - Each of Chairman of the Audit Committee 30,000 Baht per time of attending
 - Each of Audit Committee Member 35,000 Baht per time of attending
 - Auditing Director 30,000 Baht per time of attending
 - Each of Executive Committee Member 10,000 Baht per time of attending
2. Committee consultant and others are not more than Baht 5,000,000 per year

Remuneration

1. The details of remunerations for Directors and Sub-Committee are

Name - Surname	Position	Remuneration of director (Baht)					
		Board of Directors	Audit Committee	Executive Committee*	Total		
1. Mr. Somchainuk Engtrakul	Chairman of the Board	✓ 175,000.00	-	-	-	175,000.00	
2. Mr. Chaiwat Pongpisitsakul	Chairman of the Audit Committee and Independent Director	✓ 210,000.00	✓ 315,000.00	-	-	525,000.00	
3. M.R. Bravonchat Chatchai	Audit Committee Member and Independent Director	✓ 210,000.00	✓ 270,000.00	-	-	480,000.00	
4. Mr. Bannarat Pichayakorn	Audit Committee Member and Independent Director	✓ 210,000.00	✓ 270,000.00	-	-	480,000.00	
5. ACM Chainan Thumasutjarit	Audit Committee Member and Independent Director	✓ 210,000.00	✓ 270,000.00	-	-	480,000.00	
6. Mr. Somphote Ahunai	Director	✓ 180,000.00	-	-	✓ -	180,000.00	
7. Mr. Amorn Sapthaweekul	Director	✓ 180,000.00	-	-	✓ -	180,000.00	
8. Mr. Sutham Songsiri	Director	✓ 180,000.00	-	-	✓ -	180,000.00	
9. Mr. Wutthilerd Chiannikulchai	Director	✓ 150,000.00	-	-	✓ -	150,000.00	

2. Other remuneration
- None -

5. Staff : Show number of all staff and staff in each department.

Remuneration of Executives and Management

- Money remuneration
In 2013, the company paid remuneration in term of salary, bonus, profit after quit (consultant payment) to 10 executive and Management with 26.94 million Baht.
- Other remuneration of executive and Management
The company provide pension fund with 3.5 % of salary.

No. of Staff and benefit

At 31 December, 2013

- The company has 172 staff, In 2013 the company paid benefit to staff with 48.94 million baht. The benefit is, salary, bonus, OT, social insurance, pension funding and other welfare.
- The subsidiary company pay benefit similar to strategy with 22.11 million baht
- The company established pension funding with K Master full fund under Kasikorn funding management since 15 October 2013

Staff of the company and subsidiaries are 172 persons (excluding executive) The staff are categorize as follows :

Department	At 31 December, 2013		
	Daily	Regular	Total
Accounting	-	4	4
Finance	-	3	3
Purchasing and deliver	-	5	5
Sale and marketing planning	-	2	2
Personnel and administration	1	16	17
Office of Company Secretary	-	2	2
Information Technology and System Development	-	2	2
Internal Audit*	-	-	-
Factory	18	105	123
Quality control	4	6	10
Administration Executive Office Department	-	2	2
Investment planning and Investor relations	-	2	2
Total	23	149	172

Remark : the Company has employed the External Auditor for services of Internal Audit

In this year, the company has no significant change of staff number to effect the company operation. There is no argument in term of labor for 3 years.

The Significant legal case during 3 years.

- None -

However, in first quarter of 2010, the company found that staff of factory corrupt with delivery driver. It cause damage of 4,116,200 baht. The company negotiate with delivery company to pay compensation by deduct of 10% of delivery fee of every month until reach to price of damage. Nowadays, there is no the above mention problem. The company set better prevent and monitor corruption system such as setting mass flow meter to check raw material, compare raw material mass with data in report, create daily yield report to check failure. At 31 December, 2012, the remaining damage value is 1 385 780 95 Baht

Policy of Human resource development

The company has a policy of continuous Human resource development to achieve the performance of the operation of executive and staff. It includes changing jobs to put the appropriate person with skills and expertise of the individual to perform the job effectively. Plan of personnel development emphasis on efficiency of operation in each position and focus on the at least 1 time per year evaluation to analyze the knowledge, skills, and professional progress of the company's position.

The details of Human resource development plan are as follows:

1. Plan for proper adjust staff company. The company has plan of increase personnel especially finance, investment and business related with solar power plant.
2. Plan of change to proper position of staff
3. Plan of training for more efficiency work by determining that staff will has training at least 60% of all staffs or supervisor staff should have training at least 1 course per year.
4. Plan of evaluate efficiency of work 1 time per year.



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Corporate governance

Policy of Corporate Governance

Company concern the importance of Good Corporate Governance of 2006 as defined by Stock Exchange of Thailand. The company use this principle to be guideline of company operation in order to obtain administrative system with efficiency, transparent and traceable. This will create the confident to shareholder, investor, stakeholder and all involved parties. The principle is divided in 5 categories as follows:

Section 1: Rights of Shareholders

Shareholders have the right of the ownership of the company via appointing a committee to act on their behalf. They have the right to decide on the significant change of the company. Therefore, the company encourage shareholder to thoroughly use their right.

Basic rights of shareholders are trading or transfer their shares, sharing in profits of business, obtaining adequate information of company, attendance for the right to vote at the shareholders' meeting to appoint or remove directors, appointing of auditors and issuing content that affect the company such as dividend distribution, memorandum and Articles of Association or the editor, reduce or increase capital and approval of special items, etc.

Shareholders have known rules and procedure of meeting as well as sufficient information for deciding in each agenda in advance. Shareholders also have opportunity to submit question in advance and ask director in the meeting as well as proposing meeting agenda and right to authorize person to participate the meeting.

Board of directors concern and pay intention to right of shareholder and do not infringe nor lessen right of shareholder.

Section 2 : Equitable Treatment of Shareholder

All shareholders, both executive and non-executive as well as foreign shareholders are equally and fairly treated.

Ensuring shareholders that the board and management will utilize shareholder investment properly is a critical factor to create the confidence of investment. The company board supervise and protect the principle entitle of shareholder.

The Board determines shareholder meeting to be encouraging equally treating of each shareholder by specify the policy. For instance, the company always sends invitation of shareholder meeting and relevant information to shareholder at least 7 days in advance in order to provide opportunity to shareholder to study the information before meeting. Moreover, it is an opportunity for minor shareholder to propose candidate to be director in advance. In addition, it is an opportunity to shareholders who are unable to attend the meeting for which they may to authorize other person to attend and vote on their behalf.

The Board specify protection mean to prevent directors and executives use internal information to be abusive self-dealing which is taking advantage to other shareholder such as securities trading by using insider trading, reveal internal information to person who involve with directors and executives to cause damage to overall shareholder.

The Board of Directors has determined that directors and executive to disclose information about their and involved person's interests in order to consider the company's transactions that may have a conflict of interest and make decisions for the benefit of the company. In order that, the directors and executive officers who have interests in the transaction should not involve in the transaction decision.

Section 3: Roles of Stakeholders

Stakeholders are taken care of company in accordance with applicable law. The Board has considered a mechanism to promote cooperation between companies and stakeholders to create wealth, financial stability and sustainability of the business.

In system of supervise, there are many stakeholder group such as customer, staff, contractor, shareholder or investor, creditor and community where the company located, social or public sector, other interested group such as competitor and independent auditor, etc.

The Board of Directors has established a policy to treat each group of stakeholders with respect to the rights of stakeholders such as law or by agreement with the company and do not infringe right of stakeholder as well as determine compensation measure for damaging by infringement

The Board has developed a mechanism for the participation

of stakeholders to promote the performance of the company in order to build a sustainable business and disclose sufficient important involved information to stakeholder for efficient participation.

The board of directors has measure for tracing to the board about illegal issue, accuracy of financial report, deficient internal control or unethical issue via channels that be able to directly sent to the board of director such as letter, e-mail and suspect. The board of committee will consider of the reasonableness and proceeding of information considering. There are right protection system for informing person.

Board of directors has clear policy of maintenance environment and social.

Section 4 : Disclosure and Transparent

The Board has ensured that company will disclose information related to the company i.e., both financial and non-financial information with accurate, complete, timely, transparent via easy access, equality and reliable channels.

Important data of company is including financial and non-financial information in accordance with the related requirements of the SEC and the SET such as operate duty during the past year of The Board of directors and committees, corporate governance, environmental and social policy and the implementation of the mention policies.

Quality of financial statements is importance for shareholders and directors. They are trust in data has shown in correctly financial statements according to generally accepted accounting standard. Moreover, pass the audit from independent auditor.

Chairman of the board and CEO is function of “Spokesman” of company which carefully functions. Furthermore, in the future directors of company is provides agency or person in charge regarding “Investor relations”. They are communicate with investor and outsider such as institution investor, shareholder, analyst and related public sector has equilibrium and impartial.

Section 5: Board responsibilities

Board of directors has an important role in corporate governance for the most benefit of company. The Board of directors is responsible for the performance of duties to all shareholders and stakeholder, policy maker, administrative control and operations to achieve objectives, policies and goals defined.

Board of directors has leadership, vision and freedom in making decision for most benefits of company and shareholder.

Board of directors has established split up system of role, responsibility between board of directors and executives. Moreover, take care company has reliable work system that any activities of company are conducting in legal character and have morality.

The Board of directors consists of varies properties; both in terms of skills, experience and talents is benefit with the company. As well as they are devote time and effort to perform their duties encourage company has strengthen directors.

The nomination of qualified Directors which proposed to the Shareholders’ Meeting is transparent. The nominated director is independent without the influence of the supervised shareholders or management make confidence to outsiders.

In the future effective and efficient duties of Board of Directors they have guidelines on how to organize committees on study and screening as needed. Especially, in cases that require neutrality, diagnosis and making policy, role, responsibilities and work process, e.g. conduct meetings and clearly reporting to the Board of directors.

All directors understand very well on the duties and responsibilities of directors and transaction of the Company. They are ready to express their opinion freely and update themselves Directors performs duties with integrity, careful and cautious taking into account the best interests of the company and fair to all shareholders. They are receiving accurate information and complete, in addition, all directors have sufficient time to devote on practice, considerably responsible is duty of directors must attending all Board of directors meetings, except in case of special reason only.

Remuneration of director is about remuneration benefit of directors. Therefore, they did not approve The procedure for the propose of directors’ remuneration is transparency and beapproved and approval by the shareholders. However, the level and composition of remuneration must be appropriate and sufficient to enable to retain the qualified directors as needed and avoid immoderate expense.

Sud Committee

Company has Sub-committees, i.e. audit committee and executive committee. The procurement committee is under executive committee, The List of the Board of directors and scope of authority are as following.

Audit committee

At 31 December, 2013, company has audit committee 4 persons consist of.

Name-surname		Position	Date of appoint director	Frequency of meeting/ number of meeting, 2013
1. Mr.Chaiwat	Pongpisitsakul	Chairman of Audit Committee, Independent Director	12 March 2008	9/9
2. M.R. Bravonchat	Chatchai	Audit Committee Member, Independent Director	26 November 2010	9/9
3. Mr. Bannarat	Pichayakorn	Audit Committee Member, Independent Director	12 March 2008	9/9
4. ACM. Chainunt	Thamasujarit	Audit Committee Member, Independent Director	7 August 2012	9/9
Mr. Rungroj	Pairojpeerapaisan	Secretary of audit committee (January-October, 2013)		
Miss Yaowalag	Pukpikul	Acting Secretary of audit committee (November, 2013-present)		

Remark : Mr.Chaiwat Pongpisitsakul is expert and sufficient experiences on verify reliability of financial statements.

Scope of authority and responsibilities of audit committee

Audit committee has duty and responsibility under charter of audit committee of company. There are consistent with requirement and criteria of The Securities and Exchange Commission and Stock Exchange. Audit committee is directly report to the Board of directors, are also summarize duties and responsibilities as following.

1. Financial statements

- Verify financial statements and consider completeness of data was aware by audit committee and assessment appropriate of accounting implement in financial statements.
- Verify issue regarding accounting and financial statements has essence, including complexity list or abnormal. Thereafter, has discretion of decision.
- Interrogate executive and auditor regarding result of risk testing, financial statements and plan is reduce risk as mentioned.
- Verify efficiency of internal control regarding process of draw up financial statements.

2. Internal control

- Verify executive has defined internal control including internal control of appropriate technology. Moreover, the important method of communication of internal control and risk management across company.
- Verify has ensured that suggestion regarding internal control offered by internal audit and auditor was improved.

3. Internal audit

- Verify and approval annual internal audit plan as well as personnel and needs resource.
- Verify activities and operation of internal audit is independent operation.
- Verify efficient of internal audit is under standard of internal audit.

4. Good governance of proceeding and any criteria

- Consider law, any regulations are changing and effect to operating of company has regularly presented by internal audit.
- Verify detection of organization has duties of good governance company and follow-up, including report to The Board of Directors.
- Verify efficiency of following system as available law and result of follow up on resolve, in case of no abide by.

5. Risk management

- Verify sufficient of maintain policy and duties related with risk management of company and business group of company.
- Verify efficient of risk management of company and business group of company.

6. Consider to disclosure of company in case of connection list or list may interest dispute has completely accuracy.

7. Selection, proposal, appointment and considering remuneration of auditor
 - Responsibility in consider selection, appointment and proposal remuneration of auditor.
8. Followed by morality, executive code of conduct and employee
 - Verify has ensured that business morality and executive code of conduct and employee, policy of prevent interest dispute was set up in writing and acknowledged by executives and employee.
 - Encourage following morality, code of conduct and policy of prevent interest dispute.
9. Providing constantly report of director activities has disclosure annual report of company was signed by audit committee chairman.
10. Other responsibilities
 - Other operation was assigned by The Board of Directors.
 - Verify and constantly assess charter of director and present to approval from The Board of Directors when revised.
 - Setting self-assessment at least 1time per year and present result of assessment to The Board of Directors.

Executive Committee

At 31 December, 2013, company has executives director 5 persons consist of

Name-surname		Position
1. Mr. Somphote	Ahunai	Chief Executive Officer
2. Mr. Wutthilerd	Jiaraninkulchai	Executive Director
3. Mr. Sutham	Songsiri	Executive Director
4. Mr. Amorn	Sapthaweekul	Executive Director
5. Mrs. Dujdao	Laksanaviwat	Executive Director
Yaowalag	Pukpikul	Secretary of Executive committee

Scope of authority and responsibilities of executive committee

1. Consider and scrutinize direction, business plans and strategic for operation of the Board of Directors when approval.
2. Supervise the operations of the company in accordance with the policies, goals, business strategy, plans and budgets approved by the Board of Directors. Moreover, assign executives are report results to the Board of Directors consider the policy as set.
3. Consider guideline, operations manual of the various divisions of the company so that the operations associated with the practice, according to supervise of Government regulatory.
4. Provide internal control and risk management system is effectively including regulatory system performance according to the law, and any regulations including the governance of the business.
5. Considering present the accounting policies, additional investment, write-off or disposal of assets has further approved by The Board of Directors.
6. Consider approval any operation was assigned by The Board of Directors.
7. Functions or duties as a representative of the Board of Directors. In representing of company on cooperate with government regulatory agencies, such as the Securities and Exchange Commission and the Stock Exchange of Thailand, etc.
8. Consider approved financial amount for normal transaction of company not over 250 million baht.
9. Considering approval employment, remove, discharges and approval remuneration of executive. Including assign punishment, compensation damage and approval retire of executives, unless assigned recruitment director and consideration.
10. Provide meeting at least 1 time per month. The attendant must at least a half of all executive directors.

In addition, power of the Executive Committee as well as other persons authorized by the Board of Directors deems appropriate. It does not include the power to approval or authorized any person or persons that may have a conflict. Moreover, has

interested or otherwise conflict benefits or conflict with the interests of company or subsidiaries (if any), or items that are not under normal business operations of the firm. The approval as mentioned will be submitted to the Board of Directors meeting and / or the shareholders meeting on consideration and approval by the relevant laws or regulations of the company.

Main Raw Material Committee

At the meeting of directors 2nd/2012 on 30 March, 2012 has resolution appoint directors of material procurement. Procurement is key part of efficiency business and according to more protects interest of company.

At 31 December, 2013, company has 4 members for Main Raw Material Committee as details belows:

Name-surname		Position
1. Mr. Somphote	Ahunai	Director Main Raw Material Committee
2. Mr. Amorn	Sapthaweekul	Director Main Raw Material Committee
3. Mrs. Dujdao	Laksanaiwat	Director Main Raw Material Committee
4. Peeranat	Waratpop	Director Main Raw Material Committee

Scope authority and responsibilities of material procurement directors

They are sharing consider selection, negotiate condition of material procurement regarding properties, quantity and price of material is sufficient and appropriate. Furthermore, they are encourage constantly production along with policy of company, authority of approval as particulars s following.

- Approval order domestic material not over 40,000,000 baht
- Approval order international material not over 40,000,000 baht
- Approval quantity of order domestic material not over sales in advance 2 weeks (If ultra vires as mentioned must approval from executive directors meeting.)

In addition, power of the material procurement directors as well as other persons authorized by the material procurement directors deems appropriate. It does not include the power to approval or authorized any person or persons that may have a conflict. Moreover, has interested or otherwise conflict benefits or conflict with the interests of company or subsidiaries (if any), or items that are not under normal business operations of the firm. The approval as mentioned will be submitted to the Board of Directors meeting and / or the shareholders meeting on consideration and approval by the relevant laws or regulations of the company.

The authorization in any issues is authorized by The Board of Directors and already approved schedule of authorization has particulars as following.

1. Normal business transaction

Type of transaction	Practice
1. Raw material purchase order	<ul style="list-style-type: none"> • Approved list by material procurement director, approved for domestic material not over 40.00 million baht, international order not over 40.00 million baht, approved quantity of domestic purchase order of sales in advance 2 weeks, if exceeding must approved by executive director.
2. Purchase order plant equipment, other material and other purchase order, contractor employment	<ul style="list-style-type: none"> • Approved by CEO in case of employment has value over 5.00 million baht must provide employment contract.
3. Payment by transfer <ul style="list-style-type: none"> • Via internet • Pay cheque 	<ul style="list-style-type: none"> • Limit financial amount not over 50.00 million baht per time, approved by 2 authorized signatories *No limit financial amount, approved by 2 authorized signatories*

2. Special business transaction

Type of transaction	Practice
1. Financial signatory	• Signed by 2 of 3 directors, co-signed and seal of company
2. Pay cheque	• Unlimited financial amount, approved by 2 authorized signatories
3. Advance payment for domestic order material (Urgently case other than normal purchase order)	• Approved by director of material procurement not over 2 million baht per time.

Remark : * Person who countersigned is Mr. Somphote Ahunai / Mr. Wutthilerd Chiannilkulchai / Mr. Amorn Saphaweeekul and Miss Supaporn Ahunai

Recruitment and appoint director and top executive

Independent director

Properties of independent board of director

- Hold no more than 1% of all votable share of the company, major company, subsidiary, main shareholder or authorized person. In addition, it is including shareholding of related person to those independent directors.
- Not being or have been a director who take part in administration, employee, staff, permanent advisor or authorizing person of the company, major company, subsidiaries, main shareholder or authorized person for no less than two years. The prohibited properties are not including independent director who have been government officer or consultant of government sector that is major shareholder of authorized party.
- Are not close relative by biological or legal registration as a parent, spouse, sibling, child and spouse of child of executive, major shareholder, authorized person or that of nominated person.
- No have or never have business relationship with the company, major company, subsidiary, main shareholder or authorized person that cause obstruction of independent consideration and not be or never been shareholder or authorized person of the company, major company, subsidiary, main shareholder or authorized person for no less than two years.
- Not be or never been auditor of the company, major company, subsidiary, main shareholder or authorized person and not be or never been shareholder or authorized person or partner of auditing office that have auditor of the company, major company, subsidiary, main shareholder or authorized person for no less than two years.
- Not be or never been professional provider, including legal or financial consultant which receive service fee with more than 2 million baht per year from the company, major company, subsidiary, main shareholder or authorized person and not be or never been shareholder or authorized person or partner of those professional provider for no less than two years.
- Not be appointed director for being a representative of director of the company, major shareholder or shareholder who relate with major shareholder of company.
- Not operate the similar or competition business or subsidiary or not be partner of partnership or administrative director, employee, staff, permanent consultant or hold more than 1% of all votable share of the other company that have similar or competition business to the company or subsidiary.
- No have any other properties that effect independent opinion of operation of company

Appointment of director and executive

Component and appointment of board of director

- The company has no specific committee for appointment of director and executive. The company board consists of at least 5 and at most 15 directors. At least half of the member must reside in Thailand. The board of director will be the select according to criteria under section 68 of The Public Company Limited Act, B.E. 2535 and The declaration of Securities and Exchange Commission. In addition, business experience, knowledge and skill are also considered. Then the list is proposed to shareholder meeting to approve.

2. In every general annual meeting of shareholder, one-third of director must resign. If the resign number of director cannot be the integer, the resign number must close to the one-third of first year member. For the second year after company registry, drawing lot is used for find the one who must resign. For the following year, the director who works for the longest time must be leave. However, the resigned director can be re-elected.
3. Shareholder meeting is responsible for appointing the director with majority vote as criteria and method as follows.
 - 3.1 One shareholder has equal vote with holding share.
 - 3.2 Each of shareholder must use all share vote as mention in 3.1 to select one person or many person to be director, but unable to divide vote for anyone.
 - 3.3 Person who receive highest vote and in descending order are appointed to be director with equal to total number of director that have to fulfill. In the case of there are equal vote for 2 person in last position, the meeting chairman is the arbitrator.
4. In case of there is vacant position of director due to other cause than timely resign, resolution of board of director meeting with at least three-fourth select qualified person with unforbidding according to public law to replace the vacant position in next director meeting, unless time period of director is remain less than 2 month. The replacing director according to first paragraph is take in position only the remaining of former director.
5. Shareholder meeting may provide resolution to allow any director to resign before time period with at least 3 of 4 vote score of shareholder who have right to vote and participate the meeting and have total share with at least half of shareholder who have right to vote and participate the meeting.

Component and recruitment of audit committee

The Audit Committee of company director shall be appointed by the board of directors and qualified by law of the Securities and Exchange Commission as well as declaration, regulations and / or rules of the SET. The Board of Directors appoints an audit committee which consists of at least 3 members. All of them must be independent directors. However, the audit committee of at least 1 person must have knowledge of accounting and finance.

Properties of auditing committee

1. Are not director who authorized from board of director to decide in operation of the company, major company, subsidiaries, main shareholder or authorized person.
2. Not be or never been director of registered major company, minor company or similar minor company.
3. Have adequate knowledge and experience to perform as auditing committee. In order that there must be at least one person who is knowledgeable and experienced enough to inspect the reliability of financial statements.
4. Have operating duty in the same manner as declared in the Stock Exchange of Thailand regarding the quality and operation scope of the Audit Committee.

Component and recruitment executive committee

The executive committee shall be the Board of Directors and / or executive of the company who appointed by the Board of Directors with number which is viewed as proper by board of director. The board of director will appoint one of executive to be chief executive officer.

Subsidiaries operation supervision

1. Mechanism of supervision with controllable of subsidiaries' management and responsibility operation are sending representative of the company to be director, executive or authorized person with at least ratio of shareholding. The appointed director will perform to obtain best profit of the subsidiary.

Moreover, the representative must supervise the subsidiary to have regulation of right obtaining or sale of asset or other important item. The criteria of revealing information or the above mention performing are the same as that of the company. There must be data storage and financial record that inspectable by the company and could be gathered to create financial statement in time.

2. Other shareholder's agreement company has no agreement with shareholder in term of subsidiary supervision.

Maintain about internal data

Company has policy and method to maintain and protect internal data of company to self-implement including for trading securities as follows.

- Prohibits directors, executives and employees including their spouses and underage children, as well as related persons under Section 258 of Security and stock Exchange Market ACT B.E. 2535 of the mentioned person has not yet disclosed the inside information to purchase, sale or transfer of the securities before the information is disclosed to the public
- For the sale or transfer of the securities of company, director and executives of company, including spouse and underage children and related persons under Section 258 of the Security and stock Exchange Market ACT B.E. 2535 must be reported of changes to the Office of Securities and

Exchange Commission within 3 days from the date of purchase, sale, transferring and endorse of such securities. If violation or failure to comply with regulations or not to do as mentioned, there is penalties enacted section 275 of the Securities and Exchange B.E.2535 and will be fine not at most 500,000 baht and a further fine at most 10,000 baht throughout that of inaccurate period of. In addition, directors and executives must deliver a copy of the report to company to be evidence.

- In addition, director, executives and staff of company who receive internal data of company must not disclose data as mentioned to public and must not sale, purchase, transfer or endorse securities of company in 1 month prior quarterly balance sheet and annual balance sheet will reveal to public and after disclose data as mentioned as least 1 working day. In addition, those important data is prohibited to disclose to other person.

Audit fee

1. Audit fee

Company and subsidiary has paid fee to audit for 2013 fiscal year to Pitisevi Office, auditor of company and subsidiary as follows.

Name	2013
1. ENERGY ABSOLUTE PUBLIC CO., LTD.	980,000.00
2. EA SOLAR CO., LTD.	390,000.00
3. SURACHAI (1997) CO., LTD.	40,000.00
4. SURACHAI (1997) SOLAR CO., LTD.	40,000.00
5. ENERGY SOLUTION MANAGEMENT CO., LTD.	220,000.00
6. EA SOLAR NAKORNSAWAN CO., LTD.	310,000.00
7. TEP SATIT WINDFARM CO., LTD.	120,000.00
8. EA Solar Lampang Ltd. ³	47,000.00
9. PETRO PLANET CO., LTD. ¹	0.00
10. CONTINENTAL OIL CO., LTD. ²	0.00
11. SAHAPANIT PETROLEUM CO., LTD. ²	0.00
Total	2,147,000.00

Remark : ¹ : Those company register to quit operation in September 2012 and financial clearing was done in February 2013.

² : Those company register to quit operation in September 2012 and financial clearing was done in September 2013

³ : This company was setup in quarter 3 of the year 2013

2. Non Audit Fee

Company has inspection fee and perform involved report of inspection according to condition of promotion investment card from Promotion Investment Commission for 2013 fiscal year to Pitisevi Office, auditor of company as 120,000.00 Baht (One hundred twenty thousand Baht)

investment in the company business, there is basic right according to regulation of shareholder protection policy. To accordance to Good Corporation Governance of Registered Company Principle B.E. 2549 of SET, the company take 5 section of the principle to be operating guideline which are Rights of Shareholders, Equitable Treatment of Shareholders, Roles of Stakeholders, Disclosure and Transparent and Board Responsibilities in order to have efficient, transparent and traceable management system. It will create trust and confidence to shareholder, investor, stakeholder and other related parties. The important context can be summarized as follows:

Good Corporate Governance

The company concern that every shareholder is the company owner. Therefore, in order to create the trust and confident of

Section 1: Rights of Shareholders

The company provide facilitation to every share holder to receive basic right as a investor and company owner with acknowledgeable method and standard by providing independence of trading and transfer their share, sharing of profits of business that approved from shareholder meeting, participation of shareholder meeting, sending question in advance of shareholder meeting, free opinion in the meeting, co-decision of important issue of the company such as appointing or decommission of directors, Memorandum of Association changing and the company regulation. Every shareholder has right to vote according to their hold share. Each share is equal to one vote. No share has more privilege than other share.

Beside the above basic right, the company has provide other operation to facilitate right using of shareholder as follows:

- 1.1. Clearly provide necessary and adequate information about business by revealing information via SET and the company website
- 1.2. Every shareholder receive information agenda of meeting in advance. The company disseminate information 1 month in advance in website and send document 7 day (for normal agenda) and 14 day (for special agenda) prior the meeting. Moreover, the company clearly declares right to participate meeting and vote right of shareholder in sent invitation letter.
- 1.3. In case of shareholder could not participate the meeting, the company provide facility to shareholder to authorize independent director of the company or other person to participate meeting by using Proxy B that sent with invitation letter. This Proxy B is form that shareholder could specify voting according to regulation of Ministry of Commerce.
- 1.4. In 2013, the company held general annual shareholder meeting in 19 April 2013. The directors are all in the meeting.
- 1.5. In shareholder meeting day, the company provides barcode registration in order to facilitate the meeting and allows rapid registration step. Moreover, method of counting vote is done by subtract disagree and abstention vote from all vote.
- 1.6. In general annual meeting of shareholder of 2013, there are resigning of one-third of director. In the director election agenda, there is specification that director is individual elected.
- 1.7. In shareholder meeting, the company provide opportunity to shareholder to freely propose opinion, suggestion or question in each agenda prior to make the resolution in order that, shareholder will receive adequate information.
- 1.8. The company specifies that there is agenda of remuneration of committee to clarity type of remuneration of each director received every year.
- 1.9. In shareholder meeting in 2013, the company has consider according to agenda that specified in invitation letter that sent to shareholder in advance by no changing of sequence of those agenda and not ask the meeting to consider other issue than specified in invitation letter.

Section 2: Equitable Treatment of Shareholders

The equality of shareholder either major or minor or institution or foreign shareholders is a concern and diligent to create tool to obtain truly equality, especially with minor shareholder as follows:

- 2.1. Specify the measure for tracing to the board about illegal issue, accuracy of financial report, deficient internal control or unethical issue via channels that be able to directly sent to the board of director such as letter, e-mail and suspect. The board of committee will consider of the reasonableness and proceeding of information considering. There are right protection systems for informing person.
- 2.2. For creating good relationship to shareholder, the company invites the interested shareholder to visit solar energy power plant in Taclee, Nakonsawan. In order that, this activity is highly interested by shareholder.
- 2.3. For internal information supervision, the board of director has specified insider trading protection measure of related person which are board of director, executive and staff who involved with the information and spouse and underage child of those person as follows:
 - Prohibit involving person trade the security for 1 month before and at least 1 day after reveal quarter and annual financial reports.
 - In case of know unrevealed information that may effect to price of security of the company, it is prohibit to trade the security of the company until the information was revealed.
- 2.4. Conflict of interest protection
 - The company has clear and transparent shareholding structure. There is no cross share of major shareholder. Therefore, there is no conflict of interest to each group. The detail of shareholding structure is revealed in annual report.
 - There is clear separation of responsibility of board of director, executive and shareholder. Therefore there is no cross responsibility.

Section 3: Roles of Stakeholders

The company operate the business with insist in responsibility to every stakeholder. The board of director supervises the management system to ensure that those rights will be equally protected and treated. In order that, the company treat every community that the company access to operate business with respect to their right and fairly treat, listen to their opinion and create understanding with the stakeholder as well as join social/ environmental development. This will result in sustainable business operation on the basis of truly fair to all party. The treats of stakeholders are summarized as follows:

- 3.1 Shareholder: Beside basic right and that of specified in law and regulation of the company such as participation in shareholder meeting right and voting as well as fairly receive return, the company also provide right of freely express an opinion in shareholder meeting to question and suggest for the company business operation as an owner of the company.
- 3.2 Staff: The company pay attention to staff and concern that they are valuable resource. The company also intents to urge the staff to proud and confide with organization. In the past year, the company enhance the staff potential to get ready to operation by provide training courses to permit knowledge in related work area in both domestic and abroad. Moreover, the company also pays attention to health, safety and work environment. The company contributes yearly health examination for the staff.
- 3.3 Customer: The company intend to provide maximum benefit with both price and quality to customer. The company also mean to develop and maintain sustainable relationship by improvement of the company product in order to most satisfy the customer.
- 3.4 Business partner: The company follow the honest business competition frame by persisting to follow the ethic and promising that provided to the business partner.
- 3.5 Creditor: The company follow condition of loaning agreement and proper duty to creditor such as business creditor and financial creditor.
- 3.6 Community: The company operate business with fairly to community and social. The company is in between planning of permit activity of community development where the company operate the business, especially carrier promotion and development to the community.
- 3.7 Competitor: The company follow the honest business competition frame by persisting to follow the ethic under law frame. In the past year, there is no disagreement of business competition.

Section 4: Disclosure and Transparent

The company pays attention to information revealing. Due to this will effect to investor and stakeholder decision. Then the company specifies to have control and measure of information revealing both financial and non-financial information according to specified by law. It will have adequate, reliable, and in time of important context in both Thai and English. The information revealing is done via SET Community Portal system of SET and the company website. The company strictly holds and follows the law, topic and regulations that specified by SEC, SET and other government authorities. The company also has been monitoring changing of related rules regularly to ensure that the rules that the company use are right. It is a guarantee for shareholder to confide in correctly and transparently business operation.

- 4.1 Reveal financial and non-financial correctly, entirely and in time.
- 4.2 Create board responsibilities report per financial report and display with auditor report in annual report.
- 4.3 Specify policy to director and executive to report their stake and that of their relative. It is stake that involved with supervision of the company or subsidiary. The method and criteria of report is as follows:
 - Report when take a position of director or executive for first time.
 - Report every time when there is changing of stake information

Section 5: Board Responsibilities

5.1 Board component:

Board of the company consists of person with knowledge and capability and also has an important role in specifying the company policy. Board joint with executive to plan short-term and long-term operation and specifies financial policy, risk management and overall picture of organization. Board has an important role in supervision, inspection and evaluation of the company operation and operating result of executive to accordance to the freely plan. At the present, there are 9 board consist of 1 board chairman who is not executive, 4 independent directors and 4 executive directors.

Scope of duty and responsibility of board.

1. Board must operate according to law, objective, the company regulation and resolution of shareholder meeting with honest and careful of the company benefit.
2. Board has duty to specify policy and operation direction of the company and supervise the executive to operate according to specified policy effectively and efficiently in order to adding economic value to shareholder and sustainable prosper.

3. Board has duty to consider of important issue such as business policy and plan, major investment project, trading business, supervision power and others issue that specified by law.
4. Board has duty to evaluate operation and specify remuneration of executive.
5. Board has responsibility to turnover and operation of executive by intension and careful of operation.
6. Board has responsibility to provide accounting system, reliable financial and auditing reports as well as provision to have evaluation process of appropriation of internal control, effective and efficient internal auditing, risk management, financial report and monitoring.
7. Board has responsibility to prevent conflict of interest of the company stakeholder.
8. Board has responsibility to supervise business to be ethically operation.
9. Board has duty to report board responsibility in financial report by display with auditing report in annual report and cover in important issues according to policy of good operating for director of registered company of SET. Board may authorize one or many director (s) or other person to operate in behalf of director. However, the above mention authorization will not be authorization in time of board or authorized person by board can approve issue that they or other person may have conflict, stake or conflict of interest or conflict with benefit of the company or subsidiary (if any) except asking for resolution of issue as policy and criteria that approved by shareholder meeting.

5.2 Term and number of year of taking position of director:

Rule of the company is specified number of year of taking position in each term of director as according to Public Company Limited Act. In general annual meeting of shareholder, one-third of director must resign. If the resign number of director cannot be the integer, the resign number must close to the one-third of member. The director who works for the longest time must be leave. However, the resigned director can be re-elected.

5.3 The consecutive term of director:

The company deem that every director of the company who elected form shareholder meeting are director with knowledge and capability, especially knowledge and understanding of business character of the company as well as always well performing. If shareholder meeting still trust by electing those director to be the company director, it should respect right of shareholder. **Therefore,**

the company has not specified and fixed number of consecutive term of director.

5.4 Board meeting:

Director regularly participate board meeting to acknowledge and co-consider in business operation of the company. There are at least 4 board meeting per year. The agenda are prior specified clearly. There may be special meeting to consider important and urgent issue. In 2013, there is 7 board meeting which 4 of them are quarterly meeting and 3 special meeting. In order that, in each meeting, the company send meeting agenda and supplement document to director in advance. Director will have adequate time to study information. In consideration of issues, the company chairman who is meeting chairman provides opportunity to director to freely express opinion. In order that, resolution of director meeting is major vote. One director has one vote. If vote has equal score, meeting chairman is arbitrator.

5.5 Specification of number of registered company that director will take to position of director:

Board concern of good governance in relate of number of registered company that board will take to position of director in order to allow the company to receive maximum benefit that director can dedicate time to operate efficiently. There is no director who take to director position more than 3 companies.

5.6 Separation of duty of board and executive:

The company clearly separate responsibility of board and executive. Director has duty to specify and supervise executive operation in policy level. While executive has duty to administer tasks as specified policy. Therefore, chairman, chief executive officer is different person. Chairman of the company is not executive director and has no participation in the company administration as well as have no authorization of sign to obligate the company in order to clearly separate overall policy supervision and administration.

- 5.7 The company has no specific committee for appointment of director and executive. The board of director will be the select according to criteria under section 68 of The Public Company Limited Act, B.E. 2535 and the declaration of Securities and Exchange Commission. In addition, business experience, knowledge and skill are also considered. Then the list is proposed to shareholder meeting to approve.

Corporate Social responsibility Report

1. Anti-corruption Policy

Energy Absolute Public Company Limited and the company group intend and strive to operate the business with ethically by persisting in responsibility to social and all stakeholders according to good governance and ethic as well as policy and treating guideline to the company stakeholder.

In 2013, the company participated in “Common operation of private sector to anti-corruption” to state intention and determination of anti-corruption in all aspect.

To ensure that the company has policy to specify responsibility, operating procedure and regulation of appropriate operation to anti-corrupt of every business activity of the company and to thoughtfully decide and operate corruption risk business, the company create “anti-corruption policy” in written form to be a clearly business operation to develop to sustainable organization.

• Definition of anti-corruption policy

Corruption means bribery whether in any format. There are promise or receive money or other benefit is improper with officer, private agency or person in charge whether direct or indirect. Such person action or omit operation is acquired or for acquired or maintain which otherwise benefit is improper of business. Unless is case of law, regulation, information regulation, traditional of local or trading tradition is operable.

• Policy of anti-corruption

Prohibit directors, executives and employees of the company perform or accept corrupt in all forms, either directly or indirectly, by covering all business sectors and agencies and to ensure compliance with policies against corruption. As well as regularly reviewing practices and regulations in the operation of the business in order to comply with changing regulations and legal requirements.

• Responsibilities

1. The Board of Directors.

Has responsible for policy and oversight, has system of supporting the anti-corruption effectively. To ensure that management is aware and pay attention and anti-corrupt and implant in the culture of the organization.

2. Audit committee

Has duties and responsibility of verify financial statements and accounting, internal control, internal audit and risk management is ensure that according to international standard, concisely, appropriate, modern and effectively.

3. Board of Executives Director and Executives

Has duties and responsibility assign system and encourage and supporting policy of anti-corruption, communicate to employee and related all division. Including review appropriate of system and any measure is consistency changing of business, rule, regulation and provision of law.

4. Audit committee

Have a duty and responsibility to monitor and review the operation is correctly as policies, practices, authority, regulations and laws and provision. To ensured that has appropriate control and sufficient to risk of anti-corruption may occur and report toward audit committee.

• Practice

1. Directors of company, executives, employee of company must comply with policy of anti-corruption and code of conduct without related with corruption whether directly or indirectly.
2. Employees should not be neglected or ignored when exposed to the action corrupt transaction involving the company. And report to the commander or the person in charge to know and to cooperate in the investigation. If there are any doubts or questions, consult with a supervisor or the person designated as responsible for monitoring compliance code of conduct via any channel.
3. The Company will ensure fairness and protection of employees who refuse or to report a corrupt associated with the company by incorporating protection, complaints or who cooperate in reporting corruption has defined in whistleblower policy.
4. Person who corruption is violate code of conduct must consider in discipline and may be legal punishment if that action is illegal.

5. Company was emphasized in disseminate knowledge and understanding with other person. Must operate duty related with company may effect to company regarding following policy of anti-corruption.
6. Company has intention to building and maintains organization culture and neglect corruption of transaction with public sector and private sector.

- **Operation requirement**

1. Policy of anti-corruption is covering personnel management from recruitment or selection person, promotion, training, assessment and remuneration prescribed by commander. Moreover, communicate with employee under responsibility and supervise is effectively.
2. Implementation of any policies against corrupt practices to use as set forth in the Code of Corporate Governance of company, guide policy and practice with stakeholder groups, including rule and manual operation of the companies involved as well as other practices that the company will further set up.
3. For clarity of implementation regarding high risk to be corruption. Directors, executives and employees at all levels must be treated with caution in the following.
 - 3.1. Gifts and entertainment expenses, gifts to give or receive as prescribed in the Code.
 - 3.2. Donation for charity or financial support to make or receive donations or grants must be transparent and legitimate. To ensured that donations or funding not being put to use as a pretext for bribery.
 - 3.3. Relation of business and procurement with government prohibits giving or accepting bribes in the business of all kinds. Operations of the company and dealings with the government must be transparent, honest, and be conducted in accordance with the relevant laws.

2. Preservative environment

The Company recognizes the prevention and reduction pollution thus set the stage and processes of the company in accordance with such guidelines. Practically, company has biodiesel production process occurs in a closed system. To reduce the reaction between biodiesel and oxygen in the air, prevent evaporation of methanol that can be pulled back out in methanol recovery. In the closed system manufacture will reduce contamination from impurities in the air and no harmful emissions in the form of air pollution and wastewater. Due to raw materials used are the fat from plants, so components left over from the production of hydrocarbons, it can decay naturally and do not affect the environment.

For waste resulting from the production of biodiesel is sewage sludge, soot from Boiler, coal ash, waste salt, black bleaching powder, white bleaching powder, charcoal and Mong (Matter Organic Non Glycerine). Company has hired a specialist company, Better World Green Public Company Limited (BWG) for treatment and disposal of waste resulting from the production of the biodiesel plant of the company. In addition, the company also has a wastewater treatment system in term of company and the industrial estate at the plant of the company is located. To prevent the production of waste or pollutants that may be released into the environment.

For boiler coal used in the production process is premium boiler coal and undispersed out of the building as a closed system, or affect to the external environment.

Currently, company no any prosecution related with environmental.

Internal control and risk management

Board of Directors has appointed the Audit Committee which consists of 4 independent directors, and each of them is not an employee of the company. They are responsible to verify accuracy, reliability of financial reporting, effectiveness of internal control systems, compliance with laws and related regulations. Including item may have a conflict interest of the shareholder, directors and executives of company.

Company has established internal audit department to audit and evaluate the internal controls of the company and subsidiaries. There are preparation of the WorkBook and KPI (Key Performance Indicator) used to control and evaluate the performance of various departments and guiding principles of risk management approach of the COSO (The Committee of Sponsoring Organizations of Treadway Commission) used for risk assessment and risk management plan and internal controls of company. Audit committee will present the report, monitoring results and comment on matters relating to the audit committee and board of directors.

In the meeting of The Board of Directors 1st/2014 on 28 February, 2014. Audit Committee has 4 independent committees are attending. The Board of Directors are considers assessment internal control within year of 2013 according to assessment sufficient of internal control at The Securities and Exchange Commission (SEC) has main 5 components as following.

1. Internal control environment
2. Risk assessment
3. Control activities
4. Information technology and communication
5. Monitoring

The Board of Directors and audit committee are agrees with internal audit department, namely.

- The Company and subsidiaries has internal control systems effectively, adequate and suitable for the business. There was not a flaw of the system of internal control has significant impact on accuracy and the reliability of financial reporting and effectiveness and efficiency in achieving corporate goals.
- A system of internal controls regarding transactions with major shareholders, director, executive or a person related to such person an adequate and appropriate.
- System of internal control regarding monitor the operations of subsidiaries has protect the assets of company and subsidiaries from deployed wrongfully or without power of directors or executives. Including transactions with person may conflict and sufficiently related party.
- Prescription important internal control measures which involve risk management and oversight of the management and board monitoring are adequate.

In addition, audit committee and management pay attention on good governance, internal control and risk management continuously. The company has good corporate governance are adequate internal control, appropriate to the business. The risk management is acceptable, accuracy accounting and financial reporting is reliable, including compliance with the law, regulations related to the business operations of the company.

Interaction

Interaction of company and person may be conflict on benefits is incurred on 2012 and of 2013 as follows.

Company has interaction with juristic person and person is may be conflict on benefits has summary relation as follows.

Company/person who may be conflict	Type of relationship	Inter-item (Yes=✓, No=✗)	
		2012	2013
		End of 31 Dec. 2012 End of 31 Dec. 2013	
Subsidiary has related person of shareholding not over 10%-None-			
Person who linked with company or subsidiary :			
1. R.A. LOGISTICS CO., LTD. Business: Fuel transportation Have 5 board of directors 1) Mr. Natthapop Rattanasuwanthavee 2) Miss Saichon Samritjamorn 3) Miss Chompoonuch Kaoropkittiwong 4) Mr. Tharathip Tharathammarat	- As company is shareholding by Mr. Wuthilert Jialanikulchai 10.00% of paid in of R.A. LOGISTICS CO., LTD.	✓	✗
2. Star Gas Col., Ltd. Business: Fuel Wholesale Have 3 board of directors 1) Miss Nichamon Kaoropkittiwong 2) Mr. Thanathip Tharathammarat 3) Miss Saichon Samritjamorn	- As company that Miss Nichamon Kaoropkittiwong is taking in position of director - Miss Nichamon Kaoropkittiwong as wife of Mr. Suwicha Panichpol, shareholder of company as 4.65% of paid-in (Information at 25 July, 2012) and take in position of director, executives director and managing director during 2011 and 1st quarter 2012 (In present Mr. Suwicha Panichpol is retired from position of director, executives director and managing director of company has valid from 31 March, 2012 thereafter)	✓	✗
Remark : Board of director meeting of 2/2012 on 30 March, 2012 has resolution cancel business of sale product of liquefied petroleum gas within end of April, 2012, 3rd quarter, 2012 from now on. Company has not list of interaction with company as mentioned			

Company/person who may be conflict	Type of relationship	Inter-item (Yes=✓, No=✗)	
		2012	2013
		End of 31 Dec. 2012 End of 31 Dec. 2013	
3. Online Assets Co., Ltd. Business: Provide internet data and distribution product about computer Have 4 board of director 1) Mr. Pornlert Decharatnopas 2) Miss Sombatsiri Balee 3) Mr. Pattanasak Chaowakul	- Miss Supaporn Ahunai is shareholder of 0.64% of paid-in (Information at 19 March, 2013)	✓	✓
4. Dhipaya Insurance Public Company Limited Business: Any insurance Have 15 directors such as follow: 1) Mr. Somchainuek Engtrakul 2) Mr. Worachai Piyasuntarawong 3) Mrs. Pankanitta Bunkrong 4) Gen. Somchai Tanarat 5) Miss Sophawadee Lertmanatchai 6) Mr. Prasit Damrongchai 7) Mr. Winai Lamert 8) Mr. Sima Sreemanant 9) Mrs. Patcharasiri Keitkamjai 10) Mrs. Jaree Wuttisanti 11) Mrs. Pannee Sathawarodom 12) Mr. Somporn Seabthawinkul 13) Mr. Marut Simasathian 14) Mrs. Pitsana Prahansuk 15) Miss Nongyao Pacheerat	- Mr. Somchainuek Engtrakul is committee chairman and chief of executive officer - Mr. Somchainuek Engtrakul is take in position of committee chairman	✓	✓

Company/person who may be conflict	Type of relationship	Inter-item (Yes=✓, No=✗)		
		2012	2013	
		End of 31 Dec. 2012 End of 31 Dec. 2013		
5. Mr. Somchainuek Engtrakul	- Committee Chairman	✓	✓	
6. Mr. Somphote Ahunai	- Board of director, chief of board director and chief of executive officer and shareholder of company at 40.47% of registered capital (Data at 19 March, 2013)	✓	✗	
7. Mr. Surachai Ngermsakulrungrate	- As shareholder at 23.33% of paid-in and Surachai (1997) Co., Ltd. is subsidiary of company and take in position of director of Surachai (1997) Co., Ltd. - Take in position of director of Surachai (1997) Solar Co., Ltd. is subsidiary of company - As shareholder of company at 14.70% of paid-in and EA Solar Co., Ltd. is subsidiary of company (At 19 March, 2013) and take in position of director of EA Solar Co., Ltd.	✓	✗	
<p>Remark : Present Mr. Surachai Ngermsakulrungrate is not shareholder and director of Surachai (1997) Co., Ltd., Surachai (1997) Solar Co., Ltd. and EA Solar Co., Ltd. from 3 September, 2012 thereafter. Due to Mr. Surachai Ngermsakulrungrate was sold all of shares to company on 20 August, 2012.</p>				

Interaction of company and person may be conflict in year of 2012 and 2013 as following

Person who may dispute	Type of item	Value of inter-item (MB)		Necessary and reasonable
		2012 and at 31 Dec.12	2013 and at 31 Dec.13	
1. R.A Logistics Co., Ltd.	<ul style="list-style-type: none"> - Company was employed R.A Logistics Co., Ltd. has transport liquefied petroleum gas (LPG). - Company has other account receivable as mentioned at end of year. 	11.04	---	<p>Because the company does not want to take risks in the transportation of liquefied petroleum gas (LPG) and the LPG business of the Company is at an early stage and to study the feasibility of the business plan. Do not want to spend money in transportation investments. The company has hired R.A. Logistics Co., Ltd. in lieu of transportation. The company has performed to compare the shipping cost with other contractors. The proposed costs less than any other company that is not a related company of the Audit Committee is of the opinion that the transaction is reasonable. The shipping price below the market price.</p> <p>However, director meeting at 2/2012 on 30 March, 2012 has resolution cancel operate business of distribute liquefied petroleum gas within end of April, 2012, company has intention to distribution main product.</p>
2. Star Gas Co., Ltd.	<ul style="list-style-type: none"> - Company was paid for broker to Star Gas Co., Ltd. as agent of sale liquefied petroleum gas (LPG). - Company has other account receivable as mentioned at end of year. 	3.39	---	<p>The company is specialized in the business of selling liquefied petroleum gas (LPG) and no personnel to operate. Moreover, to avoid the risks associated with accounts receivable. The company agreed to Star Gas Limited is a retail dealer, guarantee the payment of all debts and accounts receivable, the Audit Committee has opinion that the transaction is reasonable and rewards of each party is determined by the risk that each party is properly recipients.</p> <p>However, the Board of Directors Meeting No. 2/2012 on 30 March 2012 approved the termination of the distribution of liquefied petroleum gas by the end of April 2012 in order to focus on its core products is critical.</p>
3. Online Assets Co., Ltd.	<ul style="list-style-type: none"> - Company has employed Online Assets Co., Ltd. is consult, maintain, revise computer system and network. - Period of contract 1 year (from 1 September, 2011 to 30 August, 2012) Service charge 25,000 baht per month. - Period of contract 1 September, 2011 thereafter, service charge 30,000 baht per month consists of consult, maintenance, resolution computer network. 	0.32	0.36	<p>Since the company is not able to recruit information technology (IT) operations to ensure the company's organizational structure defined. The company is required to hire. Online Asset Limited to oversee the work of the IT companies have to compare the employment rate structure, personnel and payroll, the company set out to personnel in the information technology (IT) and appropriate for the site company is fair and beneficial to the company, the Audit Committee is of the opinion that such transactions are necessary, appropriate and beneficial to the business of the company.</p>

Person who may dispute	Type of item	Value of inter-item (MB)		Necessary and reasonable
		2012 and at 31 Dec.12	2013 and at 31 Dec.13	
	- Company has employed Online Assets Co., Ltd. to design website of company.	---	0.30	
	- Company has other account receivable as mentioned at end of year.	0.03	---	
	- Energy Solution Management (Subsidiary has employed Online Assets Co., Ltd. is adviser, maintain, solution computer and network.	---	0.22	
	- Period of contract from 1 February, 2013 from now on, service charge 20,000 baht per month consists of maintenance, advise and resolve problem of computer network.			
	- Company has other account receivable as mentioned at end of year.	---	---	Since the company is not able to recruit information technology (IT) operations to ensure the company's organizational structure defined. The company is required to hire. Online Asset Limited to oversee the work of the IT companies have to compare the employment rate structure, personnel and payroll, the company set out to personnel in the information technology (IT) and appropriate for the site company is fair and beneficial to the company, the Audit Committee is of the opinion that such transactions are necessary, appropriate and beneficial to the business of the company.
4. Dhipaya Insurance Public Company Limited	- The company has the required insurance Risks of plant oil to biodiesel with Namsin Insurance Public Company Limited under the policy, the terms of the insurance joint venture between Namsin Insurance Public Company Limited at a rate of 50% and Dhipaya Insurance Public company Limited at the rate of 50% of amount insured.	0.38	1.39	Insurance with an insurance company that is not a related party to the Company, provided insurance with an insurance company that is a related company. At market prices, which are generally the Audit Committee is of the opinion that such items are reasonably necessary and beneficial to the company. The premium cost has valued (Add flood insurance).
	- Period of insure 1 year (from 19 August, 2012 to 18 August, 2012) face amount 740.00 million baht.			
	- Period of insure 1 year (from 19 August, 2012 to 19 August, 2013) face amount 700.00 million baht.			
	- Period of insure 1 month (from 19 August, 2013 to 19 September, 2013) face amount 700.00 million baht.			
	- Period of insure 1 year (from 19 September, 2013 to 19 September, 2014) face amount 900.00 million baht.			

<p>- EA Solar Co., Ltd. (a subsidiary) has the required insurance Risks of assets of Solar Power Plant with Dhipaya Insurance Public Company Limited under the policy, the terms of the insurance joint venture between Dhipaya Insurance Public Company Limited in the rate 70% of the amount insured and the Namsin Insurance Public Company Limited at the rate of 30% of the amount insured.</p>	<p>0.26</p>	<p>2.21</p>	<p>Insurance with an insurance company associated with the third joint not associated with the company. The condition is based on the general market. The Audit Committee is of the opinion that such items are needed. Reasonable and beneficial to the company.</p>
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Person who may dispute	Type of item	Value of inter-item (MB)		Necessary and reasonable
		2012 and at 31 Dec.12	2013 and at 31 Dec.13	
	<ul style="list-style-type: none"> - Insurance period of 1 year (from 17 October, 2012 to 1 October, 2013), with a total insured amount of 780.00 million baht. - Insurance period of 1 year (from 17 October, 2013 to 1 October, 2014), with a total insured amount of 546.00 million baht. - EA Solar Co., Ltd. (Subsidiary) has made catastrophes of solar power with Dhipaya Insurance Public Company Limited under the policy, the terms of the insurance joint venture between Dhipaya Insurance Public Company Limited in percentage 7% of the amount insured and the Namsin Insurance Public Company Limited at the rate of 3% of the amount insured. Insurance period of 1 year (from 17 October, 2012 to 17 October, 2013), with a total insured amount of 100.00 million baht. - The EA Solar Company Limited (a subsidiary) have insurance coverage and property from natural disasters are disasters. Surplus funds of solar power of Dhipaya Insurance Public Company Limited under the policy, the terms of the insurance joint venture between Dhipaya Insurance Public Company Limited at the rate of 7% of the amount insured and the Namsin Insurance Public Company Limited at a rate of 3% of the amount insured. Insurance period of 1 year (from 17 October, 2012 to 17 October, 2013), with a total insured amount of 100.00 million baht. - EA Solar Co., Ltd. (Subsidiary) has premium is pay advance from list as mentioned at end of year (which premium as mentioned was record as sale cost) 	2.05	0.84	
	<ul style="list-style-type: none"> - EA Solar Nakornsawan Limited (Subsidiary) employed Jardine Lloyd Thompson Limited, a third party and has been recognized by financial institutions as lenders to companies in the representation order. Providing insurance company Jardine Lloyd Thompson Limited has selected. Insurance Public Company Limited is the property insurance powerhouse during construction. Insurance period from 1 June, 2013 to 1 December, 2013, the amount insured USD 200,000,000 (the premium has been recorded as a cost of the power plant). 	---	26.16	The Company has complied with the loan agreement company shall be represented in the field of insurance. For the provision of insurance to protect against the risk of damage that may occur. During the construction of the power plant insurers selected through the selection of independent agents properly.



Person who may dispute

Type of item

Value of inter-item (MB)

Necessary and reasonable

2012 and
at 31 Dec.12

2013 and
at 31 Dec.13

- EA Solar Co., Ltd. (Subsidiary) loan from Mr. Sompote Hahunai in promissory note dated 21 May, 2012, 2012, 14.47 million baht, interest rate 6.50% per year, loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi, due of payment when request.
For EA Solar Co., Ltd. led loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi Province for 14.47 million baht according to loan contract dated 7 May, 2012. The Audit Committee has opinion that the transaction is reasonable has resolution approved to adjust interest rate from Mr. Sompote Hahunai from 7.13% per year as 6.50% per year lower than rate of finance institute, retrospect from date of loan, audit committee has opinion list as mentioned is necessary and benefits to company.
- Company has interest from list as mentioned.
- The interest accrued from the list at the end of the accounting period.

- EA Solar Co., Ltd. (Subsidiary) loan from Mr. Sompote Hahunai in promissory note dated 7 June, 2012, 2.80 million baht, interest rate 6.50% per year, loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi, due of payment when request.
For EA Solar Co., Ltd. led loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi Province for 2.80 million baht according to loan contract dated 7 June, 2012. The Audit Committee has opinion that the transaction is reasonable has resolution approved to adjust interest rate from Mr. Sompote Hahunai from 7.13% per year as 6.50% per year lower than rate of finance institute, retrospect from date of loan, audit committee has opinion list as mentioned is necessary and benefits to company.
- Company has interest from list as mentioned.
- The interest accrued from the list at the end of the accounting period.

- EA Solar Co., Ltd. (Subsidiary) loan from Mr. Sompote Hahunai in promissory note dated 21 June, 2012, 6.60 million baht, interest rate 6.50% per year, loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi, due of payment when request.
For EA Solar Co., Ltd. led loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi Province for 6.60 million baht according to loan contract dated 20 June, 2012, in order to complete on due. In addition, Audit Committee has opinion that the transaction is reasonable by resolution of the board of director meeting at 6/2012 on 16 August, 2012, approved to adjust interest rate from Mr. Sompote Hahunai from 7.13% per year as 6.50% per year lower than rate of finance institute, retrospect from date of loan, audit committee has also opinion list as mentioned is necessary and benefits to company.
- Company has interest from list as mentioned.
- The interest accrued from the list at the end of the accounting period.

Person who may dispute	Type of item	Value of inter-item (MB)			Necessary and reasonable
		2012 and at 31 Dec.12	2013 and at 31 Dec.13		
	- EA Solar Co., Ltd. (Subsidiary) loan from Mr. Sompote Hahunai in promissory note dated 9 July, 2012 for 2.30 million baht, interest rate 6.50% per year, loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi, due of payment when request.	Early time --- Additional loan 2.30 Repay (2.30) End of time ---	Early time --- Additional loan --- Repay --- End of time ---	For EA Solar Co., Ltd. led loaned by construction company for solar power plant, capacity 8 megawatt, Lopburi Province for 2.30 million baht according to loan contract dated 4 July, 2012. The Audit Committee has opinion that the transaction is reasonable has resolution approved to adjust interest rate from Mr. Sompote Hahunai from 7.13% per year as 6.50% per year lower than rate of finance institute, retrospect from date of loan, audit committee has opinion list as mentioned is necessary and benefits to company.	
	- Company has interest from list as mentioned.	0.02	---	---	
	- The interest accrued from the list at the end of the accounting period.	---	---	---	
	- Company was loaned by Mr. Surachai according to loan contract dated 1 September, 2011 for 60.00 million baht, interest rate 12.00 per year due on 31 August, 2022 or previously.	Early time 60.00 Additional loan --- Repay (60.00) End of time ---	Early time --- Additional loan --- Repay --- End of time ---	Since the company operates in the company's acquisition Surachai (1997) Ltd. Mr. Surachai Ngernsakulringrote is the largest shareholder of Surachai (1997) Limited. The purchase and sale agreement, the Company granted the original shareholders will invest 30% and existing shareholders have a need to invest with the company. However, due to financial restrictions. A request for financial assistance for investment in shares of EA Solar Co., Ltd. The directors have considered it: For construction of a power plant in Lopburi Province companies need to be a coordinator in the implementation matters a lot and past accordingly. Has helped the company to be restructured to perform well of the opinion that in the future, during the construction of the power plant. If the company is in the area to help care matters. Enables to perform much more smoothly. Moreover, the need to accelerate the construction to be completed very soon. If necessary to wait for the existing shareholders in the supply of money to invest may make the project couldn't begin as scheduled on both the Board of Directors No. 2/2254 on July 6, 2011 has approved the loan addition, the Audit Committee is of the opinion that such transactions are necessary and beneficial to Solar companies so that EA can restrict the construction of solar power plants by the terms of the loan agreement with a financial institution and the interest rate. No less than the financial cost of the company and to offset the risk of lending company as well as in the future, the Board will supervise the loans to shareholders to invest in the company and / or subsidiary.	
7. Mr. Surachai Ngernsakulringrote	- Mr. Surachai Ngernsakulringrote has mortgage common shares EA Solar is their ownership of 294,000 shares to a financial institution on October 25, 2011 to secure a loan for the construction of solar power plants of the EA Solar and mortgage as second ranking to the loan from the company until the debt has been paid in full and giving up the right to receive dividends or any benefits. To get from EA Solar Limited in payment of debt principal and interest. Value until Subsequently, on August 20, 2012, company acquired from Mr. Surachai Ngernsakulringrote full amount.	Early time --- Additional loan --- Repay (60.00) End of time ---	Early time --- Additional loan --- Repay --- End of time ---	Since the company operates in the company's acquisition Surachai (1997) Ltd. Mr. Surachai Ngernsakulringrote is the largest shareholder of Surachai (1997) Limited. The purchase and sale agreement, the Company granted the original shareholders will invest 30% and existing shareholders have a need to invest with the company. However, due to financial restrictions. A request for financial assistance for investment in shares of EA Solar Co., Ltd. The directors have considered it: For construction of a power plant in Lopburi Province companies need to be a coordinator in the implementation matters a lot and past accordingly. Has helped the company to be restructured to perform well of the opinion that in the future, during the construction of the power plant. If the company is in the area to help care matters. Enables to perform much more smoothly. Moreover, the need to accelerate the construction to be completed very soon. If necessary to wait for the existing shareholders in the supply of money to invest may make the project couldn't begin as scheduled on both the Board of Directors No. 2/2254 on July 6, 2011 has approved the loan addition, the Audit Committee is of the opinion that such transactions are necessary and beneficial to Solar companies so that EA can restrict the construction of solar power plants by the terms of the loan agreement with a financial institution and the interest rate. No less than the financial cost of the company and to offset the risk of lending company as well as in the future, the Board will supervise the loans to shareholders to invest in the company and / or subsidiary.	

Person who may dispute	Type of item	Value of inter-item (MB)		Necessary and reasonable
		2012 and at 31 Dec.12	2013 and at 31 Dec.13	
	- Surachai (1997) Co., Ltd. (Subsidiary) was loan for short term from Mr. Surachai is expense of general operation of Surachai(1997) Co., Ltd. no interaction interest.	Early time 0.24 Additional loan 0.01 Repay ---	Early time --- Additional loan --- Repay ---	Borrowing to spend on the general operations of the company. The Audit Committee is of the opinion that such transactions are necessary and beneficial to the company in order to have enough money in circulation.
	Surachai (1997) Co., Ltd. will operate return loan as mentioned within December, 2012	End of time 0.25	End of time ---	
	- Company has interest from list as mentioned.	---	---	
	- The interest accrued from the list at the end of the accounting period.๑	---	---	
	- Surachai (1997) Solar Co.,Ltd. (Subsidiary) was loaned for short term from Mr. Surachai, interest rate 2.25% per year for increase capital of EA Solar Co., Ltd. which as subsidiary of company.	Early time 30.60 Additional loan --- Repay (30.60) End of time ---	Early time --- Additional loan --- Repay --- End of time ---	
	- Company has interest from list as mentioned.	0.44	---	
	- The interest accrued from the list at the end of the accounting period.	---	---	

Opinion of audit committee

Report of audit committee for 2011 on 2 April, 2012 the committee has focus on audit is link each other. The audit committee was holding incurred criteria and accepted must in 3 criteria as following.

- 1) Necessary item and benefits to company and to small shareholder and main shareholder is equally.
- 2) Product value/exchange service in criteria of market price/ fair value.
- 3) Following company regulation and/or approved by authorized person.

For commercial products of company with subsidiaries and related company in same price with outsiders in general. For services to the subsidiary it is agreed by calculating a fixed monthly rate, which is acceptable under the rules of the lending interest rate, average bank basis, measures or procedures to approve the transaction.

Measurement or method of approval interaction

The company is focus on consider various items, transparent and beneficial to the Company. Therefore, it is important to protect the items that may be a conflict of interest, linked item or transactions has criteria important to consider the transaction as follows.

- Criteria necessary in the transaction will be beneficial to company, ethical business practices. There are abide by law regarding Securities and Exchange Commission, Notification of the Capital Market Supervisory Board including regulations, notifications, orders or regulations of the Stock Exchange of Thailand.
- Criteria for a fair price has considered appropriate that the management should approve that the conditions are in accordance with normal commercial market compared to the prices that occurred with external parties. Including comment before approval by the Board of Directors and / or shareholders (as any case) to approve the list as appropriate, if the committee does not have the expertise to consider the transaction occurred. The company will provide independent expert or auditor of the company as a comment on the transaction. To the decision of the Board of Directors and / or the Audit Committee and / or shareholders (as applicable), which may have a conflict of interest or has an interest in the transaction will not right to vote to approve the transaction. If the transaction is not very high value and couldn't investigate the Audit Committee will consider the value of the transaction.

Policy or trend of future transaction

In the past, company has certain transactions that the company can't find comparison prices, such as the sale of diesel fuel to a related company. The cost structure of diesel (B0) purchased from one vendor. The cost structure is only related to the acceptable price conditions as mentioned above. The price is the average price must accept the volatility of the week and different from other customers of the company, the company can't bid comparison. The Company has adopted guidelines for determining the risks and rewards have been used as criteria instead in 2012, has taken the approach of making transaction under Section 89/12 of the Securities and Exchange Commission on May, 2010 to consider the transaction to the management department of the company agreed to stop trading diesel fuel transactions with related parties. Because they can't find a price comparison, in 2012 company had no trading diesel fuel with a related company transactions. In the future, the company will not sell to individuals associated / related companies in case you can't find a market for comparison.

When company has registered on The Stock Exchange of Thailand directors will oversee the Company's compliance in accordance with the Securities and Exchange Commission, Notification of the Capital Market Supervisory Board. Including regulations, notifications, orders or regulations of the Stock Exchange of Thailand, as well as compliance requirements on the disclosure of related party transactions and the acquisition or disposition of assets of the Company or its subsidiaries, including compliance with accounting standards set by the FAP on the transaction.

If there are transactions of the company or subsidiaries happens to a person who may have a conflict of interest, stakeholder or may have a conflict of interest in the future. Company will provide the Audit Committee is to comment on the necessity and appropriateness of the transaction price of the item. By considering the conditions shall be in accordance with normal commercial market is comparing price and are made to the third party. If the committee does not have the expertise to consider transactions that may occur. The Company will continue to provide independent expert or auditor of the company or law firm. As a comment on the transactions that led to the decision of the Board of Directors and shareholders, as the case may be, companies are disclosed in Note / or the Board of Directors and / or examination auditors, the financial statements of the Company have been detected.

Management Discussion and Analysis: MD&A

Perspective of last performance

The company has main business of production and distribution of biodiesel (B100), diesel fuel. (B2, B3, B4, B5) diesel fuel, pure glycerol and byproduct from the biodiesel production process, which the company is licensed as an oil under Section 7 of the Trade Act of fuel, 2000 from the Ministry of Energy on October 14, 2009. The company is not only expanding to the production and distribution of electricity from solar energy, but the company and the Group continue with plans to expand to the production and distribution of electricity from wind power. In order to supporting the power business of company in further has management of the Group.

For the solar power plant company and company group entering into a power purchase agreement with the Electricity Generating Authority of Thailand (EGA), total 278 megawatts.

- Capacity 8 Megawatts for 1 project at Lopburi Province
- Capacity 90 Megawatts for 3 projects at Nakonsawan Province
Lampang Province Pitsanulok Province

Company group has started to recognize revenue from solar power plants in some parts, such as solar power at Lopburi Province (From 17 October 2012), and the capacity of 90 MW at Nakhon Sawan Province (since 23 December 2013).

For the wind power plant company and the company group have submitted information to sell electricity to the Electricity Generating Authority of Thailand, a total of 19 projects with a total capacity of 906 MW has been considered response to the purchase of power from EGA 8 projects.

- Hadkunghan project for 3 projects total capacity
126 Megawatts
- Hanuman project for 5 projects total capacity
260 Megawatts

In addition, performance of last 3 years company and subsidiary has portion of income from 6 products as

- 1) Income from distribute biodiesel
- 2) Income from distribute fuel diesel
- 3) Income from distribute pure glycerin
- 4) Income from distribute liquefied petroleum gas (LPG)
(Starting income in 3 quarter of 2010 to 2nd quarter of 2012)

- 5) Income from distribute material and by product and
- 6) Income from distribute current from solar power
(Starting income in 4th quarter of 2012)

Revenue from the sale of the 6 categories as mentioned above, in 2011, 2012 and 2013 were 5,423.98 million baht, 4,457.73 million baht and 3,936.43 million baht, respectively. Income as mentioned above has total revenue is revenue funded the purchase price of electricity (Adder) of the Electricity Authority on the sale of electricity from solar energy at a rate of 8 baht per kilowatt for solar power projects, capacity of 8 MW, Lopburi Province. From electricity production and distribution of electricity from solar energy at the rate of 6.50 baht per kilowatt for solar power projects, capacity of 90 MW, Nakhon Sawan Province for a period of 10 years from the start date of commercial electricity.

Analysis performance

Income from sale and total income

Revenue from the sale product of the company and subsidiaries in 2011, 2012 and 2013 was 5,423.97 million baht, 4,457.73 million baht and 3,936.43 million baht (including income support incremental purchase price (Adder) of the Electricity Authority on the sale of electricity from solar energy. rate of 8 baht per kilowatt for solar power projects, capacity of 8 MW Lopburi Province. Electricity production and distribution of electricity from solar energy at the rate of 6.50 baht per kilowatt for solar power projects, capacity of 90 MW, Nakhon Sawan Province for a period of 10 years from initial purchase electricity sales commercial), respectively, of revenue from sales for 2012 decreased compared to 2011 were 966.24 million baht or less. 17.81%, and revenue from the sale of 2013 decreased compared to 2012 were 521.30 million baht or 11.69%. Which is mainly due to the distribution of liquefied petroleum gas, company has ceased operations. Since April of 2012, the past, the value of sales fell compared to 2011, and 2012 were 689.57 million and 366.28 million baht, representing a decrease of 65.31% and 100%, respectively. The Company has a sales value of diesel fuel decreased compared to 2011, and 2012 were 341.53 million baht and 704.43 million baht or a decrease of 29.71% and 87.17%



Structure of income

Income type	2011		2012		2013	
	MB	%	MB	%	MB	%
Biodiesel business group						
1. Biodiesel oil	3,113.90	57.33	3,133.03	69.95	3,342.77	83.59
2. Diesel fuel	1,149.61	21.17	808.08	18.04	103.65	2.59
3. Pure glycerin	78.6	1.45	17.54	0.39	144.62	3.62
4. Material and by product/3	26.01	0.48	98.27	2.19	142.33	3.56
1) Palm acid	-	-	-	-	56.02	1.4
2) Crude Glycerin	26.01	0.48	98.14	2.19	62.81	1.57
3) Others	-	-	0.13	0	23.50	0.59
	4,368.12	80.43	4,056.92	90.57	3,733.37	93.36
Alternative Energy Plant Business group						
5. Solar energy current	-	-	10.61	0.24	65.03	1.63
6. Subsidy of purchase electricity	-	-	23.92	0.53	138.03	3.45
	-	-	34.53	0.77	203.06	5.08
7. Liquefied petroleum gas	1,055.85	19.44	366.28	8.18	-	-
Total income from sale	5,423.97	99.87	4,457.73	99.52	3,936.43	98.44
Income from service	-	-	6.18	0.14	-	-
Other income	7.34	0.14	15.07	0.34	62.56	1.56
Total income	5,431.31	100.01	4,478.98	100.00	3,998.99	100.00

The proportion of revenue from the sale of the company has portion of revenues come from the sale of biodiesel. Accounted for over 50% of total revenue, which is the highest compared to other products. Revenue from the sale of biodiesel in the years 2011 to 2013 the proportion of revenue from the sale of biodiesel accounted for 57.33%, 69.95% and 83.59%, respectively.

In 2012, company and subsidiaries had revenues from sales of 4,457.73 million baht, a decrease from 2011, representing the rate of decrease of 17.81 as a percentage of revenue, including revenue from biodiesel representing 69.95% of the diesel fuel, which accounted for 18.04% of revenue from pure glycerin. There is accounted for 0.39% of revenue from liquefied petroleum gas (LPG), which accounted for 8.18% of revenues from raw materials and products. Accounted for 2.19%, and revenue from the solar power plant consists of revenue from the sale of electricity from solar energy accounted for 0.24% and revenue funding increase. Purchase price is accounted for 0.53% of total revenue.

In 2013, company and subsidiaries had revenues from sales of 3,936.43 million baht, a decrease compared to 2012, representing

a rate decrease of 11.69 as a percentage of revenue of biodiesel accounted for 83.59% of revenue from diesel fuel accounted for 2.59% of revenue from pure glycerin, representing 3.62% of revenues from raw materials and products. There is accounted for 3.56%, and revenue from the solar power plant consists of revenue from sales of electricity from solar energy, is accounted for 1.63% and revenue funding increase, purchase price, representing 3.45% of total revenue.

Major cause of the decline in revenue due to company has revenue from the sale of liquefied petroleum gas decreased by the Board of Directors meeting No. 2/2012 on 30 March, 2012 approved the cessation of operation selling LPG in April 2012. Company is focus on supplying biodiesel, which is the main product, and the distribution of liquefied petroleum gas. In the early, business conducted a study in which the rate of profit in a very low rate and requires quite a lot of personnel in the operation, including the need for high investment. Decreased revenue in 2012 of company and its subsidiaries decreased significantly due to no revenue from the sale of liquefied petroleum revenues from April 2012 onwards.

Another reason is inferior to the company's revenues from the sale of diesel fuel decreased from 2011 and 2012, representing a value of 341.53 million baht and 704.43 million baht or decreased by 29.71 and 87.17%, respectively. When compared with 2011 and 2012 because the executive committee meeting No. 8/2012 on August 16, 2012 has approved the suspension of sales of diesel fuel to a related company (A company of Mr. Wutthilert Jialaninkulchai (Including their affiliates), which has excellent qualifications of shareholder of the company directors and authorized signatories of the company and Executive Director of the Company). In the past business of diesel has severe price competition caused during the past few months the company no sales of diesel fuel.

However, by 2012 the company had revenues from sales of biodiesel increased by 2011, 0.61% and 2013, revenue from the sale of biodiesel increased 6.69% by 2012. Due to the sales volume increase 92.60 million liters in 2011, 102.67 million liters in 2012 and 133.73 million liters in 2013, representing the sales volume increased in 2012 as 10.87% of 2011 and increased in 2013 as 30.25% from last year. Year of 2012 revenue from sales

of biodiesel in 2012 and 2013, accounting for 69.95% and 83.59% of the total revenues of the company. The revenue from raw materials and by-products increased by 277.79% from 2011, a major cause of the increase arises from company, disposition of crude glycerin (Crude Glycerin) increased. Due to during the 2012, financial numbers and found that during that period has improve production lines, performance in the production of pure glycerin (Pure Glycerin) is better to the company, sold crude glycerin during the period. Making a better profit margin than selling pure glycerin, which is expected to improve later glycerin purification process completed, the company can make a profit from the sale of pure glycerin increased. Company is also necessary to drain the glycerin raw in the past. The tank has a capacity to store in limited quantities. After the company has improved the production of pure glycerin completed in the 2nd quarter of 2013, resulting in the production and distribution of pure glycerin in large quantities and is more powerful. Make an income from the sale of glycerin purity increased from 2012 were 127.08 million baht, an increase of 724.52% when compared to 2012, and revenue from the sale of glycerin crude reduction of the import process pure glycerin was 35.33 million baht, reduced 36% when compared to 2012.

Income from sale material and by product

Income from sale product and by product of company and subsidiary of 2011, 2012 and 2013 equally 26.01 million baht, 98.27 million baht and 142.33 million baht, respectively as following particulars.

Table of category of income from sale product and by product

Income from sale material and by product	2011		2012		2013	
	MB	%	MB	%	MB	%
Income from sale material and by product						
1. Acid palm	-	-	-	-	56.02	39.36
2. Crude glycerin	26.01	100.00	98.14	99.87	62.81	44.13
3. Semi-pure palm	-	-	-	-	23.50	16.51
4. Others	-	-	0.13	0.13	-	-
Total income	26.01	100.00	98.27	100.00	142.33	100.00

Revenue from the sale of Palm Fatty Acid PFAD (Palm Fatty Acid Distillate: PFAD) in 2013 due to the early years of the palm decline, company assessed that the adoption PFAD through the process converged to produce a biodiesel is not cost-effective. The management is also considering selling PFAD production instead of importing.

This resulted in a revenue increase for the year 2013 and due in 2011 and 2012, with a tendency to sell crude glycerin is higher sale because of the past create a conventional rate of profit to the company. Moreover, more sales in pure glycerin were

modified to optimize the manufacturing process. This helps reduce costs and generate better margins from the original. With the sale of crude glycerol increased. In the past by the amount of data stored on a full tank, the company has a need for stock will be drained away to reduce storage costs and the way the management of working capital within the company. To improve the production of pure glycerin completed in the 2nd quarter of 2013, the revenue from the sale of crude glycerol decreased. Because entering to manufacturing pure glycerin is in order to add value.



Income from service

The Company and subsidiaries had revenue from services which occurred in Q1 2012: 6.18 million baht, which was the last installment of Business construction of Surachai (1997) Limited, a subsidiary of company Income as incurred according to employment contract of one school was employed from 2010 occurred before the date of entering into the purchase ordinary shares in the Surachai (1997) Limited and will be no revenue from services this from happening again in the future.

Other income

Other income of the company and subsidiaries in 2011, 2012 and 2013 was 7.34 million baht, 15.07 million baht and 62.56 million baht, respectively or representing 0.14%, 0.34% and 1.56% of total revenues, respectively. The other income consists of income from foreign exchange, gain on disposal of assets income and income from sales of scrap, etc. Addition of other income in 2013 is due to a subsidiary revenue adjustment of the delay by the contractor during the first quarter of 35.88 million baht.

Sale cost and gross profit

The Company's cost of sales and subsidiaries in 2011, 2012 and 2013 were 5,192.51 million baht, 4,199.72 million baht and 3,457.63 million baht, respectively, or representing 95.73%, 94.08% and 87.84% of the revenue from sales, respectively. Cost to income ratio has increased in 2011 due to higher raw material prices in early 2011, but returned for 2012 and 2013, the proportion of cost of sales to revenue decline. This is because the ability to manage inventory, managing the production and procurement processes. Raw materials more efficiently including selection operates in segments with high profitability rates include the production and distribution of electricity by reducing and canceling the job with a low rate of profit, production and sales

of diesel fuel and liquefied petroleum gas. Also found here in 2012, our cost of services and employment in high school, one of Surachai (1997) Co., Ltd., concentrations were 5.82 million baht as well as costs and 4,205.54 million baht, representing equal to 94.21 of revenue. Total cost of sales representing a decrease compared to 2011, with the acquisition cost sales were 5,192.51 million baht, representing a decrease of 19.01%.

The gross profit of company and subsidiaries for 2011, 2012 and 2013 were 231.47 million baht, 258.37 million baht and 478.79 million baht respectively, representing percent, 4.27%, 5.79%, 12.16% of revenue from sales, respectively. For the year 2012 and 2013, the Company's gross margin is higher than in past years. Mainly due to company revenues from sales of crude glycerin during such time as part of the revenue from the sale of raw materials and by-products increased. The distribution of such raw glycerol can make a profit rate to the Company. Better distribution in the form of pure glycerin in the glycerin used in the production process as yet can be produced efficiently. Currently, company in the process of improving the efficiency of machinery including recognition in the business of manufacturing and sale of electricity from solar energy, capacity of 8 megawatts coming from the 4th quarter of 2012 and begin to recognize revenue in the production and distribution of electricity from solar energy, capacity of 90 MW coming from the 4th quarter of 2013 with revenues and income from the sale of electricity to support the purchase price (Adder), which makes the margin of company is overall increase.

In addition, if considering revenue and cost of sales of company and subsidiaries has separated by type of business segments into three categories 1.) Production and distribution of biodiesel, 2) Business of liquefied petroleum gas (by the year 2013, no revenue and cost of sales in this segment) and 3.) Production and distribution of electricity from solar energy can be expressed as follows.

Type of income	2011		2012		2013	
	MB	%	MB	%	MB	%
Production and distribution biodiesel (Include material and by-product)						
- Income from sale	4,368.13	80.53	4,056.91	90.88	3,733.37	94.84
- Sale cost	4,201.89	77.47	3,847.12	86.18	3,407.82	86.57
- Gross profit	166.24	3.07	209.79	4.70	325.55	8.27
Distribute liquefied petroleum gas						
- Income from sale	1,055.85	19.47	366.28	8.21	-	-
- Sale cost	990.62	18.26	344.58	7.72	-	-
- Gross profit	65.23	1.20	21.70	0.49	-	-

Revenue	2011		2012		2013	
	Million Baht	%	Million Baht	%	Million Baht	%
Production and distribution current from solar power (Include subsidy of adder)						
- Income from sale	-	-	34.53	0.77	203.06	5.16
- Sale cost	-	-	8.01	0.18	49.81	1.27
- Gross profit	-	-	26.52	0.59	153.25	3.89
Income from service (Subsidiary)						
- Income from sale	-	-	6.18	0.14	-	-
- Sale cost	-	-	5.83	0.13	-	-
- Gross profit	-	-	0.35	0.01	-	-
Total income from sale	5,423.98	100.00	4,463.90	100.00	3,936.43	100.00

Income from sale and sale cost separated as type of product for 2011-2013

Product	2011			
	Income	Sale cost	Gross profit	Rate of gross profit (%)
Biodiesel	3,113,904,233	2,978,390,839	135,513,395	4.35
Fuel diesel	1,149,614,791	1,137,883,790	11,731,000	1.02
Pure glycerin	78,597,977	74,135,269	4,462,708	5.68
Material and by product	26,011,992	11,475,246	14,536,746	55.88
Liquefied petroleum gas	1,055,853,516	990,624,167	65,229,349	6.18
Deduct transport		33,592,795		
Deduct broker		11,863,825		
Liquefied petroleum gas (After deduct transport and broker)	1,055,853,516	1,036,080,786	19,772,730	1.87
Biodiesel	3,133,029,352	3,008,832,923	124,196,428	3.96
Fuel diesel	808,077,689	800,462,601	7,615,088	0.94
Pure glycerin	17,533,400	12,823,557	4,709,843	26.86
Material and by product	98,269,989	25,005,592	73,264,398	74.55
Liquefied petroleum gas		11,040,751		
Deduct transport		3,392,766		
Deduct broker				
Liquefied petroleum gas (After deduct transport and broker)	366,282,657	359,014,339	7,268,318	1.98
Current from solar power (Include adder)	34,532,866	8,010,282	26,522,583	76.80

Product	2013			
	Income	Sale cost	Gross profit	Rate of gross profit (%)
Biodiesel	3,342,766,568	3,173,886,587	168,879,981	5.05
Fuel diesel	103,653,615	102,748,195	905,420	0.87
Pure glycerin	144,623,732	43,882,059	100,741,673	69.66
Material and by product	142,328,677	87,303,525	55,025,152	38.66
Liquefied petroleum gas (After deduct transport and broker)	203,053,737	49,812,161	153,241,576	75.47

Expense of sale

The cost of the sale of company and subsidiaries in 2011, 2012 and 2013 was 104.02 million baht, 60.52 million baht and 52.64 million baht, respectively, or representing 1.92%, 1.34% and 1.32% of total revenues, respectively. Reduction of cost of sales is due to canceled operations liquefied petroleum gas in the 2nd quarter of 2012, the cost associated with such revenues, including transportation costs, commissions and fees, storage decreased as well. However, the cost of sales in some segments such as production and distribution of biodiesel is likely to increase as sales volume increases continuously.

Income of administration

Administrative expenses of company and subsidiaries in 2011, 2012 and 2013 was 56.09 million baht, 76.81 million baht and 143.55 million baht, respectively or representing 1.03%, 1.71% and 3.59% of total revenues, respectively. The increase of the cost of administration caused by the expansion of the business has established subsidiaries during the year 2012, resulting in administrative expenses include costs related to employees and cost of operations increased.

Financial cost

Financial costs of company and subsidiaries in 2011, 2012 and 2013 were 17.58 million baht, 29.43 million baht and 61.51 million baht, respectively. There is accounted for 0.32%, 0.66% and 1.54% of total revenues, respectively. Finance costs increased in 2011 due to company and subsidiaries are uses more short-term credit as working capital to support sales growth. Including long-term loans from financial institutions for use in expanding the production capacity of the plant to buy crude palm oil machinery, manufacturing glycerin and machinery in the production process of biodiesel (PFAD Esterification) and financial costs is higher in 2012 and 2013. Because the Company had unused short-term loans from financial institutions increased by the outstanding balance on the date December 31, 2012

and 2013 was 445.43 million baht and 580.22 million baht, respectively. As compared to 31 December 2011 was 178.36 million baht outstanding. Reasons are derived from company short-term loans are drawn down to be used as working capital in connection with the business of solar power plants, which is guarantee money to put in offer supply electricity System of the Electricity Generating Authority of Thailand (EGAT) and the deposit. Moreover, Land contracts for the construction of solar power projects, investments in subsidiaries, etc.

The Company Also have long-term loans outstanding increased from the original. The outstanding balance as at 31 December 2012 and 2013 were 746.33 million baht and 5,478.64 million baht, compared with 31 December 2011, the outstanding balance of 233.97 million baht. Due to the occurrence of subsidiaries have been withdrawn long-term loans for the construction of solar power plants with the capacity of 8 MW, Lopburi Province, and solar power capacity of 90 MW of Nakhon Sawan Province. The fact that the two power plants, including plant and equipment, an increase of factories Lampoon has been completed. The financial cost that was later recognized as an expense instead of saving as well as cost saving during construction.

Net profit and rate of net profit

Company and subsidiaries has net profit (Only the part of the Company) in 2011, 2012 and 2013 was 63.01 million baht, 107.05 million baht and 267.92 million baht respectively. Representing a net profit margin of 1.16%, 2.40% and 6.70% of total revenues, respectively. In 2012 and 2013, company and subsidiaries had net profit margin increased continuously, the main cause is management of the production costs, inventory management and procurement processes has more effective. Including investment policy extends to businesses that generate higher returns include the production and distribution of electricity. In the fourth quarter of 2012 and fourth quarter of 2013, company and the Group are recognition of revenue from the power plant of 8 MW of solar capacity Lopburi Province and revenue from solar power capacity of 90 MW, Nakornsawan Province, respectively. Company and subsidiaries has soared net income.

Rate of return to shareholder

The Company and subsidiaries had shareholders' equity rate of return in 2011, 2012 and 2013 were 8.28%, 10.08% and 9.74%, respectively. Company has shareholder's equity (Only the part of the Company) equal to 984.87 million baht, 1,139.58 million baht and 4,359.54 million baht, respectively. The equity shares of the company and its subsidiaries increased steadily in 2012 and 2013, company and subsidiaries has shares outstanding increased from 305 million baht to 317 million baht and 373 million baht, respectively. Share premium increased from 578.10 million baht in 2011 to 746.10 million baht and 3,680.62 million baht in 2012 and 2013, respectively. This is important increase in terms of paid up capital and share premium is from registered security in Stock Exchange in the first quarter of 2013.

Financial position of company

Assets

At 31 December of 2011, 2012 and 2013, company and subsidiary have total assets 1,724.88 million baht, 2,545.06 million baht and 11,465.57 million baht, respectively. Has following detail of assets as following.

- Cash and cash equivalent**

As at 31 December 2011 and 2012, company and subsidiaries had cash and cash equivalents of 181.30 million baht and 67.34 million baht, representing 10.51% of total assets and 2.64%, respectively. Cash and cash equivalents decreased company and subsidiaries has continue to invest in multiple assets continued until 2013, but due to increasing capital by offering shares to the public for the first (IPO) in the 1st quarter of 2013, many still had cash and cash equivalents balance as of December 31, 2013 was 1,572.11 million baht or 13.71% of total assets.

- Account receivable and allowance for doubtful accounts**

As at 31 December 2011 and 2012, company and subsidiaries has accounts receivable was 177.84 million baht and 158.23 million baht, or representing 10.31% of total assets and 6.22%, respectively. Account receivables was decreased because the sale of the main tasks include the sale of biodiesel during the term of credit to customers in 2012, a decrease in both sales volume and sales value per unit reduced by market conditions has affect the outstanding receivable decreased by such factors. However, company was sold in increasing quantities during the term of credit to customers in 2013 and the value per unit has increased compared to 2012, including the outstanding receivable from the sale of electricity projects ago, capacity of 90 MW increase from 2012. As resulted in the outstanding receivable rose by as at 31 December, 2013. Company had account receivables of 500.34 million baht representing a ratio of 4.36 of total assets.

If the calculated duration imposed average debt in 2011, 2012 and 2013 is equivalent to 15.95 days, 13.55 days and 30.11 days, respectively. Will shown at the collection as a whole increased in 2013, as a result of changing income structure in which the subject of the work is made by offering cash / bill statements include the sale of diesel fuel and LPG reduced, by replacing the section with a credit term increase in electricity sales (Average collection period was 45 days). However, the quality of account receivables was classified by age arrears operators will find that as of December 31, 2012 and 2013 can be classified loans into 2 groups, but not yet due and payable equal to 143.19 million baht and 492.45 million baht, representing a ratio of 90.49% and 98.42% in accounts receivable, respectively. Accounts receivable are past due less than or equal to 3 months was 15.04 million baht and 7.89 million baht, representing percent 9.51%, 1.68% of total account receivable, are shown. The effectiveness of management accounts and trade receivables improved the quality of the trade receivables can be summarized by aging as follows.

Unit : MB

Account receivable	Balance at 31	Balance at 31
Not due	143.19	492.45
Overdue less than or equal 3 months	15.04	7.89
Account receivable –net	158.23	500.34

- Others debtor**

As of December 31, 2011, 2012 or 2013, company and subsidiaries have other receivables was 7.91 million baht, 43.31 million baht and 25.89 million baht, respectively. Consisting of accounts receivable paid deposit insurance premiums paid in advance for goods, prepaid expenses, etc.

The increase in other receivables as at 31 December 2013 due to the deposit paid for the goods in accordance with the procurement plan has accommodate the increased their sales volume has increased.

- **Inventory**

As at 31 December 2011 and 2012, company and subsidiaries are equal to 178.54 million baht and 161.13 million baht or representing 10.35% of total assets and 6.33%, respectively. The decrease in inventory because of the volume of sales in the main job is to sell biodiesel in late 2012 was decreased when compared to late 2011. However, the company was sold biodiesel in quantities increased in late 2013, and the unit cost of raw materials has increased compared to 2012, results as at 31 December 2013 the company had to book

product for support and sales volume was increased. The balance of inventories – net is 220.38 million baht or 1.92% of total assets. The policy for managing inventory efficiently operated continuously since the third quarter of 2012, the structure has increases. The majority of the increase is addition of goods in process and finished goods in order to shorten the time to release products faster inventory can be concluded. In addition, summary inventory as of December 31, 2012 and 2013 are as follows.

Unit : MB

Inventory	At 31 December, 2012	At 31 December, 2013
Material	41.41	40.60
Goods in process	80.23	127.31
Finished goods	34.70	50.47
Waste goods	4.78	7.33
Total	161.13	225.71
Deduct allowance loss from slow movement	-	(5.33)
Inventory-net	161.13	220.38

- **Others current assets**

As at 31 December 2011, 2012 and 2013, company and subsidiaries had assets of 11.38 million baht, 50.54 million baht and 60.85 million baht respectively, or 0.66%, 1.99% and 0.53% of total assets. The other current assets consist of tax to pay tax is not due for withholding tax receivable, etc.

- **Deposit of financial institute was guarantee**

As at 31 December 2011, 2012 and 2013, company and subsidiaries had deposits with financial institutions with obligations equivalent to 56.10 million baht, 112.11 million baht and 701.97 million baht respectively, or 3.25%, 4.41% and 6.12% of total assets, respectively. Company has pledged rights, savings and fixed deposits as a security for the bank guarantees to various government agencies and private organizations, including guarantees electricity to the electricity sector of solar and wind power projects of company and subsidiary.

- **Advance payment in order to investment in subsidiary**

As of December 31, 2012 and 2013, company had paid in advance for investments in subsidiaries are equal to 1 baht, the company paid the money to buy shares of Thepsathit

Wind Farm Limited for 19,998 shares at 0.00005 baht per share, totaling 1 baht from original shareholders. Company has purpose of the business of producing and distributing electricity from wind power. They have agreement of Revised Purchase Price was able to fulfill the following conditions.

- 1) Thepsathit Wind Farm Limited is utilized in lease land from Office of Land Reform, Chaiyaphoom Province, in order to operate production project and distribution current from wind power.
- 2) Thepsathit Wind Farm Limited was achievement in provide investment fund for construction project.

Revised Purchase Price mean compensation must pay to share seller is ProVentum International GmbH (PVI) and Pro Ventum International (Thailand) Co., Ltd., in rate of 1 baht per 1 megawatt, total 90 million baht, deduct liability of Thepsathit Wind Farm Limited at date of made contract.

In case of unable to operate project Thepsathit Wind Farm Limited and shareholder must not payment Revised Purchase Price and without obligation to PVI and Pro Ventum International (Thailand) Co., Ltd.

However, from the above conditions obligation to repay creditors of Thepsathit Wind Farm Limited is seller, depending on the success of company is recorded as such “ Cash paid for purchase of investments in subsidiaries “ in the statement of financial position and the financial statements of the companies included in the consolidated financial statements of the Company until it can comply with the conditions.

- **Land, building and equipment-net**

As of December 31, 2011, company and subsidiaries have land, property and equipment - net 927.73 million baht or equivalent to 53.79% of total assets and increased continuously as 1,896.29 million baht in 2012 (31 December, 2012), and 8,092.56 million baht in 2013 (31 December, 2013), respectively, representing 74.51% and 70.58% of total assets, respectively. Sum of property, plant and equipment by asset type as at 31 December 2012 and 31 December 2013 are as follows.

Unit : MB

Land, property and equipment	At 31 December, 2012	At 31 December, 2013
Land	78.10	78.10
Property and improvement	90.31	125.73
Improvement of lease building	5.41	4.63
Machinery	314.19	540.70
Equipment and tool of manufacture	10.05	12.04
Equipment and decorative of office	6.00	8.28
Vehicle	5.35	19.04
Lease assets	272.01	392.11
Installment assets	382.85	108.15
Power plant and appliance of production electricity	732.02	6,803.78
Total	1,896.29	8,092.56

During 2011 - 2013 company has expense detail in order to extending and improve production process, including investment of construction solar power plant as following particulars.

Unit : MB

Expenditure of investment	2011	2012	2013
Biodiesel and central fee	102.58	141.18	47.95
Palm tower CPO	87.86	31.15	-31.15
Pure glycerin	53.98	53.29	-53.29
Solar power plant	275.56	824.68	6,110.35
Total expense of investment	519.98	1,050.30	6,158.30

- **Intangible asset - net**

As at 31 December 2011, 2012 and 2013, company and subsidiaries have intangible assets of 42.46 million baht, 42.11 million baht and 40.41 million baht or 2.46%, 1.65% and 0.35% of the total assets, respectively. A list of intangible assets arising from May 2011, company acquired the shares of Surachai (1997) Limited, will purchase the shares from shareholders not a person associated with company of 9,000 shares, representing 75.00% of the shares in the company at a price of 5,583.33 Baht, totaling 50.25 million baht (including costs directly associated with the purchase investment amounting to 250,000 baht). The acquisition cost is higher than the net book value (Intangible assets) amounted to 42.46 million baht will be paid in exchange for the future economic benefits expected to be received from the PPA of electricity is very small. For solar power projects Capacity of 8 MW in Lopburi Province. It has been the increased purchase price (Adder), Very Small Power Producer (VSPP) of renewable energy at a rate of 8 baht per unit of time for a price increase of 10 years from the date of purchasing electricity.

- **Others fixed assets**

At 31 December, 2011, 2012 and 2013, company and subsidiary have other fixed assets, 9.97 million baht and 16.64 million baht, respectively, or represent 0.58%, 0.51% and 0.15% of total assets. Other fixed assets included lease guarantee of office, juristic person income tax, withholding tax and fixed assets guarantee.

Liquidity

As of December 31, 2011, company and subsidiaries had assets of 624.61 million baht, representing 36.21% of total assets and decreased to 466.82 million baht, representing 18.34% of total assets at December 31, 2012. Due to the decrease in current assets due to the decrease in current assets due to the reduction of the list, cash and cash equivalents, other receivables and inventories as significant as at 31 December 2013. Due to increased sales volume both the biodiesel, Pure glycerin and electricity, assets relating to the transaction, including increased trade receivables, inventories increase accordingly including cash and cash equivalents on the balance of payment for the share capital increase. As a result, company and subsidiaries had assets of 2,402.17 million baht, representing a ratio of 20.95% of total assets

At December 31, 2011, company and subsidiaries had current liabilities of 524.80 million baht, representing a ratio of 30.43% and rose to 767.49 million baht and 1,876.66 million baht as of

December 31, 2012 and 2013, respectively, representing 30.16% and 16.37% of total assets, respectively. Due to an increase of current liabilities in 2011 resulted from the increase creditor's property values, which caused a significant improvement. In order to expand production capacity in the biodiesel business, and while in the process of building a solar power plant projects, Lopburi Province of subsidiaries. And liabilities of company for 2012, has increased significantly from short-term loans from financial institutions, which is due to working capital in connection with the business of solar power, including secured the money to put in an offer for sale of electricity, system of the Electricity Generating Authority of Thailand (EGAT) deposit and to enter into a contract to purchase land for the construction of solar power plants, etc. And in part by an increase in current liabilities for the year 2013, an increase from the project power plant is a significant portion of long-term loans from financial institutions. In term of due payment within one year due to loan from financial institute in order to increase construction, creditor of construction and guarantee of construction and so on.

From changes of current assets and current liabilities as mentioned. As a result, company has liquidity equal to 1.19 times in 2011, decreased to 0.61 times in 2012. Due to company has increase in the proportion ratio of current assets less current liabilities rise, especially short-term loans from financial institutions. And the long-term loans from financial institutions due within one year. Due to company was support for long-term loans from financial institutions for the construction of solar power plants, Lopburi Province. After the capital increase by issuing new shares to the public for the first (IPO) in the 1st quarter of 2013, the balance of cash and cash equivalents amount as at 31 December 2013, resulting in the ratio of liquidity increased to 1.28 times in 2013.

Fund source

Liability

At 31 December, 2011, 2012 and 2013, company and subsidiary have total liability 707.97 million baht, 1,403.24 million baht and 7,103.06 million baht, respectively, or represent 1.04%, 55.14% and 61.95% of total assets, respectively as following particulars of liability.

- **Short-term loan from financial institute**

As of December 31, 2011, company and subsidiaries are short-term loans from financial institutions of 178.36 million baht, representing 10.34% of total assets increased to 445.43 million baht and 580.22 million baht or 17.50% and 5.06% of total assets, respectively. As of December 31, 2012 and 2013, an increase of short-term loans from the issuance of promissory notes used as working capital to operate the

business of company. By the increase in working capital will be applied in respect of the renewable power business of the company is important.

- **Account payable**

As of December 31, 2011, company and subsidiaries have accounts payable was 102.21 million baht, representing 5.93% of total assets and a decrease of 47.45 million baht, representing 1.86% of total assets. Which can calculate the time average debt in 2011 - 2012 was equal to 8 days and 6 days, respectively, with the amount payable decreased. Due to company are managed in a more efficient inventory management and trying to reduce the amount of time in storage Stock. They are emphasizing the order of receipt and delivery of products to customers in the shortest possible time in order to manage the risk of price volatility in the raw material. And reduce the cost of stores stock a decreased despite increased sales in 2013. Resulted in an increase in account payables, sales volume and additional factor include the unit price of raw materials increased compared to 2012. As of December 31, 2013, company and subsidiaries have accounts payable of 116.72 million baht, representing 1.02% of total assets

- **Other payable**

As at 31 December 2011, 2012 and 2013, company and subsidiaries have creditors were 32.92 million baht, 18.76 million baht and 34.64 million baht, respectively. Other payable consist of the premium payable, fees payable to the computer system, accrued expenses of directors and management, interest payable and other accrued expenses and other payables significant increase from 2012. Including the accrued interest of a subsidiary, loans for the construction of the power plant has capacity of 90 MW of Nakhon Sawan Province.

- **Creditor of asset**

As at 31 December 2011, 2012 and 2013, company and subsidiaries had assets payable equal to 65.80 million baht, 54.16 Million baht and 187.96 million baht respectively, representing 3.81%, 2.13% and 1.64% of total assets. For long time, the amount payable for property increased and decreased according to the investment policy of the company in terms of capacity expansion and improvement of the production process of biodiesel business, and construction of solar power plants is critical.

- **Others current liability**

As at 31 December 2011, 2012 and 2013, company and subsidiaries had current liabilities of 33.00 million baht, 12.47 million baht and 39.04 million baht, respectively, representing 1.91%, 0.49% and 0.34% of total assets. This

item includes liabilities of construction of solar power plants, Revenue department liability, withholding tax payable on delivery, etc.

- **Long-term loan from financial institute**

Company and subsidiaries have long-term loans from financial institutions (Including current portion due within one year) as at 31 December 2011, 2012 and 2013 was 233.97 million baht, 746.33 million baht and 5,478.64 million baht, representing a ratio of 13.56%, 29.32% and 47.78% of total assets, respectively. In 2012, as long-term loans from financial institutions, due to company have drawn down loans for the construction of solar power plants, capacity of 8 MW in Lopburi Province. In 2013, long-term loans from financial institutions had been withdrawn for the construction of solar power plants, capacity of 90 MW at Nakhon Sawan Province.

- **Guarantee of construction**

As of December 31, 2012 and 2013, company and subsidiaries has construction guarantee was 73.11 billion baht and 611.04 million baht or 2.87% and 5.33% of total assets. In 2012, as an insurance portfolio of power plant, capacity of 8 MW, Lopburi Province from one of contractor. There is maturity of the installments and the final installment in Q1 2013 and in 2013 was the retention of the power plant, capacity of 90 MW of Nakhon Sawan Province from one of contractor on due of repay within the year of 2014.

Shareholder's equity

As at 31 December 2011, 2012 and 2013, company and subsidiaries had shareholders' equity has continuous increase of 1,016.90 million baht, 1,141.82 million baht and 4,362.51 million baht, respectively, representing 58.95%, 44.86% and 38.05% of total assets, respectively. Shareholders' equity increased steadily due to the company has increased the paid up capital of 305 million baht as at 31 December 2011 was 317 million baht and 373 million baht as of December 31, 2012 and 2013, respectively. Increased the capital of such shares at a higher price than the par value, as resulting company has share capital at 31 December, 2011, 2012 and 2013 was 578.10 million baht, 746.10 million baht and 3,680.62 million baht, respectively.

In 2012, the General Meeting of Shareholders was approved payment of dividends to shareholders at the rate of 0.028 baht per share, totaling 85.4 million baht. There is dividend payout of performance, operating segments, has been promoted for years 2010, amount 27,048,913.27 baht and performance parts that have been promoted for the year 2011, amounted to 58,351,086.73 baht. In 2013, the General Meeting of Shareholders was approved the payment of dividends to shareholders at the

rate of 0.01 baht per share, totaling 37,300,000.00 baht paid from the operating results of which have been promoted for the year 2012.

The shareholders' equity as of December 31, 2012 and 2013 will appear on other components of equity was negative 46.94 million baht transaction resulting from the surplus of the purchase investment in subsidiary (Surachai (1997) Limited) increased at a lower price than the book value of the subsidiary at the acquisition date fair value was 0.99 billion baht, and the lower cost of investments in subsidiaries (EA Solar Company), increased at a higher price than the book value of the subsidiary at the acquisition date fair value is negative 47.94 billion baht, with details on each item follows.

- Surplus on acquisition of subsidiaries increased by 0.99 million baht due to August 20, 2012, company acquired the shares of Surachai (1997) Limited from the existing shareholders 2,800 shares at a price per share 1,000 baht, representing a total amount of 2.80 million baht. After investment, has purchase shares of company in the subsidiary, increased from 75% to 98.33% of the total share capital of the subsidiary. The difference between the shares was paid to the book value of the subsidiaries of approximately 0.99 million baht
- Lower the cost of purchase investments in subsidiaries to 47.38 million baht due to August 17, 2012, company acquired the common shares of EA Solar Limited from the existing shareholders of 293,999 shares at a price of 248.06 baht of total 72.93 million baht. After the acquisition, proportion of ordinary shares of company in portion of holding ordinary share of company in subsidiary increased from 34.30%-49.00% of the total share capital of the subsidiary. The difference between the carrying amount paid for the shares of a subsidiary amounting to 47.94 million baht.

For rate of ability to shareholder' equity of company and subsidiaries as at 31 December 2011, 2012 and 2013 were 0.72, 1.23 and 1.63 times, respectively. As the change of the ratio of debt to equity caused by changes in short-term loans and

long-term from financial institute, and changes in the registered capital and the share capital increase is significant.

Cash flow

The company and subsidiaries had net cash provided by (used in) from operating activities in the fiscal years 2011, 2012 and 2013 were 188.43 million baht, 142.94 million baht and 582.59 million baht, respectively. Cash was acquired during 2011, due to changes in accounts receivable and inventory and accounts payable increased by a significant change for 2012, cash flow from operating activities has changed significantly from the profit before tax increased. Change in accounts receivable and inventory has proceeds from insurance and construction works resulting from the construction of solar power plants, Lop Buri Province and for the year 2013. Cash flow from operating activities is derived from the results of operations for the profit increase, reconciliation and adjustments include the non -cash depreciation and amortization expenses, loss of unrealized exchange rate and so on.

For net cash flow was acquired (used in) investing in the fiscal years 2011, 2012 and 2013 has used continuously at 544.34 million baht, 1,100.09 million baht and 6,898.14 million baht, respectively. Due to company is expanding investment in term of biodiesel business in the construction of the plant expansion and investment on fixed assets used in the solar power plant is significant.

For net cash flow was acquired (used in) in financing has increased steadily. Due to company and subsidiaries has capital increase during the years 2011, 2012 and 2013. Cash flow was acquired from financing equal to 473.87 million baht, 843.19 million baht and 7,820.32 million baht, respectively. In 2012 and 2013, company has cash flow from short-term and long-term loan from financial institutions increased significantly. Mainly, concerned with the operation of renewable energy power projects of the Group and an increase in cash flow received from the issuance of ordinary shares and share premium. This is a summary of cash flows from the activities for the year ended 31 December 2012 and 2013 are as follows.

Unit : MB

Cash flow from any activity	2012	2013
Acquired cash flow (consumed in) operating activity	142.94	582.59
Acquired cash flow (consumed in) investment activity	(1,100.09)	(6,898.14)
Acquired cash flow (consumed in) financial activity	843.19	7,820.32
Increase cash (Reduce) net	(113.96)	1,504.77
Cash and cash equivalent at early year	181.30	67.34
Cash and cash equivalent at end of year	67.34	1,572.11

Financial Statements and Notes of Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
ENERGY ABSOLUTE PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated financial statements of ENERGY ABSOLUTE PUBLIC COMPANY LIMITED and its subsidiaries and the separate financial statements of ENERGY ABSOLUTE PUBLIC COMPANY LIMITED, which comprise the consolidated and separate statements of financial position as at December 31, 2013, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of ENERGY ABSOLUTE PUBLIC COMPANY LIMITED and its subsidiaries and of ENERGY ABSOLUTE PUBLIC COMPANY LIMITED as at December 31, 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

INDEPENDENT AUDITOR'S REPORT (Con't) -2-**Emphasis of matter**

I draw attention to Notes 3 and 4 to the financial statements regarding the change in accounting policy resulting from the adoption of Thai Accounting Standard 12, "Income Tax". My conclusion is not qualified in respect of this matter.



(Chaovana Viwatpanachati)

Certified Public Accountant (Thailand) No. 4712

OFFICE OF PITISEVI CO., LTD.

8/4 Floor 1st, 3rd Soi Viphavadee Rangsit 44,
Chatuchak, Bangkok

February 28, 2014

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
ASSETS	Note	2013	2012	2013	2012
CURRENT ASSETS					
Cash and cash equivalents	6	1,572,110,435	67,343,893	784,713,312	56,179,031
Trade accounts and other receivable	5, 7	526,223,635	166,135,060	461,455,891	141,605,615
Short-term loans to related companies	5	550,000	-	668,350,000	38,800,000
Short-term loans to other persons and company	8	20,392,550	4,400,925	392,550	392,550
Inventories - net	9	220,376,441	161,125,059	218,616,095	161,125,059
Refund receivable from Oil Stabilization Fund		223,685	223,685	223,685	223,685
Advance payment for land		1,445,527	17,047,915	1,445,527	17,047,915
Other current assets	10	60,845,844	50,543,206	2,206,596	722,230
Total current assets		2,402,168,117	466,819,743	2,137,403,656	416,096,085
NON-CURRENT ASSETS					
Deposits at financial institution held as collaterals	11, 34.4	701,968,446	112,107,267	84,478,204	92,735,226
Advance payment for investment in subsidiary	12	1	1	1	1
Investments in subsidiaries - net	13	-	-	1,896,579,440	224,678,770
Long-term loans to subsidiary	5	-	-	71,400,000	71,400,000
Investment property	14	-	-	392,108,170	272,008,214
Property, plant and equipment - net	15	8,092,559,948	1,896,285,557	786,940,582	828,243,578
Deferred rights to use transmission line	16	208,427,036	14,736,573	-	-
Intangible assets - net	13	40,410,066	42,108,514	-	-
Deferred tax assets	17	3,395,688	-	-	-
Other non-current assets		16,642,843	13,003,822	14,353,349	12,040,125
Total non-current assets		9,063,404,028	2,078,241,734	3,245,859,746	1,501,105,914
TOTAL ASSETS		11,465,572,145	2,545,061,477	5,383,263,402	1,917,201,999

Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (Con't)
AS AT DECEMBER 31, 2013

		Unit : Baht			
LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Consolidated		Separate	
		2013	2012	2013	2012
CURRENT LIABILITIES					
Short-term loans from financial institutions	18	580,223,532	445,425,940	580,223,532	445,425,940
Trade accounts and other payable	5, 19	151,360,847	66,206,216	136,655,852	62,041,391
Current portion					
Long-term loans from financial institutions	20	266,734,520	114,624,045	65,040,000	65,040,000
Liabilities under finance lease contracts	21	4,502,909	1,360,308	3,871,488	1,360,308
Land rental received in advance	5, 14	-	-	5,666,000	-
Employee benefit obligations	22	817,285	-	175,891	-
Assets payable		187,956,950	54,162,565	8,940,778	7,078,048
Accrued income tax		8,542,618	-	-	-
Deposits for goods		26,441,913	125,992	141,413	125,992
Retention for solar power plant construction work	23	611,043,751	73,110,642	-	-
Other current liabilities		39,037,712	12,475,879	27,577,886	10,025,473
Total current liabilities		1,876,662,037	767,491,587	828,292,840	591,097,152
NON-CURRENT LIABILITIES					
Long-term loans from financial institutions - net	20	5,211,902,311	631,707,132	68,361,177	133,401,177
Liabilities under finance lease contracts - net	21	12,811,390	2,925,574	6,920,994	2,925,574
Land rental received in advance - net	14	-	-	133,174,285	-
Employee benefit obligations	22	1,687,941	1,114,860	1,549,670	1,109,257
Deferred tax liabilities	17	-	-	49,567	-
Total non-current liabilities		5,226,401,642	635,747,566	210,055,693	137,436,008
TOTAL LIABILITIES		7,103,063,679	1,403,239,153	1,038,348,533	728,533,160

Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (Con't)
AS AT DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
LIABILITIES AND SHAREHOLDERS' EQUITY (Con't.)	Note	2013	2012	2013	2012
SHAREHOLDERS' EQUITY					
Share capital	24				
Authorized share capital					
3,730,000,000 common shares of Baht 0.10 each		373,000,000	373,000,000	373,000,000	373,000,000
Issued and fully paid-up share capital					
3,730,000,000 common shares of Baht 0.10 each in 2013					
3,170,000,000 common shares of Baht 0.10 each in 2012		373,000,000	317,000,000	373,000,000	317,000,000
Share premium	24	3,680,616,000	746,100,000	3,680,616,000	746,100,000
Retained earnings					
Appropriated-legal reserve		17,700,000	17,700,000	17,700,000	17,700,000
Unappropriated		335,173,833	105,721,034	273,598,869	107,868,839
Other components of shareholders' equity		(46,944,910)	(46,944,910)	-	-
Equity attributable to owners of the parent company		4,359,544,923	1,139,576,124	4,344,914,869	1,188,668,839
Non-controlling interests		2,963,543	2,246,200	-	-
Total shareholder's equity		4,362,508,466	1,141,822,324	4,344,914,869	1,188,668,839
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		11,465,572,145	2,545,061,477	5,383,263,402	1,917,201,999

Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
	Note	2013	2012	2013	2012
REVENUES					
Sales income - net		3,656,069,713	4,335,535,643	3,591,043,916	4,324,923,097
Government grants	26	138,027,941	23,920,320	-	-
Income from sales of by products		142,328,677	98,269,989	142,328,677	98,269,989
Proceeds from services		-	6,183,000	-	-
Other incomes					
Penalty income		35,880,000	-	-	-
Other	5	26,684,236	15,076,665	53,545,775	21,069,933
Total revenues		3,998,990,567	4,478,985,617	3,786,918,368	4,444,263,019
COST AND EXPENSES					
Cost of sales	5	3,457,632,527	4,199,715,777	3,407,820,366	4,191,705,495
Cost of services		-	5,826,000	-	-
Selling expenses	5	52,637,254	60,052,097	52,637,254	60,052,097
Administrative expenses	5	143,549,994	76,807,326	98,569,917	64,912,621
Total expenses		3,653,819,775	4,342,401,200	3,559,027,537	4,316,670,213
PROFIT BEFORE FINANCE COST AND INCOME TAX		345,170,792	136,584,417	227,890,831	127,592,806
Finance cost	5	61,514,606	29,434,426	23,791,778	22,565,662
PROFIT BEFORE INCOME TAX		283,656,186	107,149,991	204,099,053	105,027,144
Income tax	17	(14,762,340)	(52,305)	(654,245)	-
NET PROFIT FOR THE YEAR		268,893,846	107,097,686	203,444,808	105,027,144
OTHER COMPREHENSIVE INCOME					
Acturial loss	22	(1,171,335)	-	(415,476)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		267,722,511	107,097,686	203,029,332	105,027,144
ATTRIBUTABLE PROFIT (LOSS)					
Owners of the parent		267,923,436	107,046,592		
Non-controlling interests		970,410	51,094		
NET PROFIT FOR THE YEAR		268,893,846	107,097,686		
ATTRIBUTABLE TOTAL COMPREHENSIVE INCOME (LOSS)					
Owners of the parent		266,752,101	107,046,592		
Non-controlling interests		970,410	51,094		
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		267,722,511	107,097,686		
BASIC EARNINGS PER SHARE (BAHT : SHARE)					
OWNERS OF THE PARENT	27	<u>0.073</u>	<u>0.034</u>	<u>0.055</u>	<u>0.034</u>

Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

Unit : Baht

	Consolidated						
	Equity attributable to owners of the parent				Total equity attribute to the parent	Non-controlling interest	Total
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other component of shareholders' equity		
			Appropriated-legal reserve	Unappropriated	Deficit on investments in subsidiary arising as a result of acquisitions of additional shares	Surplus on investments in subsidiary arising as a result of acquisitions of additional shares	
Note							
	305,000,000	578,100,000	12,400,000	89,374,442	-	-	984,874,442
	-	-	-	-	-	-	32,029,385
	12,000,000	168,000,000	-	-	-	-	(29,834,279)
	-	-	5,300,000	(5,300,000)	-	-	-
	-	-	-	107,046,592	-	-	180,000,000
	-	-	-	-	-	-	-
	-	-	-	-	-	-	51,094
	-	-	-	-	(47,937,711)	-	107,097,686
13	-	-	-	-	-	-	(47,937,711)
	-	-	-	-	-	992,801	-
	-	-	-	(85,400,000)	-	-	992,801
	317,000,000	746,100,000	17,700,000	105,721,034	(47,937,711)	992,801	(85,400,000)
	-	-	-	-	-	-	2,246,200
	-	-	-	-	-	-	(253,067)
24	56,000,000	2,934,516,000	-	-	-	-	(253,067)
	-	-	-	266,752,101	-	-	2,990,516,000
	-	-	-	(37,299,302)	-	-	-
25	-	-	-	-	-	-	970,410
	373,000,000	3,680,616,000	17,700,000	335,173,833	(47,937,711)	992,801	267,722,511
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Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

	Unit : Baht				
	Separate				Total
	Issued and fully paid-up share capital	Share premium	Retained earnings		
			Appropriated legal reserve	Unappropriated	
Beginning balance as at January 1, 2012	305,000,000	578,100,000	12,400,000	93,541,695	989,041,695
Increase in share capital	12,000,000	168,000,000	-	-	180,000,000
Legal reserve	-	-	5,300,000	(5,300,000)	-
Total comprehensive income for the year	-	-	-	105,027,144	105,027,144
Dividend paid	-	-	-	(85,400,000)	(85,400,000)
Ending balance as at December 31, 2012	317,000,000	746,100,000	17,700,000	107,868,839	1,188,668,839
Increase in share capital	56,000,000	2,934,516,000	-	-	2,990,516,000
Total comprehensive income for the period	-	-	-	203,029,332	203,029,332
Dividend paid	-	-	-	(37,299,302)	(37,299,302)
Ending balance as at December 31, 2013	373,000,000	3,680,616,000	17,700,000	273,598,869	4,344,914,869

Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
	Note	2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES					
Net profit before income tax		283,656,186	107,149,990	204,099,053	105,027,144
Reconciliation of net profit (loss) to net cash provided by (used in) operating activities:					
Depreciation expenses	15	125,095,744	61,348,926	84,105,580	54,298,093
Amortization of right to use transmission line	16	786,213	123,427	-	-
Amortization of right in power purchase agreemer	13	1,698,448	352,683	-	-
Impairment of investments		-	-	-	198,600
Allowance for diminution in value of inventories	9	5,332,091	-	5,332,091	-
Asset written-off	15	2,658,473	23,344	1,919,003	-
Gain on disposal of fixed assets	15	(93,132)	(163,823)	(92,275)	(163,823)
Gain on investment in subsidiary		-	-	(855,484)	-
Recovery from doubtful accounts		-	(1,424,954)	-	(1,424,954)
Reversal of provision for allowance for doubtful account		-	(1,000,254)	-	(1,000,254)
Post-employee benefit expenses	22	219,031	287,597	200,828	281,994
Unrealized loss from exchange rate		21,227,036	-	-	-
Interest expenses		61,514,606	29,434,426	23,791,778	22,565,662
Profit (loss) provided by operating activities before changes in operating assets and liabilities		502,094,696	196,131,362	318,500,574	179,782,462
Decrease (Increase) in operating assets:-					
Trade accounts and other receivable		(360,088,575)	56,437,311	(319,850,276)	82,560,628
Inventories		(64,583,473)	17,417,608	(62,823,127)	17,417,608
Refund receivable from Oil Stabilization Fund		-	7,592,752	-	7,592,752
Other current assets		(10,302,638)	(38,876,130)	(1,484,366)	5,101,757
Other non-current asset		8,425,130	(2,029,717)	9,689,500	(1,394,586)
Increase (Decrease) in operating liabilities:-					
Trade accounts and other payable		65,021,812	(68,929,022)	74,225,477	(72,516,382)
Assets payable		(49,778,118)	(18,713,667)	(2,693,601)	(65,798,185)
Deposits for goods		26,315,921	(29,022,185)	15,421	(29,022,185)
Retention for construction work		516,706,073	73,110,642	-	-
Other current liabilities		26,308,766	(20,754,148)	17,552,413	(22,905,557)
Cash provided by (used in) operating activities		660,119,594	172,364,806	33,132,015	100,818,312
Interest paid		(55,846,434)	(29,091,434)	(23,402,794)	(22,565,662)
Income tax paid		(21,679,561)	(329,336)	(12,607,403)	(224,486)
Net cash provided by (used in) operating activities		582,593,599	142,944,036	(2,878,182)	78,028,164

Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (Con't.)
FOR THE YEAR ENDED DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
	Note	2013	2012	2013	2012
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increased) decreased in deposits at financial institution					
held as collateral		(589,861,179)	(56,010,099)	8,257,022	(36,638,058)
Advance payment for acquisition of investments					
in subsidiary	12	-	(1)	-	(1)
Short-term loans to other persons and company	8	(20,000,000)	(123,062,550)	-	(392,550)
Receipt of short-term loan to other persons					
and company	8	4,008,375	133,300,255	-	630,255
Short-term loan to related companies	5	(550,000)	-	(1,370,050,000)	(51,700,000)
Receipt of short-term loan to related companies	5	-	-	740,500,000	12,950,000
Receipt of long-term loan to related companies		-	60,000,000	-	60,000,000
Acquisitions of investment in subsidiaries	13	-	(75,356,449)	(1,671,999,970)	(105,729,470)
Acquisitions of investment property	14	-	(107,566,693)	(120,099,956)	(107,566,693)
Acquisitions of fixed assets	15	(6,430,741,189)	(913,918,146)	(247,150,863)	(213,066,082)
Acquisition of right to use transmission line	16	(194,476,676)	(14,860,000)	-	-
Receipt from disposal of fixed assets	15	99,757,426	640,757	99,731,476	640,757
Receipt from discount contract	15	218,113,854	-	113,853,007	-
Land rental received in advance	14	-	-	138,840,285	-
Receipt from investment in subsidiary		-	-	954,784	-
Advance payment for land		15,602,388	(3,257,448)	15,602,388	(3,257,448)
Net cash provided by (used in) investing activities		(6,898,147,001)	(1,100,090,374)	(2,291,561,827)	(444,129,290)
CASH FLOWS FROM FINANCING ACTIVITIES					
Decreased in short-term loans					
from financial institutions		134,797,592	267,069,313	134,797,592	267,069,313
Receipt of short-term loan from related person		-	85,170,000	-	40,000,000
Repayments of short-term loan from related person		-	(115,770,000)	-	(40,000,000)
Receipt of long-term loan from related person		-	10,000	-	-
Repayments of long-term loan from related person		-	(250,000)	-	-
Receipt of long-term loans from					
financial institutions	20	4,854,360,654	564,890,000	-	17,000,000
Repayments of long-term loans from					
financial institutions	20	(122,055,000)	(52,530,000)	(65,040,000)	(52,530,000)
Dividend paid	25	(37,299,302)	(85,400,000)	(37,299,302)	(85,400,000)
Receipt of increased capital - Parent company	24	2,990,516,000	180,000,000	2,990,516,000	180,000,000
Net cash provided by (used in) financing activities		7,820,319,944	843,189,313	3,022,974,290	326,139,313

Notes to the financial statements are an integral part of these financial statements.

ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (Con't.)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Unit : Baht			
	Consolidated		Separate	
Note	2013	2012	2013	2012
Net increase (decrease) in cash and cash equivalents	1,504,766,542	(113,957,025)	728,534,281	(39,961,813)
Cash and cash equivalents at beginning of the year	67,343,893	181,300,918	56,179,031	96,140,844
Cash and cash equivalents at end of the year	1,572,110,435	67,343,893	784,713,312	56,179,031

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION

1. Non-cash items

1.1	Acquired assets on credit	15	182,466,305	7,078,048	3,450,133	7,078,048
1.2	Acquired assets under finance lease contracts	15	14,369,799	3,619,753	7,612,799	3,619,753
1.3	Reclassify long-term loan to other person from to short-term loan		-	4,008,375	-	-

2.	Unutilized credit facilities for future working capital		1,199,428	1,260,317,883	569,428	1,178,207,883
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ENERGY ABSOLUTE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2013

1. GENERAL INFORMATION

Energy Absolute Public Company Limited was register to be a juristic person as a limited company under Thai Commercial Code on March 6, 2006 and registered to be a public company limited under the Public Company Act B.E. 2535 with the Ministry of Commerce on March 27, 2008. The Company's principal business activities are manufacturing and distributing Methyl Ester Biodisel products and Glycerol and Liquefied Petroleum Gas (LPG) and investment in power plant.

The Company was listed on the Stock Exchange of Thailand and permitted to be traded stocks of the Company on January 30, 2013.

The Company head office is located at No. 888, I Tower Building , 15 FL., Viphavadee-Rangsit Road, Chatuchak, Bangkok and has a factory in Prachinburi Province.

2. BASIS OF PREPARATION

2.1 Basis of preparation of financial statements

The statutory financial statements are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Federation of Accounting Professions under The Royal Patronage of His Majesty the King ("FAP") and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 (1992).

The consolidated and separate financial statements have been presented in accordance with Thai Accounting Standards No. 1(Revised 2009) subject : "Presentation of Financial Statements" and the requirements of The Department of Business Development announcement subject : "The mandatory items, have to be presented in the financial statements, B.E. 2554" dated September 28, 2011 under the Accounting Act B.E. 2543.

The consolidated and separate financial statements are presented in Thai Baht, which is the Company and its subsidiaries functional currency rounded in the notes to the financial statements to the nearest thousand Baht unless otherwise stated.

NOTES TO FINANCIAL STATEMENTS (Con't.)

2. BASIS OF PREPARATION (Con't.)

2.2 Basis of preparation of consolidated financial statements

Subsidiaries undertaking are defined as those companies which the parent company in the Group directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the financial and operating policies, including potential voting rights that are presently exercisable or presently convertible.

The consolidated financial statements include the financial statements of the Energy Absolute Public Company Limited and its subsidiaries as follows:

			Percentage directly and indirectly owned to the Consolidated total by the Company as at December 31,		Assets as a percentage assets as at December 31,		Revenues as a percentage revenues for the year ended December 31,	
The related company			2013	2012	2013	2012	2013	2012
Direct subsidiaries								
1.	Continental Oil Co.,Ltd.	*	-	99.30	-	0.01	-	-
2.	Saha Panich Petroleum Co.,Ltd.	*	-	99.30	-	0.01	-	-
3.	Petro Planet Co.,Ltd.	*	-	99.30	-	0.04	-	-
4.	Surachai (1997) Co.,Ltd.		98.33	98.33	0.04	0.65	0.02	0.16
5.	EA Solar Co.,Ltd.		99.05	99.05	8.42	35.60	4.81	0.87
6.	EA Solar Nakhonsawan Co.,Ltd.		99.99	99.99	67.55	0.77	1.44	-
7.	Energy Solution Management Co.,Ltd.		99.99	99.99	0.76	0.11	0.03	-
8.	EA Solar Lampang Co.,Ltd.		99.99	-	0.38	-	-	-
Indirect subsidiary								
9.	Surachai (1997) Solar Co.,Ltd.		98.13	98.13	0.03	4.03	-	-

* The above companies have registered the dissolution of their businesses in September 2012 and finished of liquidation in February and September 2013.

The financial statement of this company have been consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of such control ceases.

NOTES TO FINANCIAL STATEMENTS (Con't.)

2. BASIS OF PREPARATION (Con't.)

2.2 Basis of preparation of consolidated financial statements (Con't.)

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Company applies the acquisition method for all business combinations other than those with entities under common control.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent significant accounting policies.

Material balances and transactions between the Company and its subsidiaries, and investments in subsidiaries by the Company and non-controlling interests of the subsidiaries have been eliminated from the consolidated financial statements.

Non-controlling interests represent the portion of income or loss and net assets that is not held by the Group and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

2.3 Principles of separate financial statements

The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

3.1 Adoption of new accounting standards effective in the current year

In current year, the Company and its subsidiaries have applied revised and newly issued Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS), Interpretations (SIC) and Accounting Treatment Guidance as announced by the Federation of Accounting Professions as follows:-

Thai Accounting Standards

TAS 12	Income Taxes
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Thai Financial Reporting Standard

TFRS 8	Operating Segments
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NOTES TO FINANCIAL STATEMENTS (Con't.)

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't.)

3.1 Adoption of new accounting standards effective in the current year (Con't.)

Interpretations

SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

The above-mentioned Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS), Interpretations (SIC) and Accounting Treatment Guidance do not have any significant impact on the Company's financial statements in this year of initial application except the following accounting standards and Thai Financial Reporting Standard which the Company and its subsidiaries have applied the standard from January 1, 2013 consist of:-

TAS 12

This accounting standard requires an entity to identify temporary differences arising from differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines. In current period, the Company and its subsidiaries have changed this accounting policy but do not make adjustment to the preceeding financial statement as comparative information because the Company's and its subsidiaries' management determine that the impact is on the present period. Deferred tax asset and liability are recognized from this financial statement onward.

TFRS 8

This accounting standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The change in policy only impacts presentational aspects and has no impact on the Company and its subsidiaries reported assets, liabilities, results or earnings per share.

The Company and its subsidiaries considers its reportable segments to be the major lines of business, there is no significant change to the information previously reported as disclosed in Note 31 to the financial statements.

NOTES TO FINANCIAL STATEMENTS (Con't.)

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't.)

3.2 New Thai Accounting Standards announce during the year not yet adopted

The Federation of Accounting Professions has issued Notification regarding the revised and newly Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (SIC and TFRIC) which was announced and these have been published in the Royal Gazette and which will become effective for the financial statements for the fiscal years beginning on or after January 1, 2014 and 2016. The Company and its subsidiaries have not applied such standards before the effective period as follows:

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2014

Thai Accounting Standards

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rate
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Venture
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible assets

Thai Financial Reporting Standard

TFRS 2 (revised 2012)	Share-Based Payments
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

NOTES TO FINANCIAL STATEMENTS (Con't.)

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't.)

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2014 (Con't)

Interpretations

SIC 15	Operating Leases – Incentives
SIC 27	Evaluating the Substance of Transactions in the Legal Form of a Lease
SIC 29	Service Concession Arrangements: Disclosures
SIC 32	Intangible Assets – Web Site Costs
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

3.2.2 Effective for the financial statements for fiscal years beginning on or after January 1, 2016

Thai Financial Reporting Standard

TFRS 4	Insurance Contracts
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The management of the Company and its subsidiaries are still evaluating the effect of these 31 Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (SIC and TFRIC) and has not been able to reach a conclusion as to their effect to the financial statements for the year in which they are applied except the following standards :

NOTES TO FINANCIAL STATEMENTS (Con't.)**3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't.)**

3.2.2 Effective for the financial statements for fiscal years beginning on or after January 1, 2016 (Con't.)

TAS 1 (Revise 2012)

This accounting standard clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. This standard has no impact to the Company and its subsidiaries.

TAS 7 (Revise 2012)

This accounting standard clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities. This standard has no impact to the Company and its subsidiaries.

TAS 12 (Revise 2012)

This accounting standard amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated into TAS 12 (revised 2012). This standard has no impact to the Company and its subsidiaries.

TAS 18 (Revise 2012)

This accounting standard removes the appendix to TAS 18. This standard has no impact to the Company and its subsidiaries.

TAS 19 (Revise 2012)

This accounting standard deletes the transition provisions of the current TAS 19. This standard has no impact to the Company and its subsidiaries.

TAS 24 (Revise 2012)

This accounting standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties. This standard has no impact to the Company and its subsidiaries.

NOTES TO FINANCIAL STATEMENTS (Con't.)

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't.)

3.2.2 Effective for the financial statements for fiscal years beginning on or after January 1, 2016 (Con't.)

TAS 34 (Revise 2012)

This accounting standard emphasizes the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. This standard has no impact to the Company and its subsidiaries.

TAS 36 (Revise 2012)

This accounting standard clarifies that only allocating goodwill to cash-generating units under TFRS 8 "Operating Segments" before aggregation. This standard has no impact to the Company and its subsidiaries.

TAS 38 (Revise 2012)

This accounting standard clarifies that an intangible asset acquired in a business combination might be separable, but only together with a related contract, identifiable asset or liability. In such cases, intangible asset is recognized separately from goodwill, but together with related item. Intangible assets are recognized as a single asset provided the individual assets have similar useful lives. This standard has no impact to the Company and its subsidiaries.

TFRS 8 (Revise 2012)

This financial reporting standard clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. This standard has no impact to the Company and its subsidiaries.

TFRIC 4

Requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. At present, the management of the Companies and its subsidiaries are still evaluating the effects of this interpretation to the financial statements beginning on January 1, 2014.

TFRIC 10

prohibits reversal of an impairment losses recognized in a previous interim period in respect of goodwill. This interpretation has no impact to the Company.

TFRIC 12

applies to public-to-private service concession arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. At present, the management of the Companies and its subsidiaries are still evaluating the effects of this interpretation to the financial statements beginning on January 1, 2014.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and separate financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the each following accounting policies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except a new accounting policy for the year 2013 as a result of the first adoption of revised and newly accounting standard as follows :-

4.1 Recognition of revenues

The Company and its subsidiaries recognize revenues when it is probable that the economic benefits associated with the transaction will flow into the enterprise and the amount of the revenue can be measured reliably.

Sales of goods are recognized when goods are delivered and significant risks and rewards of ownership are transferred to customers.

Proceeds from services is recognized when services have been rendered taking .

Revenues from distribute electricity is recognized according when electricity is delivered to and accepted by the customer.

Government grants are recognized when there is reasonable assurance that the entity will comply with conditions related to them and that the grants will be received. The Company and its subsidiaries has selected to present government grants separately as income in the statement of comprehensive income.

Other income is recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalent consist of cash on hand, bank deposits, and all highly liquid investments with financial institution with an original maturities of 3 month or less, which are not restricted to any use and including call notes receivable and term notes receivable maturing within 3 months or less and not subject to withdrawal restrictions.

Time deposits with maturity exceed three-month period but less than twelve-month period are recorded as current investment (if any).

4.3 Deposit at bank held as collateral

Cash at bank that have restricted in use are presented separately as "Deposit at bank held as collateral" under non-current assets in the statement of financial position.

4.4 Trade and other receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realizable value net from the allowance of doubtful accounts. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences, the analysis of debt aging and its current financial position.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

4.5 Inventories

Inventories are valued at the lower cost or net realizable value, cost is calculated by first-in first - out method and is charged to vessel costs of good sold whenever consumed.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

4.6 Investments

Investments in the subsidiaries in the separate financial statement are measured at cost net of impairment losses (if any).

4.7 Investment property

Investment property is property which is held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at cost net of impairment losses (if any).

No depreciation is provided on investment properties - land

Property owned by the company leased to, and occupied by, its subsidiaries does not qualified as investment property in the consolidated financial statements, because the property is owner - occupied from the perspective of the group.

4.8 Property, plant and equipment and depreciation

Land is stated at cost less provision for impairment of assets (if any).

Plant and equipment are stated at cost less from accumulated depreciation and provision for impairment of assets (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the costs of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of land, premises and equipment have different useful lives, they are accounted for as separate items (major components) of lands, premises and equipment.

Expenditure for additions, renewals and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

4.8 Property, plant and equipment and depreciation (Con't.)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or losses when the asset is derecognised.

The Company and its subsidiary depreciate their cost, after deducting residual value by the straight - line method over the assets useful life at the following rates:-

	<u>Years</u>
Building and complement	20
Building improvement and building improvement on leased	10
Power plants, substation & transmission system and operating & maintenance equipment	5 - 25
Machinery	5 - 10
Tools and equipment	5
Furniture and office equipment	5
Vehicles	5

No depreciation is provided for land and assets in progress.

4.9 Right to use transmission line and amortization

Deferred right to use transmission line is amortized on a straight-line basis over the period of power purchase agreements.

4.10 Intangible assets and amortization

Intangible assets with definite useful lives are presented at historical cost net of accumulated amortization and net allowance for impairment (if any)

Intangible assets with finite lives are amortised on a systematic basis by the straight - line method, over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are incurred from the excess of the cost of business acquisition held by the subsidiaries over the fair value of the net assets of the acquired business. The management considered that the excess amount of the cost of acquisition over the fair value of the net assets reflects the expected future economic benefit to be derived from the electricity from solar power purchase agreement which expected future economic useful lives of 25 years

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)**4.11 Borrowing cost**

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are treated as expenses in the period these are incurred. Borrowing costs consist of interest and other costs that an entities incurs in connection with the borrowing of the Company and its subsidiaries.

4.12 Employee benefits**4.12.1 Short - term employee benefits**

Short - term employee benefit obligations, which include salary, wages, bonuses, contributions to the social security fund and provident fund, are measured on an undiscounted basis and are recognized as expenses when incurred.

4.12.2 Defined contribution plan

Obligations for contribution to provident fund are recognized as an expense in profit statement of income as incurred.

4.12.3 Defined benefit plan

The retirement benefit is a defined benefits plan that an employee will receive on retirement according to Thai Labor Law depending on age and years of service.

The liability of retirement benefits is recognized in the statement of financial position using the present value of the obligation at the reporting date and past service costs. The retirement benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred 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. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statements of income.

4.13 Provision

A provision is recognized in the statement of financial position when the Company and its subsidiaries have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

4.14 translation

Transactions in foreign currencies are converted into Baht at the rates of exchange on the transactions date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted into Baht at the exchange rate on that date. Gain or loss on exchange rates are recognized as income or expense for the reporting period.

4.15 Income tax

The tax expense for the period 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

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

- Deferred tax

Deferred income tax is recognized, 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 period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences 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.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company and its subsidiaries records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.16 Basic earnings per share

Basic earnings per share is determined by dividing the net income for the year by the number of weighted-average common shares issued and paid-up during the year.

4.17 Related party transactions

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

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

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

4.18 Segment reporting

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

4.19 Financial instruments

Financial assets carried on the statement of financial position include cash and cash equivalents, trade and other receivables, short-term loans and financial liabilities carried on the statement of financial position include trade and other payable, loan and liabilities under finance lease contracts. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

4.20 Impairment of assets

The Company and its subsidiaries assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company and its subsidiaries estimate the asset's recoverable amount.

The recoverable amount of assets is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss.

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company and its subsidiaries estimate the asset's recoverable amount in which case an impairment loss recognized in prior periods for an asset other than goodwill shall be reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.21 Accounting for lease

4.21.1 Finance lease - Where the Company and its subsidiaries are the lessee

Leases for property, plant and equipment where the Company and its subsidiaries have substantially all the risks and rewards of ownership are classified as finance leases. The Company and its subsidiaries recognize finance leases as assets and liabilities in the balance sheet at amounts equal at the inception of the lease to the fair value of the leased property or, if lower, at the present value of the minimum lease payments. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A finance lease gives rise to depreciation expense for the asset as well as a finance expense for each accounting period. The depreciation policy for leased assets is consistent with that for depreciable assets that are owned by the Company and the subsidiaries.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

4.21 Accounting for lease (Con't.)

4.21.2 Operating lease - Where the Company and its subsidiaries are the lessee

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense over the lease term.

4.21.3 Operating lease - Where the Company and its subsidiaries are the lessor

The Company and its subsidiaries present assets for lease under operating lease contract in the balance sheets according to the nature of the assets. Income from operating lease is recognized as income over the lease term.

4.22 Significant accounting judgments and estimates

The preparation of financial statements in conformity with TAS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

4.22.1 Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognized assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

4.22.2 Allowance for doubtful accounts

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

4.22.3 Impairment of investments

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

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

4.22 Significant accounting judgments and estimates (Con't.)

4.22.4 Property plant and equipment and depreciation

In calculating depreciation on building and equipment, the management estimates useful lives and salvage values of the Company's and its subsidiaries building and equipment and reviews estimated useful lives and salvage values if there are any changes.

4.22.5 Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment analysis, requires management to make subjective judgments concerning estimates of how the acquired asset will perform in the future using a discounted cash flow analysis. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

The management is required to review assets for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

4.22.6 Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be recognized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

4.22.7 Impairment of assets

The management is required to review assets for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

4.22.8 Provision for employee benefit

In providing retirement employee benefit, the management is required to use judgment to determine the probability that its employee will work until retired by considering the past information which will be revised annually. The assumptions applied in the annual calculation are based on cost of service in the past and terms of employment benefit.

NOTES TO FINANCIAL STATEMENTS (Con't.)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't.)

4.22.9 Lease

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

4.22.10 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgment to assess the results of the litigation and believes that no loss will result and therefore no contingent liabilities are recorded as at the end of reporting date. However, actual results could differ from the estimates.

5. TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

The Company has certain transactions with its subsidiaries, certain related companies and certain related persons. Part of assets, liabilities, income and expenses are incurred from such related transactions. These companies are related through common shareholdings and/or directorships are as follows :

The related company	Relationship	Operation		Percentage of Holding		
		Type of Business	Location	2013	2012	
<u>Direct subsidiaries</u>						
Continental Oil Co.,Ltd.	* 1	Wholesale of fuel oil	Thailand	-	99.30	
Saha Panich Petroleum Co.,Ltd.	* 1	Wholesale of fuel oil	Thailand	-	99.30	
Petro Planet Co.,Ltd.	* 1	Wholesale of fuel oil	Thailand	-	99.30	
Surachai (1997) Co.,Ltd.	1	Construction project	Thailand	98.33	98.33	
EA Solar Co.,Ltd.	1	Solar power plant	Thailand	99.05	99.05	
EA Solar Nakhonsawan Co.,Ltd.	1	Solar power plant	Thailand	99.99	99.99	
Energy Solution Management Co.,Ltd.	1	Consulting service solar power plant project and buiding solar power plant	Thailand	99.99	99.99	
EA Solar Lampang Co., Ltd.	1	Solar power plant	Thailand	99.99	-	
<u>Indirect subsidiaries</u>						
Surachai (1997) Solar Co.,Ltd.	2	Solar power plant	Thailand	98.13	98.13	

NOTES TO FINANCIAL STATEMENTS (Con't.)

5. TRANSACTIONS WITH RELATED COMPANIES AND PERSONS (Con't.)

The related company	Relationship	Operation		Percentage of Holding	
		Type of Business	Location	2013	2012
<u>Related companies</u>					
C.C.Oil Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Two Plus One Oil Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Power 10 Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Double 10 Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Malee Oil Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Sueb Nueng Karn Kha Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Perfect Oil Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Famous 10 Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Ma Jarearn Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Chalee Trading Co.,Ltd.	3	Wholesale of fuel oil	Thailand	-	-
Dhipaya insurance	3				-
Public Company Limited	3	Non-life insurance business	Thailand	-	-
R.A. Logistic Co.,Ltd.	3	Logistic service for gas	Thailand	-	-
Online Asset Co.,Ltd.	3	On-line provider information	Thailand	-	-
		and Computer trading			
Thepsathit Wind Farm Co., Ltd.	3	Wind power plant	Thailand	99.99	99.99
<u>Related persons</u>					
Related persons	4	-	-	-	-

* The above companies have registered the dissolution of their businesses in September 2012 and finished of liquidation in February and September 2013.

The nature of relationship among the Company with its subsidiaries and other related companies or persons.

1. Subsidiary of the Company with common directors.
2. Indirect subsidiary which Surachai (1997) Co., Ltd. hold its authorized can issued shares resulting the Company to indirectly hold 99.8% of such company.
3. The Company's directors being the entities directors and managing partner.
4. The Company's directors and shareholders and the subsidiaries' shareholders.

NOTES TO FINANCIAL STATEMENTS (Con't.)

5. TRANSACTIONS WITH RELATED COMPANIES AND PERSONS (Con't.)

The significant transactions with related companies are as follows:

		Unit : Thousand baht			
		Consolidated		Separate	
Pricing policies		2013	2012	2013	2012
Subsidiaries					
Other income					
Management fees	1	-	-	2,638	4,104
Assets rental fees	1	-	-	4,799	597
Gain on investment in subsidiary		-	-	855	-
Interest income	2	-	-	30,400	5,905
Related companies and persons					
Other income					
Interest income	3	-	4,592	-	4,592
Cost of sales	4	3,238	643	1,028	384
Selling expenses	1	-	14,434	-	14,434
Administrative expenses	1	4,871	2,271	4,651	2,260
Finance cost	5	-	856	-	-

Management's benefit expenses

The Company and its subsidiaries had salaries, bonuses, personal income tax, house rental, contributions to provident fund, other welfare, and meeting allowances to their directors and management and retirement benefit recognized as expenses as follows:

		Unit : Thousand baht			
		Consolidated		Separate	
		2013	2012	2013	2012
Short - term benefits		27,135	20,087	26,485	19,638
Postemployment benefits		32	113	32	107
Total management's benefit expenses		27,167	20,200	26,517	19,745

Policies on determining price

1. Mutually agreed rate.
2. 2% to 7.50% per annum.
3. 12% per annum.
4. Market price.
5. 2.25% to 7.25% per annum.

NOTES TO FINANCIAL STATEMENTS (Con't.)

5. TRANSACTIONS WITH RELATED COMPANIES AND PERSONS (Con't.)

The outstanding balance of account with related companies are as follows :-

		Unit : Thousand baht			
		Consolidated		Separate	
		2013	2012	2013	2012
Other receivable					
Subsidiaries		-	-	27,922	8,300
Related companies and persons		1,881	2,673	1,045	627
Total Other receivable		1,881	2,673	28,967	8,927
		Unit : Thousand baht			
		Consolidated			
Interest rate	December 31,	Movement during the year		December 31,	
(% p.a.)	2012	Increase	Receipt	2013	
Short - term loans to related company					
Related company					
Thepsathit Wind Farm Co., Ltd.	7.125	-	550	-	550
		Unit : Thousand baht			
		Separate			
Interest rate	December 31,	Movement during the year		December 31,	
(% p.a.)	2012	Increase	Receipt	2013	
Short - term loans to subsidiaries					
Subsidiaries					
EA Solar Co.,Ltd.	7.50	7,500	-	-	7,500
Energy Solution Management Co.,Ltd.	7.125	-	40,500	(40,500)	-
EA Solar Nakhonsawan Co.,Ltd.	5.50	-	1,290,000	(700,000)	590,000
EA Solar Lampang Co., Ltd.	7.125	-	39,000	-	39,000
Indirect subsidiariy					
Surachai (1997) Solar Co.,Ltd.	7.00	31,300	-	-	31,300
Related company					
Thepsathit Wind Farm Co., Ltd.	7.125	-	550	-	550
Total Short-term loans to subsidiaries		38,800	1,370,050	(740,500)	668,350

The Company had granted loans to related companies in respect of issuance of on demand promissory notes.

The above loans to EA Solar Nakornsawan Co., Ltd. was granted in respect of a loan agreement whereby the loan amount of Baht 590 million shall be repaid at the completion and the approval of the solar power plant. The remain loan amount shall be paid when EA Solar Nakornsawan Co., Ltd. had the right to receive its loan from a financial institution.

NOTES TO FINANCIAL STATEMENTS (Con't.)

5. TRANSACTIONS WITH RELATED COMPANIES AND PERSONS (Con't.)

		Unit : Thousand baht			
		Consolidated			
	Interest rate (% p.a.)	December 31, 2012	Movement during the year		December 31, 2013
			Increase	Receipt	
Long - term loans to indirect subsidiary					
Surachai (1997) Solar Co.,Ltd.	7.00	71,400	-	-	71,400

The loan was secured by pledge of 1,020,000 preference shares of EA Solar Co., Ltd. and transference of the right to receive dividend or any benefit from such company for repayment of loan principal and interest until it reach the amounts. The Company was in secondary offer a financial institution. The total loan amount was due within August 31, 2021.

		Unit : Thousand baht			
		Consolidated		Separate	
		2013	2012	2013	2012
Other payable					
Related companies		-	1,093	-	1,093
Related persons		82	226	81	207
Total Other payable		82	1,319	81	1,300

		Unit : Thousand baht	
		Separate	
		2013	2012
Land rental received in advance - net			
EA Solar Nakhonsawan Co.,Ltd.			
Beginning of the year		-	-
<u>Add</u> Addition during the year		141,650	-
<u>Less</u> Recognition for the year		(2,810)	-
End of the year		138,840	-
<u>Less</u> Current portion		(5,666)	-
Net		133,174	-

The Company had received land rental from its subsidiary in advance for a period of 25 years from July 3, 2012 to July 3, 2038.

Other

As at December 31, 2013 and 2012, the Company has into a loan guaranteed agreement for a related company with commercial bank amounting to Baht 38.68 million and Baht 18 Million respectively.

NOTES TO FINANCIAL STATEMENTS (Con't.)

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalent consist of :-

		Unit : Thousand baht	
		Consolidated	Separate
		2013	2012
		2013	2012
Cash on hand		163	538
Cash at banks			
- Saving and current accounts		1,571,947	28,524
- Fixed account with original maturity			
of 3 months		-	38,282
Total		1,572,110	67,344

7. TRADE ACCOUNTS AND OTHER RECEIVABLE

Trade accounts and other receivable consist of :-

		Unit : Thousand baht	
		Consolidated	Separate
		2013	2012
		2013	2012
<u>Trade accounts receivable</u>			
Trade accounts receivable		500,338	158,229
<u>Other receivable</u>			
Subsidiaries		-	-
Related persons and companies		1,881	2,673
Other companies			
Deposits for goods		16,690	13
Prepaid insurance expenses		1,378	1,538
Prepaid expenses		1,122	950
Other		4,814	2,732
Total Other receivable		25,885	7,906
Total Trade accounts and other receivable		526,223	166,135

NOTES TO FINANCIAL STATEMENTS (Con't.)

7. TRADE ACCOUNTS AND OTHER RECEIVABLE (Con't.)

The Company and its subsidiaries had trade accounts receivable - net aged by number of months consist of :-

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Accounts receivables not yet due	492,449	143,187	404,415	113,681
Accounts receivables over due				
Under or equal to 3 months	7,889	15,042	7,889	15,042
Total	500,338	158,229	412,304	128,723

8. SHORT-TERM LOANS TO OTHER PERSONS AND COMPANY

Short-term loans to other persons and company consist of:-

		Unit : Thousand baht			
		Consolidated			
	Interest rate	December 31,	Movement during the year		December 31,
	(% p.a.)	2012	Increase	Receipt	2013
<hr/>					
Other persons					
Loan facility No.1	15.00	393	-	-	393
Loan facility No.2	7.25	4,008	-	(4,008)	-
Other company					
Loan facility No.3	7.25	-	20,000	-	20,000
<hr/>					
Total Short-term loans to					
other persons and company		4,401	20,000	(4,008)	20,393
		<hr/>	<hr/>	<hr/>	<hr/>

Loan facility No.1 was secured by pledge a plot of land a title deed

Loan facility No.2 was long - term loan to other person due within one year.

Loan facility No.3 was a loan granted by a subsidiary to its solar power plant construction contractor which was secured by a plot of land and investment unit certificate amounting to Baht 20 million.

NOTES TO FINANCIAL STATEMENTS (Con't.)

9. INVENTORIES

Inventories consist of :-

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Raw Materials	40,596	41,413	40,596	41,413
Work in process	127,309	80,229	125,549	80,229
Finished goods	50,468	34,703	50,468	34,703
Supplies	7,335	4,780	7,335	4,780
Total	225,708	161,125	223,948	161,125
<u>Less</u> Allowance for diminution in value of inventories	(5,332)	-	(5,332)	-
Net	220,376	161,125	218,616	161,125

10. OTHER CURRENT ASSETS

Other current assets consist of :-

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
The Revenue Department receivable	47,612	46,250	-	-
Deposits for land rental	1,467	-	1,467	-
Undue in put VAT	11,621	3,986	699	719
Other	146	307	41	3
Total	60,846	50,543	2,207	722

11. DEPOSITS AT FINANCIAL INSTITUTION HELD AS COLLATERALS

Deposits at financial institution held as collateral, consist of:-

Type of deposits		Unit : Thousand baht			
		Consolidated		Separate	
		Dec 31, 2013	Dec 31, 2012	Dec 31, 2013	Dec 31, 2012
Saving account	Long-term loan	590,000	-	-	-
Saving account	Letters of credit/Trust receipts	7,873	-	-	-
Saving account	Letters of guarantee	100,806	90,870	81,189	71,498
Fixed account	Letters of guarantee	2,717	20,675	2,717	20,675
Fixed account	Bank overdrafts and Short-term loans	572	563	572	563
		701,968	112,108	84,478	92,736

NOTES TO FINANCIAL STATEMENTS (Con't.)

12. ADVANCE PAYMENT FOR INVESTMENT IN SUBSIDIARY

On September 11, 2012, the Company had acquired common 19,998 shares of Thepsathit Wind Farm Co., Ltd. at Baht 0.00005 per share, amounting to Baht 1 (Purchase Price) from the existing shareholders of such company accounting for 99.99% of its authorized capital. Such company's major business activity is operating in wind farm power plant. Under the shares sale and purchase agreement between the Company and existing shareholders dated July 20, 2012, it the purchaser agreed to pay additional amount at Revised Purchase Price under the following conditions.

1. Thepsathit Wind Farm Co., Ltd. must be able to utilize the land leased from the Agricultural Land Reform Office of Chaiyaphum for wind farm power plant project.

2. Thepsathit Wind Farm Co., Ltd. was successful in fund raising for the construction of wind farm power plant.

The Revised Purchase Price means the payment to the sellers, Pro Ventum International GmbH (PVI) and Pro Ventum International (Thailand) Co., Ltd. equal to Baht 90 million less Thepsathit Wind Farm Co., Ltd.'s obligations to the sellers as at the agreement date.

If the project was not successful, Thepsathit Wind Farm Co., Ltd. and the purchaser shall not pay the Revised Purchase Price and not be obliged to pay for its liabilities to PVI and Pro Ventum International (Thailand) Co., Ltd..

In accordance with the referred above condition, the repayment of Thepsathit Wind Farm Co., Ltd.'s debt to its existing shareholders (seller) was subject to the success of the project, the Company, therefore, recorded such transaction as "advance payment for investment in subsidiary" in the statement of financial position and did not include such company's financial statements in the Company's consolidated financial statements until the conditions were achieved.

13. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries in the separate financial statements are as follows.-

Company	Issued and fully paid-up share capital (Thousand Baht)	Unit : Thousand baht					
		Percentage of Holding (%)		Separate			
				Investment at cost as at		Dividend during for the year	
		2013	2012	2013	2012	2013	2012
* Continental Oil Co., Ltd.	100	-	99.30	-	99	-	-
* Saha Panich Petroleum Co., Ltd.	100	-	99.30	-	99	-	-
* Petro Planet Co., Ltd.	100	-	99.30	-	99	-	-

NOTES TO FINANCIAL STATEMENTS (Con't.)

13. INVESTMENTS IN SUBSIDIARIES (Con't.)

Company	Issued and fully paid-up share capital (Thousand Baht)	Percentage of Holding (%)		Unit : Thousand baht			
				Separate			
				Investment at cost as at	Dividend during for the year		
		2013	2012	2013	2012	2013	2012
Surachai (1997) Co., Ltd.	12,000	98.33	98.33	53,050	53,050	-	-
EA Solar Co., Ltd.	200,000	49.00	49.00	141,530	141,530	-	-
EA Solar Nakhonsawan Co., Ltd.	1,690,000	99.99	99.99	1,690,000	20,000	-	-
Energy Solution Management Co., Ltd.	10,000	99.99	99.99	10,000	10,000	-	-
EA Solar Lampang Co., Ltd.	2,000	99.99	-	2,000	-	-	-
Total				1,896,580	224,877	-	-
<u>Less</u> Allowance for impairment of investments				-	(199)		
Net				1,896,580	224,678		

* The above companies have registered the dissolution of their businesses in September 2012 and finished of liquidation in February and September 2013.

Investment in Surachai (1997) Co., Ltd.

In May 2011, the Company has invested in common shares of Surachai (1997) Co., Ltd. By acquiring 9,000 shares from the existing shareholder of such company accounting for 75% of its registered capital at the price of Baht 5,583.33 per share amounting to Baht 50.25 million (including related acquisition expenses of Baht 0.25 million) which was in excess of the net book value as of the acquired date ("Intangible asset"). The excess value of cost over the net book value was Baht 42.46 million which was paid for the expected future economic benefit to be derived from the electricity from solar power purchase agreement. The value of this intangible asset was calculated in reference of the share valuation report dated August 5, 2011 by an independent financial advisor approved by SEC using Discounted Cash Flow Method.

NOTES TO FINANCIAL STATEMENTS (Con't.)

13. INVESTMENTS IN SUBSIDIARIES (Con't.)

Investment in Surachai (1997) Co., Ltd. (Con't.)

The Value of assets and liabilities of the acquired as at the purchased date are as follows :

	Unit : Thousand baht	
	Consolidated	
	Book Value	Fair Value
Cash and cash equivalents	4	4
Trade accounts receivable - net	3,475	3,475
Other current assets	36	36
Other long-term investment	510	510
Land	16,840	10,195
Other non-current assets	-	42,461
Other current liabilities	(411)	(411)
Long-term loan from related companies and person	(3,424)	(3,424)
Net assets	17,030	52,846
<u>Less</u> Non-controlling interests		(2,596)
Payment for acquisition of subsidiary		50,250
<u>Less</u> Cash and cash equivalents in subsidiary		(4)
Net cash paid from acquisition of subsidiary		50,246

The Company had intangible assets incurred from the aquisition of investment in such company as follows ;

	Unit : Thousand baht	
	Consolidated	
	2013	2012
Intangible assets		
Beginning of the year	42,108	42,461
<u>Add</u> Acquisitions during the year	-	-
<u>Less</u> Amortization for the year	(1,698)	(353)
End of the year	40,410	42,108

NOTES TO FINANCIAL STATEMENTS (Con't.)

13. INVESTMENTS IN SUBSIDIARIES (Con't.)

Investment in Surachai (1997) Co., Ltd. (Con't.)

On August 20, 2012, the Company has acquired additional common shares of Surachai (1997) Company Limited by acquiring 2,800 share from the existing shareholder at the price of Baht 1,000 per share amounting to Baht 2.80 million. After the acquisition, the Company's percentage of shareholding in Surachai (1997) had increased from 75% to 98.33% of its authorized and the acquired price over the subsidiary's net book value was approximately Baht 0.99 million. The Company, therefore, recorded the excess amount as "Surplus on investment in subsidiary arising as a result of acquisitions of additional shares at a price less than the net book value at the acquisition date" which was presented under the shareholder's equity in the consolidated statements of financial position.

Book value of assets and liabilities of Surachai (1997) Company Limited as at the acquired date are as follows :

	Unit : Thousand baht
	Consolidated
	Fair Value
Cash and cash equivalents	164
Other receivable	119
Short-term loan to related company	2,333
Other current assets	15
Investment in subsidiary	233
Long-term loan to other person	935
Other non-current assets	75
Other payable	(22)
Other current liabilities	(1)
Long-term loan from related person	(58)
Net assets	3,793
<u>Less</u> Surplus on investments in subsidiary arising as a result of acquisitions of	
additional shares at a price less than the net book value at the acquisition date	(993)
Payment for acquisition of subsidiary	2,800
<u>Less</u> Cash and cash equivalents in subsidiary	(164)
Net cash paid from acquisition of subsidiary	2,636

NOTES TO FINANCIAL STATEMENTS (Con't.)

13. INVESTMENTS IN SUBSIDIARIES (Con't.)

Investment in EA Solar Co., Ltd.

In June 2011, the Company has invested in common shares of EA Solar Co., Ltd. Totalling 487 shares at the price of Baht 100 per share, amounting to Baht 0.05 million accounting for 48.7% of its registered share capital.

The Company has fully paid for the shares EA Solar Co., Ltd. Main business activity is operating solar power plant.

The Company recorded the investment in such company as "Investment in subsidiary" in the statement of financial position, since the Company has power to exercise control over the financial and operating policies of such company.

On July 7, 2011, at the Extraordinary Shareholders' Meeting of EA Solar Co., Ltd. No. 1/2011, it was approved to increase its authorized share capital amounting to Baht 199,900,000 million by issue 979,510 common shares and 1,019,490 preference shares Baht 100 per share equally to offer to the existing shareholders at the proportion of 1 existing share to 1 new share. The Company has acquired 685,511 common shares of the subsidiary at Baht 100 per share totalling Baht 68.55 million which resulted its proportion of the shareholding of such company to decreased from 48.70% to 34.30%. The subsidiary has registered the increase in its share capital with the Ministry of Commerce on September 1, 2011.

On August 17, 2012, the Company has acquired 293,999 common shares of EA Solar Co., Ltd. by acquiring from the existing shareholder at the price of Baht 248.06 per share, amounting to Baht 72.93 million. After the acquisition, the Company's shareholding in EA Solar Co., Ltd. Has increased from 34.3% to 49.00% of its authorized share capital and the difference amount between the acquired price and the net book value of the subsidiary's net book value was approximately Baht 47.94 million. The Company, therefore, recorded the difference amount as "Deficit on investments in subsidiary arising as a result of acquisitions of additional shares at a price less than the net book value at the acquisition date" which was presented under the shareholder's equity in the consolidated statement of financial position.

Book value of assets and liabilities of EA Solar Co., Ltd. as at the acquired date are as follows :

	Unit : Thousand baht
	Consolidated
	Fair Value
Cash and cash equivalents	205
Short-term loan to other company and accrued interest income	16,962

NOTES TO FINANCIAL STATEMENTS (Con't.)

13. INVESTMENTS IN SUBSIDIARIES (Con't.)

Investment in EA Solar Co., Ltd. (Con't)

	Unit : Thousand baht
	Consolidated
	Fair Value
Other current assets	2,704
Property, plant and equipment - net	41,666
Other non - current assets	1
Other payable	(195)
Short - term loans from related persons and company	(6,741)
Assets payable	(26,534)
Retention	(3,075)
Other current liabilities	(1)
Net assets	24,992
<u>Add</u> Deficit on investments in subsidiary arising as a result of acquisitions of additional shares at a price less than the net book value at the acquisition date	47,938
Payment for acquisition of subsidiary	72,930
<u>Less</u> Cash and cash equivalents in subsidiary	(210)
Net cash paid from acquisition of subsidiary	72,720

The Company had pledged shares of EA Solar Co., Ltd. as a collateral for long-term loans from a commercial bank of the subsidiary.

Investment in EA Solar Nakhonsawan Co., Ltd.

On August 20, 2012, the Company has invested in 99,997 common shares of EA Solar Nakhonsawan Co., Ltd. at the price of Baht 10 per share, amounting to Baht 999,970.- accounting for 99.99% of its authorized share capital. EA Solar Nakhonsawan Co., Ltd.'s main business activity is operating in solar power plant. The Company has paid fully for the shares.

Later on September 27, 2012, at the Extraordinary Shareholders' Meeting of EA Solar Nakhonsawan Co., Ltd. No. 1/2012, it was approved to the increase its authorized share capital Baht 19 million by issuing 1,900,000 common shares at Baht 10 per share to offer to the existing shareholders. The Company has exercised its right as the existing shareholder acquiring the total increased shares. The Company, therefore, maintained its proportion of shareholding 99.99% of the authorized shares after the increase in share capital of the subsidiary. The subsidiary has authorized the increase in share capital with the Ministry of Commerce on September 27, 2012.

NOTES TO FINANCIAL STATEMENTS (Con't.)

13. INVESTMENTS IN SUBSIDIARIES (Con't.)

Investment in EA Solar Nakhonsawan Co., Ltd. (Con't)

On January 31, 2013, at the Extraordinary Shareholders' Meeting of EA Solar Nakhonsawan Co., Ltd. No. 1/2013, it was approved to increase its authorized share capital Baht 1,670 million by issuing 167,000,000 common shares at Baht 10 per share to offer to the existing shareholders. The Company has exercised its right as the existing shareholder acquiring the total increased shares. The Company, therefore, maintained its proportion of shareholding at 99.99% of the authorized shares after the increase in share capital of the subsidiary. The subsidiary has registered the increase of share capital with the Ministry of Commerce on February 4, 2013.

The Company had pledged shares of EA Solar Nakhonsawan Co., Ltd. as a collateral for long-term loans from commercial banks of the subsidiary.

Investment in Energy Solution Management Co.,Ltd.

On September 7, 2012, the Company has invested in 99,995 common shares of Energy Solution Management Co.,Ltd. at the price of Baht 100 per share, amounting to Baht 9,999,500.- accounting for 99.99% of its authorized share capital. Energy Solution Management Co.,Ltd.'s main business activity is consulting service solar power plant project and buiding solar power plant. The Company has paid fully for the shares.

Investment in EA Solar Lampang Co., Ltd.

On July 1, 2013, the Company has invested in 199,997 common shares of EA Solar Lampang Co., Ltd. at par value of Baht 10 amounting to Baht 1,999,970.- accounting for 99.99% of its authorized share capital. The Company has paid fully for the shares. EA Solar Lampang Co., Ltd.'s main business activity is operating in solar power plant.

In 2012, the Company has acquired investment in several subsidiaries of which contain investments purchase prices were higher or lower than their carrying amount as of the acquisition date. The Company presented such items separately as other components of shareholders' equity in the consolidated statements of financial position as follows :

	Unit : Thousand baht	
	Consolidated	
	2013	2012
Other components of shareholders' equity		
Surplus on investments in Surachai (1997) Co., Ltd.	(993)	(993)
Deficit on investments in EA Solar Co., Ltd.	47,938	47,938
Total other components of shareholders' equity	46,945	46,945

14. INVESTMENT PROPERTY - NET

As at December 31, 2013, the Company's investment property was land in order to lease to its subsidiaries for the projects of solar power plant and wind farm.

NOTES TO FINANCIAL STATEMENTS (Con't.)

15. PROPERTY, PLANT AND EQUIPMENT - NET (Con't.)

Property, plant and equipment consist of:-

Unit : Thousand baht											
	Land	Buildings improvement	Leasehold improvements	Machinery	Tools and equipment	Consolidated			Assets for lease	Assets in progress	Total
						Furniture and office equipment	Vehicles	Power plants substation&transmission system and operating&maintenance equipment			
At Cost											
As at January 1, 2012	244,351	84,312	7,797	378,052	68,530	7,947	2,166	-	-	306,910	1,100,065
Add. Acquired during the year	-	262	-	978	2,595	3,711	4,652	107,567	917,189	9,865	1,046,819
Transferred in (out)	(164,441)	39,603	-	57,997	-	-	-	164,441	(841,251)	728,791	(14,860)
Less. Adjust fair value	(1,548)	-	-	-	-	-	-	-	-	-	(1,548)
Disposal during the year	(265)	-	-	-	(18)	(72)	(418)	-	-	-	(773)
As at December 31, 2012	78,097	124,177	7,797	437,027	71,107	11,586	6,400	272,008	382,848	738,656	2,129,703
Accumulated Depreciation											
As at January 1, 2012	-	27,382	1,608	84,573	54,041	4,236	500	-	-	-	172,340
Add. Depreciation for the year	-	6,486	780	38,269	7,023	1,352	804	-	-	6,635	61,349
Less. Depreciation - disposals	-	-	-	-	(7)	(4)	(260)	-	-	-	(271)
As at December 31, 2012	-	33,868	2,388	122,842	61,057	5,584	1,044	-	-	6,635	233,418
Net Book Value											
As at January 1, 2012	244,351	56,930	6,189	293,479	14,489	3,711	1,666	-	-	306,910	927,725
As at December 31, 2012	78,097	90,309	5,409	314,185	10,050	6,002	5,356	272,008	382,848	732,021	1,896,285

NOTES TO FINANCIAL STATEMENTS (Con't.)

15. PROPERTY, PLANT AND EQUIPMENT - NET (Con't.)

Property, plant and equipment consist of:-

Unit : Thousand baht												
Consolidated												
Land	Buildings improvement	Leasehold improvements	Machinery	Tools and equipment	Furniture and office equipment	Vehicles	Assets for lease	Assets in progress	Power plants substation&transmission system and operating&maintenance equipment	Total		
At Cost												
As at January 1, 2013	78,097	124,177	7,797	437,027	71,107	11,586	6,400	272,008	382,848	738,656	2,129,703	
Add Acquired during the year	-	607	-	11,774	6,839	4,288	16,557	120,100	371,684	6,109,957	6,641,806	
Transferred in (out)	-	44,252	-	281,478	24	4	-	-	(326,152)	394	-	
Less Discount contract	-	-	-	-	-	-	-	-	(218,114)	-	(218,114)	
Disposal / written - off	-	-	-	-	-	(26)	(639)	-	(102,109)	-	(102,774)	
As at December 31, 2013	78,097	169,036	7,797	730,279	77,970	15,852	22,318	392,108	108,157	6,849,007	8,450,621	
Accumulated Depreciation												
As at January 1, 2013	-	33,868	2,388	122,842	61,057	5,584	1,044	-	-	6,635	233,418	
Add Depreciation for the year	-	9,435	780	66,737	4,876	1,988	2,684	-	-	38,595	125,095	
Less Disposal / written - off	-	-	-	-	-	(1)	(451)	-	-	-	(452)	
As at December 31, 2013	-	43,303	3,168	189,579	65,933	7,571	3,277	-	-	45,230	358,061	
Net Book Value												
As at January 1, 2013	78,097	90,309	5,409	314,185	10,050	6,002	5,356	272,008	382,848	732,021	1,896,285	
As at December 31, 2013	78,097	125,733	4,629	540,700	12,037	8,281	19,041	392,108	108,157	6,803,777	8,092,560	
Depreciation for the year end December 31, consist of :												
											2013	2012
Cost of sales											120,503	59,122
Administrative expenses											4,592	2,227
Total											125,095	61,349

The above - mentioned assets in progress consist of bio - desel plant, solar power plant and wind farm of the Company.

NOTES TO FINANCIAL STATEMENTS (Con't.)

15. PROPERTY, PLANT AND EQUIPMENT - NET (Con't.)

Property, plant and equipment consist of:-

Unit : Thousand baht									
Separate									
	Land	Buildings improvement	Leasehold improvements	Machinery	Tools and equipment	Furniture and office equipment	Vehicles	Assets in progress	Total
At Cost									
As at January 1, 2012	220,495	84,312	7,797	378,052	68,530	7,927	2,166	226,980	996,259
Add Acquired during the year	-	262	-	977	2,595	1,592	4,652	213,462	223,540
Transferred in (out)	-	241	-	57,997	-	-	-	(58,238)	-
Less Transferred to investment properties	(164,441)	-	-	-	-	-	-	-	(164,441)
Disposal during the year	(265)	-	-	-	(18)	(70)	(418)	-	(771)
As at December 31, 2012	55,789	84,815	7,797	437,026	71,107	9,449	6,400	382,204	1,054,587
Accumulated Depreciation									
As at January 1, 2012	-	27,382	1,608	84,573	54,041	4,235	500	-	172,339
Add Depreciation for the year	-	6,194	779	38,270	7,022	1,206	804	-	54,275
Less Disposal / written - off	-	-	-	-	(7)	(4)	(260)	-	(271)
As at December 31, 2012	-	33,576	2,387	122,843	61,056	5,437	1,044	-	226,343
Net Book Value									
As at January 1, 2012	220,495	56,930	6,189	293,479	14,489	3,692	1,666	226,980	823,920
As at December 31, 2012	55,789	51,239	5,410	314,183	10,051	4,012	5,356	382,204	828,244

NOTES TO FINANCIAL STATEMENTS (Con't.)Parent company

As at December 31, 2013 and 2012, land and existing buildings on the land and/or buildings to be constructed in the future and certain machinery of the Company have been mortgaged to a commercial banks as collaterals for its credit facilities (See Notes 32 and 34.4 to the financial statements).

As at December 31, 2013 and 2012, the Company had assets at cost value of Baht 14.55 million and Baht 5.01 million respectively (Net book value of Baht 11.74 million and Baht 4.39 million respectively) under finance lease contracts. (See Note 21 to the financial statements).

As at December 31, 2013 and 2012, the Company had fully depreciated fixed assets but still in active use at cost value totalling Baht 55.53 million and Baht 48.93 million respectively.

As at December 31, 2013 and 2012, the Company has capitalized interest which was incurred from borrowing cost of loan for the acquisition of assets totalling Baht 1.47 million and Baht 9.81 million respectively using the capitalization rate of 4.53463-5.375% per annum.

Subsidiaries

In 2013, EA Solar Nakhonsawan Co.,Ltd. was handed over a solar power plant from the contractor valuing Baht 6,896 million.

As at December 31, 2013, land, building and power plant together with the operating equipment of subsidiaries (EA Solar Co.,Ltd. And EA Solar Nakhonsawan Co., Ltd.) value of Baht 6,849 million have been mortgaged to commercial banks as collaterals for their long - term loans (See Note 20 to the financial statements).

16. DEFERRED RIGHTS TO USE TRANSMISSTION LINE

Deferred rights to use transmission line consist of:-

	Unit : Thousand baht	
	Consolidated	
	2013	2012
At as January 1	14,737	-
<u>Add</u> Acquisitions during the year	194,476	14,860
<u>Less</u> Amortization for the year	(786)	(123)
At as December 31	208,427	14,737

Right to use transmission lines was derived from the agreements between 2 subsidiaries and the Provincial Electricity Authority and the Metropolitan Electricity Authority which the subsidiaries shall invest in the installation of transmission lines for the distributions of electricity. The transmission lines shall be the assets of the Provincial Electricity Authority and the Metropolitan Electricity Authority as stipulated in the agreements. The subsidiaries shall start to amortize the rights at the commencement of their first commercial operations.

NOTES TO FINANCIAL STATEMENTS (Con't.)

17. DEFERRED TAX ASSETS

Deferred tax assets and liability are as follows:

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Deferred tax assets	3,446	-	-	-
Deferred tax liabilities	(50)	-	(50)	-
Deferred tax assets-net	3,396	-	(50)	-

17.1 Movements in deferred tax assets and liability during the year are as follows:

	Unit : Thousand baht		
	Consolidated		
	(Charged) credited		
	for the period to		
	Dec 31, 2012	profit or loss	Dec 31, 2013
Deferred tax assets			
Inventories	-	1,066	1,066
Employees benefit obligations	-	451	451
Deficits	-	3,290	3,290
Total	-	4,807	4,807
Deferred tax liabilities			
Property, plant and equipment	-	(1,411)	(1,411)
Net	-	3,396	3,396
	Unit : Thousand baht		
	Separate		
	(Charged) credited		
	for the period to		
	Dec 31, 2012	profit or loss	Dec 31, 2013
Deferred tax assets			
Inventories	-	1,066	1,066
Employees benefit obligations	-	295	295
Total	-	1,361	1,361
Deferred tax liabilities			
Property, plant and equipment	-	(1,411)	(1,411)
Net	-	(50)	(50)

NOTES TO FINANCIAL STATEMENTS (Con't.)

17. DEFERRED TAX ASSETS (Con't.)

17.2 Income tax expenses roconized in profit or loss for the period are as follows:

	Unit : Thousand baht			
	For the year end December 31,			
	Consolidated		Separate	
	2013	2012	2013	2012
Current income tax				
Interim corporate income tax charge	11,366	-	604	-
Deferred tax				
Deferred tax expense relating to the original and reversal of temporary differences	3,396	-	50	-
Income tax expenses	14,762	-	654	-

17.3 Reconciliation for effective tax rate

	Unit : Thousand baht			
	Consolidated			
	For the year end December 31,			
	2013		2012	
	Tax rate	Tax amount	Tax rate	Tax amount
	(%)	(Baht)	(%)	(Baht)
Profit before income tax		283,656		107,150
<u>Less</u> Profit from Promotional privileges		(267,447)		(137,439)
Net		16,209		(30,289)
Tax expenses	20%	3,242	23%	-
Tax effect of expenses that are not deductible for tax purposes:		8,124		-
Tax expense (effective rate)	70%	11,366	-	-

NOTES TO FINANCIAL STATEMENTS (Con't.)

17. DEFERRED TAX ASSETS (Con't.)

17.3 Reconciliation for effective tax rate (Con't.)

Unit : Thousand baht				
Separate				
For the year end December 31,				
2013		2012		
Tax rate	Tax amount	Tax rate	Tax amount	
(%)	(Baht)	(%)	(Baht)	
Profit before income tax	204,099		105,027	
<u>Less</u> Profit from Promotional privileges	(182,757)		(119,001)	
Net	21,342		(13,974)	
Tax expenses	20% 4,268	23% -		
Tax effect of expenses that are not deductible for tax purposes:	(3,664)		-	
Tax expense (effective rate)	0.3% 604	- -		

17.5 Tax rate

- Current income tax

The Company and its subsidiaries calculated interim income tax from net profit for the period after adjust non taxable expenses and revenue in accordance with the Revenue Code.

By the royal Decree No. 530 B.E. 2554 dated 21 December 2011 it was granted a reduction in the corporate income tax rate for three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively.

The main adjustment items are allowance for diminution in value of inventories, employee benefit obligations, and depreciation not in compliance with the Revenue Code.

- Deferred tax

Deferred tax has been measured using the effective rate at 20% announced by the government at reporting date.

NOTES TO FINANCIAL STATEMENTS (Con't.)

18. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions consist of :-

	Interest rate (% p.a.)	Unit : Thousand baht	
		Consolidated and Separate	
		2013	2012
Short-term loans	MMR (3.85-4.20)	30,000	75,000
Trust receipts	MMR (3.70-3.94)	513,724	343,312
Packing credit	3.65 - 4.50	36,500	27,114
Total		580,224	445,426

The above - mentioned short-term loans were secured by collaterals at described in Note 32 to the financial statement.

19. TRADE ACCOUNTS AND OTHER PAYABLE

Trade accounts and other payable consist of :-

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
<u>Trade accounts payable</u>				
Other companies	116,717	47,451	116,717	47,451
<u>Other payable</u>				
Related companies	-	1,093	-	1,093
Directors/related persons	82	226	81	207
Other companies				
Other accrued expenses	25,611	13,546	13,812	9,789
Other payable	8,951	3,890	6,046	3,501
Total Other payable	34,644	18,755	19,939	14,590
Total	151,361	66,206	136,656	62,041

20. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS - NET

Long-term loans from financial institutions-net consist of :-

		Unit : Thousand baht			
		Consolidated		Separate	
		2013	2012	2013	2012
Long-term loans		746,331	233,971	198,441	233,971
Add	Increased during the year	4,854,361	564,890	-	17,000
Less	Repayments during the year	(122,055)	(52,530)	(65,040)	(52,530)
Long-term loans		5,478,637	746,331	133,401	198,441
Less	Current portion	(266,735)	(114,624)	(65,040)	(65,040)
	Net	5,211,902	631,707	68,361	133,401

The above-mentioned long - term loans' terms fo payment and balance are as follows :-

Loan facilities			Unit : Thousand baht			
			Consolidated		Separate	
(Million baht)	Interest rate (% p.a.)	Repayment condition	2013	2012	2013	2012
<u>Parent company</u>						
60	MLR - 2.00	Objective: As working capital Repayment : monthly installment of Baht 1.25 million and interest is paid seperately at end of month commencing from October 2011 within October 2015	20,971	35,971	20,971	35,971
65	MLR - 2.00	Objective: Purchase of palm oil machinery Repayment : monthly installment of Baht 1.355 million and interest is paid seperately at end of month commencing from April 2012 within December 2016	36,545	52,805	36,545	52,805
70	MLR - 2.00	Objective: Purchase of glycerin machinery Repayment : monthly installment of Baht 1.46 million and interest is paid seperately at end of month commencing from April 2012 within December 2016	39,340	56,860	39,340	56,860
65	MLR - 2.00	Objective: Purchase of ester machinery Repayment : monthly installment of Baht 1.355 million and interest is paid seperately at end of month commencing from April 2012 within December 2016	36,545	52,805	36,545	52,805
Total	260		133,401	198,441	133,401	198,441

NOTES TO FINANCIAL STATEMENTS (Con't.)

20. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS - NET (Con't.)

Loan facilities			Unit : Thousand baht			
(Million baht)	Interest rate (% p.a.)	Repayment condition	Consolidated		Separate	
			2013	2012	2013	2012
<u>Subsidiaries</u>						
630	3 months	Objective:	572,985	547,890	-	-
	THBFIX+2%	For constraction Solar power plant				
	and after	Repayment :				
November 26, 2012		the first installment is paid from				
5.60%		the first day of electricity commercial				
		distribution and the following				
		installments are paid every month				
		at 2.24% to 3.07% of the loan				
		draw down				
		interest is paid separately every				
		3 month with the first payment to be				
		paid within 3 months from the date				
		of the first principal draw down and				
		the following payment are made				
		every 3 month the date of the first				
		principal draw down and the following				
5,250	3 months	Objective:	4,772,251	-	-	-
	THBFIX+2.10%	For constraction Solar power plant				
		Repayment :				
		the first installment shall be paid				
		within 6 months from the first day				
		of commercialized electricity distribution				
		or 18 months from loan agreement				
		date and the following installments				
		shall be paid every 3 months at				
		1.00% to 4.68% per annum of the				
		loan draw down.				
		interest shall be is paid separately				
		every month with the first payment				
		to be paid within 3 months from the				
		date of the first principal draw down				
		and the following payment are made				
		every 3 months.				
Total	5,880		5,345,236	547,890	-	-
6,140		Long-term loan balance	5,478,637	746,331	133,401	198,441

The above - mentioned long-term loans were secured by collaterals at described in Note 32 to the financial statement.

NOTES TO FINANCIAL STATEMENTS (Con't.)

21. LIABILITIES UNDER FINANCE LEASE CONTRACTS-NET

Liabilities under the finance lease contracts-net consist of :-

	Unit : Thousand baht			
	Consolidated		Consolidated and Separate	
	2013	2012	2013	2012
Liabilities under finance lease contracts	22,455	4,848	12,895	4,848
<u>Less</u> Deferred interest	(5,141)	(562)	(2,103)	(562)
Present value of minimum amount payment	17,314	4,286	10,792	4,286
<u>Less</u> Current portion	(4,503)	(1,360)	(3,871)	(1,360)
Net	12,811	2,926	6,921	2,926
Present value of minimum amount payment by lease agreement				
Less than 1 year	4,503	1,360	3,871	1,360
More than 1 year but less than 5 years	12,811	2,926	6,921	2,926
Total	17,314	4,286	10,792	4,286

22. EMPLOYEE BENEFIT OBLIGATIONS

The Company and its subsidiaries adopted TAS 19 Employee Benefits which effect from January 1, 2011. The Company and its subsidiaries choose to recognized past service cost with retained earnings balance as at January 1, 2011.

The Company and its subsidiaries operates post-employment benefit and pension based on the requirement of the Thai Labour Protection Act B.E. 2541 to provide retirement benefits and other long term benefits to employees based on pensionable remuneration and length of service.

Post employment benefit obligation recognised as liability consist of :

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Opening balance as at January 1,	1,115	827	1,109	827
Current service cost	219	288	202	282
Actuarial losses	1,171	-	415	-
Ending balance as at December 31,	2,505	1,115	1,726	1,109
<u>Less</u> Portion due within one year.	(817)	-	(176)	-
Statement of financial position obligation - net	1,688	1,115	1,550	1,109

NOTES TO FINANCIAL STATEMENTS (Con't.)

22. EMPLOYEE BENEFIT OBLIGATIONS (Con't.)

The expense is recognised in the following line items in the profit or loss

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Profit or loss				
Cost of goods sold	27	11	28	11
Selling expenses	1	3	1	3
Administrative expense	191	274	173	268
Total	219	288	202	282
Other comprehensive income				
Actuarial losses	1,171	-	415	-

Principal actuarial assumptions at the reporting date.-

	Percentage (% p.a)	
	2013	2012
Discount rate (%)	4.58	4.35
Salary increase rate	5.34	4.02
* Employee turnover rate	0, 17, 21, 32	0, 22, 24 , 30
** Mortality rate (%)	TMO2008	TMO2008
Normal retirement age (Year)	55	55
* Upon the length of service		
** Reference from TMO 2008: Thai Mortality Ordinary Table 2008		

Amounts of defined benefit obligation for the current and previous four-periods are as follows.

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
2013	2,505	-	1,726	-
2012	1,115	1,115	1,109	1,109
2011	827	827	827	827

23. RETENTION FOR SOLAR POWER PLANT CONSTRUCTION WORK

Retention for solar power plant construction work was derived from the amount deducted from the contracts fees paid to the subsidiary by its suppliers for each payment which shall be deducted at the rate 10% of each payment under conditions stipulated in the contracts.

NOTES TO FINANCIAL STATEMENTS (Con't.)

24. SHARE CAPITAL AND SHARE PREMIUM

Parent company

In January 2013, the Company had opened to the public to place orders for its common shares offered to the public of 560,000,000 shares at the price of Baht 5.5 per share amounting to Baht 3,080 million (per value of Baht 0.10) which had share premium at Baht 5.4 per share totalling Baht 2,990 million (net of the expense related to the offering of Baht 99 million) which the share amount and share premium were fully received and the received and the Company has registered the increase in capital with the Ministry of Commerce on January 24, 2013.

The Company has distributed its share in Market for Alternative Investment (MAI) on January 30, 2013.

25. DIVIDEND PAYMENT

Parent company

At the 2013's Annual General Ordinary Shareholders' Meeting of the Company held on April 19, 2013, it was resolved to pay dividend from profit from operation under BOI for the year 2012 at Baht 0.01 per share amounting to Baht 37.30 million which was paid on May, 2013.

26. GOVERNMENT GRANTS

Government grants in respect of adder is subsidy in respect of Adder received from the Provincial Electricity Authority at Baht 8 per kilowatt and received from the Electricity Generating Authority at Baht 6.50 per kilowatt for a period of 10 years commencing from the first date of commercial sale of electricity.

The subsidiaries recognize these government grants as income when the electricity is delivered to and accepted by the customers.

27. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year of attributable shareholders of the Company (excluded other comprehensive income) by the weighted-average number of common shares issued during the year.

	Unit : Thousand			
	Consolidated		Separate	
	2013	2012	2013	2012
Earnings per share (Baht:share)				
Net profit for the year	267,923	107,047	203,445	105,027
Weighted-average number of				
common shares (Shares)	3,693,178	3,127,377	3,693,178	3,127,377
Earnings per share (Baht:share)	0.073	0.034	0.055	0.034

NOTES TO FINANCIAL STATEMENTS (Con't.)

28. EXPENSES BY NATURE

Significant expenses classified by nature consist of:-

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Changes in inventories of finished goods and work in process	(61,085)	7,621	(61,085)	7,621
Raw material and supplies used	3,276,836	3,726,375	3,276,836	3,726,375
Purchase finished goods	-	322,980	-	322,980
Employee expensess	67,007	51,303	58,051	46,197
Management's benefit expenses	27,167	20,200	26,517	19,745
Depreciation expenses	125,095	61,349	84,399	54,275
Allowance for diminution in value of inventories	5,332	-	5,332	-
Finance cost	61,514	29,434		22,566

29. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION

By virtue of the provision of Investment Promotion Acts B.E. 2520, the Company has been granted certain rights and privileges for the manufacture as follows:

<u>Certificate No.</u>	<u>Production business</u>	<u>Approved date</u>
1. 1657(2)/2551	Producing pure glycerin	May 12, 2008
2. 2037(2)/2554	Producing pure glycerin	July 11, 2011
3. 2182(9)/2551	Producing biodiesel	October 27, 2008
4. 1889(2)/2554	Producing fat and oil	May 23, 2011

By virtue of the provision of Investment Promotion Acts B.E. 2520, EA Solar Co., Ltd. has been granted certain rights and privileges for the manufactor as follows:

<u>Certificate No.</u>	<u>Production business</u>	<u>Approved date</u>
1. 2467(1)/2554	Power of solar farm	November 17, 2011

By virtue of the provision of Investment Promotion Acts B.E. 2520, EA Solar Nakhonnawan Co., Ltd. has been granted certain rights and privileges for the manufactor as follows:

<u>Certificate No.</u>	<u>Production business</u>	<u>Approved date</u>
1. 1251(1)/2556	Power of solar farm	May 25, 2012

NOTES TO FINANCIAL STATEMENTS (Con't.)

29. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION (Con't.)

Important rights and privileges granted include the following :

Producing pure glycerin

1. Exemption of import duty for machineries that are approved by the Board of Investment.
2. Allowance from import-duty in the rate of 75% of normal rate on imported raw material and necessary supplies used in production process for domestic sales for 1 year from the first import date.
3. Exemption of corporate income tax derived from the profit of the promoted activities in total not more than 100% of the investment excluding land and working capital for a period of 8 years effective from the first sale generated.
4. Exemption from income tax on dividend of promotional investments through out the promoted period.
5. Allowance from company income tax for the net profit of B.O.I. income in the rate of 50% of normal rate, the allowance period is 5 years subsequent to the exemption period for company income tax has been matured.
6. Allowance from deducting freight, electricity and water expenses at 2 times of total expenses for 10 years from the first sale generated.
7. Permission of deduction of investment in installation or construction of facilities at 25% in excess of its usual depreciation.
8. Exemption from import-duty on imported raw material and necessary supplies used in production process of exported goods for 5 years from the first import date.

9. Exemption of import duty for re-exported items for 5 years from the first import date.

Producing biodiesel

1. Exemption of import duty for machineries that are approved by the Board of Investment.
2. Exemption of corporate income tax derived from the profit of the promoted activities for a period of 8 years effective from the first sale generated.
3. Exemption from income tax on dividend of promotional investments through out the promoted period.
4. Allowance from company income tax for the net profit of B.O.I. income in the rate of 50% of normal rate, the allowance period is 5 years subsequent to the exemption period for company income tax has been matured.
5. Allowance from deducting freight, electricity and water expenses at 2 times of total expenses for 10 years from the first sale generated.
6. Permission of deduction of investment in installation or construction of facilities at 25% in excess of its usual depreciation.

Producing fat and oil

1. Exemption of import duty for machineries that are approved by the Board of Investment.
2. Exemption of corporate income tax derived from the profit of the promoted activities for a period of 8 years effective from the first sale generated.

NOTES TO FINANCIAL STATEMENTS (Con't.)

29. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION (Con't.)

Producing fat and oil (Con't)

3. Exemption from income tax on dividend of promotional investments through out the promoted period
4. Allowance from company income tax for the net profit of B.O.I. income in the rate of 50% of normal rate the allowance period is 5 years subsequent to the exemption period for company income tax has been matured
5. Allowance from deducting freight, electricity and water expenses at 2 times of total expenses for 10 years from the first sale generated.
6. Permission of deduction of investment in installation or construction of facilities at 25% in excess of its usual depreciation.

Power of solar farm

1. Exemption of import duty for machineries that are approved by the Board of Investment
2. Exemption of corporate income tax derived from the profit of the promoted activities for a period of 8 years effective from the first sale generated.
3. Exemption from income tax on dividend of promotional investments through out the promoted period
4. Allowance from company income tax for the net profit of B.O.I. income in the rate of 50% of normal rate the allowance period is 5 years subsequent to the exemption period for company income tax has been matured
5. Allowance from deducting freight, electricity and water expenses at 2 times of total expenses for 10 years from the first sale generated.
6. Permission of deduction of investment in installation or construction of facilities at 25% in excess of its usual depreciation.

Results operation for the year ended December 31, 2013 are classified under promoted and non-promoted business as follows:

	Unit : Thousand baht		
	Consolidated		
	Promoted business	Non-promoted business	Total
Revenues			
Sales income - net	3,264,582	391,488	3,656,070
Government grant	30,662	107,366	138,028
Sales of by products	142,329	-	142,329
Other incomes	14,098	48,466	62,564
Total revenue	3,451,671	547,320	3,998,991
Expenses			
Cost of services	(2,960,315)	(497,318)	(3,457,633)
Selling expenses	(47,500)	(5,137)	(52,637)
Administrative expenses	(116,127)	(27,424)	(143,551)
Total expenses	(3,123,942)	(529,879)	(3,653,821)
Net profit before finance cost and income tax	327,729	17,441	345,170
Finance cost	(60,282)	(1,232)	(61,514)
Net profit before income tax	267,447	16,209	283,656
Corporate income tax	-	(14,762)	(14,762)
Net profit for the year	267,447	1,447	268,894

NOTES TO FINANCIAL STATEMENTS (Con't.)

29. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION (Con't.)

	Unit : Thousand baht		
	Separate		
	Promoted business	Non-promoted business	Total
Revenues			
Sales income - net	3,092,190	498,854	3,591,044
Sales of by products	142,329	-	142,329
Other incomes	12,253	41,293	53,546
Total revenue	3,246,772	540,147	3,786,919
Expenses			
Cost of sales	(2,910,502)	(497,318)	(3,407,820)
Selling expenses	(47,500)	(5,137)	(52,637)
Administrative expenses	(85,400)	(13,171)	(98,571)
Total expenses	(3,043,402)	(515,626)	(3,559,028)
Net profit before finance cost and income tax	203,370	24,521	227,891
Finance cost	(20,613)	(3,179)	(23,792)
Net profit before income tax	182,757	21,342	204,099
Corporate income tax	-	(654)	(654)
Net profit for the year	182,757	20,688	203,445

Results operation for the year ended December 31, 2012 are classified under promoted and non-promoted business as follows:

	Unit : Thousand baht		
	Consolidated		
	Promoted business	Non-promoted business	Total
Revenues			
Sales income - net	2,983,620	1,351,916	4,335,536
Government grant	23,920	-	23,920
Sales of by products	92,732	5,538	98,270
Proceeds from services	-	6,183	6,183
Other incomes	5,051	10,026	15,077
Total revenue	3,105,323	1,373,663	4,478,986

NOTES TO FINANCIAL STATEMENTS (Con't.)

29. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION (Con't.)

	Unit : Thousand baht		
	Consolidated		
	Promoted business	Non-promoted business	Total
Expenses			
Cost of sales	(2,863,292)	(1,336,424)	(4,199,716)
Cost of services	-	(5,826)	(5,826)
Selling expenses	(31,615)	(28,437)	(60,052)
Administrative expenses	(50,905)	(25,903)	(76,808)
Total expenses	(2,945,812)	(1,396,590)	(4,342,402)
Net profit (loss) before finance cost and income tax	159,511	(22,927)	136,584
Finance cost	(22,072)	(7,362)	(29,434)
Net profit (loss) before income tax	137,439	(30,289)	107,150
Corporate income tax	-	(52)	(52)
Net profit (loss) for the year	137,439	(30,341)	107,098
Unit : Thousand baht			
	Separate		
	Promoted business	Non-promoted business	Total
	Promoted business	Non-promoted business	Total
Revenues			
Sales income - net	2,973,007	1,351,915	4,324,922
Sales of by products	92,732	5,538	98,270
Other incomes	790	20,280	21,070
Total revenue	3,066,529	1,377,733	4,444,262
Expenses			
Cost of sales	(2,855,282)	(1,336,424)	(4,191,706)
Selling expenses	(31,615)	(28,437)	(60,052)
Administrative expenses	(44,991)	(19,921)	(64,912)
Total expenses	(2,931,888)	(1,384,782)	(4,316,670)
Net profit (loss) before finance cost income tax	134,641	(7,049)	127,592
Finance cost	(15,640)	(6,925)	(22,565)
Net profit (loss) before income tax	119,001	(13,974)	105,027
Corporate income tax	-	-	-
Net profit (loss) for the year	119,001	(13,974)	105,027

NOTES TO FINANCIAL STATEMENTS (Con't.)

31. OPERATING SEGMENT INFORMATION (Con't.)

For the year ended December 31, 2013 (Unit : Thousand baht)

	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Other	Elimination	Total
Property, plant and equipment - net								
As at December 31, 2013								
Allocated	-	-	-	6,803,777	-	-	-	6,803,777
Un allocated	-	-	-	-	-	-	-	1,288,483
Total property, plant and equipment								8,092,260
Total assets as at December 31, 2013								11,465,572

For the year ended December 31, 2012 (Unit : Thousand baht)

	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Other	Elimination	Total
Revenues	3,133,029	808,078	17,533	10,613	366,283	98,270	-	4,433,806
Operating profit								91,404
Government grant								23,920
Un allocated income-net								15,077
Proceeds from services								6,183
Finance cost								(29,434)
Corporate income tax								(52)
Net profit attributable to non-controlling interests								(51)
Net profit attributable to equity holders of the parant								107,047
Property, plant and equipment - net								
As at December 31, 2012								
Allocated	-	-	-	732,021	-	-	-	732,021
Un allocated	-	-	-	-	-	-	-	1,164,265
Total property, plant and equipment								1,896,286
Total assets as at December 31, 2012								2,545,061

32. CREDIT FACILITIES

The Company's credit facilities as follows :-

Unit : Thousand baht

	Consolidated		Separate	
	2013	2012	2013	2012
1. Bank overdrafts	15,000	15,000	15,000	15,000
2. Short-term loans	464,000	365,000	414,000	365,000
3. Letters of credit/Trust receipts/Packing credit	1,565,000	455,500	565,000	455,500
4. Factoring	150,000	389,500	150,000	389,500
5. Long-term loans	6,140,000	890,000	260,000	260,000
6. Letters of guarantee	209,075	237,075	191,075	237,075
7. Hedging	-	100,000	-	100,000
Total	8,543,075	2,452,075	1,595,075	1,822,075

NOTES TO FINANCIAL STATEMENTS (Con't.)

32. CREDIT FACILITIES (Con't.)

Loan facility No. 1

Secured by

- Mortgage the Company's land and building and certain machinery.
- It shall maintain its Debt to Equity Ratio not less than 2:1.

Loan facility No. 2 and No. 3

The Company

Secured by

- 3 major shareholders guarantee proportionally as stipulated in the guarantee agreements.
- Mortgage the Company's land and building and part of machinery.
- It shall maintain its Debt to Equity Ratio not less than 2:1 and Debt Service Coverage Ratio not less than 1.5.

Loan facility No. 2

Subsidiary

Secured by

- Pledged withdrawal right of deposit in saving account of the Company which gradually increase, decrease and terminate the facilities of letter of credit and/or trust receipts and foreign currency forward at the proportion of the pledged deposit.

Loan facility No. 4

Secured by

- Mortgage the Company's certain machinery.

Loan facility No. 5

The Company

Secured by

- 3 major shareholders guarantee proportionally as stipulated in the guarantee agreements.
- Mortgage the Company's certain part of machinery and equipment.

Subsidiaries

Secured by

- Mortgage its subsidiaries's land and solar power plant.
- Pledged total shares of such subsidiary held by the Company.
- Pledged the right in various agreements.

Loan facility No. 6

Secured by

- Mortgage the Company's land and building.
- Pledge the Company's deposits in saving account and fixed deposit.
- It shall maintain its Debt to Equity Ratio not less than 2:1.

Loan facility No. 7

Secured by

- Mortgage the Company's certain machinery (Cancellation in year 2013).

NOTES TO FINANCIAL STATEMENTS (Con't.)

33. FINANCIAL INSTRUMENT

The Company and its subsidiaries complied with the Thai Accounting Standard No.107 "Presentations and of Financial Instruments" as a guidance to disclose about the financial instruments as follows:-

The related accounting policies are disclosed in the notes to financial statements for the year ended December 31, 2013.

33.1 The related accounting

The related accounting policies are disclosed in the notes 4.19 to the financial statements.

33.2 Financial risk management

32.1 The Company and its subsidiaries are exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company and subsidiaries did not speculate or engage in the trading of any derivative financial instrument.

33.3 Credit risk

The Company and subsidiaries are exposed to credit risk from non performance of contractual obligations by counter parties resulting in a financial loss to the Company and its subsidiaries. To prevent the risk, the Company and its subsidiaries have credits control and regularly review debtors' financial status. The Company and its subsidiaries do not expect significant losses from non performance contractual obligation as their customers are diverse.

33.4 Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its deposits with financial institutions, bank overdrafts and short-terms and long-term loans charged with interest and financial lease. However, since interest rates of the majority of these financial assets and liabilities vary according to market rates or are fixed and closed to market rates, the Company and its subsidiaries management deemed their interest risk at low level. The Company and its subsidiaries thus do not use derivative financial instruments to hedge such risk.

The Company and its subsidiary had interest rate risk as follows:

	Unit : Thousand baht						
	Consolidated						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	within 1 year	1 - 5 years	Over 5 years				
As at December 31, 2013							
Financial assets							
Cash and cash equivalents	-	-	-	1,572,050	60	1,572,110	0.125 - 0.50
Trade and other accounts receivable	-	-	-	-	526,223	526,223	-
Short-term loans to Subsidiary	550	-	-	-	-	550	7.125
Short-term loans to other company and person	20,393	-	-	-	-	20,393	7.25, 15.00
Deposits at financial institution held as collaterals	-	-	-	701,968	-	701,968	0.50 - 2.60

NOTES TO FINANCIAL STATEMENTS (Con't.)

33. FINANCIAL INSTRUMENT (Con't.)

	Unit : Thousand baht						
	Consolidated						
	Fixed interest rates			Floating	Non-	Total	Interest
	within	1 - 5	Over	interest	interest		rate
<u>As at December 31, 2013</u> (Con't)	1 year	years	5 years	rate	bearing		(% p.a.)
Financial liabilities							
Short-term loans from financial institutic	-	-	-	580,224	-	580,224	3.65 - 4.50
Trade accounts and other payable	-	-	-	-	151,361	151,361	-
Long-term loans from financial institutio	-	-	-	5,478,637	-	5,478,637	MLR - 2.00, THBFIX+(2, 2.10)
Liabilities under finance lease contracts	4,503	12,811	-	-	-	17,314	6.00
	Unit : Thousand baht						
	Separate						
	Fixed interest rates			Floating	Non-	Total	Interest
	within	1 - 5	Over	interest	interest		rate
<u>As at December 31, 2013</u>	1 year	years	5 years	rate	bearing		(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	783,863	850	784,713	0.125-0.50
Trade and other accounts receivable	-	-	-	-	461,455	461,455	-
Short-term loans to Subsidiary	668,350	-	-	-	-	668,350	5.50-7.50
Short-term loans to other person	393	-	-	-	-	393	7.25
Deposits at financial institution							
held as collaterals	-	-	-	84,478	-	84,478	0.50-2.60
Long-term loans to Subsidiary	-	-	71,400	-	-	71,400	7.00
Financial liabilities							
Short-term loans from financial institutic	-	-	-	580,224	-	580,224	MLR - 0.50
Trade accounts and other payable	-	-	-	-	136,656	136,656	-
Long-term loans from financial institutio	-	-	-	133,401	-	133,401	MLR - 2.00
Liabilities under finance lease contracts	3,871	6,921	-	-	-	10,792	6.00

NOTES TO FINANCIAL STATEMENTS (Con't.)

33. FINANCIAL INSTRUMENT (Con't.)

Unit : Thousand baht

	Consolidated						
	Fixed interest rates			Floating	Non-	Total	Interest
	within	1 - 5	Over	interest	interest		rate
	1 year	years	5 years	rate	bearing		(% p.a.)
<u>As at December 31, 2012</u>							
Financial assets							
Cash and cash equivalents	-	-	-	38,282	29,062	67,344	0.125-0.50
Trade and other accounts receivable	-	-	-	-	166,135	166,135	-
Short-term loans to other person	4,401	-	-	-	-	4,401	7.25, 15.00
Deposits at financial institution							
held as collaterals	-	-	-	112,107	-	112,107	0.50-2.60

Unit : Thousand baht

	Consolidated						
	Fixed interest rates			Floating	Non-	Total	Interest
	within	1 - 5	Over	interest	interest		rate
	1 year	years	5 years	rate	bearing		(% p.a.)
<u>As at December 31, 2012</u>							
Financial liabilities							
Short-term loans from financial institutic	-	-	-	445,426	-	445,426	MLR - 0.50
Trade accounts and other payable	-	-	-	-	66,206	66,206	-
Long-term loans from financial institutio	-	-	-	746,331	-	746,331	MLR - 2.00
Liabilities under finance lease contracts	1,360	2,926	-	-	-	4,286	6.00

Unit : Thousand baht

As at December 31, 2012	Separate						
	Fixed interest rates			Floating	Non-	Interest	
	within	1 - 5	Over	interest	interest	Total	rate
	1 year	years	5 years	rate	bearing		(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	38,242	17,937	56,179	0.125-0.50
Trade and other accounts receivable	-	-	-	-	141,606	141,606	-
Deposits at financial institution							
held as collaterals	-	-	-	92,735	-	92,735	0.50-2.60
Financial liabilities							
Short-term loans from financial institutic	-	-	-	445,426	-	445,426	MLR - 0.50
Trade accounts and other payable	-	-	-	-	62,041	62,041	-
Long-term loans from financial institutio	-	-	-	198,441	-	198,441	MLR - 2.00
Liabilities under finance lease contracts	1,360	2,926	-	-	-	4,286	6.00

NOTES TO FINANCIAL STATEMENTS (Con't.)

33. FINANCIAL INSTRUMENT (Con't.)**33.5 Liquidity risk**

Liquidity risk is the risk that the Company and its subsidiaries will be unable to liquidate its financial assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the incurrence of a financial loss. The Company has a policy to maintain liquidity risk which may occur. The Company and its subsidiaries has sufficient credit lines to fund its operations that are provided by many commercial banks. This mitigates the risk.

33.5 Fair value of financial instruments

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

Methodology of fair value measurement depends upon characteristics of the financial instruments. For the financial instruments which are regarded as trade in an active market, fair value has been determined by the latest quoted market price. If however the appropriate quoted market price cannot be determined, the fair value is determined using an appropriate valuation technique.

Since the majority of the Company and subsidiary' financial assets and liabilities are long-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

34. COMMITMENTS AND CONTINGENT LIABILITIES

The Company and its subsidiaries were in possession of commitments and contingent liabilities as follows :-

Commitments

34.1 The Company has entered into office space rental and service agreements for a period of 3 years.
The future payment of rental and service fees are as follows :-

Unit : Thousand baht		
Consolidated and Separate		
	2013	2012
Less than 1 year	1,244	2,986
Over 1 year but less than 5 year	-	1,244

NOTES TO FINANCIAL STATEMENTS (Con't.)

34. COMMITMENTS AND CONTINGENT LIABILITIES (Con't.)

Commitments (Con't)

34.2 The Company has entered into land for wind turbine the rental agreements for a period of 25 years.

The future payment of rental are as follows :-

	Unit : Thousand baht	
	Consolidated and Separate	
	2013	2012
Less than 1 year	8,030	-
Over 1 year but less than 5 year	35,964	-
Over 5 year	218,414	-

34.3 The Company and its subsidiaries were in possession of contractual commitments as follows:-

	Unit : Thousand baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Construction work of buildings and machinery agreement	33,938	5,684	33,938	5,684
Clean Development Mechanisms advisory service agreement	-	132	-	132
Consultancy agreement for engineering design services and other services for work of wind farm	5,230	-	5,230	-
Construction work of solar power plant agreement	297,275	366,244	282	365,992

Contingent liabilities

34.4 The Company and its subsidiaries were contingently liable for letters of guarantee issued by banks to certain government agents and a companies totalling Baht 204.79 million and Baht 214.29 million for the consolidated financial statements and totalling Baht 185.42 million and Baht 212.92 million for the separate financial statements.

35. CAPITAL MANAGEMENT

The primary objectives of the Company and subsidiaries' capital management are to maintain their ability to continue as a going concern and to maintain appropriate capital structures.

As at December 31, 2013 and 2012, debt-to-equity ratio in the consolidated financial statements was 1.63 : 1 and 1.23 : 1 respectively and the separate financial statement was 0.24 : 1 and 0.61 : 1 respectively.

36. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on February 28, 2014.



บริษัท พลังงานบริสุทธิ์ จำกัด (มหาชน)
Energy Absolute
Public Company Limited

No.888 I Tower Building, 15th Floor,
Vibhavadee-Rangsit Road,
Chatuchak, Chatuchak, Bangkok 10900
Tel. 0-2554-0938-42
Fax. 0-2554-9243
www.energyabsolute.co.th

