

รายงานประจำปี 2562

ANNUAL REPORT 2019



SEAOIL
PUBLIC COMPANY LIMITED

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Message from the Chairman

Dear Shareholders,

In 2019, the overview of the growth of Thai economy has decreased compared to the previous year due to impact from both internal and external factors, decreased export value of Thailand, deceleration of economic circumstances of countries of business partners and global commercial volume from trade war between the United States of America and China, volatile oil price circumstances which likely turn to deceleration direction, over supply of crude oil resulting from decrease of overview growth of the economy.

Sea Oil Public Company Limited ("the Company") is still concentrated in running the business for continuous and sustainable growth to achieve the organization's goals under the management in accordance with the good governance and responsibility to all stakeholders.

In 2019, the Company achieved its own set targets by adjusting the strategies in accordance with the economic circumstances, both domestic and international, causing the Company and its subsidiaries to have the operating result as 73.14 million baht of net profit, 187.69 million baht of EBITDA. Selling of oil both domestic and international has increased 31.50% from the previous year. The overall oil selling volume has grew 51% from the previous year mainly due to the foreign customers. The Company received its share of the profit from joint venture with Pan Orient Energy (Siam) Limited (POES) which operates its business concerning petroleum exploration and production on concession 53/48 at the amount of 111.74 million baht. Since production volume has increased thanks to successful drilling plan in 2019 from L53-DD3 and DD4, it also raises the average selling volume to 447 barrels per day.

The Board of Directors aware of the importance of transparent and fair business operation, consider all the stakeholders as well as participate in community, social and environment development in accordance with administrative guidelines for sustainable growth. Thanks to continuous development of the corporate governance this year, the Company received the evaluation score of the corporate governance as excellent and was certified to be the member of CAC.

Lastly, on behalf of the Board of Directors, I would like to thank the shareholders, customers, business partners, financial institutions and everyone who has supported us in all aspects which always trust and support the business of the Group. Thanks to all executives and employees for their commitment and dedication to drive the organization to grow continuously. May you all believe that all directors will perform their duties with full responsibility, aware of benefit of all stakeholders to enable the organization to grow steadily and sustainably



Mr. Apisit Rujikeatkamjorn
Chairman of the Board of Directors

Financial Conclusion in Year 2019

Sea Oil Public Company Limited and Subsidiaries

Statement of Income (Unit: Million Baht)	Consolidated		
	2017	2018	2019
Sales and service revenue	3,816.02	4,777.14	6,473.06
Gross Profit	218.65	237.62	216.61
EBITDA	(22.35)	87.83	187.69
Net Profit (loss)	(106.28)	5.85	73.14
Net profit (loss) of the parent company	(104.55)	(0.75)	60.85
Earnings per share (Baht)	(0.1962)	(0.0014)	0.1099

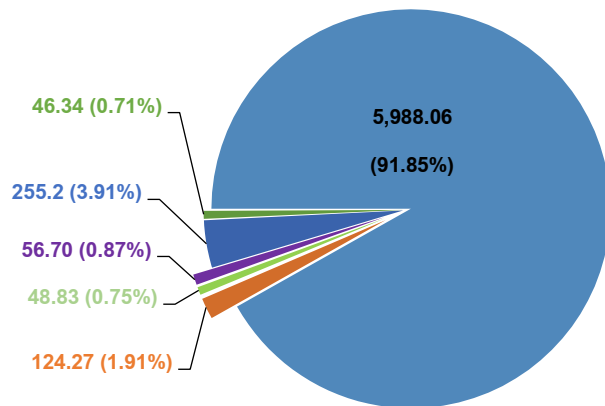
Statement of Financial Position (Unit: Million Baht)	Consolidated		
	2017	2018	2019
Total Assets	2,604.86	2,744.30	2,967.50
Total Liability	1,251.56	1,389.91	1,555.66
Total Shareholders' Equity	1,353.30	1,354.39	1,411.84
Equity attributable to owners of the parent	1,350.97	1,346.65	1,395.49

Financial Ratio	Consolidated		
	2017	2018	2019
Current Ratio (times)	0.95	0.96	0.81
Debt to Equity (times)	0.92	1.03	1.10
Gross Profit Margin (%)	5.73	4.97	3.35
Net Profit Margin (%)	(2.79)	0.12	1.13
Return on Total assets (%)	(3.97)	0.22	2.56
Return on Equity (%)	(8.37)	(0.06)	4.44
Issued & fully paid-up share capital (Million Shares)	553.54	553.56	553.56
Book Value per Share (Baht)	2.44	2.45	2.55

Performance of The Company & Subsidiaries in 2019

Revenue Structure in 2019

(Unit: Million Baht)



■ Marine Fuel

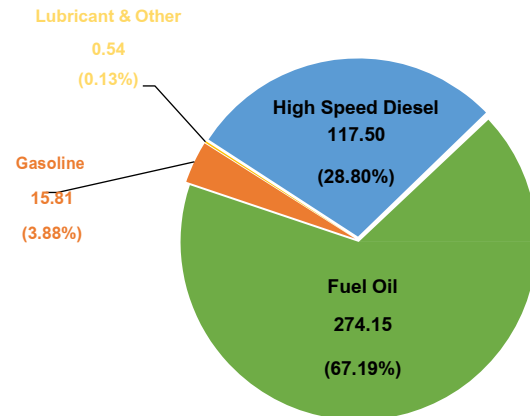
■ Land Fuel

■ Service

■ Power Distribution

Sale Quantity by Product Year 2019

(Unit : Million Litre)



■ High Speed Diesel

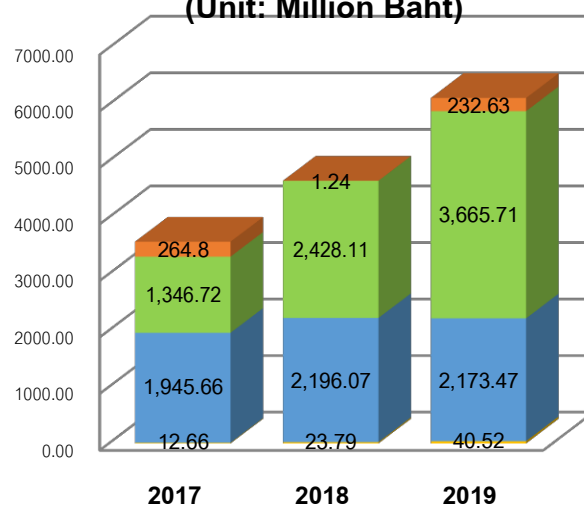
■ Fuel Oil

■ Gasoline

■ Lubricant & Other

Revenue Sale Volume in 2017 - 2019

(Unit: Million Baht)



■ Lubricant & Other

■ High Speed Diesel

■ Fuel Oil

■ Gasoline

Policy and business overview

History and important developments

Sea Oil Public Company Limited (the “Company”) one of company in Nathalin Group. The Company established on 26 May 1997, with total registered capital of one million baht. Currently, the Company’s registered capital is 691,867,135 baht and issued and paid-up share capital is 553,559,662 baht. (As of 31 December 2018) The purpose of the Company is to supply and distribute fuel and lubricant business for different types of vessels such as bunkers, oil tankers, fisheries and others. The Company’s oil supplies come from major oil producers/traders which our customers are both domestic and foreign as Singapore, Laos, Cambodia, Myanmar, etc. The Company has no investment in fixed assets for fuel distribution as oil storage or vehicle, rather company procure independent transporter for delivery service in case customer need.

In October 2010, the Company expanded business to serve fuel and lubricant sale for factories and other businesses as land transportation vehicles and buses, which gave the Company opportunity to service various customers.

In July 2011, the Company started catering and service business in accommodation barge for employees in oil and gas drilling at offshore in the Gulf of Thailand.

In September 2012, the company started the business of providing raw materials for use in preparing food, supplying supplies and other services (General Supply) to marine vessels, Supply & Service Boat, and crew boat and oil and gas drilling rig in the sea; such as food, water, tools, etc. in order to build up from the catering and service business and also make use of the current customers base of companies that are in the business of distributing fuel and marine lubricants. Which has already been demanded food supplies and other supplies for use to navigate, which increase the company’s revenue.

In September 2013, the company officially entered the MAI which has been approved by the Securities and Exchange Commission and the Stock Exchange of Thailand by offering new shares to the public first (Initial Public Offering: IPO)

In October 2014, the company set up “Sea Oil Energy Limited” in Bermuda with purpose to support investment and expand business.

In December 2014, the Company has invested in a joint venture company Pan Orient Energy (Siam) Limited (“POES”) in the proportion of approximately 49.99% of the total issued shares and paid-up shares. Such investment encourages the company to enter the petroleum exploration and production business, which is the upstream business of the oil business. In order that the organization to learn and experience directly from petroleum exploration and production companies, which will lead to be a long-term concessionaire in the future.

In January 2015, the company has established a subsidiary in Land Federation of Labuan, Malaysia called "Sea Oil Offshore Limited" with the objective to distribute international fuel and expand the business to foreign countries.

In April 2015, the company established a subsidiary in Singapore called "Sea Oil Petroleum PTE. LTD." Which distributing oil and oil products in Singapore to expand the customer and supplier bases abroad.

In May 2015, the company entered in to the acquisition of shares of Nakornchai Prakan Chemical Company Limited in the proportion of 100% of the total issued shares and paid-up shares, completed and allotted shares on April 11, 2016 by operating a business Condensate Splitter. Which produce and Selling solvents and all types of liquefied petroleum products (on February 23, 2017, Nakornchai Prakan Chemical Company Limited changed its name to "Sea Oil Petrochemical Company Limited")

January 2017, the company invests in 10 solar power plants with a total size of 7.825 megawatts, with all business transfer methods and on February 24, 2017, the company acquired 99.99% of Living Energy Co., Ltd. which operates production and distribution Selling electricity from solar energy (Solar Rooftop).

Important changes in registered capitals

<u>February 2013</u>	The Company reduced its registered capital from 160 million baht to 110 million baht and increased its registered capital from 110 million baht to 180 million baht by proposing selling 70,000,000 ordinary shares to directors and executives of the Company and those of Nathalin Group, including to ordinary. Each stock is 1 baht.
<u>April 2014</u>	The Annual General Meeting 2014, the shareholders' meeting approved the dividend payment by ordinary shares not exceeding in total of shares 30,000,000 at par value of 1 Baht per share to the company shareholders and approval the increase of the Company's register capital from the existing registered capital of 180,000,000 baht to the new registered capital of 210,000,000 baht and paid-up capital of 209,998,052 baht.
<u>December 2014</u>	The Extraordinary General Meeting no.1/2014, the shareholders' meeting approved the decrease of the registered capital from the existing registered capital of 210,000,000 baht to 209,998,052 baht and the increase of the registered capital from registered capital of 209,998,052 baht to 314,997,078 baht to be the source of fund for the acquisition in Pan Orient Energy (Siam) Limited shares.
<u>January 2015</u>	The Company increase paid-up registered capital from 209,998,052 baht to 314,996,857 baht from share issued to existing shareholders.

- April 2015** The Annual General Meeting 2015, The Shareholders' meeting approved the increase of the Company's register capital 44,999,551 shares at a par value of 1 baht each for shareholder dividend payment from existing of 314,996,857 baht to registered capital 359,996,408 baht with paid-up 359,993,848 baht.
- May 2015** The Extraordinary General Meeting 1/2015, The Shareholders' meeting approved The decrease of the registered capital from registered capital of 359,996,408 baht to 359,993,848 baht and the increase of registered capital from registered capital of 359,993,848 baht to 379,124,282 baht by objective of NPC shares acquisition.
- April 2016** The Annual General Meeting 2016, The Shareholders' meeting approved the increase of the Company's register capital 37,912,428 shares at a par value of 1 baht each for shareholder dividend payment from existing of 379,124,282 baht to registered capital 417,036,710 baht with paid-up 415,120,281 baht.
- January 2017** The Extraordinary General Meeting 1/2017, The Shareholders' meeting approved the increase of the Company register capital 276,746,854 shares at a par value of Baht 1 each from existing of baht 415,120,281 to registered capital 691,867,135 baht to invest in the solar power plant (Solar Rooftop) and to support the exercise of warrants to purchase the Company's ordinary shares (SEA OIL-W)
- March 2018** The company increased the paid-up capital to 553,559,662 baht from the exercise of rights under the law showing the right to buy ordinary shares of the company (SEA OIL-W)

Business overview

The Company started business by providing fuels and lubricants to vessels such as tankers, fishery boats, and reefer vessels. The Company's customers were domestic and international. The Company supplied fuels as highspeed diesel oil, fuel oil, and lubricants. So, each type of marine vessel has different fuel and lubricant requirements.

Currently, The Company mainly supplies fuels and lubricants for marine customers. Since 2010, the Company expanded its business to cover supplying fuels for land customers, factories and land transportation and buses. In addition, the Company also supplies fuels and lubricants to fulfill foreign customers' needs. The Company's foreign customers are in Singapore, Laos, Cambodia, and Myanmar.

Fuels supplied are marine fuels, lubricants, and benzene. The Company has no need to invest in fixed assets for its business. When the Company receives customer's purchase order, it seeks to obtain products from both domestic and foreign oil suppliers. In case customers need the Company to deliver the products, it hires an

independent transporter to deliver to customer's defined destination. For customers who would like to receive fuels in the sea, the Company hires oil transporter to deliver the product to them. If customer has a ship at a port or a customer on land, the Company hires tank trucks to deliver the product to customer's defined destination. The Company has a policy to send its inspector on board from loading port to destination to ensure that product specification and quantity is correct, and delivery is on time, so customer feels confident on service delivered. The Company's profit derived from the difference between oil cost, including other price-related costs, and selling prices. Since its establishment, the Company gain operating profit on marine and land oil distributor.

The Company registered as oil trader pursuant to Section 10, which sales quantity of each type or all types of oil is 30,000 metric tons or more annually (approximately 36 million liters) but not more than 100,000 metric tons (approximately 120 million liters). For LPG, the quantity is less than 50,000 metric tons and more than 30,000 metric tons annually, or a trader with storage tank of each type or all types more than 200,000 liters. The quantity of oil sold annually is all fuels imported, purchased, refined, produced, or obtained, excluding quantity procured for legal reserve.

The company also provides services in the provision of food, raw materials and other services. For employees in oil and gas drilling both in the sea and on land (Supply Management). Because the company has a customer group that is a supply & service boat and passenger ship, crew boat. Therefore, the company sees the opportunity to provide food, cleaning service and laundry service (Catering and Service) for oil and gas drilling staff. To provide services that cover the needs of this group of customers.

The company has invested in Pan Orient Energy (Siam) Limited ("POES") in the proportion of 49.99% of the total issued and paid-up shares of POES. Which is a petroleum and natural gas production and exploration company on land in Thailand and possessing the concession block L53/48, located at Kamphaeng Saen district Nakhon Pathom. Which has a petroleum production period of up to 20 years. The investment in business with POES, which related with the current business, enabling the company to learn and experience from the exploration, production and distribution petroleum business, which leads to the long-term concession rights.

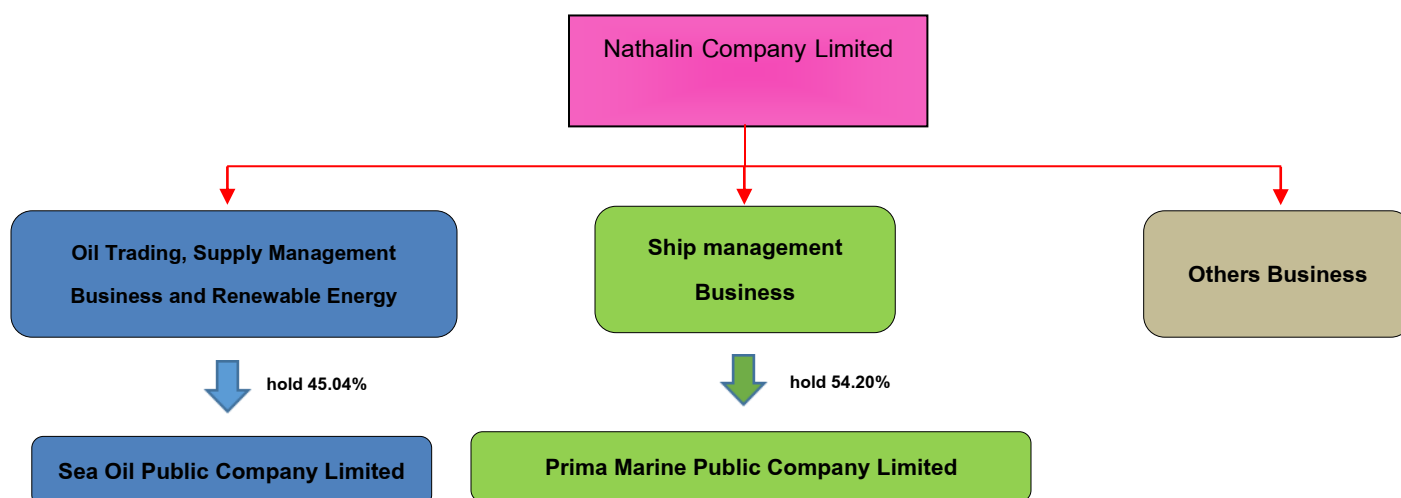
Furthermore, the company purchased ordinary shares of Sea Oil Petrochemical Company Limited ("SOC") or formerly Nakhon Chai Company Prakan Chemical Co., Ltd., which is engaged in the production and distribution of solvents and liquefied petroleum products including white spirit, rubber solvent, diesel and fuel oil. By operating Condensate splitter of SOC, which located at Amata Nakorn Industrial Estate Choburi province. The production capacity approximately 180,000 liters per day. Since April 2019, the company started production and recognized income

In 2017, the company invested in businesses that produce and sell electricity from solar energy (Solar Rooftop), which has already been operated by Living Energy Company Limited and its subsidiaries in the power plant group Total 10 solar projects with a total size of 7.825 megawatts. With the entire business transfer method

(Entire Business Transfer) and the company recognizes income after applying the transaction is completed in February 2017.

The Company has a major shareholder, Nathalin Co., Ltd., which owns 45.04%. The Company is a subsidiary of Nathalin Company Limited ("Nathalin"). Nathalin Group's business is associated with oil transportation by vessel. Nathalin Company Limited has provided oil transport by sea for more than 30 years. The Company is the only company in Nathalin Group to run fuel sale business. Nathalin has an anti-competition agreement with the Company in order to confirm that Nathalin, whose business, conflict-prone personnel, and relevant persons, according to the Announcement of the Securities and Exchange Commission on the Definitions in the Announcements Concerning Issuance and Sale of Stocks, will limit its business and agrees not to run business or control over legal persons whose business is similar to and/or is competitive against the Company's current supply management business, including new business in the future. Nathalin will notify and monitor its conflict-prone and relevant people to ensure they are aware of and comply with the agreement. The agreement sets forth penalty against Nathalin should it be violated.

Nathalin Group Structure as of December 31, 2018 shown as follow:



Investment in related company

(None)

Investment in subsidiary company

As of December 31, 2018, the Company's Financial Statement, the Company's investment in subsidiaries as the value of cost approach was THB 558,106,650 consisted as follows;

- Investment in Sea Oil Energy Limited, Bermuda, valued 32 baht (1 US dollar), 100% of fully registered capital as issued and paid-up capital.

- Investment in Sea Oil Offshore Limited, Labuan, Malaysia, valued 0.98 baht million (30,000 US dollar), 100% of fully registered capital as issued and paid-up capital.

- Investments in Sea Oil Petroleum Pte. Ltd., Singapore has 0.75 million ordinary shares at a price of 1 US dollar each and 4.40 million preferred shares at a par value of 1 US dollar per share in the amount of 4.40 US dollar or equivalent to 147.17 baht million. Such preferred shares are non-voting rights and cumulative dividends of 5.65 % per year. Thus, the Company has the right to vote 75% of total investment in Sea Oil Petroleum Pte. Ltd. in amount of 174.15 million baht (5.15 million US dollars), equivalent to 95.37% of the issued share capital and the company has already paid in full.

- Investment in Sea Oil Petrochemical Company Limited ("SOC"). On April 11, 2016, the Company acquired shares in SOC (formally known as Nakornchai Prakan Chemical Company Limited), which operates the condensate splitter business, production and distribution of solvents and all types of liquefied petroleum products in the amount of 1.5 million shares with a par value of Baht 100 per share, representing 99.99% of the total issued and paid-up shares capital of SOC.

- On May 22, 2017, SOC increase its registered capital of 0.54 million shares to total registered capital of 2.04 million shares at Baht 100 per share. The Company paid the additional share capital of 25 baht per share, total 13.50 million baht. On March 27, 2018, the company has paid for additional share of 75 baht per share in the amount of 40.50 million baht, which is the full payment of the additional value. Total capital investment in SOC are amount 189.82 million baht

- Investment in Living Energy Company Limited ("LIV"). On February 24, 2017, the Company acquired shares of LIV in the amount of 0.75 million shares at a price per share value of 249.80 baht with total of 188 million baht from an entity under common control. The Company recorded other direct expenses related to the acquisition of investment in amount 5.16 million baht. In combination, total cost of investment of 193.16 million baht.

- Investment in Energon Pte. Ltd., Singapore. On November 29, 2019, the Company invests in ordinary shares in the amount of 1,000 shares with a par value of 1 US dollar per share, as total 1,000 US dollar or equivalent to 30,407 baht, representing 100% of fully registered capital as issued.

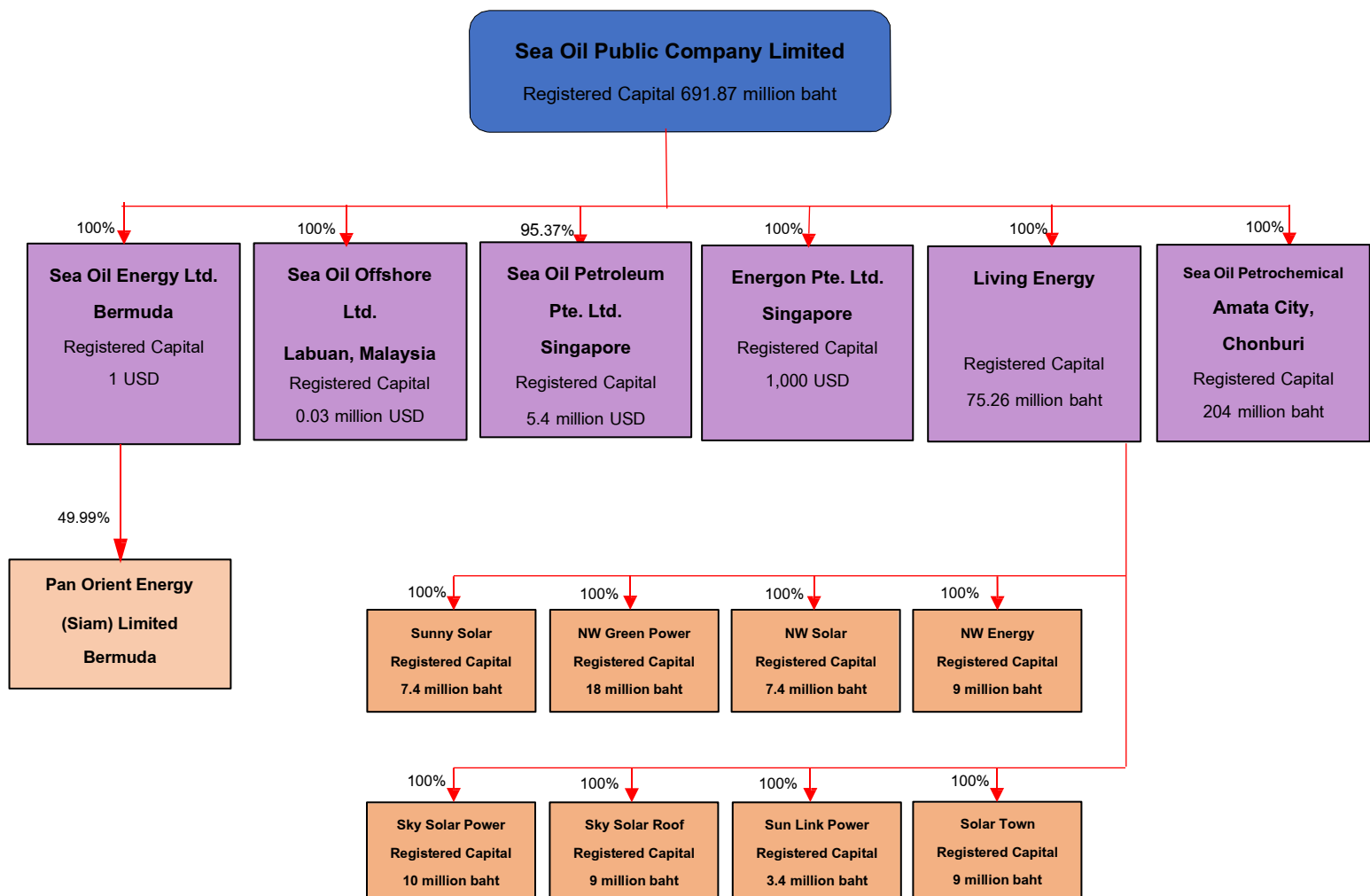
Investment in Joint Ventures

As of December 31, 2018, the Company and its subsidiaries invests in Joint Ventures by equity method valued 1,227.16 million baht as Sea Oil Energy Limited acquires share of Pan Orient Energy (Siam) Limited

(“POES”) in February 2015, with petroleum exploration and production in Thailand as total 9,863 shares in approximate 49.99% of the total issued and paid-up capital of POES.

On July 31, 2018, POES announced dividend amount 13.25 million Canada dollar for shareholder (306 million baht). Dividend funds are about 6.62 million Canada dollar (152.98 million baht), Sea Oil Energy Ltd. received that fund on August 8, 2019, and received that share the joint business approximately amount 111.74 million baht.

Organization of The Company and subsidiaries as of December 31, 2019



Business goals and strategies

The company is committed to sustainable business growth to enter as leading manufacturing organization. Fuel Distribution, Supply Management both domestically and internationally. As well to providing petroleum resources by focusing on building a sustainable management approach. Conducting business ethically and transparently are focused for all stakeholders of the business, whether the shareholders, employees, business partners, customers, or third parties with interests. Under the responsibility of society and environment, Corporate Governance Policy, Code of Conduct, Social and Environmental Responsibility Policy, Anti-Corruption Policy, the policy of quality is to provide a framework for management and employees to work in the same direction. After Company has analyzed the stakeholders, And reviewed important issues, which effected to sustainable business. The Company has set and modified business strategies to meet the changing environment. The company is intended looking for new business opportunity Pes to add value and extend from existing business. To stabilize and maintain the competitiveness of business, the company has been in business strategies for sustainable development paths as follows.

1. Enhancing product quality and developing customer service standards.

The company has been providing oil and lubricants to marine vessels for more than 20 years. The company has executives and employees with experience and expertise in oil distribution business. The company believes that the success of the oil business is due to the reliability and satisfaction of the customers. The company strictly manage oil quality control to supply and transport goods to customers. To provide customers with products that meet the requirements in good condition and on time delivery. Focus on customer service to achieve maximum satisfaction, by being aware of safety, health, environment and social responsibility.

2. Business expansion and services to related businesses, including production, fuel distribution, raw materials and services. Expand customer base both domestically and internationally to extend market share.

To operate the business through bunkering, the company expanded its fuel distribution business to cover all types of vessels. Especially the large cargo ships and the large ships fleet, including other services necessary to the vessel and oil and gas rigs and in land, to be a marine service to various types of vessels. From domestic distribution (Domestic), the company also has a strategy to expand the oil distribution market overseas (External), which is the sale to international customers. Including the distribution to oil traders to sell abroad. By establishing a subsidiary in a foreign country to expand the customer base and suppliers

The company plans to continuously expand service to meet the needs of customers as business of supplying food, raw materials and other services for vessel and offshore oil and gas exploration (Supply Management), including food service, cleaning and laundry, for staff concerned as Catering and Service. And the

supply of raw materials for food preparation, provision of supplies and other services, which are essential to vessel and oil and gas drilling rigs. It also focuses on customer service to maximize satisfaction. Being aware of safety and occupational health of customers is important. Based on the principles of safety, occupational health and environmental management in accordance with the company's quality policy.

The company has invested in the petroleum exploration and production business which is the upstream business of the oil business. Which is a business that will allow the company to receive higher returns Due to the supply of petroleum energy sources Must use highly specialized technology, knowledge and expertise Such investment allows the company to learn and gain experience from survey companies. And direct petroleum production in order to prepare for future long-term concessions.

The Company has invested in condensate splitters. It is a business for producing and selling all kinds of solvent and liquid petroleum products. To increase sales and extend business that complements for current petroleum business.

3. Business expansion opportunities in other business Diversification to reduce business risk and strengthen company stability.

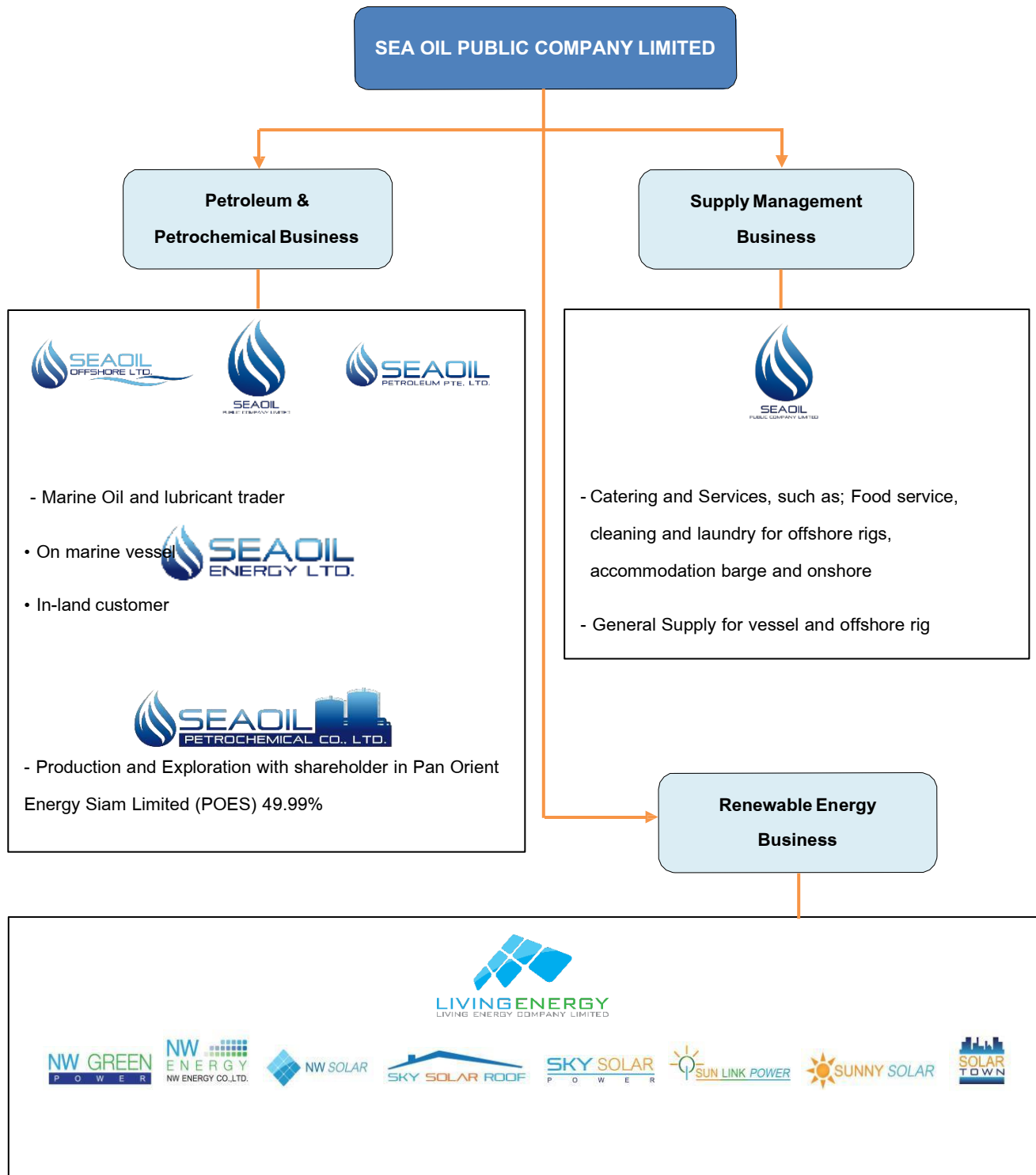
The company plans to expand its business to mitigate the impact of oil price volatility and strengthen company stability. The company acquired 10 solar projects, which generate more revenue and profits for the company. And this is environmentally friendly as alternate energy for environment, society and community.

4. Developing human resources and promoting partners in international standards. Under the management of good governance, social responsibility and environmental responsibility.

The Company continues to adhere to its business practices and corporate governance practices. All stakeholders including employees, business partners, customers, society, the community and the environment are all involved. The Company is committed to conducting business with fairness and ethics. Operating Law Regulations related to conducting business strictly. Do not support any illegal operation, Infringing intellectual property or copyright, and Anti-corruption all type. The company is realized to promoting strengthen community and society. To support education for the nation's youth in the future. The company consider to effect to its nature and environment are all various activity of the organization. Campaigning to use of the resources worthy and the most effect. Building culture organization, Under the operation of social responsibility and environmental responsibility. To balance and lead to a sustainable growth organization.

Nature of Business

Business structure



Revenue Structure

The main revenue of Sea oil Public Plc. Group company consists of 1) Revenue from fuel and lubricant , the company sales both marine and Jobber (inland) in all market (domestic and international) 2) Revenue from Catering and Service for drilling crew on accommodation barge in Oil & Gas Exploration 3) Revenue from the electricity generation and distribution of Solar Rooftop by Living Energy Company Limited and 4) Revenue from the production and sale of Solvent by Sea Oil Petrochemical Co., Ltd. and recognized revenue in April 2019

The Revenue structure can be summarized as follows

Consolidated financial statement (Unit: Million Baht)	2017		2018		2019	
	Value	%	Value	%	Value	%
Revenue from Fuel Sales	3,569.84	93.27	4,649.22	96.62	6,112.33	93.76
• Marine	3,507.00	91.63	4,568.10	94.93	5,988.06	91.85
• Inland	62.84	1.64	81.12	1.69	124.27	1.91
Revenue from services	105.68	2.76	50.21	1.04	48.83	0.75
Revenue from Electricity generation and Distribution power	140.50	3.67	77.71	1.62	56.70	0.87
Revenue from production and Solvent Sales	-	-	-	-	255.20	3.91
Other income	11.33	0.30	34.55	0.72	46.34*	0.71
Total	3,827.35	100.00	4,811.69	100.00	6,519.40	100.00

* Other income such as interest, fines from breach of trading agreement, compensation cases and others

2.1 Description of Products & Services

1) Marine Bunker Fuel and lubricant business

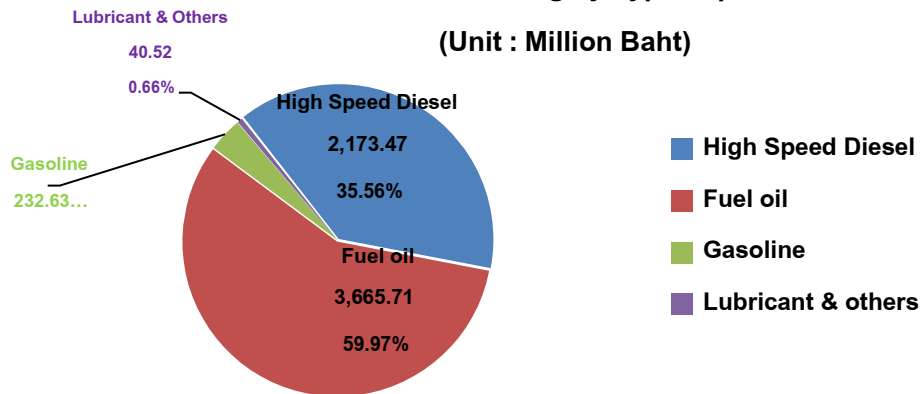
The Company sells fuel and lubricant upon specific requirements of the customers. Upon receiving order from the customers, the Company will supply the products according to requirements of the customers obtained from major oil producers or traders, for example Bangchak Petroleum Plc., Chevron Thailand, IRPC Plc. and Thai oil Plc. In case that the customers require transportation service, the Company will hire qualified independent transporters to deliver the products to the specified destination. Bunker barge will carry products to the customers anchored off the coast. For the customers anchored at sea port, truck or bunker barge will be used to deliver products. Truck is also used as vehicle to carry product to the onshore customers. The followings are products that the Company sell:

- Marine Fuel: High Speed Diesel, Fuel Oil and Gasoline
- Lubricant Products: Engine oil, gear oil, hydraulic oil, main engine oil, turbine & compressor oil, etc.

Revenue from oil trading for each product from the company and its subsidiaries for the year 2018 as follows:

Revenue from oil trading by Type of product 2019

(Unit : Million Baht)

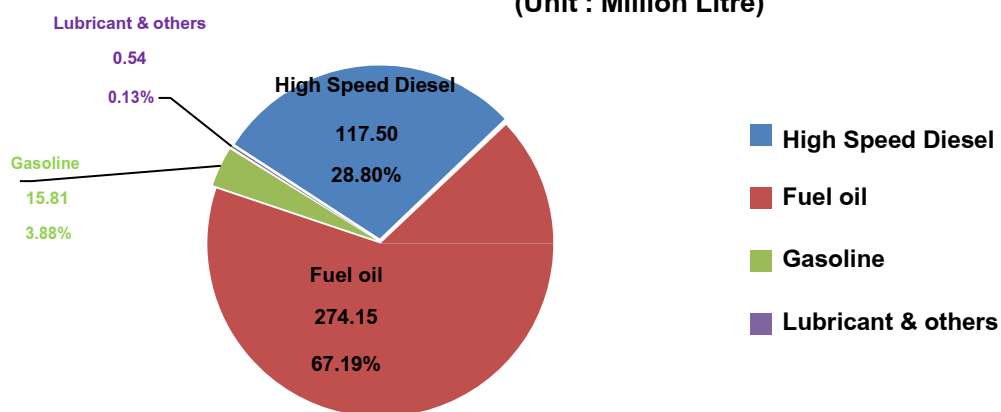


Revenue from Oil trading (Unit: Million Baht)	2017		2018		2019	
	Value	%	Value	%	Value	%
Fuel Products	3,557.18	99.65	4,625.43	99.49	6,071.81	99.39
▪ High Speed Diesel	1,945.66	54.50	2,196.07	47.24	2,173.47	35.56
▪ Fuel Oil	1,346.72	37.72	2,428.11	52.23	3,665.71	59.97
▪ Gasoline	264.80	7.42	1.24	0.03	232.63	3.81
Lubricant & Others	12.66	0.35	23.79	0.51	40.52	0.66
Total	3,569.84	100.00	4,649.22	100.00	6,112.33	100.00

Sales Quantity for each product as follows:

Sale Quantity by Product year 2019

(Unit : Million Litre)



Sales Quantity Unit: Million Litre	2017		2018		2019	
	Quantity	%	Quantity	%	Quantity	%
Fuel Products	248.97	99.95	269.93	99.97	407.46	99.87
▪ High Speed Diesel	117.64	47.23	105.25	38.98	117.50	28.80
▪ Fuel Oil	113.02	45.37	164.44	60.90	274.15	67.19
▪ Gasoline	18.31	7.35	0.24	0.09	15.81	3.88
Lubricant & Others	0.13	0.05	0.09	0.03	0.54	0.13
Total	249.11	100.00	270.02	100.00	408.00	100.00

2) Catering & Housekeeping Service, General Supply and other services

Catering & Housekeeping service provided for drilling crew on board offshore accommodation barges and accommodation rigs and offshore & onshore oil field.

The Company provides catering service as well as remote food for residents/visitors, cleaning and laundry on the assigned accommodation barge.

As an expansion of Catering and Service business, the Company acts as a supplier for raw materials, foods, provision and other services to vessels and offshore oil & gas exploration business customers who constantly require those products for their operation. Products must be of high quality and hygienic to the needs of customers including oil rig. There is a need for food or supplies throughout the operation period.

3) Solar Power Plant business

Operated by Living Energy Co., Ltd. and its subsidiaries ("Living Group") is a renewable energy business to generate electric power by Solar rooftop that uses the appropriate technology and provides the stable return in the long run. Including the services of supervising the operation and maintenance of solar power plants.

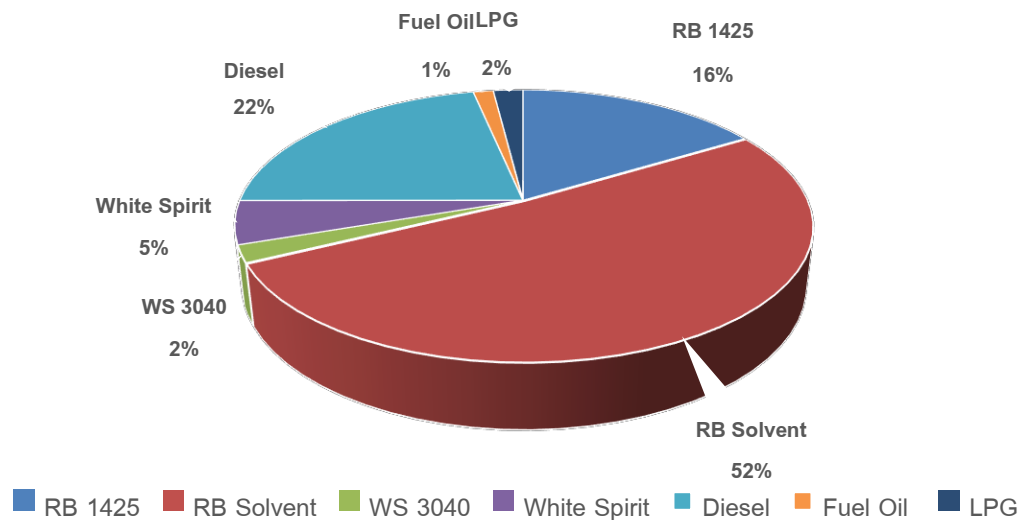
The Living Group has 10 Solar Power Plants projects (Solar Rooftop), a total capacity of 7.825 MW, all of which has been commercially distributed as Commercial Operation Date (COD) to the Provincial Electricity Authority (PEA) 7.600 MW and Metropolitan Electricity Authority (MEA) 0.225 MW and all projects COD in March 2015. The term of the agreement is 25 years since SCOD (Schedule Commercial Operation Date). The Feed in Tariff rate of PEA 6.16 Baht per kWh and MEA 6.55 baht per kWh that fixed rate throughout the contract period.

4) The production and sale of Solvent

Our company operates a Condensate splitter business under Sea Oil Petrochemical Co., Ltd. which turns Condensate (Light hydrocarbon compounds) to produce solvent used in various industries such as rubber production, solvent production in the paint industry. The production process uses the principle of boiling point difference of the hydrocarbon compound. Which the main of products received are Rubber Solvent, White Spirit and By-Product, some diesel.

The Production of Condensate splitter year 2019 as follows:

The Production of Condensate splitter year 2019



❖ Distribution Channel

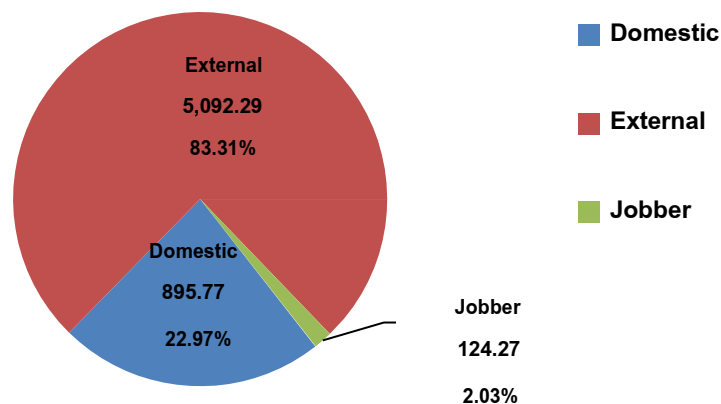
Fuel Products:

SEAOIL supplies and distributes fuels and lubricant products through two main channels which are marine fuel distribution and inland (Jobber) distribution.

- Marine fuel distribution:
 - Domestic supply to all kinds of ships in Thailand
 - International distribution to customers' vessels needing fuel supply abroad
 - Inland (Jobber) distribution to local industries for example, land transportation fleets, passenger vehicles, etc.
- The Company's revenue from fuel and lubricant sale by distribution channels as follows:

Fuel Sale Revenue by Distribution Channel Year 2019

(Unit: Million Baht)



Sales Revenue (Unit : Million Baht)	2017		2018		2019	
	Value	%	Value	%	Value	%
Marine	3,507.56	98.24	4,568.10	98.26	5,988.06	97.97
▪ Domestic	827.85	23.19	1,065.06	22.97	895.77	14.66
▪ International	2,679.15	75.05	3,512.04	75.28	5,092.29	83.31
Inland (Jobber)	62.84	1.76	81.12	1.74	124.27	2.03
Total	3,569.84	100.00	4,649.22	100.00	6,112.33	100.00

Supply Management

- Catering and service provided offshore for drilling crew on board accommodation barges and accommodation rigs in the Gulf of Thailand as well as onshore oil field.
- General supply to domestic and international vessels, including offshore oil & gas exploration in the Gulf of Thailand.

Production and Distribution of Electric Energy

- Solar Power Plant Project of the Living Group is classified as a Very Small Power Producer (VSPP). The electricity supplied to the MEA and PEA. Power Purchase Agreements (PPA) of 10 projects. The distribution channel connects the power from each project to the power station of the MEA or PEA. Electricity sales volume, calculate from the power unit through the electricity meter at each power supply of each project and distribute to the public.

Production and Sale of Solvent

The Sale of Solvent are main in 2 ways :

- Domestic - the product is White Spirit by 5.55% from all products
- International -the products are Solvent and Diesel that distribute to our neighboring countries such as Laos , Myanmar by 94.45% from all product

❖ **Target Group**

Marine fuel and lubricant business

Target groups for this business are all types of vessel e.g. tanker, cargo vessel, fishery vessel and vessel used in oil & gas production and exploration (crew boat and supply & service boat). The company sells products to both end users and wholesalers who then resell them to various types of vessel.

Inland fuel and lubricant business

Industrial factory and other businesses such as passenger bus and various size of transporter are target groups of this business. The Company also sells products to wholesaler.

Fuel & Lubricant Sale Quantity by Customer Groups as follows:

(Unit: Million Litre)	2017		2018		2019	
	Quantity	%	Quantity	%	Quantity	%
Marine	246.28	98.86	267.01	98.89	402.66	98.69
▪ Domestic	41.76	16.76	45.66	16.91	42.55	10.43
▪ International	204.52	82.10	221.35	81.98	360.11	88.26
Jobber	2.83	1.14	3.01	1.11	5.34	1.31
Total	249.11	100.00	270.02	100.00	408.00	100.00

Catering and Service business

Accommodation barges and rigs located in Gulf of Thailand and Andaman Sea as well as onshore oil fields are target group of the Company for this business.

General Supply business

This business shares the same target groups of customers with marine fuel and lubrication business which are vessels with both local and international route as well as crew boat and supply & service boat including onshore oil field with no Catering and Service available. These groups of customers require cooking ingredients, foods, provision and other services for their staff who in charge on vessels and rigs.

Production and Distribution of Electric Energy

Target groups include the government, state enterprises, private sectors, large industrial plants and people who want to use electricity as prescribed by law.

Production and sale of Solvent

Target groups are specific industry that can use Solvent in production process which are Rubber Industry , Color product industry. Most of the client is an External group.

❖ **Competition**

Fuel Distribution

There are numbers of marine fuel suppliers in Thailand, which could be categorized into two major groups as follows:

1. Petrol producers comprising PTT Plc., Chevron (Thailand) Co., Ltd., the Shell Company of Thailand Ltd., Bangchak Petroleum Plc., IRPC Plc., etc.
2. Petrol traders SEA OIL has been a trade partner of the above oil producers. By accumulating orders from several retail customers, the Company can place a big lot of purchase orders with those producers and, hence, can procure fuel at a low cost and earn a profit from its fuel distribution.

Catering and Service

There are three providers of catering and service to accommodation barges, oil & gas rigs and accommodation rigs, in employment of a catering and service provider, operators of oil & gas rigs, accommodation rigs or accommodation barges will invite service providers with sound track records to submit bids and will select the one that offers the most attractive price and best terms and conditions. Thus, factors crucial to such employment decision are pricing, track records and financial soundness of service providers.

General Supply

Customers select a provider of general supply based on their good business relationship, reliable track records, and offering of quality products at a reasonable price. As such, competitive advantages for service providers lie in their good relationship with customers and cost-effective product procurement.

Solar Power Plant business

Demand for electricity in the country continues growth. The Living Group company supply the electric energy for MEA and PEA under the term of Power Purchase Agreements (PPA) only.

Production and sale of Solvent

Our company produces Solvent products according to requirements of customers from order by order.

Environmental Impacts

The Company are aware of and give importance to environmental preservation. In delivering fuel to the destinations assigned by customers, the Company employs transporters which use standard vehicles and equipment to ensure no spill of fuel occurs in the process of loading at depots, during transportation and during discharging at destinations. The Company also requires that the transporters implement measures for environmental protection and have equipment and chemicals for oil spill clean-up readily available on their transport vehicles. In the event that a fuel spill inevitably occurs, the transporters shall be held liable for the environmental pollution and the cost of remedy or compensation. Furthermore, the Company makes its utmost effort to control and ensure all vehicles, including tools and equipment thereon, used by the transporters meet the standards to avoid oil spills into the environment.

In addition, the Company has conduct continuous quality improvement activities (CQI) on disposal of oil sample and its packaging. The Company has set up work instruction such as storage and destruction of oil products. This is in accordance with the ISO 9001: 2015 standard. The company has a quality process on supplier selection to dispose oil with environmentally care. And its bottles are recycled in accordance with industry standards. Every step of the company's operations will be aware of all stakeholders and community. Moreover, the company also raise employees waste separation awareness to separate waste disposal method and recycling of waste method.

Risk Factors

Strategic Risk

1. Risk from oil price fluctuations

Oil prices fluctuate from factors as supply and demand of the market, each country's oil reserves, climate or season and oil production policies of OPEC countries. World oil prices steadily fluctuated which impact on company sales revenue, but not significantly effect to company profit. Since the Company is strictly on pricing policy as Cost Plus Pricing Method and no legal reserve inventory cost. Further, the Company's customers are mainly a marine bunker both in country and overseas, industrial and entrepreneur businesses sector which those are oil consumers with continuous business operations. The Company believes that the volatility of oil prices does not directly affect the fuel consumption of its customers.

However, Fluctuations in oil prices may have an impact on the investment project in the joint venture Pan Orient Energy (Siam) Limited (POES), which operates in exploration and production of petroleum. The Company manages price risk with POES partners by analyzing the impact of oil prices at all level of prices with revenues and profit to find the effective way to manage operating costs, including adjusting the production plan to suit with oil price situation and sustain safe production.

2. Risk from market competition and new entrepreneur

There are a lot of existing entrepreneurs in marine fuel business, thus being conducive to intense competition especially in pricing. Since marine fuel business does not require huge investment in fixed assets, it is easy for new entrepreneurs to enter the market. A key factor to success in marine fuel business is knowledge of salesperson expertise in product, standard delivery on time and complete quantities in accordance with customer requirements and Developing international service standard. The Company gives importance to its employees, an important resource in business operation, by offering reasonable compensation and providing regular training to enhance their knowledge, capability and awareness in skill development.

3. Risk from reliance on a major oil supplier

The Company has distributed oil from several producers and suppliers, whose selling prices are about the same and based on the market price. Its procurement from Major oil in Thailand. The high volume of its procurement enables the Company to receive a competitive price and rest assured of fuel supply in oil shortfall situation.

Nevertheless, the Company has distributed oil from other producers and traders. Before placing purchase orders, its sales will compare daily selling prices quoted by at least two suppliers and traders. Procurement decision is made based on factors such as nature of products, prices, distance of fuel transport to the destination agreed with its customers, etc.

4. Risk from Information Technology

Due to the company operations mainly rely on information technology system for moving the organization to support business strategies. At present, Cyber Threat is continuously developed and growing threat that is increasing in every organization. Which maybe impact the credibility, the confidence of customers, and investors or may impact the business strategy. Thus, the company has taken into consideration as a risk and find management measures to prevent such risks. Require training to enhance knowledge and awareness of information security related to current threats to directors, executives and personnel in the organization continuously. Safety policy formulation on information technology systems and guidelines for the use of computers and the internet correctly and safely. Develop a system or program to monitor behavior and manage threats that come to attack. Regularly test and evaluate the protection system as well as creating a plan to respond to threats in the event of an attack and regularly test the plan.

Financial Risk

1. Risk from interest rate fluctuations

The Company may be exposed to interest rate increases which impact on financing costs, financial position and business performance. The company currently has a working capital both in short-term and long-term. On the Company's risk management policies, focused on cost management to be align appropriate with its business, debenture, margins on sales according to the financial cost. So, the interest expense was offset by the gross profit from sales then the company is not directly affected by fluctuations in interest rates.

2. Risk from foreign exchange rate

The Company has costs of purchasing oil from overseas suppliers or traders and recognize sales revenue in foreign currencies. Forward contracts will be executed in full amount with local commercial banks to hedge against foreign exchange risk that could affect its performance.

3. Company Liquidity Risk

As company continued to expand in petroleum, petrochemical and energy businesses, working capital consider to be so important which might impact company liquidity. Though the company concerned on management planning focusing on investment in the way of varies financial instruments to raising funds from shareholders and investors, working capital management in effective operations. The Company has efficient debt collection management system, they make payments on time. Simultaneously, the company continues to operate its business with fully responsibility to creditors and financial institutions throughout the terms of compliance and loan agreement. From this reliability factor, financial institution allocated credit lines and loan facilities for business expansion or working capital.

Operational and Compliance Risk

1. Risk from delay in collection of payments or debts from customers

The Company has a policy to distribute fuel and lubricant products by granting credit terms to customers. The Company could be exposed from risk involved with customer payment for goods and services or their late payment of debt. The Company has formed a Credit Committee to consider and approve a credit line and credit term for new customers and review on existing, to monitor the follow-up and collection and decide on legal action accordingly. The Credit Committee also review aging report on a monthly basis to closely monitor on debt payment. The overseas subsidiaries have risk prevention of credit term given to customers by considering from credit analysis database credit ranking and have a process to regularly review credit status, Ship Arrest measures under jurisdiction of international maritime law including Trade credit Insurance for reduce the risk from bad debt.

2. Risk from reliance on parent company in Sales of goods and services

The Company has a major shareholder, Nathalin Co., Ltd. which owns a 45.04%. In 2017-2019, the Company generated income from sales of goods and rendering of services to Nathalin Group in an amount of 272.36, 311.08 and 354.61 million baht respectively, representing 7.14%, 6.51% and 5.48% of its total revenues from sales of goods and rendering of services respectively. The Company adopts a pricing policy to Nathalin Group in the same manner as that applicable to its customers in general. The Company has expanded its customer base to other customer groups such as domestic and international Bunker, Non-Thai vessels, Supply boat to Oil & Gas Exploration business, etc. Simultaneously, the Company focuses on maintaining good relationship with existing customers and seeks for opportunities to increase the number of new customers to continuously maximize revenue and profit as well.

3. Risk from hiring of a few number of oil transporters for each distribution channel

As per present Transportation Regulations, the Fuel Oil tanker with size bigger than 500 Ton gross shall be double hull. It causes insufficient tankers in the market. However, the Company has engaged several service providers to support our sales, including raising transporter selection standard by conduct service and performance evaluation on every product delivery to be certain in best quality delivered to customer.

4. Safety, Health and Environment Risks

The company is aware of safety, health and environment from operation in business groups which lead to loss, injury, and illness which will affect disruption and business continuity including the impact on the community Society and environment such as the risk of accidents from water and inland transportation, Hygienic Risks from Catering & Housekeeping Services, Risks from Factory and working at height. The company has determined guidelines and operational standards to manage risks of safety, health and environment as follows:

- To determine and announce the Quality, Safety, Health and Environment for encourage employees to realize the importance of operations under the policy that impact on all stakeholders.
- Establishing a QSSHE division to manage the risks related to Quality, Safety, Health and Environment.
- Define preventive measures and procedures Inspection of oil quantity and quality Along with rehearsing the emergency plan to comply with the law Regulations and guidelines for international standards Including related regulations.
- Prepare standard manual and operational procedures such as Quality, Safety, Health and Environment Manual according to GMP, HACCP and Food Safety hygiene Practice, ISO 9001: 2015.
- Safety training such as Defensive Driving Training, Training on the use of various protective equipment, Safety Awareness Training, Tighten the employees to work in strict accordance with the procedures specified by the company.
- Organizing activities to promote hygiene Good and safe environment in the workplace.

5. Compliance Risk

The Risk which is impact of changes in relevant laws, regulations, and regulations from both domestic and foreign governments in which the company invests, There are changes in regulations and policies. It's a cause of the company to not be able to comply with the changes or incomplete which affect the reputation and image, Financial and operational impact, competitiveness and investment. The company has risk management measures by following up on laws, regulations and policies follow the situation and prepare to respond the changes for analyze and find suitable strategies, Good corporate governance policy, Business code of conduct or all employees to know and adhere. Tracking changes by Compliance, Risk Management Committee, Determining a legal database and tracking changes process for all departments can work in accordance with the laws, rules and regulations.

6. Risk from significant influence of major shareholders to its company and minority shareholders

As at December 31, 2019, Nathalin Co., Ltd. and persons under Section 258 will acquire a total of 56.57% of the Company's total issued and paid-up capital. Hence, they will continue to be a major shareholder owning more than half of total shares and having control power on crucial decisions that require a majority voting, except for issues required by laws or the Company's Articles of Association to be approved by not less than three-fourths of total votes at the shareholders' meeting such as capital increase, capital decrease, partial or entire disposal or transfer of business, etc. As such, other shareholders could risk being unable to collect enough votes to exercise checks and balances over matters proposed by the major shareholder for consideration at a shareholders' meeting.

Moreover, the Company clearly defined scope of authority of Board of Directors, Audit Committees and Executive Committees and standard. If the Company has a need to do any transaction with a person who may cause conflicts of interest. The company will strictly follow the approval of the transaction and the terms of the Securities and Exchange Commission, Capital Market Commission and The Stock Exchange of Thailand. The person who may have conflicts of interest will not be entitled to vote on the transaction. By the regulatory policy, this is to protect the rights of minority shareholders, such as the disclosure of important information to shareholders

through various channels. The opportunity of shareholders to propose to the shareholders' meeting and to nominate candidates to be considered for appointment as Directors. The opportunity for shareholders to freely ask questions at the meeting.

Shareholding Structure

Number of registered capital and paid-up capital

As of December 31, 2019, the Company had a Registered Capital 691,867,135 Baht, divided into 691,867,135 Ordinary Shares, 1 baht each and Paid-up Capital 553,559,662 Baht, divided into 553,559,662 Ordinary Shares, 1 baht each.

Shareholders

The shareholders name list of the Company as of 17 March 2019 counted all shareholders concerned in accordance with section 258 of the Securities and Exchange Act B.E. 2535 as follows:

Shareholder Name	Capital Structure	
	Amount	%
1. Panboonhom Group	314,967,255	56.90
1.1 Mr. Churdchoo Panboonhom and Wife	58,984,908	10.66
1.2 Miss Neeracha Panboonhom	4,400,000	0.79
1.3 Miss Paleerat Panboonhom	787,605	0.14
1.4 Nathalin Company Limited*	249,332,742	45.04
1.5 Austin Asset Limited**	1,462,000	0.26
2. Mr. Seksan Setthasakon	23,107,900	4.17
3. Mr. Apisit Rujikeatkamjorn	17,200,000	3.11
4. Mr. Thada Olaric	16,269,832	2.94
5. Mr. Nopporn Luangtana-anan	6,793,283	1.23
6. Miss Viorn Tongtaeng	6,196,094	1.12
7. Miss Kingkamol Kasemwilas	5,426,900	0.98
8. Miss Chalinee Katekaew	5,367,482	0.97
9. Mr. Chansak Fuangfu	4,875,200	0.88
10. Miss Prattana Chaiphromprasit	4,385,800	0.79
11. Mrs. Sirilak Chaiphromprasit	4,000,033	0.72
12. Mrs. Dararay Ratanachaiwan	3,129,600	0.57
13. Mr. Suraphon Meesathien	2,958,329	0.53
14. Thai NVDR Company Limited	2,934,564	0.53
Others Shareholder	135,947,390	24.56
Total	553,559,662	100.00

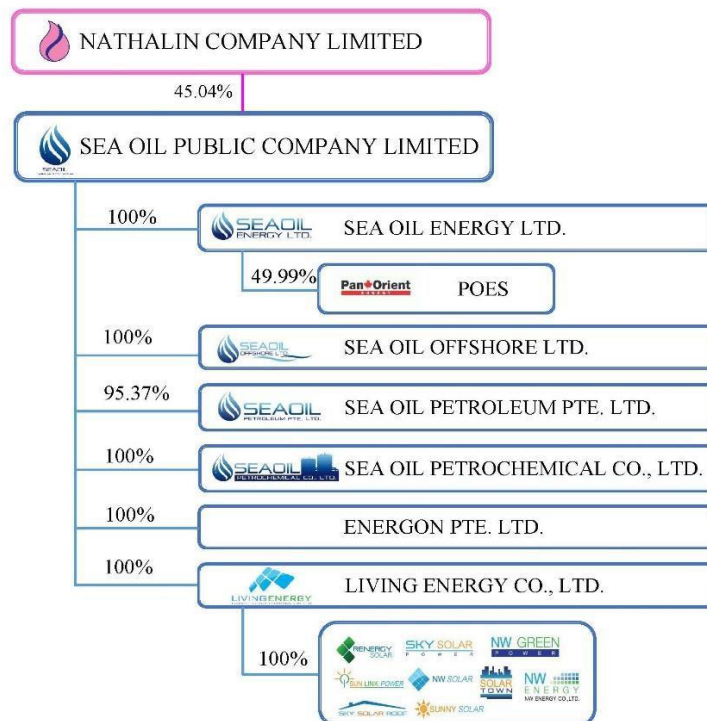
Remark *Nathalin Corporation Company Limited holds 9,999,911 shares in Nathalin Company limited, equivalent to 99.99% of the shares sold. Mr. Churdchoo Panboonhom holds 9,998 shares in Nathalin Corporation Company Limited, equivalent to 99.98% of the shares sold.

**Austin Asset Limited is the company registered in Hong Kong Special Administrative Region with Nathalin Company Limited holding 10,000 shares, equivalent to 100% of the shares sold.

The Majority Shareholders had power to determine the policies or the Company' operation.

Nathalin Company Limited who is a Majority Shareholder has presented 3 persons to be the directors which are Mr.Prompong Chaisrisawatsuk, Mr.Suraphon Meesathien and Miss Neeracha Panboonhom.

The shareholder structure as of 31 December 2019 is as illustrated below:



Other Securities

The company issued debentures of Sea Oil Public Company Limited, due in 2020, to offer to the financial institutes or major investors (II & HNW). Details of the debentures are as explained below.

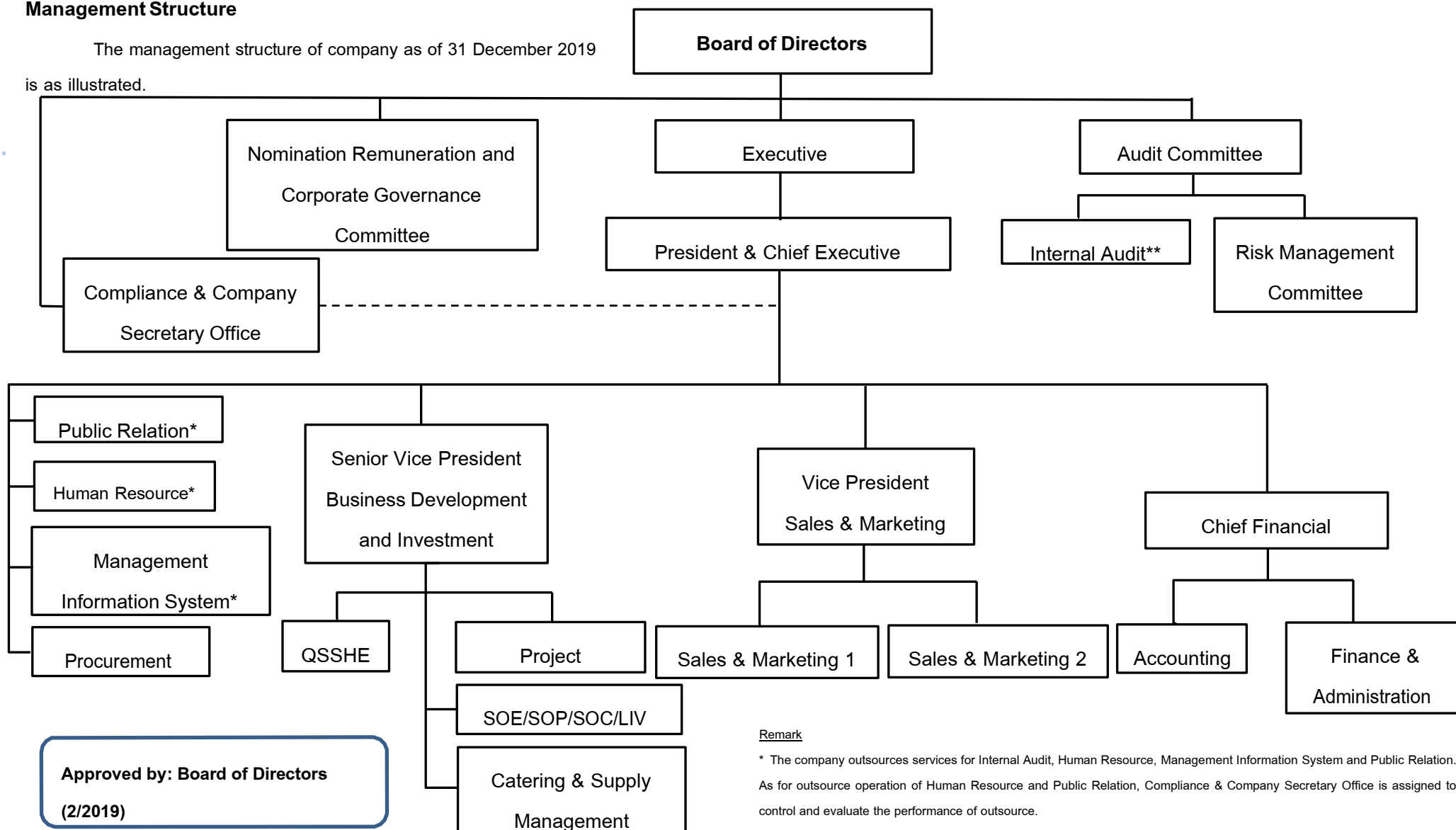
Debenture No.	Issued value (Million Baht)	Non-maturity value (Million Baht)	Issued Date	Maturity Date	Coupon Rate (%)
Specify the name of the unsubordinated shareholders with insurance and the bondholders' representative	400	400	February 23, 2018	February 23, 2020 (2 Years)	Fixed at 5.90% Per year (Pay interest every 3 months)

Dividend Policy

The Company has the policy to pay dividend at not less than 30% of net profit after corporate income tax and all reserves as required by law and as set out in the Company's Articles of Association. The Board of Directors has authority to approve dividend payment by taking into consideration of various factors in the interests of the shareholders such as fund reserve for loan repayment, investment plan for business expansion, or for boosting of cash flow in the event of impacts from changing market condition. The Board of Directors' resolution for the dividend payment shall be subject to approval from the shareholders' meeting, unless it is an interim dividend payment which the Board of Directors has the authority to approve and then report to the next meeting of shareholders for acknowledgement.

Management Structure

The management structure of company as of 31 December 2019 is as illustrated.



Remark

* The company outsources services for Internal Audit, Human Resource, Management Information System and Public Relation. As for outsource operation of Human Resource and Public Relation, Compliance & Company Secretary Office is assigned to control and evaluate the performance of outsource.

As for outsource operation of Management Information System, QSSHE is assigned to control and evaluate the performance of outsource.

** The Audit Committee is directly responsible for evaluation of the performance of the Internal Audit.

The Company management structure consists of the Board of Directors and sub-committee such as the Executive Committee, the Audit Committee and the Nomination and Remuneration, Corporate Governance Committee. The Director structure has 8 persons that appropriate with sized business. The Director structure consisted non-executive director 2 persons, executive director 3 persons and independent director 3 person as follows:

The Board of Directors

As of 31 December 2019, members of the Board of Directors are as follows:

Name	Position
1. Mr. Apisit Rujikeatkamjorn	Chairman
2. Mr. Taweep Soontornsingha	Vice Chairman / Independent Director / Audit Committee / Chairman of Nomination, Remuneration and Corporate Governance Committee
3. Assoc.Prof.Dr. Ruth Banomyong	Independent Director / Chairman of Audit Committee
4. Dr. Chalermwit Chimtragoon	Independent Director / Audit Committee / Nomination, Remuneration and Corporate Governance Committee
5. Mr. Suraphon Meesathien	Director / Nomination, Remuneration Corporate Governance Committee
6. Mr. Prompong Chaisrisawatsuk	Director / Executive Director
7. Miss Neeracha Panboonhom	Director / Chairman of Executive Committee / President & Chief Executive Officer
8. Mr. Kosit Fuangswasdi	Director

*Remark During the annual general meeting of shareholders 2019, occurred on 24 April 2019, Mr. Kosit Fuangswasdi was appointed as the director instead of Mrs. Suthida Karuedetkosol who retired by rotation.

The authorized directors of the Company are Mr. Apisit Rujikeatkamjorn, Mr. Suraphon Meesathien, Mr. Prompong Chaisrisawatsuk and Miss Neeracha Panboonhom where 2 of these 4 directors have to jointly sign and affix company seal. Mrs. Saowanee Sutthitham is the company secretary.

Scope of Authority and Duty of the Chairman

In order to ensure the clear separation of the authority and duty concerning company policies stipulation and business administration, the Company determines that the Chairman and the President & Chief Executive Officer must not be the same person. The Chairman's duties and responsibilities include the following:

1. Call for Board of Director meetings and set meeting agendas.
2. Be a Chairman of the Board of Directors meetings and shareholders' meetings and ensure efficient meetings to be in compliance with the company rules and regulations.
3. Give the opportunities and encourage directors to express their opinions independently.
4. Encourage and support the Board of Directors to work with their utmost abilities, based on their authorities and responsibilities, under corporate governance.
5. Supervise and follow up the work of the Board of Directors and other sub-committees to achieve the stipulated purposes.
6. Cast a decisive vote in the Board of Directors meetings in case of equal votes by both sides.

Scope of authority and duty of the Board of Directors

1. Supervise and determine significant policies of the Company such as main policy of business operation, financial policy, fund raising, capital management, risk management and anti-corruption policy etc.
2. Supervise and manage the company to practice following the law, objectives and regulations of the company including the resolution of shareholders' meeting and the resolution of the Board of Directors meeting. In operation of the business, the Board of Directors must perform with responsibility, awareness and honesty.
3. Consider and approve essential matters related to the Company's operation such as vision, mission, policy, business strategy, operation plan, financial target, investment project and company budget.
4. Supervise normal operation of the Company and supervise executive section to take actions following vision, mission, policy, business strategy, operation plan, financial target and company's budget determined effectively and efficiently and for utmost benefit of the company and shareholders.
5. Provide accounting system, financial report system and supervise internal control system and internal inspection to ensure its efficiency and effectiveness.
6. Acknowledge the important audit report of the Audit Committee or internal audit section including auditors and consultants of the Company and has duty to determine guidelines for improvement in case significant defects are detected as well as follow up the result of defect rectification.
7. Make an annual report and be responsible for making and disclosing the financial budget to show financial status and operation result in a previous year to present in the shareholders' meeting.
8. Supervise and provide the mechanism of governance so that the conflict of interest between stakeholders and the company will not occur.

9. Consider, approve and propose opinions in the shareholder's meeting to ask for the approval regarding significant transaction of the Company and take relevant actions according to terms and conditions and measures stipulated by the laws, regulations and/or rules.
10. Recruit persons who have knowledge, ability, experience and qualification defined by the relevant laws and regulations to propose for consideration to appoint such persons as the committee of the Company in the shareholders' meeting.
11. Consider and stipulate remuneration payment criteria for committee and chief executive officer by deliberation of accomplishment in the past, qualification, knowledge, ability and experience etc.
12. Consider reasonable amount of remuneration of the committee in accordance with the specified criteria to propose in the shareholders' meeting for consideration and approval.
13. Appoint executive committee and appoint one of the committees as the President & Chief Executive Officer as well as determine limits of authority, duty and responsibility of executive committee and the President & Chief Executive Officer.
14. Select and appoint sub-committee or those who have knowledge, competency and experience as the Board of Directors see qualified to take position of committee in sub-committee and determine authority, duty and responsibility of sub-committee.
15. Appoint or change the Directors of a subsidiary or associated company in proportion to the shareholding in the subsidiary or associated company. Including stipulation of control policies and corporate governance mechanism of the subsidiaries or associated company in which the Company invested to present its corporate governance mechanism of the subsidiaries as specified in the notification regarding the request for permission and the offer for sale of newly issued shares
16. Appoint and/or assign the authority to the committees or any person(s) to perform any actions which are under the scope of the Board of Directors' authority as the Board of Directors see such actions suitable. The Board of Directors may terminate, withdraw or revise such authority.
17. In case the Board of Directors assign one or more of committee(s) or other persons to conduct any actions instead of them, those who are assigned must not have the authority to approve issues which such persons or those who have conflict ("those who may have conflict" means as defined in the notice of Securities and Exchange commission ("notice of SEC") or Capital Market Supervisory Board) may have interest or conflict of benefit in any other ways with the Company except it is the approval of the issues which follow the policies and principles approved by shareholders or Board of Directors meeting.
18. Appoint board or persons who have qualification, knowledge, competency and experience as the company board see suitable to be company secretary.
19. Supervise correct, complete, punctual and transparent disclosure of important data related to the Company through accessible ways.
20. Have the authority to consider and approve any matters which are necessary and related to the Company or seen reasonable for Company's sake.

21. The directors must report to the Company about their own or relevant persons' conflict of interests which are related to management of the business of the Company and its subsidiaries in accordance with the rules, conditions and procedures prescribed by the Capital Market Supervisory Board.
22. The directors must jointly be responsible for the person who trades the Company's securities for any damage caused by the disclosure of information to the shareholders or general public by showing false statements in essence or conceal of the actual messages which should be notified in the important matters as prescribed in the Securities and Exchange Act unless such directors and executive can prove that, by his/her position, he/she is not aware of the truth of the information or the lack of information that should be reported.
23. The directors, their spouses and underage children or executives are prohibited from using internal information of the Company, subsidiaries or associated companies either derived from the duty or any other ways with or without a significant impact on the Company, subsidiaries or associated companies for their own or others' interest, whether, directly or indirectly, receive something in return or not.
24. The directors, including relevant persons of such directors and executives have to inform the Company of the relationship and transactions which are in manners that may cause conflict of interest with the Company, subsidiaries and associated companies and avoid making any transactions which may cause conflict of interest with the Company, subsidiaries or associated companies.

In case any directors have an interest or conflict on benefit, such directors will have no authority to approve such operation with the Company or its subsidiaries as determined by the Office of Securities and Stock Exchange Commission or Capital Market Supervisory board and/or the Stock Exchange of Thailand.
25. The directors have to supervise the Company to perform in compliance with the law of Securities and Exchange, regulations of the Stock Exchange or Notice of SEC, Notice of Capital Market Supervisory Board or other laws related to the Company's business.

Sub-committees

The sub-committees consist of the Audit Committee, the Nomination Remuneration and Corporate Governance Committee and Executive Committee as detailed below:

Audit Committee

As of December 31, 2019, the Audit Committee comprises of 3 independent directors as follows:

Name	Position
1. Assoc.Prof.Dr. Ruth Banomyoung	Chairman of Audit Committee
2. Mr.Taweep Soontornsingha*	Member of the Audit Committee
3. Dr.Chalermwit Chimtragoon	Member of the Audit Committee

* Mr.Taweep Soontornsingha is the Audit Committee who has knowledge and experience in accounting and finance Secretary of the Audit Committee: Mrs.Saowanee Sutthitham

The Audit Committee is the independent directors who are appointed by the Board of Directors to support the corporate governance of the Company's business, especially the process of financial report, internal control system, internal audit system and the Company's regulatory compliance for efficient development of business operation. The scope of authority and duty are defined in the charter as follows:

Scope of authority and duty of the Audit Committee

1. Review the Company's financial report to ensure its accuracy and adequacy.
2. Review the Company's internal control and internal audit system to ensure their suitability and efficiency, consider the internal audit unit's independence, as well as approve the appointment, transfer and dismissal of the chief of the internal audit unit or any other units in charge of the internal audit.
3. Review the Company's regulatory compliance on Securities and Exchange, the Exchange's regulations, and the laws relating to the Company business.
4. Select, nominate or dismiss the independent person to be the Company's auditor, and propose such person's remuneration, as well as attend a non-management meeting with the auditor at least once a year.
5. Review the Connected Transactions, or the transactions which may lead to conflict of interests to ensure their regulatory compliance and the Stock Exchange's regulations and ensure that such transactions are reasonable and for the utmost benefit of the Company.
6. Prepare and disclose an audit committee's report in the Company's annual report which must be signed by the Chairman of the Audit Committee. Such report must consist of at least the following information:
 - (1) an opinion on accuracy, completeness and creditability of the Company's financial report,
 - (2) an opinion on the adequacy of the Company's internal control system,

- (3) an opinion on the compliance with the law on Securities and Exchange, the Exchange's regulations, or the laws relating to the Company business,
- (4) an opinion on the suitability of the auditor,
- (5) an opinion on the transactions which may lead to conflict of interest,
- (6) the number of the Audit Committee meetings, and the number of meeting attendance of each committee,
- (7) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter,
- (8) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.

7. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts which may materially affect the Company financial condition and operating results, the Audit Committee shall report to the board of directors of such circumstances for rectification within the period of time that the audit committee thinks fit:

- (1) a transaction which causes a conflict of interest,
- (2) any fraud, irregularity, or material defect in the internal control system,
- (3) an infringement of the law on Securities and Exchange, the Exchange's regulations, or any laws relating to the Company's business

8. Review risk management and whistle blowing system to ensure their efficiency and effectiveness to be in compliance with international standard, inspect the fact and propose to the board of directors to jointly consider the punishment or solve problems.

9. Perform any other acts as assigned by the Company's board of directors, with the approval of the audit committee.

The Audit Committee have a term for holding office as their directorship of the Director of Board committee. The member of the Audit Committee who retired by rotation is eligible for reappointment.

Nomination, Remuneration and Corporate Governance Committee.

The Board of Directors has a resolution to set up the Nomination Remuneration and Corporate Governance Committee: “NRCGC” to support implementation of the Board of Directors in stipulation of criteria and guidelines in terms of Remuneration and Nomination of the qualified person for the position of the directors, sub-committee and executive of the Company, including determination of the corporate governance policy to be in accordance with the principles of good corporate governance of listed companies in the Stock Exchange of Thailand, as well as, promotion of personnel at all levels of the company to make them adhere to and follow the principles of corporate governance and business ethics to ensure efficient management, transparency, accountability and confidence to the shareholders, investors, stakeholders and all related parties. It consists of 3 persons as follows:

Name	Position
1. Mr.Taweep Soontornsingha	Chairman of NRCGC
2. Mr.Suraphon Meesathien	Member of NRCGC
3. Dr.Chalermwit Chimtragoon	Member of NRCGC

Secretary of NRCGC: Mrs. Saowanee Sutthitham

Scope of authority and duty of the Nomination, Remuneration and Corporate Governance Committee

NRCGC performs as assigned by the Board of Directors. The scope of its duty and responsibility are as defined below.

1. Nomination

- (1) Consider structure, size and composition of the Board of Directors to be appropriate with the organization, business and environment.
- (2) Set the criteria and policy for nomination of the Board of Directors, sub-committee members and President & Chief Executive Officer by considering suitability of the structure and outlining necessary directors' qualifications and proposing to the Board of Directors and/or Shareholders' Meeting as the case may be for approval.
- (3) Seek, select and propose appropriate persons to assume the position of the Company's directors whose terms have expired and/or became vacant.
- (4) Seek, select and propose appropriate persons to assume the position of the Executive Committees.
- (5) Evaluate the performance of the top management and report to the Board of Directors for their acknowledgement and for consideration and approval of remuneration.
- (6) Executing other relevant tasks as assigned by the Board of Directors.

2. Remuneration

- (1) Prepare the criteria and policy concerning the remuneration of the Board of Directors and other sub-committees and propose to the Board of Directors and/or Shareholders' Meeting for approval as the case may be.
- (2) Determine necessary and appropriate monetary and non-monetary remuneration, for individual member of the Board of Directors by considering suitability and comparing it with similar businesses, and propose to the Board of Directors and/or Shareholders' Meeting for approval
- (3) Take responsibility to the Board of Directors, explain and answer any questions regarding the Board of Directors' remuneration in the Shareholders' Meeting.
- (4) Report policies, principles and reasons in determination of the remuneration of the directors and executive according to the SET guidelines by disclosing them in the Company's annual information disclosure (56-1) and annual report.
- (5) Executing other relevant tasks as assigned by the Board of Directors.

3. Corporate Governance

- (1) Define the policies and guidelines for the corporate governance and anti-corruption, review and improve such policies continuously.
- (2) Supervise, give advice and follow up to comply with the Company's corporate governance policy, ethics, code of conduct and anti-corruption policy, including social and environmental responsibility and corporate sustainability operations.
- (3) Executing other relevant tasks as assigned by the Board of Directors.

Nomination, Remuneration and Corporate Governance Committee directly reports to the Board of Directors and prepares the report of Nomination, Remuneration and Corporate Governance Committee to disclose in the annual report. NRCGC has the office term of three years. Retired committee may be re-appointed as the Board of Directors see as appropriate.

The Executive Committee

As of December 31, 2019, there are 5 Executive Committees as follows:

Name	Position
1. Miss Neeracha Panboonhom	Chairman of Executive committee
2. Mr. Prompong Chaisrisawatsuk	Executive committee
3. Mrs. Suthida Karuedetkosol	Executive committee
4. Mrs. Kusuma Vannapruk	Executive committee
5. Mr. Kasidis Chareancholwanich	Executive committee

*Remark In the Board of Directors meeting 2/2019 dated 7 May 2019, Mr. Kasidis Chareancholwanich was appointed as the Executive Committee and Assistant of the President & Chief Executive Officer of Sales & Marketing.

Mr. Chayawat Teekamitree and Mrs. Siranee Komintarachat have retired from the Executive Committee.

Secretary of Executive Committee: Mr. Chanodom Areerob

Executive committee is appointed by the Board of Directors by way of selection from the directors or executive officers who can manage works which are related to normal business operation to administrate regular works which are beyond the authority of managing director to consider and propose vital matters to company board. The authority defined in the charter are as specified below.

Scope of authority of Executive Committee

1. Consider and set up the policy of business strategy and operation plan of financial target and company budget by considering business factors reasonably to propose for the approval from the Board of Directors.
2. Supervise and follow up the company's business operation to be effective, efficient and in compliance with the business strategy policy, operation plan and target, financial target and company budget which are approved by the company board.
3. Determine organization and management structure covering policy concerning compensation rate and welfare, salary structure of the Company and overview of selection, training, employment, appointment, transferring, dismissal of the Company's employees.
4. Approve and perform any operation related to normal financial transaction of the Company. The financial amount must be as determined by approval authority already been considered by company board. If it is beyond such amount, propose for the approval at company board meeting.
5. Consider and approve procurement, work expansion investment, including company's permanent property trade by considering proposing to the Company board in case the procurement, work expansion investment

- and company's permanent property trade are beyond the scope and budget specified by the Company board.
6. Consider and approve financial transaction with financial institutions to open loan account for pawn, mortgage, guarantee and other acts, including trade and registration on any land ownership according to objectives for benefit of Company's operation as well as entering into contracts and/or taking any actions related to such matters under determined amount of money. If it is beyond such amount, propose for approval at the Company board meeting.
 7. Consider, approve loan transaction and determine terms of loan contract from relevant business such as loan duration, and loan interest under the determined amount which is not over 20 million Baht.
 8. Consider and give suggestion or opinions to the Board of Directors regarding the project, proposal or any transactions related to the Company operation which is beyond the determined amount and/or relevant laws and rules or regulations which specify that the Shareholders' meeting or the company board meeting are ones who consider for approval.
 9. Consider and approve regulations, management policy and business operation of the Company or any execution which are bonded to the company.
 10. Authorize managing director to run the Company's business under the scope of duty and responsibility as executive committee determines under supervision of executive committee.
 11. Appoint and/or assign executive committee or a person or more to take actions which are under his/her scope of authority as executive deem appropriate. The executive committee may cancel, withdraw or change such authority.
 12. Has authority and responsibility as assigned or according to the policy assigned by the Company board.

The above scope of authority and responsibility of the executive committee are under principles of the laws and regulations such as law of Security and Exchange, specification of the Stock Exchange or Notice of SEC, notice of the Capital Market Supervisory Commission or the laws related to the Company business, including the Company regulations. In case any operations or transactions which likely have conflict of interest and/or be the transactions with involved persons according to the laws and related rules or the Company regulations and the Shareholders' meeting or company board meeting is supposed to consider for the approval, the executive committee have to proposed such matters to the Board of Directors to consider and take actions according to the laws and related rules or the Company regulations.

Management

As of December 31, 2019, the management consist of 7 members as follows:

Name	Position
1. Ms. Neeracha Panboonhom	President & Chief Executive Officer
2. Mrs. Suthida Karuedetkosol	Senior Vice President - Business Development and Investment
3. Mr. Kasidis Chareancholwanich	Vice President - Sales & Marketing
4. Mrs. Kusuma Vannapruk	Chief Financial Officer
5. Mr. Chayawat Teekamitree	Sales & Marketing 1 Manager
6. Mrs. Siranee Komintarachat	Sales & Marketing 2 Manager
7. Mr. Vatchara Vutiputanunt	QSSHE Manager
8. Mrs. Saowanee Sutthitham	Compliance Manager and Company Secretary

Scope of authority of President & Chief Executive Officer

The Board of Directors have determined the scope and authority of the President & Chief Executive Officer as follows.

1. Be responsible for, supervise, administrate the operation and/or daily management of the Company, as well as supervise overall operation to be in compliance with the policies, business strategies, targets and operation plan, financial target and the Company's budget approved by the Board of Directors.
2. Make the business plan and determine management authority as well as make the budget plan used in running the business and annual budget.
3. Determine organization structure, management method as well as recruitment, training, employment and dismissal of company employees and determine rate of salary, bonus and welfares for employees.
4. Has authority to issue directions, order, notice and record to ensure that the operation of the Company comply with the policies and Company benefit and maintain work discipline in the organization.
5. Consider, negotiate and approve contracts and/or any operations related to daily work and/or administration of the Company within the determined amount as prescribed in the table of limit of Authority approved by the Board of Directors.
6. Consider entering into contracts and/or negotiation related to the operations and/or any actions which are involved in daily work and/or administration of the Company with values beyond limited amount to give

opinions and propose such issues to the Board of Directors and/or executive committee and/or their persons in charge for consideration and conclusion.

7. Consider appointing external consultants for the Company operations as deemed appropriate.
8. Appoint and/or assign a person or more to perform any action under the scope of authority of the President & Chief Executive Officer as deemed appropriate. The President & Chief Executive Officer may cancel, terminate or modify such authority.
9. Has authority, duty and obligation as appointed or according to the policies assigned by the Board of Directors and/or executive committee.

Any operations which the President & Chief Executive Officer or attorney or those who may have conflict (as per Notice of Capital Market Supervisory Commission or Notice of SEC) has an interest or may have conflict on benefit with the Company and/or its subsidiaries and/or relevant companies, the President & Chief Executive Officer shall have no authority to approve operations regarding such matter. This must be proposed at the Board of Directors meeting and/or Shareholders' meeting to further consider of approval (as the case may be) unless it is the approval of normal business transaction with general commercial terms in accordance with the Notice of Capital Market Supervisory Commission and/or the Stock Exchange.

Company secretary

At board meeting 4/2012, there was a resolution appointing Mrs. Saowanee Sutthitham to take position of the company secretary since 14 May 2012 with qualification of the company secretary. The company secretary shall perform duties as specified in section 89/15 and 89/16 of Securities and Exchange Act (No. 4) B.E. 2551 enforced on 31 August 2008 by implementing duties with responsibility, prudence and honesty including following the laws, objectives and regulations of the Company, committee's resolution as well as the resolution at the Shareholders' meeting. The company secretary has responsibilities as stipulated by the laws and as assigned by the Company or the Board of Directors as listed below.

- 1) Prepare and maintain the documents as follows:
 - A. Director Registration
 - B. Appointment letters of the Directors meeting, minutes of the Directors meeting and annual report.
 - C. Appointment letters of the Shareholders' meeting and minutes of the shareholders' meeting
- 2) Keep and send the report on conflict of interest of the directors and executives according to section 89/14 to the Chairman of the Board of directors and the Chairman of the audit committee within 7 days since the company receives such report.
- 3) Provide advice concerning the relevant laws, regulations and corporate governance of the Board of Directors to be in compliance with the laws.
- 4) Arrange the Board of Directors and Shareholders' meetings in accordance with the relevant laws and company regulations.

- 5) Coordinate with the supervisory authority such as the Stock Exchange of Thailand (SET), the Securities Exchange Commission (SEC) and disclose data and information to the supervisory authority and public in accordance with the laws.
- 6) Coordinate with internal departments to follow the resolution of the Board of Directors and Shareholders'.
- 7) Coordinate with the shareholders, investors and mass media to propagate news and information of the Company.
- 8) Other implementation prescribed by the Capital Market Supervisory Board.

The Board of Director meeting attendance are as follows:

Director Name	Year 2019 (Number of Meeting Attended / Number of Meeting Hold)	Meeting without executives year 2019 (Number of Meeting Attended / Number of Meeting Hold)	Total
1. Mr.Apisit Rujikeatkamjorn	6 / 6	1 / 1	7 / 7
2. Mr.Taweep Soontornsingha	6 / 6	1 / 1	7 / 7
3. Assoc.Prof.Dr.Ruth Banomyong	6 / 6	1 / 1	7 / 7
4. Dr.Chalermwit Chimtragoon	6 / 6	1 / 1	7 / 7
5. Mr.Suraphon Meesathien	6 / 6	1 / 1	7 / 7
6. Mr.Prompong Chaisrisawatsuk	6 / 6	-	6 / 6
7. Mrs.Neeracha Panboonhom	6 / 6	-	6 / 6
8. Mr. Kosit Fuangswasdi	5 / 5		5 / 5
9. Mrs. Suthida Karuedetkosol	1 / 1	-	1 / 1

Remark*: At the Annual General Meeting of Shareholders 2019, dated 24 April 2019, there was the resolution to appoint Mr. Kosit Fuangswasdi as the directors instead of Mrs. Suthida Karuedetkosol who retired by rotation. The first meeting which Mr. Kosit Fuangswasdi attended was on 7 May 2019.

The Audit Committee meeting attendance are as follows:

Committee Name	Year 2019
	(Number of Meeting Attended / Number of Meeting Hold)
1. Assoc.Prof.Dr. Ruth Banomyong	7 / 7
2. Mr. Tawee Soontornsingha	7 / 7
3. Dr. Chalermwit Chimtragoon	7 / 7

The Nomination, Remuneration and Corporate Governance Committee meeting attendance are as follows:

Committee Name	Year 2019
	(Number of Meeting Attended / Number of Meeting Hold)
1. Mr. Tawee Soontornsingha	2 / 2
2. Mr. Suraphon Meesathien	2 / 2
3. Dr. Chalermwit Chimtragoon	2 / 2

The Executive Committee meeting attendance are as follows:

Committee Name	Year 2019
	(Number of Meeting Attended / Number of Meeting Hold)
1. Mrs. Neeracha Panboonhom	12 / 12
2. Mr. Prompong Chaisrisawatsuk	12 / 12
3. Mrs. Suthida Karuedetkosol	12 / 12
4. Mrs. Kusuma Vannapruk	12 / 12
5. Mr. Kasidis Chareancholwanich	8 / 8*
6. Mr. Chayawat Teekamitree	4 / 4*
7. Mrs. Siranee Komintarachat**	4 / 4*

Remark*: At the Board of Directors meeting 2/2019, dated 7 May 2019, there were the resolutions to appoint Mr. Kasidis Chareancholwanich as the executive committee and Vice President - Sales & Marketing with his first meeting in May 2019 and that Mr. Chayawat Teekamitree and Mrs. Siranee Komintarachat gave up their position as executive committee. Their last meeting was in April 2019.

Remuneration of the Directors and Management

The Annual General Meeting 2019 held on 24 April 2019 had the resolution to approve the determination of the remuneration of the directors and sub-committee for year 2019 within the total limit of 8 million baht, consisting of monthly remuneration, meeting allowance, incentive fee and other remuneration, with the same remuneration structure as year 2018 as explained below.

1. Monthly remuneration
 - The Chairman receives 33,000 baht per month
 - Member/Committee each receives 27,500 baht each per month
2. Meeting allowance
 - The Chairman of Audit Committee receives 20,000 baht per attendance
 - Audit Committee receives 15,000 baht each per attendance
 - The Chairman of Nomination, Remuneration and Corporate Governance Committee receives 20,000 baht each per attendance
 - Nomination, Remuneration and Corporate Governance Committee receives 15,000 baht each per attendance
 - The Chairman of Executive Committee receives 16,500 baht per attendance
 - Executive Committee receives 11,000 baht each per attendance
3. Remuneration for the Directors who are the authorized signatories (besides monthly remuneration) – not exceed 11,000 baht each per month
4. Incentive fee depends on performance
5. Other remuneration such as annual health checkup and health insurance

The Board of Directors, the Audit Committee and The Nomination, Remuneration and Corporate Governance Committee's remuneration are concluded as follows:

Director Name	Remuneration of Year 2019 (Baht)			
	Remuneration	Meeting Fee of Audit Committee	Meeting Fee of NRCGC	Total
1. Mr. Apisit Rujikeatkamjorn	528,000	-	-	528,000
2. Mr. Taweep Soontornsingha	330,000	90,000	40,000	460,000
3. Assoc.Prof.Dr.Ruth Banomyong	330,000	120,000	-	450,000
4. Dr. Chalermwit Chimtragoon	330,000	90,000	30,000	450,000
5. Mr. Suraphon Meesathien	462,000	-	30,000	492,000
6. Mr. Prompong Chaisrisawatsuk	462,000	-	-	462,000
7. Ms. Neeracha Panboonhom	462,000	-	-	462,000
8. Mr. Kosit Fuangswasdi	225,500	-	-	225,500
9. Mrs. Suthida Karuedetkosol	104,500	-	-	104,500
Total	3,234,000	300,000	100,000	3,634,000

Remuneration of Management

The Company has paid the remuneration to the management, manager and higher positions, 8 persons in total as follows:

Remuneration of Management	2019
	Amount (Million Baht)
Salary, Bonus, Position allowance, Overtime wage and Allowance	21.25
Other Remuneration such as Social Security Fund and other welfare	0.91
Total	22.16

Personnel

As of 31 December 2019, the Company and its subsidiaries, both domestic and international, had a total number of the personnel (excluding the directors and management) as follows:

Personnel Divided by the Department	Number of the Personnel (persons)
Sales & Marketing	17
QSSHE	6
Accounting & Finance / Administration	17
Procurement	2
Investment	1
Compliance and Company Secretary / Secretary	4
Operation (Production & Engineer)	28
Total	75

Remuneration of Personnel of the Company and Its Subsidiaries

Remuneration of Personnel	Year 2019 Amount (Million Baht)
Salary, Bonus, Position allowance, Overtime wage and Allowance	53.00
Other Remuneration such as Social Security Fund and other welfare	2.56
Total	55.56

Information of Directors, Executives and Company Secretary

Name: Mr. Apisit Rujikeatkamjorn

Age: 74

Position: Chairman

Appointed: September 5, 2013

Percentage of Shareholding: 3.05% (16,900,000 Shares)

Educational and Seminar:

Master of Civil Engineering Lamar University, Texas, USA

Bachelor of Engineer, Khon Kaen University

Director Certification Program (DCP) Class 166/2012

The Role of Chairman Program (RCP) Class 26/2011

Audit Committee Program (ACP) Class 22/2008

Understanding the Fundamental of Financial Statements Program (UFS) Class 5/2006

Finance for Non-Finance Director (FND) Class 24/2005

Director Accreditation Program (DAP) Class 27/2004



Other listed company as a Director/Executive:

2014 - Present	Chairman	Asia Biomass PCL.
2014 - Present	Chairman / Independent Director	Asia Green Energy PCL.
2008 - Present	Chairman / Independent Director	Siam Global House PCL.

Other non-listed company as a Director/Executive:

2017 - Present	Chairman	Global House Co., Ltd (Cambodia)
2015 - Present	Chairman	D.T.C. Enterprise Co., Ltd
2017 - Present	Chairman	Lao Agro Tech PCL.
2011 - 2019	Chairman	Eco Lighting Co., Ltd.
2014 - 2018	Chairman	Siam Global House International Co., Ltd

Other company / Other special activity: (None)

Name: Mr.Taweep Soontornsingha

Age: 69

Position: Vice-Chairman / Independent Director / Member of Audit Committee /
Chairman of Nomination, Remuneration and Corporate Governance Committee

Appointed: September 5, 2013

Percentage of Shareholding: (None)

Educational and Seminar:

Bachelor of Law, Thammasat University

Director Accreditation Program (DAP) Class 97/2012

Audit Committee Program (ACP) Class 42/2013

Financial Statements of Director (FSD) Class 20/2013

Advanced Audit Committee Program (AACP) Class 17/2015

Role of the Compensation Committee (RCC) Class 20/2015

The New Auditor Report: Understanding Key Audit Matters



Other listed company as a Director/Executive:

1992 - 2010 Manager

Kasikorn Bank Public Co., Ltd.

Other non-listed company as a Director/Executive: (None)

Other company / Other special activity: (None)

Name: Assoc. Prof. Dr.Ruth Banomyong

Age: 52

Position: Independent Director / Chairman of Audit Committee

Appointed: September 5, 2013

Percentage of Shareholding: (None)



Educational and Seminar:

Doctor of Philosophy (International Logistics), Cardiff University, Wales, United Kingdom

Post-Graduate Diploma in Social Science Research Methods, Cardiff University, Wales, United Kingdom

Master of Laws (International Business Law), Universite de Paris I, Pantheon-Sorbonne, France

Bachelor of Law (International Law), Universite de Paris I, Pantheon-Sorbonne, France

Bachelor of Economics, Lycee Michelet, France

Diploma in translating English-French legal terms, Paris Institute of Comparative Law, France

Director Certification Program (DCP) Class 103/2008

Audit Committee Program (ACP) Class 13/2006

Director Accreditation Program (DAP) Class 44/2005

Other listed company as a Director/Executive:

2016 - Present	Chairman of Audit Committee / Independent Director	C.P.L. Group PCL.
2014 - Present	Chairman of Audit Committee / Independent Director	Wice Logistic PCL.

Other non-listed company as a Director/Executive:

2016 - Present	Director	Global Allsights Co., Ltd.
1996 - Present	Director	Living Head Quarter Co., Ltd.
2013 - 2015	Director	Wice Freight Services Co., Ltd.
2011 - 2013	Independent Director	Charoensin Property Co., Ltd.

Other company / Other special activity:

1993 - Present	Teacher of Faculty of Commerce and Accountancy	Thammasat University
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Name: Dr.Chalermwit Chimtragoon

Age: 69

Position: Independent Director / Member of Audit Committee /

Member of Nomination, Remuneration and Corporate Governance Committee

Appointed: September 5, 2013

Percentage of Shareholding: (None)



Educational and Seminar:

Doctoral of Educational Administration and Leadership, Saint John's University

Master of Technical Education, King Mongkut's University of Technology North Bangkok

Bachelor of Education, Srinakharinwirot University

Director Certification Program (DCP) Class 158/2012

Director Accreditation Program (DAP) Class 92/2011

Audit Committee Program (ACP) Class 42/2013

Financial Statements for Directors (FSD) Class 23/2014

Advanced Audit Committee Program (AACP) Class 17/2015

Role of the Compensation Committee (RCC) Class 20/2015

Supervision and Prevention of Cybercrime

Cybercrime - The Looming Threat to Global Economy

Other listed company as a Director/Executive: (None)

Other non-listed company as a Director/Executive: (None)

Other company / Other special activity:

2009 – Present	Chairman of the Executive Development	Rajapark Institute
	Program Teachers and educational personnel	
2006 – Present	Expert, Special Lecturer, Thesis Adviser	Public and private universities
	Master's Degree, Doctorate Degree	

Other company that have conflicts of interest: (None)

Name: Mr.Suraphon Meesathien

Age: 65

Position: Director / Member of Nomination, Remuneration
and Corporate Governance Committee

Appointed: September 5, 2013

Percentage of Shareholding: 0.53% (2,958,329 Shares)



Educational and Seminar:

Master of Public Administration Program, National Institute of Development Administration (NIDA)

Bachelor of Science, The Royal Thai Naval Academy

Diploma, Naval War College

Director Certification Program (DCP) Class 155/2012

Director Accreditation Program (DAP) Class 92/2011

Role of the Compensation Committee (RCC) Class 20/2015

Risk Management Certificate Program, Chula Unisearch, Chulalongkorn University Class 10

Supervision and Prevention of Cybercrime

Anti-corruption: The practical guide

ISO 27001:2013 Internal Auditor

Change Management

HRMS in use

IT Security Awareness and Enhancing Office 365

Safety Officer Management

Other listed company as a Director/Executive:

2007 - Present	Director	Prima Marine Co., Ltd.
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Other non-listed company as a Director/Executive:

2018 - Present	Director	Big Sea Co., Ltd.
2007 - Present	Managing Director	Nathalin Co., Ltd.
2014 - 2016	Director	N.T.L. Marine Co., Ltd.
2011 - 2018	Director	Nathalin Shipping Pte. Ltd.
2011 - 2017	Director	Khunnathee Co., Ltd.
2011 - 2016	Director	TMN Co.,Ltd.
2006 - 2016	Director	Golden Ship Supply Co., Ltd.

Other company / Other special activity:

2009 - Present	Vice-Chairman	Thai Ship Owners
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Name: Mr. Prompong Chaisrisawatsuk

Age: 53

Position: Director / Member of Executive Committee

Appointed: September 5, 2013

Percentage of Shareholding: 0.26% (1,433,329 Shares)

Educational and Seminar:

Master in Finance, Thammasat University

Bachelor of Engineer, Chulalongkorn University

Director Accreditation Program (DAP) Class 97/2012

Anti-corruption: The practical guide

Aligning Risk with Strategy and Performance

IT Security Awareness and Enhancing Office 365

Enterprise Risk Management

HRMS in use



Other listed company as a Director/Executive:

2015 - Present	Director / Member of Executive Committee /	Prima Marine PCL.
	Member of Risk Committee	

Other non-listed company as a Director/Executive:

2016 - Present	Director	Winchai Co., Ltd.
2012 - Present	Director	Nathalin Co., Ltd.
2012 - Present	Director	TATE Offshore Co.,Ltd (Malaysia)
2011 - Present	Director	Nathalin Shipping Pte. Ltd. (Singapore)
2012 - 2016	Director	Top-NTL PTE Ltd. (Singapore)

Other company / Other special activity: (None)

Name: Mr. Kosit Fuangswasdi

Age: 60

Position: Director

Appointed: April 24, 2019

Percentage of Shareholding: 0.007% (38,500 Shares)



Educational and Seminar:

Master of Management Degree in Business Administration and Management,
Sasin Graduate Institute of Business Administration of Chulalongkorn University

Bachelor of Science Degree in Geology, Chulalongkorn University

Board Matters and Trends (BMT) Class 5/2561

Strategic Board Master Class (SBM) Class 3/2561

Boards that Make a Difference (BMD) Class 5/2560

Director Certification Program Class 247/2560

Director Accreditation Program Class 139/2560

Other listed company as a Director/Executive:

2559 – Present	Independent Director / Audit Committee / Chairman of Risk Management Committee	Prima Marine PCL.
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Other non-listed company as a Director/Executive:

2553 – Present	Managing Director	KMAN Consult Co., Ltd
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Other company / Other special activity:

2561 – Present	Chartered Director	Thai Institute of Director (IOD)
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Name: Ms.Neeracha Panboonhom

Age: 38

Position: Director / Chairman of Executive Committee /
President and Chief Executive Officer

Appointed: September 5, 2013

Percentage of Shareholding: 0.79% (4,400,000 Shares)

Educational and Seminar:

Master of Business Administration, RMIT University, Melbourne, Australia

Bachelor of Business Administration, Assumption University

Director Accreditation Program (DAP) Class 92/2011

Director Certification Program (DCP) Class 170/2013

Risk Management program for Corporate Leader (RCL) Class 4/2016

Masterclass in Private Equity by London Business School (LBS) 2014

Modern Marketing Management (MMM) Class 40 by Faculty of commerce and accountancy, Chulalongkorn University

Industrial and Investment Development for Executive (IBID) Class 2/2015

Fundamentals of petroleum economics, Petroleum Institute of Thailand

Energy Literacy for a Sustainable Future YTEA Class 7

Top Executive Program in Industrial Development and Investment in Class 2/2015 Institute of Business and Industrial Development

Anti-corruption: The practical guide

IT Security Awareness and Enhancing Office 365

Financial Reporting Standard effective in year 2020

Other listed company as a Director/Executive: (None)

Other non-listed company as a Director/Executive:

2019 - Present	Director	Energion PTE. LTD. (Singapore)
2017 - Present	Director	Living Energy Co., Ltd. and Subsidiaries*
2016 - Present	Director	Sea Oil Petrochemical Co., Ltd. Distillation
2015 - Present	Director / Managing Director	Sea Oil Petroleum PTE. LTD. (Singapore)
2015 - Present	Director	Sea Oil Offshore Ltd. (Malaysia)
2014 - Present	Director / Managing Director	Sea Oil Energy Ltd. (Bermuda)
2012 - Present	Director	Nathalin Co., Ltd.
2012 - 2015	Director	United Offshore Aviation Co., Ltd.

Other company / Other special activity:

2019 – Present	Director	Oab-Boon Foundation
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***Ramark** Subsidiaries included; Sunny Solar Co., Ltd., Sun Link Power Co., Ltd., Solar Town Co., Ltd., Sky Solar Power Co., Ltd., Sky Solar Roof Co., Ltd., NW Green Power Co., Ltd., NW Solar Co., Ltd. And NW Energy Co., Ltd.

Name: Mrs.Suthida Karuedetkosol

Age: 38

Position: Director / Member of Executive Committee /

Vice President (Business Development and Investment)

Percentage of Shareholding: 0.01% (50,570 Shares)



Educational and Seminar:

Master of International Business Management, London South Bank University, London, UK

Bachelor of Business Administration, Assumption University

Corporate Governance for Executives (CGE) Class 6 / 2016

Director Accreditation Program (DAP) Class 132 / 2016

Director Certification Program (DCP) Class 245/2017

Risk Management program for Corporate Leader (RCL) Class 4/2016

Anti-corruption: The practical guide

People Management for Highest Performance

Cybercrime - The Looming Threat to Global Economy

Fundamentals of petroleum economics

Aligning Risk with Strategy and Performance

IT Security Awareness and Enhancing Office 365

Corporate Finance Law 2019

HRMS in use

Financial Reporting Standard effective in year 2020

Safety Officer Management

Other listed company as a Director/Executive: (None)

Other non-listed company as a Director/Executive:

2019 - Present	Director	Energion PTE. LTD. (Singapore)
2017 - Present	Director	Living Energy Co., Ltd. and Subsidiaries
2016 - Present	Director	Sea Oil Petroleum PTE. LTD. (Singapore)
2016 - Present	Director	Sea Oil Offshore Ltd. (Malaysia)
2016 - Present	Director	Sea Oil Energy Ltd. (Bermuda)
2016 - Present	Director / Acting Managing Director	Sea Oil Petrochemical Co., Ltd.
2014 - 2016	Managing Director	Srithai Capital Co., Ltd.
2014 - 2016	Business Development Director	Nathalin Co., Ltd.

Other company / Other special activity: (None)

***Remark:** Subsidiaries included; Sunny Solar Co., Ltd., Sun Link Power Co., Ltd., Solar Town Co., Ltd., Sky Solar Power Co., Ltd., Sky Solar Roof Co., Ltd., NW Green Power Co., Ltd., NW Solar Co., Ltd. And NW Energy Co., Ltd.

Name: Mr.Kasidis Chareancholwanich

Age: 58

Position: Member of Executive Committee /
Vice President (Sales and Marketing)

Percentage of Shareholding: (None)

Educational and Seminar:

Master of Business Administration in Major Finance & Marketing ,
George August University, Goettingen, Germany
Bachelor of Business Administration in Major Marketing, Assumption University
Bachelor of Law, Ramkhamhaeng University
Extraordinary Leader, Zenger & Folkman, USA
Extraordinary Coach, Zenger & Folkman, USA
Leadership Lab, Sim Talent, Germany
Change Essential, John Cotter, USA
Super Skill of Great Conversation, The Right Conversation, UK
Leadership Incubator: Executive Mentoring, Slingshot Group, Thailand

Other listed company as a Director/Executive:

2006 - 2016 Chief Operating Officer-Thailand

TIPCO Asphalt PLC.

Other non-listed company as a Director/Executive:

2007 - 2018 Chief Operating Officer

Thai City Electric Co.,Ltd.

Other company / Other special activity: (None)



Name: Mrs.Kusuma Vannapruk

Age: 52

Position: Member of Executive Committee / Chief of Financial Officer (CFO)

Percentage of Shareholding: (None)



Educational and Seminar:

Master of Business Administration (Executive), Chulalongkorn University

Bachelor of Political Science, Thammasat University

CFO Certification Program Class 17/2013

Investment Consultant Refresher

Basis Merger & Acquisition and Joint Venture

CFO Current Issue: Forward looking

Strategic CFO in Capital Market Program 5/2017

Orientation Course CFO

Anti-corruption: The practical guide

People Management for Highest Performance

Aligning Risk with Strategy and Performance

IT Security Awareness and Enhancing Office 365

New TFRS must to know

Financial Reporting Standard effective in year 2020

Other listed company as a Director/Executive:

2007 - 2012 Bank Manager

Bangkok Bank PCL.

Other non-listed company as a Director/Executive:

2017 - Present Director

Living Energy Co., Ltd. and Subsidiaries

2016 - Present Director

Sea Oil Petrochemical Co., Ltd. Distillation

2016 - Present Director

Sea Oil Energy Ltd. (Bermuda)

2015 - Present Director

Sea Oil Petroleum PTE. LTD. (Singapore)

2015 - Present Director

Sea Oil Offshore Ltd. (Malaysia)

Other company / Other special activity: (None)

***Remark:** Subsidiaries included; Sunny Solar Co., Ltd., Sun Link Power Co., Ltd., Solar Town Co., Ltd., Sky Solar Power Co., Ltd., Sky Solar Roof Co., Ltd., NW Green Power Co., Ltd., NW Solar Co., Ltd. And NW Energy Co., Ltd.

Name: Mr.Chayawat Teekamitree

Age: 49

Position: Sales and Marketing Manager 1

Percentage of Shareholding: 0.01% (69,250 Shares)



Educational and Seminar:

Master of Business Administration (Marketing), Sripatum University

Bachelor of Science, King Mongkut's University of Technology North Bangkok

Project Management Professional Training

Strategic Thinking and Planning Anti-

corruption: The practical guide

IT Security Awareness and Enhancing Office 365

Legal Compliance of export transport by truck

Aligning Risk with Strategy and Performance

Modern Presentation Design

Train The Trainer

Performance Appraisal implementation

Professional Sales

Financial Reporting Standard effective in year 2020

Safety Officer Management

Other listed company as a Director/Executive: (None)

Other non-listed company as a Director/Executive:

2015 - Present Director / Managing Director

Sea Oil Offshore Limited

Other company / Other special activity: (None)

Name: Mrs.Siranee Komintarachat

Age: 46

Position: Sales and Marketing Manager 2

Percentage of Shareholding: 0.07% (360,000 Shares)

Educational and Seminar:

Master of Social Administration, Thammasat University

Bachelor of Business Administration, Bangkok University

HR For Non-HR For Manager

Strategic Thinking and Planning

Anti-corruption: The practical guide

IT Security Awareness and Enhancing Office 365

Legal Compliance of export transport by truck

ISO9001:2015 Internal Quality Assessment System

Accounting for Non-accountant Executives

People management for highest performance

Aligning Risk with Strategy and Performance

Train The Trainer

Professional Sales

5Sor System

Other listed company as a Director/Executive: (None)

Other non-listed company as a Director/Executive:

2015 - 2016 Director

Sea Oil Offshore Limited

Other company / Other special activity: (None)



Name: Mr.Vatchara Vutiputanunt

Age: 54

Position: Quality Assurance & Customer Relationship Management Manager

Percentage of Shareholding: (None)

Educational and Seminar:

Bachelor of Business Administration (Marketing),
Assumption Business Administration College (ABAC)
Interpretation of Haccp / GMP Requirement
PSM Internal Audit of Chemical Hazard Management
IT Security Awareness and Enhancing Office 365
GMP/HACCP Internal Audit and Food Safety Audit Techniques
Performance Appraisal implementation
Anti-corruption
HRMS in use
ISO 27001:2013 Internal Quality System
5Sor System
Financial Reporting Standard effective in year 2020



Other listed company as a Director/Executive: (None)

Other non-listed company as a Director/Executive:

1997 - 2014	Area Manager, Business Consultant, OE/HES Specialist,	Chevron (Thai) Co., Ltd.
	Asset Transaction Specialist,	
	Maintenance & Construction Specialist	

Other company / Other special activity: (None)

Name: Mrs.Saowanee Sutthitham

Age: 45

Position: Compliance Manager and Company Secretary

Percentage of Shareholding: (None)

Educational and Seminar:

Bachelor of Business Administration (Accounting) Ramkhamhaeng University

Company Secretary Program (CSP) Class 46/2012

Advance Corporate Secretary Class 1/2015

Anti-Corruption: The Practical Guide (ACPG) Class 31/2016

Basic Merger & Acquisition and Joint Venture

Software IT Asset & Cyber Incident Management

Legal Compliance of export transport by truck

People management for highest performance

Aligning Risk with Strategy and Performance

IT Security Awareness and Enhancing Office 365

Enhancing Good Corporate Governance based on CGR Scorecard

Train The Trainer

5Sor System

Financial Reporting Standard effective in year 2020



Work Experience:

Other listed company as a Director/Executive:

2004 – 2006	Head of Compliance and Internal Audit office	Dhanamitr Factoring PCL.
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Other non-listed company as a Director/Executive:

2009 - 2012	Accounting & Finance Manager	Educational Travel Center Co., Ltd.
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Other company / Other special activity: (None)

Name	Number of Share			(%) Dec 31, 2019	Number of Shares and % held by Spouse and Children under legal age
	As of December 31, 2018	Shares increase (Decrease) during 2019	As of December 31, 2019		
1. Mr.Apisit Rujikeatkamjorn	16,325,000	575,000	16,900,000	3.05	None
2. Mr.Taweep Soontornsingha	-	-	-	-	None
3. Assoc.Prof. Dr.Ruth Banomyong	-	-	-	-	None
4. Dr.Chalermwit Chimtragoon	-	-	-	-	None
5. Mr.Suraphon Meesathien	2,933,329	25,000	2,958,329	0.53	None
6. Mr.Prompong Chaisrisawatsuk	2,933,329	(1,500,000)	1,433,329	0.26	None
7. Ms.Neeracha Panboonhom	4,400,000	-	4,400,000	0.79	None
8. Mr.Kosit Fuangswasdi	38,500	-	38,500	0.007	None
9. Mrs.Suthida Karuedetkosol	100,570	(50,000)	50,570	0.01	None
10. Mr.Kasidis Chareancholwanich	-	-	-	-	None
11. Mrs.Kusuma Vannapruk	-	-	-	-	None
12. Mr.Chayawat Teekamitree	69,250	-	69,250	0.01	None
13. Mrs.Siranee Komintarachat	360,000	-	360,000	0.07	None
14. Mr.Vatchara Vutiputanunt	-	-	-	-	None
15. Mrs.Saowanee Sutthitham	-	10,000	10,000	0.002	None

Number of shares held by the Directors, Management and Company Secretary (As of December 31, 2019)

Report of the Nomination Remuneration and Corporate Governance Committee

Sea Oil Public Company Limited's Nomination, Remuneration and Corporate Governance Committee ("NRCGC"), which were appointed by the Board of Directors, consist of 2 independent directors and 1 non-executive director:

- | | |
|-------------------------------|--|
| 1) Mr. Taweep Soontornsingha | Chairman of NRCGC (Independent Director) |
| 2) Dr. Chalermwit Chimtragoon | NRCGC (Independent Director) |
| 3) Mr. Suraphon Meesathien | NRCGC (Non-Executive Director) |

The Nomination Remuneration and Corporate Governance Committee have obligations to support the implementation of the Board of Directors in promotion of good corporate governance principles, determine the criteria and policies regarding nomination, remuneration and corporate governance of the Board of Directors and sub-committee as well as search for, select and nominate a qualified person according to the prescribed criteria and procedure to nominate for the director and executive position of the Company. In addition, NRCGC also have the obligations to determine the criteria and guidelines for good practices in various aspects of the Company in accordance with the corporate governance policy and in compliance with the principles of good corporate governance of listed companies in the Stock Exchange of Thailand, as well as promote and support personnel at all levels of the Company, adhere to and follow the principles of corporate governance and business ethics for the organization to have sustainable growth.

In 2019, there were 2 times of NRCGC meetings which all committees have attended both times. The important details are summarized as follows:

1. Consider the election of the directors to replace ones who retire by rotation and propose to the Board of Directors and the Annual General Meeting of Shareholders based on the nomination criteria that the nominated directors qualified under the Public Limited Company Act BE 2535 with knowledge, ability and experience in relevant businesses which will be advantage to the Company's operations and has fully met the qualifications as required by the regulations of of the Capital Market Supervisory Board and be able to express an opinion freely.
2. Consider additional nomination and selection of the executive committee and management for Sales & Marketing administration.
3. Determine the remuneration of the directors and sub-committees for year 2019 according to the remuneration policy and propose the Board of Directors and the Annual General Meeting of Shareholders. In consideration of the remuneration, the directors' obligations, business size, business environment and performance must be taken into account. Also, such remuneration has

to be compared to the remuneration rate of the companies with the same industries and business size.

4. Consider the performance evaluation and the remuneration of the President & Chief Executive Officer.
5. Review a succession plan and suggest guideline to develop the successor to be more efficient.
6. Consider the corporate governance plan for year 2019 to define the guidelines for the development of corporate governance in various areas to cover every groups of stakeholders in accordance with good corporate governance principles.
7. Consider the arrangement plan for the Annual General Meeting of Shareholders for year 2020 in order to make the meeting transparent and effective and take care of the rights of the shareholders to be equal.
8. Review the development of management system for corporate sustainability in economy, social and environment.
9. Consider the stipulation of measures and guidelines for Anti-Corruption practice and promote campaigns concerning anti-corruption in the organization to show the intention of participation as a part of the Thai private sector's anti-corruption program which the Company has obtained certification from CAC in November 2019 in being a member of Thai private sector's anti-corruption program.
10. Review the Corporate Governance Policy and Business Code of Conduct, support knowledge sharing, provide training to the employees and arrange activities to raise awareness regarding the environment conservation and utilization of resources for utmost efficiency

The Nomination Remuneration and Corporate Governance Committee will still continue to strive the development of the corporate governance operations for the Company to comply with the Business Code of Conduct and good corporate governance policy and believe that management under the good governance principles, including giving priority to the responsibility to all stakeholders will make the organization grow sustainably and build confidence for the shareholders and all stakeholders

On behalf of the Nomination Remuneration and Corporate Governance Committee



(Mr. Taweep Soontornsingha)

Chairman of the Nomination Remuneration
and Corporate Governance Committee

Corporate Governance

Corporate Governance Policy

The Board of Directors and management emphasize on the good corporate governance according to the determined practice guidelines of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission. The Board of Directors strive to develop and raise the level of the Company's corporate governance to internationally comply and appropriate for the present business operation environment of the organization for the Company to have an efficient, transparent and fair management as well as increase an ability to compete and raise value for the shareholders in long term under ethical operation framework with the responsibility to society and all stakeholders which enhances the organization's worth for sustainable growth.

Nomination Remuneration and Corporate Governance Committee (NRCGC) has been appointed by the Board of Directors in order to support the performance of the Board of Directors concerning nomination suitable candidates for the position of directors, sub-committee, and executives, as well as determination of appropriate remuneration to be proper, transparent, consistent with nomination and remuneration policy and support the administration of the Board of Directors to be in compliance with the principles of good corporate governance of the Company and support the personnel of the Company at all level to adhere and conform to the corporate governance and business code of conduct.

In 2019, the Board of Directors has reviewed and approved the formulation of the corporate governance policy to be in line with the principles of good corporate governance for listed companies of the Office of the Securities and Exchange Commission to appropriately apply, as well as assigned the Nomination, Remuneration and Corporate Governance Committee to supervise and follow up to comply with the rules and review or improve the relevant policies to be consistent, such as; the revision of the charter, business code of conduct, risk management structure and other practices, also, communicate to the directors, executives and employees to adhere the guideline throughout the organization as follows:

Rights and Equal Treatment of the Shareholders

The Board of Directors gives priority to the rights of the shareholders and encourage the shareholders to exercise their basic rights, in order for the shareholders to participate in making decisions on important matters of the Company through the shareholders' meeting by exercising the rights as follows: the right to propose the agenda of the shareholders' meeting, to attend the meeting and vote at the shareholders' meeting, to appoint other persons to attend the meeting and vote on their behalf, to nominate persons to be appointed as the directors of the Company, to elect or remove the directors individually, to punctually receive sufficient information, to appoint and determine the auditor's remuneration, to vote for annual remuneration of the directors, to participate and

acknowledge when there are significant changes in the Company, to express opinions and ask questions in the shareholders' meeting and to obtain share of profit of the Company, etc.

In order to protect the rights of the shareholders and encourage the shareholders to use their rights, including the rights in equal treatment, the Board of Directors sets the guidelines for the practice as follows:

1. Shareholder's meeting

1.1 The annual shareholder's meeting must be held within 120 days from the termination date of accounting year of the Company or as regulated by the laws. The Company may call for the extraordinary shareholder's meeting if the Board of Directors considers it is necessary or deserved.

1.2 The invitation letter for the shareholder's meeting will indicate the information about the date, time, venue, and agenda for the meeting. The subjects proposed for the acknowledgement, approval, or consideration will be clearly indicated depending on each case. Indicating the comments of the Board of Directors in the proposed subjects completely and adequately including indicating the criteria and methods of meeting attendance and voting in each agenda.

1.3 Publicizing the information on the annual common shareholder's meeting on the company's website for at least 30 days in advance before the meeting date to let the shareholders have chance in studying the information on the meeting in advance before receiving the invitation letter for the meeting in the form of document sent by the company to the shareholders for (not less than 7 days) prior to the meeting date.

1.4 Advertising the notification on the arrangement of shareholder's meeting via daily newspaper for at least 3 days prior to the meeting date and in not less than 3 contractual days.

1.5 In each meeting of shareholders the company will arrange to use the meeting place in Bangkok. Which is the headquarter of the company. The venue of the meeting of shareholders must have sufficient size to support the number of shareholders and not an obstacle to travel. There are facilities for travelers, have security and are ready to handle emergency situations appropriately.

1.6 The shareholders who cannot attend the meeting by themselves can use the right for voting by giving proxy to other person in attending the meeting and voting on behalf of them and the company will proposed at least 1 independent director as the choice for the shareholders to give proxy in the case that any shareholder cannot attend the meeting by themselves.

1.7 The shareholders will be informed about the regulations and methods in attending the meeting. The company will explain about voting and calculation of votes clearly before starting the meeting.

1.8 The company will provide ballots for all agenda items that need to be voted on. Each agenda is open and transparent, within a reasonable time and keep the voting card for later examination for the appropriate duration. The company will also provide independent third parties as observers for counting or checking votes at the shareholders' meeting

1.9 Allowing the shareholders to be able to vote for the election of directors individually.

1.10 During the meeting, the chairman in the meeting allows all shareholders to have equal rights in

expressing the opinions and queries within the appropriate time. Related directors and executives can explain and give the information to all shareholders completely.

1.11 Allowing all shareholders to have rights in proposing the subjects considered to be important and deserve to be contained in the agenda for the shareholders to consider in the annual common meeting of shareholders including proposing the names which are considered by the shareholders as being qualified to be elected as the Board of Directors to propose to the meeting of the Board of Directors for the consideration and proceeding the next operation.

1.12 The Board of Directors gives importance to the shareholder's meeting, the directors and the sub-committee as well as the executives and related persons including the auditors are encouraged to attend the shareholder's meeting. The shareholders can inquire the sub-committee in the related subjects.

1.13 The company will disclose the resolution of the shareholders' meeting and voting results for each agenda within the next working day through the news system of the Stock Exchange of Thailand And on the company website.

1.14 Providing the minute of shareholder's meeting completely by recording the names of directors attending and not attending the meeting, methods of voting and calculation of votes, significant explanation, queries, opinions, and resolutions of the meeting classified by the agreeing votes, not agreeing votes, and no vote in each agenda.

2. Dividend payment

2.1 The company has the policy of dividend payment in the rate of not less than 30% of the net profit after deducted with the corporate income tax and all types of reserves as regulated by law and as specified in the company's regulations. In addition, the Board of Directors is authorized in approving the consideration in the dividend payment by considering the factors beneficial for the shareholders, for example, reserved fund for the loan payment, investment plan for business expansion or for the supporting of cash flow of the company in case of having impact from the change in market condition, etc. The resolution of the Board of Directors considering such subject must be approved by the shareholder's meeting except for the interim dividend payment. The Board of Directors is authorized in the interim dividend payment and reports to the shareholder's meeting in the next meeting.

2.2 The company will regulate the policy on the dividend payment by considering the operational status and the demand on fund spending. The dividend will be paid from the net profit after deducted with all types of reserves as regulated by law. The policy on the dividend payment includes the annual dividend payment and the interim dividend payment paid to the shareholders. This dividend payment can be changed depending on the investment plan, necessity, and other suitability in the future.

2.3 Notifying the shareholders rapidly about the resolution of the shareholder's meeting or the meeting of the Board of Directors in relation with the dividend payment through the channel of Stock Exchange of Thailand and the company's website. The dividend will be paid within 1 month from the date that the shareholder's meeting or the meeting of the Board of Directors has the resolution depending on each case.

3. Nomination of auditor

The annual common shareholder's meeting nominates and indicates the remuneration of the company's auditor every year. The nominated auditor and the remuneration of auditor proposed by the company to the shareholder's meeting for the consideration and approval must be approved by the Audit Committee and the Board of Directors.

4. Contact for Company's information

Providing the channel which the shareholders can contact and ask for the company's information directly from the company's secretary or the investor relations officer.

The company has the policy to create the equality in treating all shareholders; the executive shareholders, the non- executive shareholders, foreign shareholders, and the minor shareholders as follows:

1. Treating and facilitating all shareholders equally and not doing anything which limit, infringe, or derogate the right of shareholders. Every shareholder has the right to receive information or documents in Thai or English for foreign shareholders.

2. Specifying the right in voting in the meeting as per the numbers of shares held by the shareholders. 1 share is for 1 vote. The shareholder who has conflict in any subject will have no right to vote in such subject.

3. Specifying the independent directors to supervise the minor shareholders by expressing the opinions or sending the claims to the independent directors for examining the fact and finding the solution. The independent directors will propose such subject considered to be significant for the company to the shareholder's meeting for the consideration to be contained in the agenda of the shareholder's meeting. In case that shareholders cannot attend the meeting by themselves Shareholders can appoint an independent director or any person to attend the meeting on their behalf.

4. The meeting will be conducted follow the company's regulation and the agenda with full details presented in each agenda with data clearly proposed for the consideration. Moreover, the agenda which is not notified to the shareholders in advance will not be included especially for the agenda with significance for the shareholders which the shareholders should spend time in studying the information before making the decision.

5. The Board of Directors stipulates the measures to prevent the Insider Trading by related persons including the executive directors, staffs, and employees of the consortium related to the data (including the spouses and children who have not reach the legal age of such person). This includes the punishment on the disclosure or the use of company's data for one's benefits following the policy to prevent the Insider Trading.

6. Determine the trading regulations of the company and how to report shares holdings for directors, executives and employees related to the use of internal information as guidelines. Requires directors and executives has a duty to report securities holdings to the company secretary In order to comply with the requirements of the Securities and Exchange Commission Every time there is a change.

Roles of stakeholders

The company is aware of the significance in supervising and concerning all groups of stakeholders both internal and external who are the shareholders, employees, and the executives of the company or the external stakeholders such as the competitors, trading partners, customers, etc. The company will not perform any act which is the infringement of the stakeholders. Moreover, the company also supports in the protection and preservation of the rights of the stakeholders fairly following the lawful rights or agreement with the company. The roles which the company should play to the stakeholders are as follows:

1. Roles to the stakeholders

The company operates the business by emphasizing on the company's growth continually in the long term for creating the good benefits to the shareholders and operating the business transparently provided with the efficient internal control system. The company will not perform any operation which will cause the conflict of interest and treat shareholders fairly and equally.

2. Roles to the employees

The company recognizes the importance of employees. Which promotes and pushes the organization to achieve its business goals. The company has established human resource management policies. In terms of recruitment, management, proper and fair compensation by providing various welfare for better quality of life of employees. The details are as follows:

- Recruiting qualified personnel to join the organization in accordance with the qualifications of the job position. Through a fair and transparent process. Those who qualify from the Human Resources Department must pass the qualification consideration in the job position from the agency before being admitted to the company's standard competency test and continue to receive job interviews from the committee.
- Command structure. There is clearly defined scope of responsibility and command line. With regular reviews.
- Compensation and welfare management with fairness and compared with the same industry. Including continuous welfare improvements. To promote welfare and well-being of employees, such as; provident fund welfare, lunch welfare, annual health examination, sports, group health insurance, good scholarships for employees' children, education loans etc.
- Good working environment, appropriate and safe to work.
- Personnel development. There are physical plans for annual training and development at all levels. Both internal training by qualified speakers to provide knowledge, training internal personnel to be internal lecturer, sending employees to train with leading institutions outside the office according to the department's plans, etc.

- Promoting personnel in the organization has clear and fair criteria. Because the personnel had to go through the evaluation process, interview and selection according to the procedure. To get personnel that are ready, have the potential and suitable for the promotion
- Allowing employees to report issues or suggestions about illegal actions or corruption through convenient and appropriate channels.

3. Roles to the customers

The company emphasizes mainly on customer satisfaction by delivering the goods to the customers quickly and punctually following the demand of customers so that the customers will obtain benefits and maximum satisfaction. The company also emphasizes on preserving the confidentiality of customers and not revealing the customer's information except permitted or having the duty to reveal it as regulated by law.

4. Roles to the creditors and trading partners

The company treats creditors and partners with integrity by taking in to account of mutual benefits with creditors and business partners in every terms and conditions that are agreed with every creditor and partner. Within the rules and regulations. In accordance with the procurement policy and guidelines for business partners, having selected partners, suppliers and services as well as the subcontractors to be in a systematic, transparent, fair and verifiable manner. Including a policy of paying creditors and partners on time, in order to maintain financial reliability standards and maintain a lasting relationship with creditors and partners.

5. Roles to the competitors

The company operates the business within the law and rules. We will not operate any dishonesty causing damage to the competitors.

6. Role to the government

The company has set guidelines for the government sector. In order to avoid improper operations and to prevent corruption

7. Roles to the community, society and environment

The company recognizes the importance of conducting business with responsibility to the community, society and environment. Committed to conducting business in a fair and ethical manner. Proceed to comply with the law. Strict rules and regulations related to business operations of the company. Not taking any action that promotes or supports illegal practices or avoids laws. Does not support operations that are in violation of intellectual property or copyright and against all forms of corruption. The company gives importance to strengthening the community and society. Support activities and projects that supports the community and promotes education In order to create a foundation of education for the youth of the country in the future, the company gives importance and takes into account the impact on nature and the environment in various activities of the organization, creating an organizational culture. By creating awareness of employees at all levels In performing duties with social responsibility and the environment as well as using resources efficiently and for maximum efficiency.

Revelation of data and transparency

The company provides the revelation of significant data both financial and non-financial data correctly, punctually, and transparently following the criteria in the revelation of data of Office of Securities and Exchange Commission and Stock Exchange of Thailand as well as other significant data affecting the price of securities of the company and the process of decision making of the investors and stakeholders of the company. The company will publicize the information technology of the company to the shareholders, investors, and public via the channels and media of Office of Securities and Exchange Commission and Stock Exchange of Thailand as well as the company's website; www.seaoilthailand.com, both Thai and English. Moreover, the company has assigned the company secretary act as investor relations to communicate with shareholders, investors, analysts, stakeholders and related government agencies in order to receive information equally

The Company has established policies and measures to supervise the use of internal information by requiring directors, executives and employees of all levels not to use inside information of the company for illegal use, personal gain or for others to buy and sell the company's securities. Stop trading or transferring the company's securities during the period of prohibited trading as specified in the securities trading regulations Including limiting access to information. Providing or requesting information between departments must be approved by the highest supervisor of that department.

Regarding the investor relations, the company assigns the company's secretary to take responsible in investor relations duty to communicate with the investors and shareholders including the analysts and related public sectors, the information provided in accordance with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Company assigned Mrs. Saowanee Sutthitham, the company secretary and Investor Relation to communicate with investors, shareholders, analysts and related public sectors to provide a complete, correct, and fair information. Investor Relation can be contacted by these 3 channels as follows:

1. Telephone +662-398-9850-1 and Fax +662-398-9852
2. Email: ir@seaoilthailand.com
3. Website: www.seaoilthailand.com

In 2019, the Company has held the activities to communicate the information of the organization, explain operation result and answer the investors, shareholders and analysts regarding the business operation at the Opportunity Day and MAI Forum 2019 which the Chairman, President & Chief Executive Officer and managements attended to provide the information, clarify the operation result and business operation path of the organization, as well as give the opportunities to the investors, reporters and analysts to inquire.

Furthermore, the Company has given the opportunities to visit the petroleum exploration and production investment project with Pan Orient Energy (Siam) Limited ("POES") on 5 March 2019 which the directors, advisor

of the Thai Investors Association (TIA) and chairman and members of “the Thai Intelligent Investors Program class 1-9” (TIIP) with the number of 20 persons have visited the POES investment project which is the joint venture at Hua Pho sub-district, Song Phi Nong District, Suphan Buri Province. The Company has presented the information of the business operation and made a tour to visit onshore concession which have been performed by the Chairman, Board of Directors and President & Chief Executive Officer.

Responsibilities of directors

The Board of Directors has an important role in corporate governance. The Board of Directors is the one who create policy, formulate a strategic framework, follow up and evaluate the management's performance. To ensure that appropriate policies and procedures are implemented in an effective and efficient manner for the company and the stakeholders. The person who has been appointed as a director must be knowledgeable, capable and experienced in various fields that are beneficial to the Company. With integrity, vision, dedication in responsible work and freedom to make decisions to bring maximum benefits for the Company and shareholders. The company has determined the composition and the duties and responsibilities of the Board of Directors as follows:

1. Structure of the Board of Directors

1.1. The Board of Directors must be consisted with at least 5 directors, with not less than half of a total directors must have residence in Thailand and have qualifications as required by law, consisting of independent directors at least one-third of the total number but not less than 3 persons, and acquired the qualifications according to the criteria for nomination of independent directors as specified by the Capital Market Supervisory Board. Which is independent from the management and has no direct or indirect benefits or interests, not being a related person or relative of an executive or a major shareholder of the company. At present, the company has 8 directors, divided into 3 executive directors, 2 non-executive directors and 3 audit committees / independent directors. Which meets the requirements and the independent directors who serve as members of the Audit Committee must be at least 3 persons. The directors must be qualified according to the nomination of the Board of Directors.

1.2. The Board of Directors nominates sub-committees; Audit Committee, Nomination Remuneration and Corporate Governance Committee and Executive Committees for mitigating the responsibilities of the directors and assisting the directors in the corporate management for achieving the specified goal. Each sub-committee will perform the duty within the scope of assigned power and duties and propose to the directors for considering or acknowledging (the details on the scope of power and duties of sub committees has been mentioned in the subjects of “Audit Committees” “Nomination Remuneration and Corporate Governance Committee” and “Executive Committees”).

1.3. The company divides the duties of the Board of Directors and management team clearly. The President and Managing Director must not be the same person. The Board of Directors regulates the policy,

stipulates the strategic framework, observes, and assesses the performance of management team for ensuring that the policies and processes are suitable applied in the practical way effectively for maximum benefits of the company and stakeholders.

1.4. The Board of Directors has appointed the company's secretary to be responsible for coordinating and supervising the conformity to the resolution of the Board of Directors in preserving the documents and data including communicating the shareholders and related supervising bureaus.

1.5. The Board of Directors will select one director to be the Chairman of the Board and The Board of directors may consider selection of one or more directors as vice chairman.

1.6. The company requires the chairman must not be the same person as the Chief Executive Officer and the President.

1.7. Independent Directors must not be in the position for more than 9 years.

2. Board Diversity & Inclusion

The Board of Directors is aware of the priority of the diversity of the Board structure and properly acknowledges the differences which are factors to enhance efficiency of the directors' decision and performance as well as create the balance of the diversity of viewpoint, idea and experience which will be advantages to all stakeholders.

In nomination of the Board of Directors, it will be considered from composition according to the nomination criteria and the diversity of the board structure by creating Board Skill Matrix to verify the qualification of the directors in need whether they are skills, knowledge, capability, specialization and appropriate characteristics in compliance with the structure, business strategies, ethics and the diversity of the board structure. It is prohibited to set limits in sex, religion, age, education, skills and specialization.

3. Roles, duties, and responsibilities of the Board of Directors

Board of Directors has roles and responsibilities as describe in the category "Management Structure", "Scope of Duties and Responsibilities of the Board of Directors"

4. Re m u n e r a t i o n

4.1. The company regulates the clear policy on the remuneration of Director and sub committees and proposes for the approval to the Nomination and Remuneration Committee meeting annually by considering based on the fairness, appropriateness, experience, duties, and scope of responsibilities of each committee. The remuneration is in the level that can attract the committee with knowledge and competence to continue working with the company.

4.2. The remuneration of Managing Director and the top executives follow the company principles and policies which considered by Remuneration Committee. The indication of remuneration in salary and

incentive in the long term should be in accordance with the company's operation and the operational performance of each executive.

- 4.3. Nomination and Remuneration Committee is considered and evaluated the performance of the Managing Director every year and presented to the Board of Directors, to be used in determining the remuneration of the Managing Director using the agreed norms.

5. Development on the directors and the executives

The Company has the policy in promoting the training and knowledge giving to related persons in the system of corporate management, such as; Directors, Audit Committee, the executives, the company's secretary, etc. for continually improving the operational performance to be effectively and efficiently.

In 2019, the company Directors and Managers had attended training courses for knowledge development and management skills as follows:

- IT Security Awareness and Enhancing Office 365
- Effective Minutes Taking
- Enhancing Good Corporate Governance based on CGR Scorecard
- Corporate Finance Law 2019
- Train The Trainer
- Professional Sales
- Safety Officer at Management Level
- Performance Appraisal Implementation
- Anti-Corruption
- GMP/HACCP Internal Audit and Food Safety Audit Techniques
- HRMS in use
- New TFRS which You Should Know
- Financial Reporting Standards enforced in 2020
- 5S System

Including training for all directors on topics that are in line with the current world situation. Improve the operation and develop the organization to have a sustainable development. (Training information of directors Appear in the details of the directors, executives and company secretary.)

6. Holding a position in other companies

The Board of Directors has defined the guideline concerning holding the position in other companies by stipulating that other companies registered in the stock exchange in which the directors hold the position must not exceed 5 companies so that the directors can fully execute their duties and sufficiently allocate time to perform as the directors.

In case the President & Chief Executive Officer and management would like to hold the position as the director or management in the limited companies or other companies registered in the stock exchange which are not the Company's subsidiaries, such circumstances must be present to the Board of Directors for consideration regarding suitability of the business type which must not be the same as the nature the Company business and not compete with the Company and proper allocation of time to fully implement their duties.

Nomination of directors and executives

The Company have resolution appointed the Nomination Remuneration and Corporate Governance Committee for the appropriate and transparent, including recruit, select and offer the right person for the position of Board of Director and committees. When any director having been in the position in full tenure or having necessity to nominate more directors or executives, the current directors will consult altogether for considering the selection of directors by using the criteria and methods in the nomination. The persons nominated to be the directors or executives of the company must be fully qualified following Section 68 of the Act of Public Company Limited B.E.2535 (including the amendment) and the Notification of Securities and Exchange Commission and must not have the prohibited characteristics following the Securities Act (including the amendment), other laws, and related regulations with the criteria of nomination as follows:

Nomination of Board of Directors

Qualification of the Board of Directors

- Having knowledge, competence, and experience in business operation
- Having integrity and ethics
- Being able to specify and manage the significant risks to the company
- Being determined and dedicating the time for the responsible tasks completely

The Board of Directors must be qualified and must not have prohibited characteristics as regulated by law on Public Company Limited, law on securities and stock exchange, Notification of public bureaus supervising the company. In case of independent directors, they must be qualified as specified by the company and the Capital Market Supervisory Board.

Criteria in the nomination of Board of Directors are as follows:

1. The Board of Directors must consist of at least 5 directors. The numbers of directors not less than a half (1/2) of all directors must have the residence in Thailand and be qualified as regulated by law. The requirements of the company indicate the shareholder's meeting to elect the directors following the criteria and methods as follows:

- 1) One shareholder has one vote.
- 2) Each shareholder will use the votes in (1) electing one or several persons as the directors. In case of electing several persons to be the directors, the votes cannot be divided to one more than the others.
- 3) The persons with the highest votes will be elected as the directors equal to the number of directors to be elected in that election. In the case that the elected persons in the lower order have the equal votes more than the numbers of directors should be elected in that time, the Chairman of the meeting will perform the final judgment.
- 4) In all agenda of the shareholder's meeting, one-third of all directors will be retired by rotation. If the numbers of directors cannot be divided into 3 parts, the number closest should be used. One third of the directors retired can be re-elected for the position. The directors who retired in the first and the second year after the registration must be random. After two years, the directors who has the longest period will be retired.
- 5) Apart from retired by rotation, the directors will leave the position when they are deceased, resign, disqualified, or have the prohibited characteristics following resolution of the shareholder's meeting or the judgment of the Court.
- 6) The shareholder's meeting may have the resolution for any director to leave the position with the votes of not less than three fourth (3/4) of the numbers of shareholders attending the meeting, having rights to vote, and having total shares for not less than a half (1/2) of the numbers of shares held by the shareholders attending the meeting and having rights to vote
- 7) In the case that the position of directors is vacant because of other reasons apart from the retiring by rotation, the directors must select the qualified persons without prohibited characteristics as regulated by law on Public Company Limited, law on securities and stock exchange to attend the next meeting as the directors except that the period of such director remains less than two months. The selected directors will be in the position only in the remaining period. The resolution of the meeting of the directors must consist of the votes for not less than three fourth (3/4) of the remaining directors.

Nomination of Independent Directors and Audit Committee

Qualification of the Independent Directors is as follows:

1. Holding the shares for not more than 0.5% of the shares with the right to vote of the company, the mother company, affiliates, consortium, major shareholders, or the persons with authority in controlling the company. This includes the counting of shares of related persons to such Independent Directors as well.
2. Never been or having been the directors with the participation in managing the employees or consultants with salary or the persons with authority in controlling the company, the mother company, affiliates, consortium, major shareholders, or the persons with authority in controlling the company excepted for being free from the aforesaid characteristics for not less than 2 years before the date of requesting the permission from the Office of Securities and Exchange Commission. The prohibited characteristics exclude the case that the Independent Directors have been the government officials or the consultants of public sectors who are the major shareholders or the persons with authority in controlling the company.
3. Not being the persons of same blood relationships or by the legal registration in the kind that the parents, spouses, brothers, sisters, and children including the spouses of the children of the executives, major shareholders, persons with authority in controlling or other persons nominated to be the executives or the persons with authority in controlling the company or the affiliates.
4. Never been or having been in the business relationships with the mother company, affiliates, consortium, major shareholders, or the persons with authority in controlling the company in the kind of obstructing the use of discretion freely including never been or having been the shareholders with the significance or the persons with authority in controlling of the persons with the business relationships with the mother company, affiliates, consortium, major shareholders, or the persons with authority in controlling the company excepted for being free from the aforesaid characteristics for not less than 2 years before the date of requesting the permission from the Office of Securities and Exchange Commission.
5. Never been or having been the auditor of the mother company, affiliates, consortium, major shareholders, or the persons with authority in controlling the company and not shareholders with the significance or the persons with authority in controlling or the partners of the audit office with the auditor of the mother company, affiliates, consortium, major shareholders, or the persons with authority in controlling the company excepted for being free from the aforesaid characteristics for not less than 2 years before the date of requesting the permission from the Office of Securities and Exchange Commission.
6. Never been or having been the professional service providers including the service of law consultants or financial consultants receiving the service fee for over 2 million baht per year from the mother company, affiliates, consortium, major shareholders, or the persons with authority in controlling the company and not being shareholders with the significance or the persons with authority in controlling or the partners of the professional service providers excepted for being free from the aforesaid characteristics for not less than 2 years before the date of requesting the permission from the Office of Securities and Exchange Commission.

7. Not being the directors nominated as the representatives of the Board of Directors of the company, major shareholder or the shareholders in relationship with the major shareholders
8. Not operating the business with the same condition and the significant competition to the company business or the affiliates or not being the partners with the significance in the partnership or the directors with the participation in managing the employees or consultants with salary or holding the shares for over 1% of the shares in other company with the same kind of operation and the significant competition to the business operation of the company or the affiliates
9. Not having any other features which cannot express the opinions independently in relation with the company's operation. The qualification of the aforementioned independent directors follows the definitions specified in the Notification of Capital Market Supervisory Board.

Qualification of the Audit Committee

1. Being nominated from the directors or company shareholder's meeting to be the Audit Committee.
2. Being the independent directors and must:
 - 2.1 Not being the directors assigned by the Board of Directors in making the decision of the operation of the mother company, affiliates, consortium, major shareholders, or juristic persons possibly having some conflict.
 - 2.2 Not being the directors of the parent company or the affiliates only for the registered company
3. Having the duty in the same kind as specified in the Notification of Stock Exchange on the qualification and operational scope of the Audit Committee
4. Having knowledge and enough experience for performing the role of Audit Committee. There must be at least 1 Audit Committee with knowledge and experience in accounting and finance enough for performing the role in verifying the credibility of financial statements. Moreover, the company will consider other qualifications, for example, the experience in business, proficiency in relation with the business, the ethics, etc.

Audit Committee is nominated by the Board of directors or the shareholder's meeting of the company selected from the Board of directors with the qualifications following the notification of Securities and Exchange Commission and following the principles of corporate management of the Audit Committee there must be at least 1 person with the knowledge in accounting/finance sufficient for auditing and supervising the company's operation as well as the supervision on the financial report, internal control system in the selection of auditor and in selecting the auditors as well as the consideration on the conflict of interest.

Audit Committee retired by rotation can be re-nominated for the position. In the case that the Audit Committee is vacant because of other reasons apart from the leaving in the specified period, the directors must nominate the qualified persons to be the Audit Committee in the numbers specified by the Board of directors. The

persons to replace the Audit Committee must be in the position only in the remaining period of such Audit Committee. When the position of Audit Committee is vacant until there are less than 3 persons, the Board of directors or the shareholder's meeting nominating in full numbers within the duration of not over 3 months from the date of having less than 3 persons in the Audit Committee.

Nomination of Executive Committee

The Board of Directors will appoint the Executive Committee that passed the consideration by Numeration Remuneration and Corporate Governance Committee by selecting from the top executives of the company or outsiders who are knowledgeable and has experience related to the business directly that can manage the work that related to business operations. To manage the routine work that exceeds the authority of the position of President and Chief Executives Officer and scrutinize administrative work to present important matters to the Board of Directors.

Nomination and Appointment of CEO/President

The Board of Directors will nominate the CEO/President considered by the Nomination Remuneration and Corporate Governance Committee based on the following criteria.

- Is a director of the company according to the company's regulations and has no prohibited characteristics as required by the law, has enough knowledge and experience related to the business of the Company
- Experience in Leadership competency with high leadership
- Been recognized in relevant business
- Conflicts of interest concerned
- Able to devote time to fully perform duties

Development and succession plan

The company has principles and guidelines for planning successors. To select key successors for the organization. To develop the potential to be able to hold positions within the specified time. Which has a selection of successors and potential development and follow up the successors with the following guidelines:

1. Specify the important positions of the organization and prepared profile needed of the positions. Which included responsibilities, educations, skills or experience needed, and competency of the positions.
2. For performance assessment of successor, average score of 2 consecutive years of performance appraisal align with competency and personality assessment from supervisor or next level.
3. Create a group of successors. By measuring from successors profile matching, whose ready to take the position.
4. Prepared the individual development plan. The successor and the position holder have to consider planning the development plan together. Which will be followed by human resources department.

The Board of Directors has appointed sub-committees to support in business with the following committees:

- The Risk Management committee consists of: Chairman of Executive Committee acting as Head of Risk Management Committee and management from every related departments. Their duties and responsibilities are to determine the risk factors that may affect the Company's operations, impact assess and defining hedges as well as review the risk factors of the organization on annual basis. In cases where high risk factors are found, they can immediately be incorporated into the risk management process. The Risk Management Working Group will report the performance to the Audit Committee on a quarterly basis.
- Corporate Social Responsibility (CSR) management team -communication and organization image administration- consists of the President & Chief Executive Officer and representatives from each department (at least 1 person per each) which have duties and responsibilities to assess and develop internal communication model, supervise use of the information which will be communicated externally, arrange the activities concerning society, community and environment (CSR), investor relation and public relation under the CSR policy as well as strictly adhere to the policies of the Company, support the activities which enhance internal relationship. Moreover, the CSR management team will define an annual activity plan, support such activities to achieve targets, follow up and evaluate the activities' result. In case the CSR management team finds any defects from the activities which should be improved, it shall rectify immediately.

Furthermore, the Risk Management committee and CSR management team -communication and organization image administration- will not accept any other remuneration or benefits from the Company and it will comply with the Company's policies.

New Director Orientation

The Board of Directors has set a new director orientation to prepare for the duty of the director. The Board will focus on the knowledge of the roles and responsibilities, nature of business, corporate overview, company policies and guidelines including good corporate governance. The Board also requires company secretary to support the new director orientation to be able to perform their duties effectively and efficiently as are follows:

- Information that should be known for new director orientation. Through the director's manual, such as company history, business structure regulations, board structure, board charter, sub-committee, approval authority table, related policies and regulations, meeting plans and meeting procedures.
- The presentation of summary information by the Chief Executive Officer and President about Business Practices, Corporate Governance and Business Ethics Management structure. Introduce to executives in each department as well as visiting the work place of the company and its subsidiaries.
- Arrange meetings with the Chairman, Directors and Top executives

Self-Assessment of the Board of Directors, Sub-committee and CEO/President

The Board of Directors has established a self-assessment on a yearly basis, including The Board of Directors, Sub-committee and CEO/President through consideration from the Nomination, Remuneration and Corporate Governance Committee to analyze self-assessment results for more effective and efficiency performance, by applying the self-assessment form of the Board of Directors and sub-committees of The Stock Exchange of Thailand to be applied to suit the organization. With the following assessment topics as follows:

The self-assessment of the Board of Directors consists of 6 topics as follows:

- 1) Structure and Qualifications of the Board Directors
- 2) Roles, duties and responsibilities of the Board Directors
- 3) The Board Meetings
- 4) Duties of Directors
- 5) Relationship with Directors
- 6) Self Development of Directors and management development

Self-Assessment of the Sub-committee consists of 3 topics as follows:

- 1) Structure and Qualifications of the Sub-committee
- 2) The Sub-committee Meetings
- 3) Roles, duties and responsibilities of the Sub-committee

Self-Assessment Individually consists of 3 topics as follows:

- 1) Structure and Qualifications of the Board of Directors
- 2) The Board of Directors Meetings
- 3) Roles, duties and responsibilities of the Board of Directors

The overall assessment results can be concluded as follows:

Group self assessment of the directors/committees

Board of Directors - total average score equals to 97.77%. (Excellent)

Audit Committee - total average score equals to 98.83%. (Excellent)

Nomination, Remuneration and Corporate Governance Committee - total average score equals to 98.06%. (Excellent)

Executive Committee - total average score equals to 89.29%% (Good)

Individual self assessme of the directors/committees

Total average score equals to 93.04% ()

Self-Assessment of the President & Chief Executive Officer consists of 3 topics as follows:

- 1) The progress of the work plan
- 2) The performance measures. Which can be separated to leadership, strategy planning, compliance with the strategies, planning and performing financially, relationship with the directors, relationship with external, managing and relationship with personnel, the succession, knowledge about products and services and personalities.
- 3) CEO development

Regarding the self-assessment of the President & Chief Executive Officer, the total average score equals to 89.35% which considered as good. The Nomination Remuneration and Corporate Governance Committee will evaluate the performance of the President & Chief Executive Officer, for propose to the Board of Directors for approval to consider the annual remuneration and improve the performance and achieve the objectives assigned.

Corporate Governance: Supervision of the operations of subsidiary and affiliated companies

The Company has set an investment policy and management policy for its subsidiaries and affiliated companies with the following details:

1. The Company adopts the following investment policy on subsidiaries and affiliated companies under the basis of good compliance of corporate governance principles:

- 1.1. The Company shall invest in businesses that are entitled to generate consistent revenue stream and profit based on a thorough feasibility analysis.
- 1.2. The Company shall invest in businesses that can generate sufficient cash from its operations to repay debt and interest expense.
- 1.3. The Company shall invest businesses that can generate reasonable returns on investment under an acceptable risk appetite set forth by the Company.
- 1.4. The Company shall assign experienced staff and management team with specific expertise in the subsidiary or affiliate company's operations.
- 1.5. The Company shall not invest in businesses with unethical or illegal business practices.
- 1.6. The investments in subsidiaries and affiliated companies shall be approved by the Board of Directors or shareholders of the Company under the relevant laws and rules and regulations of the Company.
- 1.7. The subsidiaries or affiliated companies have the duty to submit its operating financial performance to the Board of Directors on a quarterly basis.

2. The amount of investment in the subsidiaries and affiliated companies will be based on business synergy. In the case of direct valuable business synergy, the Company may invest more than 50 percent (a subsidiary of the Company). In the case of investments in other sectors, the Company may invest in 20 to 49.99

percent of the business (an affiliated company of the Company). However, the Company may review the investments in subsidiaries and affiliated companies as appropriate.

In overseeing the business operations of the Company's subsidiaries and affiliated companies, the company shall appoint company representatives to be directors in the subsidiaries and affiliated companies. The Company's representative may be the Chairman, Board of Directors, or Top Management or other management with qualified experiences in the business field without any conflict of interest with the subsidiaries and affiliated companies. The representatives shall manage the subsidiaries and affiliated companies based on rules and regulations set forth by the Company and the laws governing the subsidiaries and affiliated companies.

Supervision on the Insider Trading

The Board of Directors stipulates the measures to prevent the Insider Trading by related persons including the executive directors, staffs, and employees of the consortium related to the data (including the spouses and children who have not reach the legal age of such person). This includes the punishment on the disclosure or the use of company's data for one's benefits following the policy to prevent the Insider Trading as follows:

1. The company stipulates the prevention of Insider Trading by regulating the prohibition in the regulations of operation so that the executive directors and employees of the company cannot use the internal data with significance of the company to be revealed or used for one's benefits.
2. The executive directors and employees of the company should avoid using the internal data for one's benefits in purchasing or selling the shares of the company. The trade on the company's securities should be avoided and omitted in the duration of 1 month before the revelation of financial statements. It should be waited for at least 24 – 48 hours after revealing the significant data possibly affecting the share price of the company to public before trading the company's shares.
3. The company gives knowledge and understanding to the directors and the executives of the company about the duty in reporting the holding of securities of themselves, their spouses and children who have not reach the legal age to the Office of Securities and Exchange Commission according to Section 59 of Securities and Stock Exchange Act B.E.2535 ("Securities Act") and the requirements of SET including the duty in reporting the stake holding of the directors and the executives and the prohibition in using the internal data with significance of the company for trading the company's shares including stipulating the relevant punishment according to Securities Act.
4. The Need-to-Know Basis should be stipulated, for example, the communication between the bureaus, the access of area, and the giving or asking for the information between the bureaus must be approved by the highest-ranked supervisors of the bureaus.

5. Report on the holding of securities of directors and executives of the company. To the Board of Directors meeting every quarter.

The Penalty

The company has a disciplinary penalty in case the executives and employees have violated rules, regulations, announcements or orders by the law of the company in the working regulations, accordance with the criteria set by the personnel management department and has announced to executives and employees at all levels to acknowledge.

Audit Fee

1) Audit Fee - In 2019, the Company and its subsidiaries has paid the audit fee to PricewaterhouseCoopers ABAS limited and PricewaterhouseCoopers overseas in the total amount of 7.21 million baht, consisting of 3.37 million baht of the Company's audit fee and 3.84 million baht of its subsidiaries', both domestic and international, audit fee.

(2) Non-Audit Fee - the Company has paid remuneration for the services, which are miscellaneous expenses incurred during the operation such as travel expenses, postal cost, stamp duty and photocopy fee and so on, to the companies in the PricewaterhouseCoopers group, both domestic and international, in total amount of 1.45 million baht.

Other Good Corporate Governance Practices

In 2019, the Company has reviewed important policies and criteria for efficient and effective operation such as Board of Directors Charter, Audit Committee Charter, Credit Management Policy, Bad Debts Write-Off Policy, Delegation of Authority Schedule and added the board diversity & inclusion to the Corporate Governance Policy as well as promote the policies illustrating concrete anti-corruption such as announcement of NO Gift Policy, and arrange the anti-corruption activities in the organization and with the company group and so on. The Company has raised the level of anti-corruption policy to be clear, established measures and guidelines for actions related to anti-corruption, such as reviewing and evaluating risks in the operational process that may cause corruption in accordance with each operational process. Of each business group along with finding guidelines and preventive measures. Determination of plans for monitoring compliance with anti-corruption policies and report to the Audit Committee every quarter. Improving the regulatory policy, Procurement policy and selection of partners, Approval authority table on activities that are vulnerable to corruption, such as; disbursement of certification fees, donations and various support funds as well as guidelines relating to the code of business conduct in accordance with the anti-corruption policy. Training and communicating policies and increasing channels, receiving suggestions, complaints, as well as reporting clues to corruption, corruption of the organization for a variety of channels. Which corresponds to Chapter 3, the role of stakeholders.

In 2019, Thai CAC has the resolution to acknowledge “Sea Oil Public Company Limited” as their member in November 2019. The Company has continuously raised its level of the corporate governance causing the Company to obtain Excellent as its corporate governance evaluation for year 2019 from Thai Institute of Directors.



Conflict of Interest Policy

The Group has established good practices to show the intention to conduct business with transparency, accountability, and to adhere to the duties of directors, executives and employees, including related parties and those with relationships. Must avoid being a stakeholder or being a person related to the operation in a manner that may cause a conflict of interest. Therefore, prescribing the following precautions.

1. Directors, Audit Committees and Executives must consider the conflict of interest regarding connected transactions in accordance with the laws governing securities, regulations, announcements, orders or requirements of the Stock Exchange of Thailand carefully. With integrity by taking into account the interests of the company as important, which stakeholders in any matter will not be able to participate in approving such transactions.
2. Don't do anything, which is a competition with the company operation.
3. It is prohibited to have connected persons with the company seeking benefits in private business with the company, such as sell products and services to the company. If there is a need to do so, it must act as if it a third party. With general trade conditions that are the same as general partners. Without the bargaining power of trade from directors, executives or related persons and must make a document explaining and disclosing information to the company in all cases.
4. In any event that any action or situation is suspected and/or being a person who may have a conflict of interest with the company must make a written report revealing the suspected item according to the specified form. By notifying the supervisor according to the floor and submitted to the Authority respectively and Company Secretary. To enter the process of determining whether are there any conflicts of interest with the company and how to proceed.

Anti-Corruption Policy

Sea Oil Public Company Limited shall strive to operate its business in a way which demonstrates its compliance with ethical and good corporate governance standards by upholding the principles of good governance as well as code of conduct and business ethics; displaying responsibility toward the society, the environment and every group of stakeholders; and conducting business in transparent, fair and verifiable manner. The Company therefore joined “Private Sector Collective Action Coalition Against Corruption (CAC)” to demonstrate its clear intention and commitment in fighting against all forms of corruption, including establishing clear Anti-Corruption Policy and related practice as follows:

Corruption means a behavior in which one performs or refuses to perform the assigned duties or misuses one's position or power to dishonestly or unlawfully seek any types of personal interests such as offering or accepting bribery, proposing an offering, promising or agreeing to give, demanding or accepting money, assets or other inappropriate benefits from government officers, government sectors, private sectors or any other related parties so that such person could proceed or disregard his/her function in order to acquire the business or achieve any improper benefits in business transactions with the exception of the cases in which it is permitted by law, regulation, statement, standard, custom or business tradition.

Anti-Corruption Policy and Related Practice

The Company shall not tolerate any forms of corruption and shall be applicable to all businesses and transactions in every country worldwide and every relevant function. The Board of Directors, the Management and employees of Sea Oil Public Company Limited including subsidiaries must strictly comply with the defined Anti-Corruption Policy and are prohibited from being involved with any forms of corruption either directly or indirectly in dealing with high-risk corruption. Executives and all employees should be cautious on political contributions, donations, sponsorships, gifts and entertainment.

Guidelines for giving gifts and expenses for entertainment

The company is well aware that building good relationships with business partners is an important thing that will lead to continued success of the company. The company therefore has set the following guidelines

1. Directors, executives and employees are able to give gifts and provided entertainment for business partners. If entering all conditions as follows

1.1 It is not an act to dominate, induce or reward any person to gain an advantage. Through improper actions or hidden in order to obtain help or benefits

1.2 Comply with relevant laws, rules and regulations of the company as specified.

1.3 On behalf of the company, not on behalf of employees. Act openly, not concealed

1.4 Type and value are appropriate and meet criteria, such as in the case of a tender, gift giving or party with government officials, employees of the company or related agencies are not allowed

1.5 suitable for the situation, such as giving small gifts during important festivals which are customary

Director Executives and company employees can receive gifts or any benefits according to the festivals or normal practices. Which must have a value of not more than 3,000 baht (three thousand baht). Any gift received must not be in cash. Or cash equivalents such as gift certificates, gift cards, etc.

If in a situation that cannot deny receiving such gifts or benefits at that time. The recipient must notify the supervisor immediately and prepare a report for receiving gifts and send such gifts to the Authority and Company Secretary To be used as a reward for employees in important festivals or requesting approval to donate to the public charity as appropriate.

Measures and Communication Channels for Whistleblowing/Complaints

The Company has determined measures for whistleblowing or raising complaints concerning any misconduct done by any director, executive or employee within the organization that is in violation of the laws, Code of Business Ethics or any behavior that may lead to corruptions. Various channels of communication have been provided so that the employees and stakeholders can conveniently and appropriately report incidents or raise complaints with the Company. The whistleblower or complainant must notify the details of the incident or complaint including their contact address and phone number through the provided channels.

- Postal mail for Attention of the Chairman of the Board of Directors or the Chairman of Audit Committee
SEA OIL PUBLIC COMPANY LIMITED
88 Soi Bangna-Trad 30, Debaratna Road, Bangna-Tai, Bangna, Bangkok 10260
- E-mail
 - The Chairman of Audit Committee : ruth@banomyong.com
 - The Chairman of Nomination, Remuneration and Corporate Governance Committee / Independent Director / Audit Committee: pongandeat@hotmail.com
 - Independent Director / Audit Committee: drwit777@gmail.com
 - Compliance and Company Secretary Office: compliance@seaoilthailand.com
- The Company's website: www.seaoilthailand.com
- Suggestion / comments / complaints box available within the Company

Protection and Confidentiality

The Company has developed and implemented personal information protection measure to protect the whistleblowers and informants. Under such measure, the Company shall not disclose the identity, address or any other information pertaining to the whistleblower or informant and shall treat such information as confidential and only authorized persons involved in the investigation procedure can have access to such information. In the event, there has been a report of an act of corruption by an executive or top management, the Audit Committee shall be responsible for ensuring the protection of the whistleblower or complainant, including the witnesses and informants throughout investigation period so that they are safe from any danger, harm or mistreatment due to whistleblowing or raising a complaint or being a witness or for disclosing any information. Any person authorized to be responsible for such matter must strictly maintain the confidentiality of all relevant information and documentation concerning the complainant and informant and must not disclose such information to any irrelevant parties unless it is required by law.

Investigation procedure and penalties for fraudsters

Employees who violate or do not follow the rules will be subject to disciplinary action according to the company's policy and regulations. Directors or employees will be punished according to law. If that action is illegal the investigation processes are as follows:

- 1) When receiving clues, The Audit Committee will assign the internal auditor or appoint an investigation committee to be a moderator of investigation and inform the results of the investigation periodically to the whistleblower or the complainant.
- 2) If investigating and found that Information or evidence has a reasonable reason to believe that the accused has committed corruption. The company will give the accused the right to acknowledge the allegations and prove themselves. By finding additional information or evidence that shows he/she has no involvement in the alleged fraud
- 3) If the accused has committed corruption. The corruption will be considered as a violation of anti-corruption policy, business ethics of the company and must be considered disciplinary punishment according to the regulations set by the company. And if fraud is illegal, the offender may be subject to legal penalties. In addition, any disciplinary action according to the company's regulations verdict by the Audit Committee will be considered as final.

The company does not have a policy to demote, punishments or negative results for employees who reject corruption. Although that action will cause the company to lose business opportunities.

Human Resources Development Policy

The company focus on importance of human resources and committed in developing personal competency as knowledge, skills, abilities and attitudes towards the organization. In addition, the promotion is considered to encourage the efficiency of all aspects of personnel work and to ensure that employees can perform in equivalent or higher than standard. The Company has a policy and practice, human resources and personnel development related to hiring and recruiting, line of command, wage and welfare management, working environment, promoting and personnel development.

As for the personnel development in 2019, the Company has supported both internal and external trainings for the personnel. The Company has selected experienced speakers with knowledge and ability to provide knowledge to the personnel with the total training hours of 2,178 hours or average training hours of 30.25 hours per person per year and followed up the evaluation of the training courses. The Company has encouraged the personnel to apply knowledge and skills obtained from the trainings to their work as well as instilled the conscious to managements and personnel concerning anti-corruption and realized the security of the information technology system.

At present, the company continuously promotes quality improvement projects / activities accordance with the requirements of ISO 9001 in the development of knowledgeable personnel. The Company outsourced Nathalin Co., Ltd to support human resource management in line with human resource policy and training plan.

The Company set human resources policy and human resources development, to provide employees the readiness to work and develop their knowledge-based skills to approach international standards in line with corporate mission. Which is in line with Chapter 3 Role of Stakeholders (Employees) in Compliance Policy.

Criteria in selecting and evaluating partners

In selecting and evaluating partners, the Company established the criteria for effective procurement process in selecting Oil trading partner based on the quality of the goods, the completeness of the delivery of the goods, including price comparison. In the Supply Management and Catering Services, the GMP, HACCP, hygienic standards of service have been defined with the service process realizes on the SSHE Awareness.

In principle of procurement, the company essentially consider the quality, reliability and service as basic criteria to qualified vendor then Approved Vendor List is updating for qualified business partners.

After receiving products and services from partners, the company evaluate quality and service received from vendor and report results of such operations to management, to maximize customer satisfaction. It also develops good relationships with partners to enhance the effectiveness of action on good governance. The Company treat the stakeholders as operates in accordance with the requirements of ISO quality management system and company policy. This in line with Section 3, stakeholder roles (business partners) in accordance with corporate governance policy.

Product and Service Delivery Standard

The company focuses on product delivery under the policy, start from qualify supplier selection process as hull-certified transporters. As legal regulations enforcement, such as the Thai Maritime Navigation Act, on the control of marine pollution. Load-Discharge Cargo Plan is in place to prepare in every oil transported.

Include in the oil delivery process, the Inspector has been assigned to supervise shipments from origin to destination and to control the operation of the bunker in accordance with the high standards in the shipment. If in case of emergency occurs, the company has defined international standards such as the Shipboard Oil Pollution Emergency Plan (SOPEP) as part of its Shipboard Oil Pollution Emergency Plan (SOPEP). Convention on the Prevention of Pollution from Ships (International Convention for the Prevention of Pollution from Ships: MARPOL) and has been defined as a guide to action. To ensure that the customer is confident in delivery standard as accurate, secure, and of the highest quality. Which will be in line with Chapter 3, stakeholder roles (customers) in accordance with corporate governance policy.

The company awarded in Logistics Management from Department of Business Development, Ministry of Commerce which recognize in good management on the document system and procedures to receipt of goods from originate to destination.

In safety aspects of food supply, raw materials and other services, the company has selected providers with international standard to provide food services. Considering the safety and hygiene aspects is important. In the

preparation of food, they supply high quality of raw materials certified by the Food and Drug Administration till the stage of cooking and serve customers with maximum satisfaction.

The company has been awarded the SSHE Performance Excellence in 2013 and 2016 by PTT Exploration and Production Plc. For its services in food preparation, raw materials and other services with no accident. We can respond to the safety, security, health, and environment of our customers (PTTEP).

Social and Environmental Responsibility

The Company adheres to the framework of good corporate governance, being aware of the business conduct with social responsibility and the environment. As the company define social and environmental responsibility policy to encourage directors, executives and employees to know about Good governance policy, fair business intention, as well community participation, educational support, environmental impact of corporate activities. To create organizational culture to consciously conserve natural resources and preserve the environment. Sustain to achieve the goals and objectives, in line with Corporate Governance Policy. Chapter 3 Role of Stakeholders (Society)

Quality, Safety, Occupational Health and Environment Policy

The directors, executives and employees of the Company and its subsidiaries follow 8 aspects of policy as follows;

- 1) Commit to operating the business in accordance with the quality policy and comply in applicable laws and regulations.
- 2) Enhance the quality and service to equivalent through international standard.
- 3) Promote training to develop potential and personnel capabilities, to realize and see the impact on the operational risk, as well as creating awareness of participation in social responsibility in terms of quality, safety, health and environment. By using natural resources, knowing the value and maximizing benefits.
- 4) Scheduled for planning Systematic risk management to control and prevent losses in various forms. Provide a control plan and prevent emergencies and crisis of the organization. And provide appropriate and adequate resources.
- 5) Establish measures to control the transportation of goods to meet safety standards for life and the environment. In order to maintain the quality and quantity of products and prevent risks that may affect the environment.
- 6) Promote and protect the welfare of personnel. By focusing on personnel with respect to each other. Build working relationships without intimidation, harassment, verbal or action, sexual harassment and abuses of race, religion, skin color or any act that violates human rights.
7. The company has determined to use measures to prevent and suppress the possession of all kinds of narcotics for the use or distribution of all kinds of narcotics. Including drinking alcohol in the workplace or while

operating in the work area. If anyone does not comply with the policy, may suspend the job or leave the job immediately.

If there is a reason to suspect that any person in the organization is addicted to alcohol or using drugs. The company will send that person to the doctor to check for drugs. If found that the person have a high level of alcohol or alcohol abuse that is against the law, the company will consider disciplinary action and dismissal.

8. Requiring the publishing of quality, safety, health and environment policies and public relations. To create understanding for personnel Including stakeholders both inside and outside the organization. By opening channels to listen to complaints or suggestions to improve the operation appropriately.

Non-Infringement of Intellectual Property and Copyright Policy

The company requires that Non-Infringement of Intellectual Property and Copyright Policy is an important policy that all executives and employees must strictly follow and require the management to monitor the information to prevent piracy on the computer.

1) Employees must not bring information and company secrets, such as information from ideas, various technical knowledge that related to the business, these cases will be considered as an intellectual property of the company. Moreover, it is prohibited to publish without permission from the company or the person who has been assigned in writing.

2) Employees are responsible for preventing and supervising the information systems of the company in their possession or responsibility. Do not allow unauthorized access to information and not disclose important business information to unrelated people.

3) Employees must have discipline to use the information systems and communication devices of the company, not to negatively impact the group of companies and others, such as using as a tool to access information systems illegally, damage to reputation and property, interfering or disturbing the work of the information system. Including not being used in business or illegally.

4) Employees must not violate the rights of software or intellectual property of others. By using a computer program that is copyrighted correctly.

5) Employees must not violate the Company's information or personal information of others. Unless authorized by the data owner.

6) Employees must keep their passwords confidential. Including not using the internet to access unfamiliar websites, websites without data security protection and may be harmful to the computer system of the company.

7) In case of employees requesting permission to join workers or employees of contractors using information systems of the company, the employees who request must control the use of the contributions the employed worker and be responsible for the damage that occurred.

8) If there is any doubt that any employee uses the information and communication technology system in an inappropriate way or have reasons to protect the safety of the information and communication technology

systems of the company. The assigned department will monitor, search, track, investigate and control the use of information and communication technology of that employee.

9) If found that any employee has violated intellectual property, use of information and communication technology. And the investigation results show that is guilty. The employee will be considered disciplinary action and / or laws as appropriate, as the case may be.

Employees are responsible for reporting to supervisors. In any event that the action is seen as a violation of copyright or actions that may cause intellectual property disputes.

Corporate Social Responsibility for Sustainable Development 11

The Company is committed to develop sustainable management practices along with good governance, social and environmental responsibility and consider all stakeholders concerned by conducting business with prudence, adhering to the Code of Conduct and operate business with transparency and transparency under the good corporate governance policy. There is risk management within the organization, internal audit in all processes for the organization to operate efficiently to establish confidence in business partners, customers, shareholders, investors or all stakeholders. Also, including participation in social development and the conservation of natural resources according to the social and environmental responsibility policy to develop and lead the organization towards sustainability in the future and in accordance with the vision and mission of the Company.

Sustainability Management Framework focuses on responsibility in the economic, social and environmental aspects, take into consideration both direct and indirect of internal and external stakeholders such as shareholders, investors, employees, creditors, business partners, customers, communities, societies, or outside interested as well as key risks analysis which affect the business sustainability for the Company to participate in the care of all stakeholders.

Topics	Main point of sustainable development	Strategies of management	Affectation to Stakeholders
Economy Sustainability	<ul style="list-style-type: none"> - Maintain the excellency in operation - Modify the strategy for each situation - Support social economy 	<ul style="list-style-type: none"> - Maintain the quality standard of products and services - Quality Policy - Employee Development Policy - Anti-Corruption Policy 	Shareholders, Investors, Customers, Partners, Creditors, Employees, Financial Institute, Society and Community
Environment sustainability	<ul style="list-style-type: none"> - Environment-friendly transportation - Awareness in environmental conservation 	<ul style="list-style-type: none"> - Safety, Occupational Health and Environment Policy - CSR Policy 	Society and Community
Society Sustainability	<ul style="list-style-type: none"> - Fairness Business - Anti-Corruption - Human Rights - Customer Mind - Society and Environment Sustainability 	<ul style="list-style-type: none"> - Code of Conduct - Code of Business Conduct - Anti Corruption Policy - Conflicts of Interest Policy - Related Transaction Policy - Human Resource Policy and Personnel Development 	Customers, Partners, Creditors, Financial Institute, Society, Community and Employees

Summarize of the key issues for the company's sustainable business.

1. Economy Sustainability

1.1 Maintain operational excellence

The Company has been in the business of fuel trading for more than 20 years, with experience, reputation, and skilled personnel. The company has continued to increase revenue and to be known in the South East Asian trade market. The company has partners as a leading manufacturer and distributor of fuel in Thailand which can fully support the sale to meet customer expectation.

The Company has partners in the oil shipping fleet and gasoline carriers who have High standards of service to ensure the Company has potential to deliver the quality on time. All carriers are covered by third party insurance with standardized shipping process in safety awareness on environment and communities.

The Company certified in the ISO 9001 quality management system standard to strengthen reliability of its operations, from ordering, receiving, and delivering to the customer. There is also a safety and security system in delivering product from the source to the destination to provide customers with quality products and accurate to meet customer requirement.

In Supply Management, the Company provide service with international standard as to select high potential partners and resources. The company has been awarded the safety, security, health and environment by PTT Exploration and Production PLC (PTTEP), both in 2013 and year 2016, which prove the company's success.

From core business, the Company model as a credible organization, skilled human resources, documentation and operating systems at the international level. As all said, the Company can expand customer market to steadily perform economic growth.

The Company has Anti-Corruption policy focus on fraud-free operations in every process from executive to employee level, thought the Company can fully collect revenue.

The Company also has a mission to expand its business portfolio. This will generate more profit for the Company in the future and reduce the risk from the core business. To add value to the organization and return benefit to all stakeholders.

1.2 Modify the strategy in accordance with the situation.

At the end of 2014 until 2019, the company is in the petroleum, petrochemical, and industrial sectors that have problems. The price of crude oil in the market has declined considerably. As a result, the income from the business of selling fuel is directly affected. From fluctuating oil prices, making the executives to have to adjust business strategies in order to comply with the changing environment and reduce the impact on the core business of the organization. By expanding investment to other businesses both the business that related to the main business such as condensate separation business, which produces and sells chemicals. In 2017, the company has entered to renewable energy business, such as the solar rooftop project that produces and sells electricity to the Metropolitan Electricity Authority and the Provincial Electricity Authority. Which will create growth potential and increase income and profit stability for the organization in the long term.

1.3 Support the community Economy

The company has expanded its investment in exploration and production in Pan Orient Energy (Siam) Limited ("POES"), which has been granted a petroleum exploration and production concession in the Kamphaeng Saen District. POES has arranged social activities for community and society in the concession area, such as donating learning and sports equipment and donating to set up a clinic in the community, both in Nakhon Pathom and Suphanburi provinces, and Sea Oil Petrochemicals Co., Ltd. has engaged in the business of condensate separation plant located in Amata Nakorn Industrial Estate Mueang Chon Buri district, Chon Buri province. The Group plans to support the development of community and society in Chonburi, such as granting scholarships to students who are underprivileged in the Chonburi area.

1.4 Develop personnel to be a leading organization

The Company realized the importance of developing knowledge, ability and potential of personnel in every level of organization and set up human resource policy and personnel development, including the development of skills needed to perform tasks, leadership development training plans, coaching and educational support.

The Company also encouraged employees to express their opinions or propose ways to develop the organization together with the Company and there was a suggestion box for comments, suggestions and complaints inside the Company. The company encouraged the employees to adjust their skills, knowledge, abilities to be use in work implementation to achieve maximum efficiency and effectiveness.

2. Environmental sustainability

2.1 Environmentally friendly transport process

The Company arranged marine carriers who have been certified by the Hull Standard and strictly complied with the and laws and had standards of safety, occupational health and the environment. The carriers should have transportation plans of the marine fuel in order to prepare for each transportation by adhering to the law of the Thai Maritime Navigation Act on Marine Pollution Control. The Company has an inspector to supervise the delivery from the source to the destination. The inspector will manage the shipment to meet the standards of life and environment safety. In event of emergency, there are international standards such as in oil leakage during shipment, the carrier will use a Boom Oil to prevent oil spills extent to ensure that no pollution is going to the environment.

2.2 Environmental awareness

The Company promotes corporate social responsibility and environmental responsibility training start with the orientation of directors and new employees. It is also instilled in the management and employees to be consciously aware of the conservation of natural resources and the preservation of the environment. The management and staffs have ongoing quality improvement activities that promote the conservation of natural resources and the environment, such as oil sample and packaged bottles disposal, energy saving activities, paper reduction activities. As example of oil sample and packaged bottles disposal, the company developed a systematic

elimination process and selects high quality oil removers. The plastic bottles will be recycled in accordance with industry standards. Every step of the operation or the company will aware all stakeholders and the environment at most.

The company purchased a solar rooftop power plant that was installed on the roof of the factory, warehouse or rooftop building which if a business that does not destroy natural resources and creates pollution for society, community and environment. Also, solar panels installed on factories, warehouses or buildings will help reduce the heat from the sunlight shining directly on the object, reducing the use of energy such as air conditioners or fans as well to make the environment more sustainable with the organization.

3. Community Sustainable Development

3.1 Fair Business

The Company is committed in fair and ethical business practices, action to strictly comply with the laws. The Company prohibits any illegal practice or circumvention of the law, action violating intellectual property or copyright as well as opposes all forms of corruption. Hence, the Company stipulates the policies to set up the performance framework for conducting fair business practices such as Conflict of Interest policy, Business Code of Conduct, Anti-Corruption Policy.

The Company has provided channels for the shareholders, investors, business partners, customers, communities, employees or all stakeholders to propose their opinions, suggestions and complaints. As to report the corrupt performance of management and employees in various communication, such as by phone, by mail, by email or website, as on anti-corruption policy. The company has a confidentiality measure of the complainant. The complaint process is proposed to the Chairman of the Audit Committee or the Chairman of the Corporate Governance Committee, to consider disciplinary action or legal action against a fraudulent or committing offender. This will inform the complainant of the outcome or the progress report until the process is completed. The anti-corruption assures the organization of a transparent and fair operation, also verifiable manner.

3.2 Respect and treatment in human rights

The company focuses on labor aspect and support the systematical development of human resources in every process to drive the organization efficiency by setting the priority to the knowledge development, providing appropriate welfare and compensation to the employees as well as provide safe environment for both life and assets of the employees. In addition, the Company has determined safety, occupational health and environment policy for safe and healthy work system in office and during work.

Moreover, the Company and its subsidiaries has made a report of work accident statistics for the year 2018, which didn't cause any accidents from work within the organization in any cases, for example; first aid case, medical treatment case or lost workday case. Thus, the Company has zero incident.

The Company provides benefits to the employees and their families, such as social security, support in funding both in workmen's compensation and provident funds, and scholarships to good performance employee's children which is an educational support for youth. The right in health insurance for the husband / wife and children

of the employee in premium rate for family health coverage, and reduces the burden on employees. There is also annual health checkup for all employees. Work and Leisure Policy to prevent employee fatigue and prevent work accidents. There is also a policy of bullying, harassment in the workplace to create a work environment and employees to respect each other. The principle of respect are basic human rights.

In 2019, the Company has organized activities to promote good health in the organization, which is one of continuous quality improvement activities (CQI) which encourages the executives, employees, partners and customers to do sports or exercise activities together to create both physical and mental health and build relationship between organizations and partners and customers. Thus, the Company organized exercised activities as a health benefit for the employees within the organization.

The Company was aware of basic human rights, promote respect of rights and freedom through non-discrimination, support equity, do not violate others' rights, respect the employees' rights to express their opinions freely without interruption. The Company provides communication channels to freely receive all stakeholders' suggestion.

3.3 Responsibilities to customer or consumer

The Company focuses on customer satisfaction as well making good relationships and adding value to customers. The Company has a policy on loss of goods and transportation control for quality control to certain the volume of the product transit and maintain a high standard of service to maximize customer satisfaction.

The Company further increased shipment and transit control standards. the inspectors are assigned to supervise the delivery from the source to destination to ensure that customers completely receive product as required. The Company's standard is guaranteed by the Best Practice Award for Quality Management, Business Management, Logistics Services, from Department of Business Development, Ministry of Commerce. By carries out the shipment under safety and in accordance with oil transportation standards.

For catering and service, the Company has served with international standards and satisfied the needs of the customers in quality, cleanliness, hygiene, safety as well as integrity in service according to the quality policy and safety, occupational health and environment policy of the Company resulting in the Company being accepted and trusted by the customers. Moreover, the Company received awards for safety, security, health and environment from the customers as well. In 2019, the Company provided catering services to two customers with the maximum service hours at 100,776 man-hours with zero incident, whether work accident, illness or food poisoning which occurs to the employees who provide services or the customers' employees.

The Company realized responsibility to the customers. Hence, there was customers' satisfaction evaluation twice a year, divided by the types of the business as follows:

1. Oil Distribution Business – total average satisfaction score 89.85%
2. Supply Management Business – total average satisfaction score 89.50%
3. Solvent and Petroleum Production and Distribution – total average satisfaction score 96.00%

In evaluating the customers' satisfaction, ordering system, standard of delivery and document control system as well as the services of the staffs must be taken into account. The results of the evaluation will be used to improve performance under the ISO 9001 quality management system. The Company complies with the requirements which consider essential service development as important and also manages complaints and uses those to improve to be in compliance with the Company's policies.

3.4 Participation in community, social development and environmental care

The Company's business operation adheres to the mission in terms of the environment policy and social and environmental responsibility as indicated in Vision and Mission. The importance of social, environmental, and community responsibility is a duty of executive and all employees both inside and outside the organization needing to carry out activities and create participation in such areas, in order to comply with the quality policy and social and environmental responsibility policy.

The Company has provided the trainings regarding environment, natural resource conservation, energy saving and waste sorting inside the organization as well as instilled conscious to the managements and employees to always care for society, environment and community.

As the Company core businesses are fuel distributor and food, raw materials and other services supply services mostly to marine customers. The Company is responsible for society and environment in accordance with the corporate governance policy in order to protect marine resources and environment by implementing in compliance with the Business Code of Conduct. The management will not perform any action which cause damage to the natural resources and environment as well as promote the activities for society to raise awareness of the employees at all levels for social responsibility.

Corporate social responsibility policy required executives to comply with the laws and regulations related to the business of fuel distributor both by bunker and in land service. The executives will not do anything that promotes or encourages the illegal act which socially and environmentally responsible consider as an important to continuously implemented.

CSR considered into two main aspects: process responsibility. (CSR-in-process), which the Company has a quality management system defined by quality policy and social activities (CSR-after-process). The Company has set a CSR management team -communication and organization image- to work on the activities that return benefits to society, environment and community. The management team participates in activities of promote education for youth, to conserve marine natural resources, such as giving scholarships for children and youth who lack of scholarships, funding for school restoration, beach cleaning, back to the sea of sea life, etc. All activities are in line with the policy of support for education and natural healing. Also, the Company seeks the opportunity to raise awareness about the conservation of marine resources that must be done mutually with community. Also, the Company supports children, young people in the seaside community and promotes ecosystems and educational of marine resources preservation.

Social and environmental responsibility policy

Social and environmental responsibility policy is a framework for the company's business operations for the directors, management and employees in the same direction. It is proposed into 6 guidelines: 1) good corporate governance 2) fair business practices 3) respect for human rights / fair labor practices; 4) community participation and educational promotion; 5) environmental preservation; 6) responsibility to customers, competitors, trading partners, creditors, which are related to the vision and mission.

The CSR management team -communication and organization image- is responsible to control the operation in accordance with the social and environmental responsibility policy. The company analyzes process concerned, such as delivery system, procurement inspection, and assessment of the potential risk to stakeholders at each process, for correct and prevent unintended to all parties.

Business Code of Conduct

Business Code of Conduct is a standard that defines good practices of directors, executives and employees in conducting business under the framework of ethics, morality and integrity. By adhering to the duty and responsibility to all stakeholders in a fair and equitable manner. Summary of important details as follows:

- Focus on honesty, transparency, fairness and the interests of the company and shareholders and do not do anything that could cause damage to the company. (In line with fair business practices)
- Act to comply with the law and rules governing the conduct of business, do not do anything in promotes illegal practice or circumvention of the law. Including, infringement of intellectual property and open a channel for complaints or clues about illegal activities done by directors, executives and employees. (Corresponds to Anti-corruption)
- Committees, managers and employees do not call or accept as well not give a bribe, to trade practice with partners and / or creditors and provide accurate information about the company. (Corresponds to Anti-corruption)
- Respect for the individuality and dignity of the employee humanity, avoid any unfair action that may threaten and put pressure on the mental state of employees. (In line with respect for human rights)
- Treatment of employees in accordance with labor laws and regulations. By providing appropriate welfare and compensation. Including the importance and promotion of knowledge development and the ability of employees thoroughly and fairly. (Consistent with fair treatment of workers)
- Provide quality services and maintain product quality with professional standards. Also, comply with the terms, commitments or offers that provided to customers or the public. (Consistent with consumer responsibility)
- No action that could cause damage to natural resources and the environment to instill a sense of responsibility for employees at all levels in a serious responsible manner, and to instill a sense of a return values to society. (In line with environmental preservation / community or social development)

Reporting Process

The company focused on sustainable economic development practices by social and environmental policy, which set the course of action to demonstrate its economic responsibility. The company made a sustainability reports in 2019 with developing the Global Reporting Initiative (GRI), it provides content and details in line related with the Code of Conduct and GRI Framework Requirements.

CSR-After-Process

Sea Oil Public Company Limited is a company in the Nathalin Group. Therefore, conducted activities with companies in the Nathalin Group to organize social activities, by focusing on the benefits to return to society, create educational foundation for national personnel in the future and maintain and conserve marine resources including other natural resources. Which the company has a clear social role by giving scholarships for students in various schools, Including giving scholarships to employees' kids. Which is a way of managers to returning the profit to society and continue to build the future.

Social Activities of Sea Oil Public Company Limited in 2019

- "Children's Day and Sport Day Activities " donation by Sea Oil Public Company Limited together with the Nathalin group donated money, food, beverage and sports equipment to Pongploy Anusorn School and Khlong Samrong School to support children's day activities on 10 January 2019.
- "Donation for Construction of the Clinic" by Sea Oil Public Company Limited together with Pan Orient Energy (Siam) Limited on 21 February 2019 at Kamphaengsaen District, Nakornpathom Province with the purpose to support the hospital and public health in Kamphaengsaen District, Nakornpathom Province.
- "Hope and Help, life has hope by giving" contribution to the fund of Royal Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn by Sea Oil Public Company Limited on 20 July 2019 at the television station of Thailand, Khon Kaen province in order to honor and recognize the grace of Her Royal Highness Princess Srinagarindra and to help underprivileged patients.
- "Donation for Construction of the Botanical Garden" by Sea Oil Public Company Limited on 20 July 2019 at Khaoprayadernthong project, celebration on auspicious occasion of 60th anniversary learning center, Phatthananihkom District, Lopburi Province in order to support restoration of the nature and community activities.
- "CSR - Giving Scholarships and Necessary Supplies" by Sea Oil Public Company Limited together with Nathalin Group on 10 November 2019 at Ban Rang Sadao School, Kanchanaburi Province with the purpose to educational support the students who lack of funds.
- "Donation for Old Elephant Foundation" by Sea Oil Public Company Limited together with Nathalin Group on 10 November 2019 at Old Elephant Foundation, Kanchanaburi Province with the purpose to monetary support old elephants and maintain those as the symbol of Thailand.

- “Support the International Conference on Logistics and Supply Chain” by Sea Oil Public Company Limited to donate as support of the international conference held on 14-15 November 2019 at Hanoi, Vietnam with the purpose to support academicians and researchers to widespread the knowledge gain from their own researches which can be used to apply for community and society's benefit.
- “Release of Aquatic Animals (Horse Crab)” by Sea Oil Public Company Limited together with Prima Marine on 30 November 2019 at Haad Yao, Nuea Khlong District, Krabi Province with the purpose to release the aquatic animals back to the sea to restore the balance.
- “Giving Scholarships to Underprivileged Children” by Sea Oil Public Company Limited, its directors, managements and employees, on 14 December 2019 at House of Grace Child Foundation, Thamai District, Chanthaburi Province with the purpose to support education for disabled children and create a future for the underprivileged students.

Internal Control and Risk Management 12

Summary of opinions of the Audit Committee

In the Audit Committee meeting No. 2/2020 on February 21, 2020, the Audit Committee conducted an annual review and evaluation of corporate internal control sufficiency, which was then presented to the Board of Directors, to ensure effectiveness and efficiency of corporate performance and achievement of the Company's goals based on internal audit report and auditor's opinions toward the Company's important work process and system control. Neither significant gaps nor defects were identified.

Consequently, in the Board of Directors meeting No. 2/2020 on February 21, 2020, the Board of Directors assessed the Company's internal control system reviewed by the Audit Committee, in summary, based on the Company's internal control system assessment of 5 elements which are; 1) Control Environment 2) Risk Assessment 3) Control Activities 4) Information and Communication, and 5) Monitoring Activities.

The Board of Directors had the opinion that the Company has an internal control and internal audit systems that is effective enough and suitable for current business, and can create reasonable confidence in the reliability of the consolidated and the company's financial statement Sea Oil Public Company Limited and its subsidiaries for the year 2018, showing the financial position performance and cash flow with correctness as it should be, in accordance with financial reporting standards.

Internal Control and Internal Audit

In the year 2019, the Audit Committee performed its duty with prudence and sufficient independence in expressing opinions to maximize organization benefit in accordance with the charter of the Audit Committee and the duties assigned by the Board of Directors. The Audit Committee has an opinion that The Company has an adequate system of corporate governance and internal control which appropriate for business operations. The preparation of financial statements of the Company and its subsidiaries disclosed in accordance with relevant laws and regulations. Adequate risk management. Comply with the laws, regulations and commitments related to the business operation of the Company and disclosures of related transactions under The Thai Financial Reporting Standard (TFRS). The Company and its subsidiaries have continuously improved its operation system to better quality and suit with current business environment.

The Audit Committee reviewed and assessed the sufficiency of 2019 internal control of the Company and subsequently proposed to the Board of Directors in order to ensure that the Company had an appropriate and sufficient internal control for the Company business. With consideration from the internal audit report in connection with the Company's key performance management, the risk management as well as current internal control of which there was no weakness or deficiency

1. Internal Control

The Board of Directors and Management have set guidelines and practices based on honesty and conducted business in accordance with the Company Code of Conduct which have been communicated and emphasized to employees of monitoring and assessment process on their performance. The Board of Directors performs the duty independently from Management in overseeing and developing internal control within the organization.

2. Risk Assessment

The Company has analyzed the risks from internal and external factors impacting the Company performance in all levels of organization, business units and departments by assessing the likelihood and impact in strategy, operation, work manual and information technology which the Company has defined clear measures and mitigations in managing the risks.

3. Control of Operation

The Company has set up control of operation for efficient operation to reduce the risks to acceptable risk level, such as, setting policies and procedures on finance, purchasing and overall management including clear delegation of approval authority. In addition, the Company and its employees shall operate in accordance with ISO9001 quality management system to achieve the Company's Quality Policy.

4. Information and Communication

The Company realizes the importance of information and effective communication system in supporting internal Control comprising quality internal/external information related to operation and providing sufficient information for the Board of Directors' decision in company business. The Company has arranged appropriate channels in communicating with related parties and stakeholders in business performance as well as receiving feedback information, such as, customer satisfaction survey. The Company also adds whistle blowing channel that allows internal/external stakeholders to safely and securely disclose of fraudulent information to the Company.

5. Monitoring System

The Company always monitors and evaluates the internal control to ensure the internal control system is sufficiency and appropriate and in line with quality management system. An internal audit team has been appointed to verify the work process and report to management including corrective and tracking issues which reflects the efficiency and effectiveness of operating standard.

The company has appointed an internal auditor. Which is an independent agency directly to the Audit Committee to review and evaluate the effectiveness of internal control according to the audit plan approved by the Audit Committee

Supervision of internal audit system The Audit Committee has considered the appointment of internal auditors of the Company by considering the independence of the operation. Quality of inspection work Professional knowledge Including considering and approving the internal audit plan by using risk assessment methods and internal control systems according to COSO standards

The Audit Committee has considered the internal audit results. In each quarter, as well as supervising and monitoring the improvement of the operation according to the recommendations of internal auditors on a quarterly basis.

The Company has established anti-corruption and corruption policies to be guidelines for the operation for directors, executives and employees of the company, in order to conduct business with transparency, fair, can be checked and have opened communication channels to receive complaints or suggestions from outsiders and employees. Moreover, the company has announced the intention of the Thai CAC collective action in anti-corruption.

In 2019, the Audit Committee reviewed the anti-corruption policy, including the risk reviewed from the operation process that the cause of corruption in both the company and its subsidiaries. The company and subsidiaries have determined control measures, providing the monitoring system and reporting on policy, Training and give knowledge for employees, supporting no gift policy to be in line with anti-corruption policy, including the company and subsidiaries have improved the business code of conduct policy to have clear guidelines. Therefore, The Audit Committee had the opinion that the company and its subsidiaries have sufficient internal control measures and systems to effectively detect corruption.

In the Audit Committee Meeting No. 2/2019, on March 20, 2019, appointed P&L Internal Audit Company Limited as the main responsible person for the internal audit function for the year 2019. Which the Audit Committee has considered from the independence in the operation, experience and quality of inspection work professional knowledge. In addition, considering the internal audit plan of P&L Internal Audit Company Limited and deemed that it is appropriate for the internal audit work

The company's operations supervision department

The company has established the Compliance and Company Secretary Office by assigning the company secretary to report on result to the Nomination Remuneration and Corporate Governance Committee and to supervise the company, the board of directors, executives and employees. Perform duties in accordance with the announcements, regulations of the Securities and Exchange Commission and Stock Exchange of Thailand and other laws related to the business of the company

Risk management

The Company is aware that risk management is an important and essential mechanism; therefore, it has established organizational risk management guidelines. The objective is to enable the Company to be aware of risks and risk factors impacting the Company's performance. The Company has defined clear organizational risk level and identified preventive measures and risk mitigations.

In 2019, the Audit Committee has monitored risk management from the Risk Management Working Group every quarter, including reporting from internal auditors and auditors about the various risks that have been detected during the course of duty and suggested to the management to procure measures to reduce various risks to the acceptable level, including assigning the QSSHE department Monitor compliance with anti-corruption policy and submit to the Audit Committee every quarter. In 2019 the Audit Committee did not receive any complaints regarding corruption of the company and its subsidiaries.

Risks will be reviewed according to risk management framework annually and comply with Quality Management System ISO 9001:2015 which The Company has applied for re-certification simultaneously. Risk Management Committee has been appointed comprising all functional managers presided by Manager in each department and Chairman of Executive Committee as Head of the Committee. Quarterly meetings are required to consistently assess and monitor performance-related risks, enabling management to be aware of potential risks and to come up with risk preventive measures, leading to the efficiency and effectiveness of the Company's performance in maximize customer satisfaction. (Details appear in the topic "Risk Factors")

Related Party Transactions

List of companies that may have conflicts in 2018 and 2019

Parties with Conflict of Interest	Type of Business	Relationship
1. Nathalin Co., Ltd. (Nathalin)	Marine petroleum transportation and Holding Company	Being SEAOIL's major shareholder holding 45.04% of issued and paid-up capital and holds 54.20% of Prima's issued and paid-up capital - Having three mutual directors: 1) Mr.Suraphon Meesathien 2) Mr.Prompong Chaisrisawatsuk 3) Ms.Neeracha Panboonhom
2. Prima Marine PCL. (PRM)	Marine petroleum transportation	Common shareholders are Nathalin, holding 45.04% of the issued and paid-up capital, and hold 54.20% of Prima's paid-up capital. - Having two mutual directors, 1) Mr. Suraphon Meesathien 2) Mr. Prompong Chaisrisawatsuk
3. N.T.L. Marine Co., Ltd. (NTL)	Marine petroleum transportation	Held by Prima 99.99% of the paid-up capital, Prima has a major shareholder with the Company, which Nathalin holds 54.20 percent of Prima's issued and paid-up capital. And holds 45.04% of the company's issued and paid-up shares - Having two mutual directors, 1) Mr. Suraphon Meesathien 2) Mr. Prompong Chaisrisawatsuk
4. BSC Management Co., Ltd. (BSC)	Employment, placement agency	Held by Prima 99.99% of the paid-up capital, Prima has a major shareholder with the Company, which Nathalin holds 54.20 percent of Prima's issued and paid-up capital. And holds 45.04% of the company's issued and paid-up shares
5. Thai Marine Tanker Co., Ltd. (Thai Marine)	Marine petroleum transportation	Held by Prima 99.99% of the paid-up capital, Prima has a major shareholder with the Company, which Nathalin holds 54.20 percent of Prima's issued and paid-up capital. And holds 45.04% of the company's issued and paid-up shares
6. United Offshore Aviation Co., Ltd.	Air Transportation	Common shareholder is Nathalin which holds 45.04% of the issued and paid-up capital. And holds 20% of United Offshore Aviation Co., Ltd. of the issued and paid-up capital in the 3rd quarter of 2019. There is a change of common shareholders, Miss Paleerat Panboonhom holds 75% of the total issued and paid-up shares of United Offshore Aviation Company Limited.
7. Speed Production Co., Ltd.	Entertainment	- There are common shareholders, namely Mrs. Wilaisri Panboonhom and Miss Paleerat Panboonhom, holding 60% of the issued and paid-up capital of Speed Production Company Limited

Parties with Conflict of Interest	Type of Business	Relationship
8. Siam Global House PLC. (Global House)	Construction Materials	Company has 1 common director which is Mr. Abhisit Rujikeatkamjorn
9. KMAN Consult Co., Ltd	Investment Consultant	Company has 1 common director which is Mr. Kosit Fuangswasdi

Year 2018 - 2019, the Company entered into related party transactions with persons with a possible conflict of interest, as described below:

Parties with Conflict of Interest	Type of Transaction	Transaction Value (Baht Million)		Necessity and appropriateness for related transactions	Audit Committee Comment
		Ended Dec 31, 2018	Ended Dec 31, 2019		
1. Nathalin Co., Ltd. (Nathalin)	1.1 Sea Oil Public Company Limited "Company"				
	Rental and service fee - SEAOIL has rented a space of 781.21 sq.m. on Fl. 6, Nathalin Building, for use as its office. The lease term is 3 years, which commenced from June 1, 2017 to May 31, 2020 by 273,423.50 per month.	3.62	3.66	The Company pays rent and service fees to Nathalin group. At the agreed rental rate, the rate is the same as that applied to the Nathalin group and outsiders. This is comparable to the rental rates in the vicinity.	The transaction is reasonable because the rental rates and agreed terms are reasonable.
	- Container Costs of Nathalin group. - Store documents and equipment in the container width 2.40, length 6.05, height 2.59 meters, 2 units at a rate of 3,500 baht per month per cabinet. The contract is from March 1, 2017 to February 28, 2018 and renew the contract to December 31, 2019.	0.10	0.14	The Company pays rent and service fees to Nathalin group. At the agreed rental rate, the rate is the same as that applied to the Nathalin group and outsiders. This is comparable to the rental rates in the vicinity.	The transaction is reasonable because the rental rates and agreed terms are reasonable.
	Oil sample storage space - Space rental at the rate of 3,000 baht per month, with the contract starting from January 1, 2018 until December 31, 2019	0.03	0.03	The Company pays rent and service fees to Nathalin group. At the agreed rental rate, the rate is the same as that applied to the Nathalin group and outsiders. This is comparable to the rental rates in the vicinity.	The transaction is reasonable because the rental rates and agreed terms are reasonable.

	<p>Van rental</p> <p>- Van rental from Nathalin group to service for executive and employees in daily rate of 1,800 baht with driver</p>	0.01	0.01	<p>The Company pays rent and service fees to Nathalin group. At the agreed rental rate, the rate is the same as that applied to the Nathalin group and outsiders. This is comparable to the rental rates in the vicinity.</p>	<p>The transaction is reasonable because the rental rates and agreed terms are reasonable.</p>
	<p>Lunch Welfare</p> <p>- This is due to the company lunch allowance. Based on the number of employees at the rate of 35 Baht per day while fruit provided 3 time a week with cost plus for 13 baht per person, the contract is from January 1 to December 31, 2019.</p>	0.37	0.39	<p>The company pays a lunch fee for employee benefits at the normal rate based on the market price.</p>	<p>The transaction is reasonable because there are no restaurants located in the same area as the company's office. This will allow employees not to go out for lunch.</p>
	<p>Activities Welfare</p> <p>- The company hired Nathalin to organize activities to build relationships such as Sport day activities, New Year activities Based on the actual costs of Nathalin Company</p>	-	0.22	<p>Nathalin has expertise in organizing activities as company requested based on actual cost plus the spread covering the service which the service rate is comparable to other service providers</p>	<p>The transaction is reasonable because the rates and agreed terms are reasonable.</p>
	<p>Fitness membership Fee.</p> <p>- The Company paid to Nathalin group at the rate of Baht 1,085 per person per month. Terms of service apply from January 1, 2019 to December 31, 2019.</p>	0.57	0.51	<p>The transaction benefits employees of the company. The prices are similar to other fitness nearby.</p>	<p>The transaction benefits employees of the company. The prices are similar to other fitness nearby.</p>
	<p>Legal consultant</p> <p>- The company paid the legal consultant to certify and review the contract. The service fee is 3,500 baht per hour.</p>	0.03	0.09	<p>The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate compared with the rates of other laws.</p>	<p>The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate.</p>

	<p>IT management fee</p> <ul style="list-style-type: none"> - The company pays service fees for information systems, E-mail systems and licenses, with monthly fee of 5,340 baht per person. Currently, the service fee is 99,000 baht per month. The contract starts from August 1, 2017 until the contract expires 3 years. - ERP Software Package (Microsoft Dynamic AX) with monthly fee of 3,701 baht per person. Currently, the service fee is 134,644.86 baht per month, totaling 233,664.86 baht per month and conditions can be adjusted according to the amount of staff increasing each year. 	3.02	2.80	<p>The Company hired Nathalin to handle the IT issues, because the company main operating systems are ERP program and Microsoft Dynamics AX. Which the system was developed to be used for our specific business.</p>	<p>The transaction is reasonable for business support under service, the rates and conditions are agreed upon at a reasonable rate.</p>
	<p>Human resource management fee</p> <ul style="list-style-type: none"> - The company paid the management fee to the Nathalin group. The service monthly fee is Baht 3,000 per person. At present, the company receives discounts from service fees from Baht 3,000 per person to Baht 2,385.98 per person. Which the contract started from April 1, 2018 to March 31, 2019. 	1.32	1.32	<p>The company hired personnel management, Since the company considers the cost of hiring employees to take care of personnel and see that Nathalin has more expertise in personnel management and has a lower wage rate if the company hires personnel to take care of this task.</p>	<p>The transaction is reasonable for business support under service, the rates and conditions are agreed upon at a reasonable rate.</p>

	<p>Property Tax</p> <p>- The company leased the building Nathalin zone A and B, 6th Floor area of 781.21 sq m for office premises of the company. Under the terms of the agreement, the tenant is obliged to pay this tax assessment office each year from 210 / sq. M * 12.50%.</p>	0.19	0.27	<p>The Company pays rent and service fees to Nathalin group. The rate is the same rate as that applied to other Nathalin group and outsiders, comparable to the rental rates in the vicinity.</p>	<p>The transaction is reasonable because the rental rates and agreed terms are reasonable.</p>
	<p>Interest paid</p> <p>- A loan of Baht 300 million, bearing interest at the rate of 5% yearly, has a term of 2 years and is due on August 31, 2019. (MLR-1.25 at the date of the loan agreement)</p>	4.86	1.55	<p>The transaction is reasonable. Interest is charged at the market rate.</p>	<p>The transaction is reasonable because the interest is collects based on market interest rate.</p>
	<p>Other current assets</p> <p>- The Company paid the building rental fee under the building lease agreement. The rental fee, the Company will receive a non-interest payment within 60 days of the expiration date of the lease.</p> <p>- The tenant must not have any liability, includes a month advance rental and other service fees.</p>	0.16	0.16	<p>The transaction is the rental payment for the building under lease agreement. If the Company is not liable and / or any debts owed. The Company will receive a rental guarantee when the lease expires.</p>	<p>The transaction is reasonable at market rate.</p>
	<p>Accrued Management Fee</p> <p>- Accrued expenses include electricity, management fees, information and management fees paid to Nathalin group.</p>	0.46	0.55	<p>Payment deadline is not the same as the end of the accounting period. The company must pay within the 10th of every month, which is in accordance with the terms of the agreement.</p>	<p>The transaction is reasonable and condition is accordance with the agreement.</p>

	Long-term loans - Arising from loans of 300 million baht with interest rates of 5% yearly for a period of 2 years and due on August 31, 2019 (refer to MLR-1.25 at the date of the loan agreement), the company paid back all on August 16, 2019.	50.00	-		The transaction of interest of loans collecting is reasonable at market interest rates.
1.2 Sea Oil Petrochemical Company Limited ("SOC")					
	Activities Welfare - SOC hired Nathalin to organize activities to build relationships such as Sport day activities, New Year activities Based on the actual costs of Nathalin Company	-	0.08	Nathalin has expertise in organizing activities as SOC requested based on actual cost plus the spread covering the service which the service rate is comparable to other service providers	The transaction is reasonable because the rates and agreed terms are reasonable.
	Legal consultant - SOC paid the legal consultant to certify and review the contract. The service fee is 3,500 baht per hour.		0.01	The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate compared with the rates of other laws.	The transaction is reasonable for business support under service, the rates and conditions are agreed upon at a reasonable rate.
	Accrued expenses - This occurred from the payment of the Staff Party & Car Service Fee activity, which has a payment period under the 30-day terms.		0.03		The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate.
1.3 Sea Oil Petroleum Pte Ltd. ("SOP")					
	Legal consultant - SOP paid the legal consultant to certify and review the contract. The service fee is 3,500 baht per hour.		0.02	The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate compared with the rates of other laws.	The transaction is reasonable for business support under service, the rates and conditions are agreed upon at a reasonable rate.
	Accrued expenses - This occurred from Legal services by Nathalin in providing certification services and contract reviews		0.01		The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate.

1.4 Living Energy Company Limited ("LIV") and subsidiaries of LIV					
	<p>Fitness membership Fee.</p> <p>- LIV paid to Nathalin group at the rate of Baht 1,085 per person per month. Terms of service apply from January 1, 2019 to December 31, 2019.</p>	0.03	0.02	The transaction benefits employees of LIV. The prices are similar to other fitness nearby.	The transaction benefits employees of the company. The prices are similar to other fitness nearby.
	<p>Lunch Welfare</p> <p>- This is due to LIV lunch allowance. Based on the number of employees at the rate of 35 Baht per day while fruit provided 3 time a week with cost plus for 13 baht per person, the contract is from January 1 to December 31, 2019.</p>	0.02	0.01	LIV pays a lunch fee for employee benefits at the normal rate based on the market price.	The transaction is reasonable because there are no restaurants located in the same area as the LIV's office. This will allow employees not to go out for lunch.
	<p>Legal consultant</p> <p>- LIV paid the legal consultant to certify and review the contract. The service fee is 3,500 baht per hour.</p>	-	0.01	The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate compared with the rates of other laws.	The transaction is reasonable. The rates and conditions are agreed upon at a reasonable rate.
	<p>Guarantee Fee</p> <p>- The obligation to guarantee long-term loans from financial institutions in the Guarantee Service Rate of 0.20% of the guarantee amount for</p> <p>- Sunny Solar Co., Ltd.</p> <p>- Sunlink Power Co., Ltd.</p> <p>- Solar Town Co., Ltd.</p> <p>- Sky Solar Roof Co., Ltd.</p> <p>- Sky Solar Power Co., Ltd.</p> <p>- NW Solar Co., Ltd.</p> <p>- NW Green Power Co., Ltd.</p> <p>- NW Energy Co., Ltd.</p>	<p>0.06</p> <p>0.01</p> <p>0.07</p> <p>0.07</p> <p>0.08</p> <p>0.06</p> <p>0.18</p> <p>0.07</p>	<p>0.07</p> <p>0.01</p> <p>0.09</p> <p>0.09</p> <p>0.10</p> <p>0.07</p> <p>0.19</p> <p>0.09</p>	The LIV Group is obliged to Nathalin to guarantee long-term loans from financial institutions. Nathalin charges a fee in accordance with the loan guarantee agreement.	The transaction is reasonable with the guarantee rate for loan facility under suitable transaction conditions according to market price

	Roof rental - Renting a roof for solar panel installation is a long-term contract. The maximum capacity of 0.13 MW is 13,000 baht per month by Sun link Power Co., Ltd.	0.17	0.16		The transaction is reasonable and condition is accordance with the agreement.
	Trade account payables - The Company has entered into long-term loan agreements with financial institutions by : Sunny Solar Co., Ltd., Solar Town Co., Ltd., Sky Solar Roof Co., Ltd., Sky Solar Power Co., Ltd., NW Solar Co., Ltd., NW Green Power Co., Ltd. NW Energy Co., Ltd.	- 0.01 0.01 0.01 - 0.01 0.01	0.01 0.01 0.01 0.01 0.01 0.02 0.01		The transaction is reasonable and condition is accordance with the agreement.
	Trade payables - From contracting the roof to place equipment and solar panels by Sunlink Power Company Limited	0.01	0.01		The transaction is reasonable and condition is accordance with the agreement.
	Other non-current liabilities - From the adjustment of the account from the roof rental contract Recognized by straight line method throughout the lease term by Sun link Power Company Limited	0.06	0.08	The transaction is an accounting adjustment. Perception Expenses from operating leases, by the straight line method throughout the lease term And according to the accounting standard No. 17 on the lease agreement	The transaction is an adjustment expenses transaction from operating lease agreements
2. Prima Marine PCL. (PRM)	Revenue from sale of goods - SEAOL sold fuel and lubricant products to PRM with prices determined by the cost plus pricing method.	13.60	1.68	The sale of goods is the normal business practice of the Company, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.

	Revenue from service - The company provides food, cleaning and laundry services for employees of oil rigs. Catering and Service fee are charged per person per day at the contract rate.	36.28	36.40	- Catering and Service is in accordance with the agreement that charge per person per day at the rate agreed in the contract. When the cost of services is deducted, the Company still profit from this business.	The transaction is reasonable. With the service rate and conditions as agreed by the contract
	Trade accounts receivable - Sale of fuel and lubricant products with a credit term of 30 days.	1.81	(0.13)		The transaction is reasonable. With the service rate and conditions as agreed by the contract
	- From catering and service with a credit term of 30 days from the date of the invoice.	0.61	-		The transaction is reasonable. With the service rate and conditions as agreed by the contract
3. N.T.L. Marine Co., Ltd. (NTL)	3.1 Sea Oil Public Company Limited "Company"				
	Revenue from sale of goods - The company sells fuel and lubricants to N.T.L. Marine Co., Ltd. The sale price based on cost plus pricing method.	199.29	221.74	The sale of goods is the normal business practice of the Company, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	- Cost of domestic airplane ticket		0.03	Price is in market rate from compare.	The transaction is reasonable. And have the conditions agreed upon at a reasonable rate
	Trade account receivable - Sale of fuel and lubricant products with a credit term of 30 days	27.37	19.57		The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.

3.2 Sea Oil Offshore Limited ("SOO")					
	The company sells fuel and lubricants to N.T.L. Marine Co., Ltd. The sale price based on cost plus pricing method by Sea oil Offshore Ltd.	28.74	48.15	The sale of goods is the normal business practice of SOO, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	Other revenue - Arising from outsourcing oil transportation And there is a waste of time being charged. SOO then goes to collect with NTL.	-	0.26	SOO needs to collect time wasted in accordance with trade terms and conditions.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	Sale of fuel and lubricant products with a credit term of 30 days by Sea oil Offshore Ltd.	3.15	0.68		The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
3.3 Sea Oil Petroleum Pte Ltd. ("SOP")					
	Revenue from sale of goods - The company sells fuel and lubricants to N.T.L. Marine Co., Ltd. The sale price based on cost plus pricing method by Sea oil Petroleum PTE.	2.00	12.70	The sale of goods is the normal business practice of SOP, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	Other revenue - Arising from outsourcing oil transportation And there is a waste of time being charged. SOP then goes to collect with NTL.	-	0.23	SOP needs to collect time wasted in accordance with trade terms and conditions.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	Sale of fuel and lubricant products with a credit term of 30 days by SOP.	-	11.15		The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.

4. BSC Management Co., Ltd. (BSC)	- Cost of airplane ticket	-	0.05	When comparing prices with other dealers at the same rate, BSC has given credit to the company for 7 days, others had to pay in cash.	The transaction is reasonable. And have the conditions agreed upon at a reasonable rate
	Crew Management Fee - Caused by using the service Manage staff from BSC crew to manage manpower for offshore staff on cost plus method	-	0.06	BSC as expertise in offshore manpower with reasonable cost	The transaction is reasonable. And have the conditions agreed upon at a reasonable rate
5. Thai Marine Tanker Co., Ltd. (Thai Marine)	5.1 Sea Oil Public Company Limited "Company"				
	Revenue from sale of goods - SEAOL sold fuel and lubricant products to Thai Marine Tanker Co., Ltd. with prices determined by the cost plus pricing method	2.99	12.08	The sale of goods is the normal business practice of the Company, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	Trade account receivable - Sale of fuel and lubricant products with a credit term of 30 days.	-	4.89		The transaction is reasonable. And have the conditions agreed upon at a reasonable rate
	5.2 Sea Oil Offshore Limited ("SOO")				
	Revenue from sale of goods - SOO sold fuel and lubricant products to Thai Marine Tanker Co., Ltd. with prices determined by the cost plus pricing method	13.89	7.56	The sale of goods is the normal business practice of SOO, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	Trade account receivable - Sale of fuel and lubricant products with a credit term of 30 days.	1.05	-		The transaction is reasonable. And have the conditions agreed upon at a reasonable rate
	5.3 Sea Oil Petroleum Pte Ltd. ("SOP")				
	Revenue from sale of goods - SOP sold fuel and lubricant products to Thai Marine Tanker Co., Ltd. with prices determined by the cost plus pricing method	-	1.66	The sale of goods is the normal business practice of SOP, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.

	Trade account receivable - Sale of fuel and lubricant products with a credit term of 30 days.	-	1.10		The transaction is reasonable. And have the conditions agreed upon at a reasonable rate
6. United Offshore Aviation Co., Ltd.	Revenue from sale of goods - SEAOL sold Jet A1 products to United Offshore Aviation Co., Ltd., with prices determined by the cost plus pricing method.	6.02	12.64	The sale of goods is the normal business practice of the Company, with the sale price and trading conditions as well as the sale of goods to other customers.	The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms.
	Trade account receivable - Sale of Jet A1 product with a credit term of 30 days	0.60	2.44		- The transaction is reasonable because it is a normal transaction. The pricing and terms of trade is based on commercial terms
7. Speed Production Co., Ltd.	Cost of design and communication media.	0.06	0.11	Cost of designed and multimedia is comparable with the rate of other service provider and this cost rate is lower than others also their office is near the company to convenience.	The transaction is reasonable. And have the conditions agreed upon at a reasonable rate
8. Siam Global House PLC. (Global House)	Trade payables - Renting a roof to install solar panel with a credit term of 30 days by Sky Solar Roof Co., Ltd., Sky Solar Power Co., Ltd., NW Green Power Co., Ltd. NW Solar Co., Ltd., Sunny Solar Co., Ltd., Solar Town Co., Ltd.,	0.11 0.11 0.11 0.09 0.09 0.11	0.12 0.11 0.11 0.09 0.09 0.13	LIV Group companies need to rent a roof space to install solar panel equipment. To produce electricity for distribution to the Provincial Electricity Authority	The transaction is reasonable and condition is accordance with the agreement.
	Other non-current debts - From the adjustment of the account from the roof rental contract Recognized by the straight line method throughout the lease term by			- Transaction is an accounting update. Perception Expenses from operating leases, by the straight line method throughout the lease term	The transaction is an adjustment expenses transaction from operating lease agreements

	Sky Solar Roof Co., Ltd., Sky Solar Power Co., Ltd., NW Green Power Co., Ltd. NW Solar Co., Ltd., Sunny Solar Co., Ltd., Solar Town Co., Ltd.,	0.50 0.49 0.49 0.40 0.40 0.51	0.63 0.62 0.61 0.51 0.50 0.63	And according to the accounting standard No. 17 on the lease agreement	
	Roof rental - Renting a roof for solar panel installation is a long- term contract. The maximum capacity of 1 MW is 100,000 baht per month by Sky Solar Roof Co., Ltd., Sky Solar Power Co., Ltd., NW Green Power Co., Ltd. Solar Town Co., Ltd.,	 1.33 1.33 1.33 1.33	 1.20 1.20 1.20 1.20		- The transaction is reasonable and condition is accordance with the agreement.
	Roof rental - Renting a roof for solar panel installation is a long- term contract. The maximum capacity of 0.80 MW is 80,000 baht per month by NW Solar Co., Ltd., Sunny Solar Co., Ltd.,	 1.06 1.06	 0.96 0.96		- The transaction is reasonable and condition is accordance with the agreement.
9. KMAN Consult Co., Ltd	Consultation fee - Arising from providing consulting fees for studies of new projects related to the company's business	-	1.35	The company is necessary to hire an expertise for advice in the new specific project of the company. Which KMN can completely provide services and has a compatible consulting fee compare with other consultants.	- The transaction is reasonable and condition is accordance with the agreement.

Policy on related transactions

For the related transactions in the future, the Company will conduct in a clear and fair way, without causing any benefit transfer and the Company will comply with the Securities and Stock Exchange Laws and regulation, announcement, obligation of Security Exchange Thailand and Capital Market Committee, including conform with the confidentiality regulations about related transactions and/or property acquisition or sale that are important to the Company or subsidiary company or associated company according to the accounting standard by The Institute of Certified Accountants and Auditors of Thailand.

Measurement or approval process of related transactions

The Board of Directors meeting resolved to set the measurement or approval process of related transactions between the Company and individuals which may lead to disputes and the relevant parties and the Company will comply with Securities and Stock Exchange Laws and regulation, announcement, obligation of Security Exchange Thailand and Capital Market Committee. However, the management and the interested person will not be able to participate in the approval.

If the law stipulated that Board of Directors' approval must be obtained, the Company will arrange audit committee to attend the meeting to examine and give opinion about the necessity and the reasonableness of the transaction. The principle for the transactions that are trading agreement with general trading conditions and the transaction that are trading agreement with special trading conditions and other related transactions are as set out as follows:

Transactions that are normal business and supporting business of the main business with general trading conditions

For the transaction that are normal business and supporting business of the main business with general trading conditions, such as gasoline and lubricating oil trading, catering business, raw materials providing business and other services for the residence at the sea, sea vessel, and oil drilling platforms located in the sea (Supply Management) and the supporting transaction of normal business such as oil transportation and service providing to the customer in general, etc. that are done between the Company and director, management, major company, or relevant person and officially approved by the Board of Directors, the Executive Board or Management Division is able to approve such transaction. If the transaction has a trading agreement in the same way as what a reasonable man would conduct with the contract party in general under the same situation with the bargaining power that is freed from the influence of being a director, management, major company or relevant persons. The Company will prepare a summary of transaction for presenting in Board of Directors on quarterly basis.

Transactions business without general trading conditions with and other intercompany transactions

Transactions business without general trading conditions with and other intercompany transactions that worth 1 million baht and above such as the rent/rent out of main property for operation, significance acquisition or sale of fixed asset, giving or receiving financial support, etc. must be examined and considered by Audit Committee before submitting to Board of Directors and/or Shareholders' meeting for further consideration and approval. The Company shall comply with Securities and Stock Exchange Laws and regulation, announcement, obligation of Security Exchange Thailand and Capital Market Committee, including the conformity to the confidentiality regulations about the intercompany transactions and/or the acquisition or sale of important property of the Company.

If the Audit Committee is not expert in consideration of the intercompany transactions that may occur, the Company will appoint independent expert or Company's auditor to consider about the intercompany transactions in order to support Audit Committee's decision and/or Board of Directors and/or Shareholders as the case may be to make sure that the transaction is necessary and reasonable by considering on

Company's benefit. The Company will present the intercompany transactions in Annual Registration Statement (Report Form 56-1), Annual Report, and Notes to the financial statement that is audited by Company's auditor.

Report on the Board of Directors' Responsibility for Financial Report

The Board of Directors are responsible for the financial statement of Sea Oil Public Company Limited ("The Company") and its subsidiaries which has been prepared with correctness and essence according to Thai Financial Reporting Standard of Thailand by reviewing appropriate accounting policy, executing constantly, including sufficiently disclosing significant information in note to financial statement and having been audited by the Certified Auditor of Price Water house Coopers ABAS Limited and expressed an unconditional opinion in the auditor's report shown in the annual report.

The Board of Directors has adopted and maintained an appropriate risk management system, internal control system and compliance to reasonably assure the reliability and completeness of the financial statement, protection of the Company's assets in order to prevent fraud or materially irregular operation, including compliance with the relevant laws and regulations.

The Board of Directors has appointed the Audit Committee which comprised of 3 Independent Directors to ensure the reliability and accuracy of the financial report as well as evaluate the internal control system and internal audit to make it efficient and effective. The opinion of the Audit Committee has been disclosed in the report of the Audit Committee in the Company's annual report.

The Board of Directors assure that overall internal control system of the Company is sufficient and appropriate and able to reasonably ensure the reliability of the consolidated financial statement and separated financial statement of Sea Oil Public Company Limited and its subsidiaries for the year ended 31 December 2019 presenting financial status, result of operations and cash flow in accordance with the Thai Financial Reporting Standard.



Mr. Apisit Rujikeatkamjorn,
Chairman



Miss Neeracha Panboonhom
President & Chief Executive Officer

Report of the Audit Committee

The Audit Committee of Sea Oil Public Company consists of 3 Independent Directors who have expertise and experience in accounting and finance, law and administration and have qualification as required under the Notification of the Office of Securities and Exchanges Commission. The Audit Committee duly performed its duties within the scope and responsibilities as assigned by the Board of Directors which are prescribed in the Audit Committee Charter and in line with the regulations of the Stock Exchange of Thailand.

In year 2019, the Audit Committee has conducted meeting 7 times in total and reported its performance to the Board of Directors on quarterly basis, the details of attendance of each Audit Committee are shown below.

1.	Assoc. Prof. Dr. Ruth Banomyong	Chairman of Audit Committee	attended 7 out of 7
2.	Mr. Tewee Soontornsingha	Audit Committee	attended 7 out of 7
3.	Dr. Chalermwit Chimtragoon	Audit Committee	attended 7 out of 7

Which every meeting was the meeting with the Auditor, Internal Auditor, President and Chief Executive Officer, Chief Finance Officer and other relevant executives in accordance with relevant agendas, including 1 time meeting with the Auditor without attendance of any managements for independent consultations on significant matters as well as acknowledgments of performances and recommendations, including complications and difficulties during performing of duties. The Audit Committee independently reported, made an opinion and gave recommendation to the Board of Directors of which it can be summarized as follows:

Financial Statement Review

The Audit Committee considered and reviewed material financial information of quarter financial statement and annual financial statement of the Company and its subsidiaries for the year 2019 by holding the meeting together with the Auditor to review the financial statement of the Company, inquiring and receiving clarification from managements and the Auditor which the Audit Committee shared the same view with the Auditor that the financial statement ended at 31 December 2019 of the Company was duly prepared in all material aspects in accordance with Thai Financial Reporting Standard (TFRS) and had disclosing in sufficient.

Internal Control and Internal Audit

The Audit Committee reviewed and assessed the sufficient of annual internal control system of the Company and subsequently proposed to the Board of Directors in order to ensure that the Company had an appropriate and sufficient internal control for the Company business with consideration from the internal audit report in connection with the Company's significant performances, inquiries from the Auditor, as well as reviewed the scope of the risk management of the organization annually, acknowledge risk management report of Risk Management committee on quarterly basis to ensure that such risk management is efficient and properly covers all risk factors.

For the compliance of internal audit, the Audit Committee considered and nominated the Company's internal auditor by consideration from the independent performance, quality of audit task and knowledge and ability of profession including the approval of annual internal audit plan whereby using risk assessment and internal control pursuant to COSO standard. The Audit Committee considered the outcome of internal audit on quarterly basis including the supervision and follow up the adjustment or change of the performance in accordance with the Internal Audit's recommendation on quarterly basis.

Legal and Regulatory Review

The Audit Committee reviewed the Company's performance through compliance unit to ensure that the Company's performance is in compliance with the laws concerning securities and exchanges, the Stock Exchange of

Thailand's regulations and relevant laws in connection with the Company's business. The Audit Committee opined that the Company had internal control on the compliance with relevant laws and regulations in sufficient and effectiveness.

Related Party Transaction and Conflict of Interest Review

The Audit Committee considered related party transactions or transactions with conflict of interest to comply with the laws and the Stock Exchange of Thailand's regulations of which the Audit Committee opined that the Company entered into related party transactions in accordance with general trading condition and reasonable price as entry into the same transaction with general person and for the highest benefits of the Company's business. In addition, the Company fully complied with policy and disclosed information pursuant to the Stock Exchange of Thailand.

Nomination Appointment and Determination of the Auditor's Remuneration

The Audit Committee considered to nominate, appoint and determine the Auditor's remuneration from qualification, quality of audit tasks, independent in performing, knowledge and ability in profession and experience in audit of similar or related businesses of the Company. For the Auditor's remuneration, it should consider the scope of responsibility of the Auditor and appropriation in comparing with another auditors' remuneration.

The Audit Committee considered to appoint Price water house Cooper ABAS Limited as the Company's Auditor for the year 2020 and to determine the appropriate remuneration for proposing the Board of Directors to subsequently propose it to the shareholders for approval.

Consider the Anti-Corruption Policy Compliance Report.

In 2019, the Audit Committee reviewed the compliance with the Anti-Corruption Policy both in the review of risks from the work process that may cause corruption both of the Company and subsidiaries and find control measures, providing a monitoring and reporting system for policy compliance, training and educating the employees as well as supporting in determination of No Gift policy in order to comply with the anti-corruption policy. The Company has improved the governance policy and business ethics to have clear guidelines. Also, the Audit Committee is of the opinion that the Company has adequate internal control measures and systems to combat and detect corruption.

Summarily, the Audit Committee performed its duties with prudent and independent in giving opinions and advices for the highest benefit of the Company and also performed its duties in accordance with the Audit Committee Charter and assignments from the Board of Directors in full of which the Audit Committee opined that the Company had compliance system and internal control at the sufficient and appropriate level for the Company's business including the company conduct the business with good governance to ensure that the preparation of financial information fully and duly presented facts in material part in compliance with the general accounting standard, the disclosure of information was in accordance with laws, regulations and covenants in connection with the Company's business and the Company and its subsidiaries commit to develop continuously its operation and human resources for better quality and sustainable growth.

On behalf of the Audit Committee



(Assoc. Prof. Dr. Ruth Banomyong)

The Chairman of the Audit Committee

Independent Auditor's Report

To the shareholders of Sea Oil Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Sea Oil Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2019, and consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Assessment of the recoverable amount of investment in a joint venture. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Key audit matters	How my audit addressed the key audit matters
<p>Assessment of the recoverable amount of investment in a joint venture</p> <p>As at 31 December 2019, the Group has an investment in a company classified as joint venture. It is presented in the consolidated financial statements at Baht 1,227.16 million representing 41.35% of total assets. The joint venture operates in exploration, development and the production of petroleum and natural gas. The joint venture is affected by a fluctuation of oil prices. This factor is indication that investment in the joint venture may be impaired. The Group, therefore, tests impairment of the investment.</p> <p>The management assessed the recoverable amount of investment in the joint venture by the calculation of value in use which is an estimate of the present value of the estimated future cash flows expected to be generated by the joint venture.</p> <p>An assessment of the recoverable amount of investment in the joint venture is determined to be a key audit matter because the amount of that investment is material to the financial statements. The recoverable amount depends on assumptions which involve significant management judgements, such as an estimate of the future cash flows the Group expects to derive from the investment, expectations about possible variations in the amount or timing of future cash flows, the time value of money, and the appropriate discount rates. The key assumptions of the estimate of the future cash flows are the petroleum reserves and the petroleum resources, oil prices and discount rates.</p>	<p>I tested the calculation of value in use prepared by management. I inquired management about future production plans. I tested the reasonableness of an estimate of the future cash flows by testing the assumptions as follows:</p> <ul style="list-style-type: none"> • compared the forecast operating results against actual historical data. • compared the petroleum reserves and the petroleum resources with a report of the management experts. • checked the future oil prices which management used with market information. • analysed whether costs and expenses were in line with sales and consistent with actual historical amounts. • used my firm's valuation expert to evaluate the discount rates applied in the cash flows model. • performed a sensitivity analysis on key assumptions. <p>I also assessed the knowledge of the management experts who provided information about the petroleum reserves, the petroleum resources and oil prices.</p> <p>Based on the procedures above, I found that the assumptions used by the management in the assessment of the recoverable amount of investment in the joint venture were reasonable.</p>

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

Sea Oil Public Company Limited
Statement of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	198,089,896	133,874,576	31,826,500	18,692,385
Trade and other receivables, net	8	784,190,850	569,655,316	202,794,735	194,395,928
Short-term loans to subsidiaries	27.4	-	-	220,000,000	172,823,277
Inventories	9	11,198,507	25,838,010	148,693	4,294,998
Other current assets		26,667,422	18,185,577	18,383,215	9,659,950
Total current assets		1,020,146,675	747,553,479	473,153,143	399,866,538
Non-current assets					
Restricted deposits at financial institutions	15.2.1	54,577	2,592,230	-	-
Investments in subsidiaries	10.1	-	-	558,137,057	558,106,650
Investment in a joint venture	10.2	1,227,160,236	1,268,396,862	-	-
Long-term loans to a subsidiary	27.4	-	-	1,387,880,000	1,387,880,000
Interest receivable from a subsidiary	27.3, 27.4	-	-	-	99,139,637
Property, plant and equipment, net	11	654,713,235	673,570,316	2,394,626	2,671,226
Intangible assets, net	12	1,892,941	2,410,235	707,637	987,078
Deferred tax assets, net	13	4,253,081	8,642,822	4,314,690	4,849,918
Other non-current assets	14	59,276,247	41,136,036	-	-
Total non-current assets		1,947,350,317	1,996,748,501	1,953,434,010	2,053,634,509
Total assets		2,967,496,992	2,744,301,980	2,426,587,153	2,453,501,047

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Financial Position (Continued)
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings					
from financial institutions	15.1	224,064,450	408,582,451	162,956,450	343,682,851
Current portion of long-term borrowings					
from a parent	15.2	-	50,000,000	-	50,000,000
Current portion of long-term borrowings					
from financial institutions	15.2	116,326,000	73,476,000	60,000,000	-
Current portion of debentures	15.2	399,555,239	-	399,555,239	-
Trade and other payables	17	501,641,594	239,055,963	32,399,337	30,188,288
Income tax payable		11,297,049	2,695,027	-	-
Other current liabilities		7,014,685	6,801,441	815,301	1,412,991
Total current liabilities		1,259,899,017	780,610,882	655,726,327	425,284,130
Non-current liabilities					
Long-term borrowings from					
financial institutions	15.2	278,570,000	199,976,000	115,000,000	-
Debentures	15.2	-	396,505,743	-	396,505,743
Employee benefit obligations	18	12,704,514	9,220,126	11,461,342	8,099,618
Other non-current liabilities		4,488,872	3,594,948	-	-
Total non-current liabilities		295,763,386	609,296,817	126,461,342	404,605,361
Total liabilities		1,555,662,403	1,389,907,699	782,187,669	829,889,491

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Financial Position (Continued)
As at 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity (Continued)					
Equity					
Share capital					
Authorised share capital					
691,867,135 ordinary shares					
at par value of Baht 1 each		691,867,135	691,867,135	691,867,135	691,867,135
Issued and paid-up share capital					
553,559,662 ordinary shares					
at par value of Baht 1 each		553,559,662	553,559,662	553,559,662	553,559,662
Premium on ordinary shares	19	933,170,699	933,170,699	933,170,699	933,170,699
Shortage arising from business					
combination under common control		(74,049,938)	(74,049,938)	-	-
Retained earnings (deficits)					
Appropriated - legal reserve	21	27,520,000	26,509,200	27,520,000	26,509,200
Unappropriated		(25,962,495)	(86,622,480)	130,149,123	110,371,995
Other components of equity		(18,748,144)	(5,914,929)	-	-
Equity attributable to owners					
of the parent		1,395,489,784	1,346,652,214	1,644,399,484	1,623,611,556
Non-controlling interests		16,344,805	7,742,067	-	-
Total equity					
Total liabilities and equity					

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Revenue from sales		6,424,236,042	4,726,927,091	1,379,812,827	1,173,046,618
Revenue from services		48,827,937	50,208,187	48,827,937	50,208,187
Cost of sales		(6,211,783,553)	(4,501,256,077)	(1,310,332,127)	(1,101,572,813)
Cost of services		(44,674,891)	(38,257,763)	(44,674,891)	(38,257,763)
Gross profit		216,605,535	237,621,438	73,633,746	83,424,229
Other income	22	46,341,607	34,550,618	100,752,024	14,046,784
Selling expenses		(82,248,434)	(76,451,873)	(29,964,918)	(26,423,714)
Administrative expenses		(146,210,337)	(134,464,782)	(76,861,188)	(84,851,349)
Other gains (losses) - exchange rates, net		95,216	2,823,869	193,427	(91,003)
Finance costs	23	(55,716,212)	(57,674,005)	(45,794,152)	(46,455,259)
Profit (loss) before share of profit from a joint venture and income tax		(21,132,625)	6,405,265	21,958,939	(60,350,312)
Share of profit from a joint venture	10.2	111,739,775	2,708,619	-	-
Profit (loss) before income tax		90,607,150	9,113,884	21,958,939	(60,350,312)
Income tax	25	(17,464,877)	(3,263,258)	(1,745,462)	(65,921)
Profit (loss) for the year		73,142,273	5,850,626	20,213,477	(60,416,233)

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Comprehensive Income (Continued)
For the year ended 31 December 2019

		Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Notes					
Other comprehensive income					
Item that will not be reclassified subsequently to profit or loss					
Remeasurement of post-employment benefit obligations	18	1,026,110	-	718,064	-
Income tax on item that will not be reclassified subsequently to profit or loss	13	(205,222)	-	(143,613)	-
Total item that will not be reclassified to profit or loss		820,888	-	574,451	-
Item that will be reclassified subsequently to profit or loss					
Currency translation differences		(16,522,734)	(4,819,984)	-	-
Total item that will be reclassified subsequently to profit or loss		(16,522,734)	(4,819,984)	-	-
Other comprehensive income for the year, net of tax		(15,701,846)	(4,819,984)	574,451	-
Total comprehensive income for the year		57,440,427	1,030,642	20,787,928	(60,416,233)
Profit (loss) attributable to:					
Owners of the parent		60,849,897	(754,619)	20,213,477	(60,416,233)
Non-controlling interests		12,292,376	6,605,245	-	-
		73,142,273	5,850,626	20,213,477	(60,416,233)
Total comprehensive income attributable to:					
Owners of the parent		48,837,570	(4,377,323)	20,787,928	(60,416,233)
Non-controlling interests		8,602,857	5,407,965	-	-
		57,440,427	1,030,642	20,787,928	(60,416,233)
Earnings (loss) per share					
Basic earning (loss) per share	26	0.1099	(0.0014)	0.0365	(0.1091)

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2019

Consolidated financial statements										
Attributable to owners of the parent										
Note	Issued and paid-up share capital Baht	Share premium Baht	Shortage arising from business combination under common control Baht	Retained earnings		Other components of equity		Equity attributable to owners of the parent Baht	Non- controlling interests Baht	Total equity Baht
				Appropriated - legal reserve Baht	Unappropriated Baht	Translation of financial statements Baht	Total other components of equity Baht			
Opening balance as at 1 January 2018	553,538,208	933,127,791	(74,049,938)	26,509,200	(85,867,861)	(2,292,225)	(2,292,225)	1,350,965,175	2,334,102	1,353,299,277
Changes in equity for the year										
Exercise of warrants	20	21,454	42,908	-	-	-	-	64,362	-	64,362
Total comprehensive income for the year		-	-	-	-	(754,619)	(3,622,704)	(3,622,704)	(4,377,323)	1,030,642
Closing balance as at										
31 December 2018	553,559,662	933,170,699	(74,049,938)	26,509,200	(86,622,480)	(5,914,929)	(5,914,929)	1,346,652,214	7,742,067	1,354,394,281

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited

Statement of Changes in Equity (Continued)

For the year ended 31 December 2019

Consolidated financial statements										
Attributable to owners of the parent										
Notes	Issued and paid-up share capital Baht	Share premium Baht	Shortage arising from business combination under common control Baht	Retained earnings		Other components of equity		Equity attributable to owners of the parent Baht	Non- controlling interests Baht	Total equity Baht
				Appropriated - legal reserve Baht	Unappropriated Baht	Translation of financial statements Baht	Total other components of equity Baht			
Opening balance as at										
1 January 2019	553,559,662	933,170,699	(74,049,938)	26,509,200	(86,622,480)	(5,914,929)	(5,914,929)	1,346,652,214	7,742,067	1,354,394,281
Changes in equity for the year										
Total comprehensive income										
for the year	-	-	-	-	61,670,785	(12,833,215)	(12,833,215)	48,837,570	8,602,857	57,440,427
Legal reserves	21	-	-	1,010,800	(1,010,800)	-	-	-	-	-
Dissolution of a subsidiary	10.1	-	-	-	-	-	-	-	(119)	(119)
Closing balance as at										
31 December 2019	553,559,662	933,170,699	(74,049,938)	27,520,000	(25,962,495)	(18,748,144)	(18,748,144)	1,395,489,784	16,344,805	1,411,834,589

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited

Statement of Changes in Equity (Continued)

For the year ended 31 December 2019

Separate financial statements					
Notes	Issued and paid-up share capital Baht	Share premium Baht	Retained earnings		Total equity Baht
			Appropriated - legal reserve Baht	Unappropriated Baht	
Opening balance as at 1 January 2018	553,538,208	933,127,791	26,509,200	170,788,228	1,683,963,427
Changes in equity for the year					
Exercise of warrants	20	21,454	42,908	-	64,362
Total comprehensive income for the year		-	-	(60,416,233)	(60,416,233)
Closing balance as at 31 December 2018	553,559,662	933,170,699	26,509,200	110,371,995	1,623,611,556
Opening balance as at 1 January 2019	553,559,662	933,170,699	26,509,200	110,371,995	1,623,611,556
Changes in equity for the year					
Total comprehensive income for the year		-	-	20,787,928	20,787,928
Legal reserves	21	-	1,010,800	(1,010,800)	-
Closing balance as at 31 December 2019	553,559,662	933,170,699	27,520,000	130,149,123	1,644,399,484

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) before income tax		90,607,150	9,113,884	21,958,939	(60,350,312)
Adjustments for:					
Depreciation and amortisation	11, 12	41,370,152	21,038,119	901,341	809,975
Allowance for doubtful accounts (reversed)		7,394,680	1,571,353	2,004,858	(210,000)
Loss on sale and write off of fixed assets		5,337,220	615,260	-	-
Loss (gain) on exchange rate		(88,870)	7,378,393	(107,647)	341,907
Employee benefit obligations	18	4,510,498	1,714,698	4,079,788	1,275,425
Dividend income	10.1, 22	-	-	(35,233,571)	-
Interest income	22	(3,592,613)	(2,817,223)	(61,344,946)	(10,143,269)
Interest expense	23	55,716,212	57,674,005	45,794,152	46,455,259
Share of profit from a joint venture	10.2	(111,739,775)	(2,708,619)	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities		89,514,654	93,579,870	(21,947,086)	(21,821,015)
Changes in operating assets and liabilities					
Trade and other receivables		(251,821,609)	(120,162,054)	(3,145,665)	(25,344,145)
Inventories		14,649,358	11,465,282	4,146,305	(3,377,959)
Other current assets		(11,127,838)	993,942	(11,401,971)	(839,715)
Other non-current assets		(18,140,211)	3,576,643	-	24,655,525
Trade and other payables		283,801,363	42,324,203	2,167,315	8,674,520
Other current liabilities		(5,165,926)	(12,174,408)	(597,689)	407,123
Other non-current liabilities		893,924	3,594,948	-	-
Cash generated from (used in) operations		102,603,715	23,198,426	(30,778,791)	(17,645,666)
Income tax received		2,722,533	-	2,722,533	-
Income tax paid		(4,219,467)	(7,854,601)	(1,397,674)	(5,407,891)
Net cash generated from (used in) operating activities		101,106,781	15,343,825	(29,453,932)	(23,053,557)

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Cash Flows (Continued)
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Restricted deposits at financial institutions		2,537,652	1,477,675	-	-
Proceeds from sales of fixed assets		-	162,056	-	-
Payment for fixed assets		(22,555,454)	(86,552,064)	(345,300)	(1,923,676)
Interest paid capitalised in qualifying assets	23	(3,177,097)	(9,774,903)	-	-
Payment for investment in a subsidiary	10.1	-	-	(30,407)	(45,551,042)
Loans made to a subsidiary	27.4	-	-	(127,000,000)	(175,912,000)
Proceeds from repayment of loans to subsidiaries	27.4	-	-	79,823,277	147,412,053
Dividend received	10.1, 10.2	152,976,401	-	27,781,363	-
Interest received		3,583,460	2,798,210	160,860,496	5,075,402
Net cash generated from (used in) investing activities		133,364,962	(91,889,026)	141,089,429	(70,899,263)
Cash flows from financing activities					
Proceeds from exercise of warrants	19	-	64,362	-	64,362
Proceeds from short-term borrowings from financial institutions	15.1	1,871,671,206	1,796,109,881	1,625,540,755	1,537,146,857
Repayment on short-term borrowings from financial institutions	15.1	(2,052,748,946)	(1,786,686,586)	(1,807,418,495)	(1,592,312,667)
Proceeds from issuance of debentures	15.2	-	400,000,000	-	400,000,000
Repayment on long-term borrowing from a parent	15.2	(50,000,000)	(250,000,000)	(50,000,000)	(250,000,000)
Proceeds from long-term borrowings from a financial institution	15.2	175,000,000	-	175,000,000	-
Repayment on long-term borrowings from financial institutions	15.2	(53,556,000)	(53,556,000)	-	-
Payment for transaction costs of borrowings	15.1, 15.2	-	(7,980,000)	-	(7,980,000)
Payment for dissolution of a subsidiary to non-controlling interests	10.1	(119)	-	-	-
Interest paid		(51,771,885)	(47,868,563)	(41,549,572)	(36,889,769)
Net cash generated from (used in) financing activities		(161,405,744)	50,083,094	(98,427,312)	50,028,783

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

Sea Oil Public Company Limited
Statement of Cash Flows (Continued)
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Net increase (decrease) in cash and cash equivalents		73,065,999	(26,462,107)	13,208,185	(43,924,037)
Cash and cash equivalents at the beginning of the year		133,874,576	171,906,380	18,692,385	62,636,012
Exchange losses on cash and cash equivalents		(8,850,679)	(11,569,697)	(74,070)	(19,590)
Cash and cash equivalents at the end of the year	7	198,089,896	133,874,576	31,826,500	18,692,385
Supplementary information for cash flows					
Non-cash transactions:					
Purchase of equipment on payable		5,379,170	5,833,457	-	-
Dividends receivable	10.1, 22	-	-	7,452,208	-
Acquiring of preference shares by a settlement of debt and interest receivable	10.1, 27.4	-	-	-	142,122,688

The accompanying notes on pages 15 to 53 are an integral part of these consolidated and separate financial statements.

1 General information

Sea Oil Public Company Limited ("the Company") was incorporated and registered as a limited company on 26 May 1997. The Company's shares had been approved to be listed in the MAI (Market for Alternative Investment) on 5 September 2013. The address of the Company's registered office is as follows:

88 Soi Bang Na-Trat 30, Debaratana Road, Bang Na-Tai Sub-district, Bang Na district, Bangkok.

The principal activities of the Company are retail sale of fuel oil and lubricant oil and providing both onshore and offshore housekeeping and food services.

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

Detail of the Company's subsidiaries and a joint venture as at 31 December 2019 is as follows:

Company	Incorporated country	Nature of business	Holding interest in ordinary shares (%)
Direct subsidiaries			
Sea Oil Energy Limited	Islands of Bermuda	Holding company	100.00
Sea Oil Offshore Limited	Malaysia	Retail sale of fuel oil and Related products	100.00
Sea Oil Petroleum Pte. Ltd.	Singapore	Retail sale of fuel oil and Related products	75.00
Sea Oil Petrochemical Company Limited	Thailand	Production and retail sale of solvent and related products	99.99
Living Energy Company Limited	Thailand	Holding company, management service for solar power plant and retail sale of solar roof top	99.99
Energon Pte. Ltd.	Singapore	Holding company	100.00
Indirect subsidiaries (held by Living Energy Company Limited)			
NW Solar Company Limited	Thailand	Solar power plant	99.99
NW Green Power Company Limited	Thailand	Solar power plant	99.99
NW Energy Company Limited	Thailand	Solar power plant	99.99
Sky Solar Roof Company Limited	Thailand	Solar power plant	99.99
Sky Solar Power Company Limited	Thailand	Solar power plant	99.99
Solar Town Company Limited	Thailand	Solar power plant	99.99
Sunny Solar Company Limited	Thailand	Solar power plant	99.99
Sun Link Power Company Limited	Thailand	Solar power plant	99.99
Joint venture			
Pan Orient Energy (Siam) Ltd. (held by Sea Oil Energy Limited)	Islands of Bermuda	Exploration, development and production of petroleum and natural gas	49.99

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 21 February 2020.

2 Accounting policies

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

2.1 Basis of preparation of financial statements

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

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Critical accounting estimates, judgements and assumptions to the consolidated and separate financial statements are disclosed in Note 4.

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

2.2 New financial reporting standards and revised financial reporting standards

2.2.1 The financial reporting standards are effective for annual periods beginning on or after 1 January 2019. These standards have significant changes and are relevant to the Group.

TAS 28 (revised 2018)	Investments in associates and joint ventures
TAS 40 (revised 2018)	Investment property
TFRS 2 (revised 2018)	Share-based payment
TFRS 15	Revenue from contracts with customers
TFRIC 22	Foreign currency transactions and advance consideration

These standards do not have a material impact to the Group.

2.2.2 The financial reporting standards, relevant to the Group, are effective for annual periods beginning on or after 1 January 2020. The Group has not yet early adopted these standards.

2.2.2.1 Financial instruments

The new financial standards relate to financial instruments are:

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

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

The Group's management is currently assessing the impact of these standards.

2.2.2.2 TFRS 16 Leases

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

On 1 January 2020, the Group will apply TFRS 16 by adjusting cumulative impact to opening retained earnings (modified retrospective approach). From the preliminary assessment, the management expects that the Group will have significant impact on recognition of lease liabilities and right of use assets under operating leases as follows:

- Liabilities under lease agreements are recognised in accordance with the obligations and discounted to present values with incremental borrowing rates of the lessees as of 1 January 2020 amounting to Baht 151.35 million.
- Right-of-use assets are recognised equal to the present value of liabilities under the lease agreements as of 1 January 2020 amounting to Baht 151.35 million.

2.2.2.3 Other new and amended financial reporting standards

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TAS 28	Investments in associates and joint ventures
TFRS 3	Business combinations
TFRS 11	Joint arrangements
TFRIC 23	Uncertainty over income tax treatments

Amendment to TAS 12, Income tax - clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

Amendment to TAS 23, Borrowing costs - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures) - clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.

Amendment to TFRS 3, Business combinations - clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The previously held interest is therefore re-measured.

Amendment to TFRS 11, Joint arrangements - clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

TFRIC 23, Uncertainty over income tax treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.

The judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Group's management is currently assessing the impact of these standards.

2.3 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method. Direct costs are recorded as cost of initial investment. Dividend income from subsidiaries are recognised as income in profit or loss.

b) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint operations

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statement line items.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method. Dividend income from joint ventures are recognised as income in profit or loss.

c) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in joint ventures is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in joint ventures is recognise in profit or loss.

When the Group losses control, joint control over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

e) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

2.4 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises:

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses.

Step-up acquisition

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

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of transferred to retained earnings.

2.5 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht which is the Company's functional currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

c) Group companies

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

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

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

2.7 Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group presented trade receivables at cost less allowance for doubtful accounts.

2.8 Inventories

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

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

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

2.9 Property, plant and equipment

Land is stated at cost less any accumulated impairment loss. Building and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

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

Building	20 years
Building improvements	5 years
Fixtures and office equipment	3 - 5 years
Solar power equipment	10 years
Vehicles	5 years
Machinery and equipment	8 – 15 years

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

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

2.10 Intangible assets

Computer software

Expenditure on acquired computer software is capitalised as intangible asset on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over its estimated useful lives of 10 years.

2.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

2.12 Leases - where a Group company is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

2.13 Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

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

2.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take long period to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

2.15 Current and deferred income taxes

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.

Current tax

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

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.16 Employee benefits

(a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid leave and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

(b) Defined contribution plan

The Group pays contributions to a separate fund in accordance with the provident fund Act B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

(c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of [government bonds /high-quality corporate bonds] that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

2.17 Share-based payment

The Group recognises the goods or services received or acquired in a share-based payment transaction when it obtains the goods or when the services are received. The Group recognises a corresponding increase in equity if the goods or services are received in an equity-settled share-based payment transaction, or a liability if the goods or services are acquired in a cash-settled share-based payment transaction.

For equity-settled share-based payment transactions, the Group measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, the Group then measures the value of goods or services and the corresponding increase in equity to the fair value of the equity instruments granted.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.19 Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

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

2.20 Revenue recognition

(a) Revenue from sales and services

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue is recognised when the Group satisfies a performance obligation by transferring goods or services to customers. The goods and services are transferred when the customers obtain control of that goods and services. Control of the goods and services has transferred when the goods and services are delivered to customers. Delivery occurs when the goods have been shipped to the specific location. A receivable is recognised when the goods and services are delivered as this is the performance obligations satisfied at a point in time.

Revenue is recognised based on the price specified in the contract, net of value-added tax, rebates and discounts. Accumulated experience is used to estimate and provide for the discounts and rebates. An amount of variable consideration is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Any bundled goods or services that are distinct are separately recognised, and any discounts or rebates on the contract price are generally be allocated to the separate elements.

(b) Other income

- Dividend income is recognised when rights to receive dividends are established.
- Interest income is recognised using the effective interest method.
- Other income is recognised on an accrual basis.

2.21 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

2.22 Segment reporting

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

3 Financial risk management

3.1 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign exchange risk

The Group is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the Finance Director before execution. The Group has no significant interest-bearing assets.

(c) Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies to limit the appropriate amount of credit exposure to each financial institution.

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts and interest rate swap agreements. Such instruments are not recognised in the financial statements on inception. They are recognised in profit and loss on settlement date.

Foreign currency forward contracts protect the Group from movements in exchange rates. The Group enters into contract establishing the rate at which a foreign currency asset will be realised or a foreign currency liability will be settled in the future. The Group does not recognise foreign currency forward contracts transaction in the financial statements until the contracts are settled.

3.3 Fair value

Fair value is categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of the asset or liability is based on the quoted prices in active markets for identical assets or liabilities.
- Level 2: The fair value of the asset or liability is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of the asset or liability is not based on observable market data.

The following information presents fair value of the derivatives that are not recognised in the statement of financial position.

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Assets				
Foreign currency forward contract	13,860	30,561	13,860	30,561
Oil trading forward contract	301,926	-	-	-
Liabilities				
Foreign currency forward contract	-	55,638	-	55,638

The fair value is determined by level 2 using forward rate of foreign currency against Thai Baht and oil price at the date of the statement of financial position which can be obtained from observable market.

Fair value of long-term borrowings and long-term loans to subsidiaries is disclosed in Notes 15 and 27.4, respectively.

4 Critical accounting estimates, judgments and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates, judgements and assumptions are as follows:

(a) Allowance for doubtful accounts

The determination of the allowance for doubtful accounts requires the use of various assumptions and judgements by the management, which includes the estimated collection losses on receivables, based on the Group's collection experience together with a review of the financial position of the debtors. The management reviews these estimates and assumptions on a regular basis.

(b) Impairment of investments in a joint venture

The Group tests whether investments have suffered any impairment when indicators of impairment trigger. The recoverable amounts of cash-generating units have been determined based on the fair value less costs to sell or value-in-use calculations. In calculating value-in-use, the Group estimates the present value of future cash flows expected to arise from the cash-generating unit. Significant estimates and assumptions used are price and production volume determined in calculating net income of the cash-generated units, and discount rate which reflects risk of the particular cash-generating unit as disclosed in Note 10.2.

(c) Retirement benefits

The present value of the retirement benefit obligations depends on a number of factors that are determined by an actuarial basis comprising a number of assumptions, including the discount rate, inflation rate and salary increment. Any changes in these assumptions will have an impact on the carrying amount of retirement benefit obligations. The additional information of key assumptions is disclosed in Note 18.

5 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6 Operating segment information

Operating segment information is presented in respect of the Group's products and services.

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance by segment operating profit.

Segment results and operating assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and other income and expense that are unallocated.

The Group operates in 5 operating segments as follows;

- A) Maritime sales of fuel oil and lubricant oil
- B) Land sales and other channels' sales of fuel oil and lubricant oil
- C) Catering service - provide service and supply management for clients in the oil industry's exploration and production.
- D) Electricity generation from solar energy and sale of solar roof
- E) Production and retail sale of solvent and petrochemical products (started to recognise revenue on 1 April 2019).

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Operating segment information is as follows:

	Consolidated financial statements					
	Segment A Baht	Segment B Baht	Segment C Baht	Segment D Baht	Segment E Baht	Total Baht
For the year ended 31 December 2019						
Revenue from external customers	5,988,064,188	124,270,263	48,827,937	56,700,293	255,201,298	6,473,063,979
Segment operating profit	128,123,024	372,267	1,911,106	7,192,953	(37,710,298)	99,889,052
Timing of revenue recognition						
- Point in time	5,988,064,188	124,270,263	48,827,937	56,700,293	255,201,298	6,473,063,979
- Over time	-	-	-	-	-	-
As at 31 December 2019						
Trade receivables and accrual income - net	717,401,473	25,612,152	10,438,323	8,963,813	-	762,415,761
Other assets (corporate assets)						2,205,081,231
Total assets						2,967,496,992

	Consolidated financial statements					
	Segment A Baht	Segment B Baht	Segment C Baht	Segment D Baht	Segment E Baht	Total Baht
For the year ended 31 December 2018						
Revenue from external customers	4,568,097,742	81,117,698	50,208,187	77,711,651	-	4,777,135,278
Segment operating profit	106,441,351	208,533	10,548,483	14,368,192	13,247,412	144,813,971
Timing of revenue recognition						
- Point in time	4,568,097,742	81,117,698	50,208,187	77,711,651	-	4,777,135,278
- Over time	-	-	-	-	-	-
As at 31 December 2018						
Trade receivables and accrual income - net	521,388,123	7,780,995	5,998,284	9,529,265	48,000	544,744,667
Other assets (corporate assets)						2,199,557,313
Total assets						2,744,301,980

Segment operating profit can be reconciled to the Group's profit for the year as follows:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Segment operating profit	99,889,052	144,813,971
Reconciling items:		
Other income - head office	9,627,872	330,313
Administrative expenses - head office	(93,103,190)	(100,964,522)
Gains (losses) on exchange rate, net - head office	(216,026)	2,623,598
Finance costs - head office	(37,330,333)	(40,398,095)
Share of profit from a joint venture	111,739,775	2,708,619
Income tax	(17,464,877)	(3,263,258)
Net profit for the year	73,142,273	5,850,626

The Group has no revenues from transactions with a single external customer amount to 10 percent or more of total revenues.

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Geographic information

The Group operates in both Thailand and foreign countries. Financial information by geographic segment is as follows:

	For the year ended 31 December 2019										
	Segment A		Segment B		Segment C		Segment D		Segment E		Total
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	
Revenue from sales and services	1,212,840,150	4,775,224,038	124,270,263	-	48,827,937	-	56,700,293	-	255,201,298	-	6,473,063,979
Segment operating profit	24,046,113	104,076,911	372,267	-	1,911,106	-	7,192,953	-	(37,710,298)	-	99,889,052
	For the year ended 31 December 2018										
	Segment A		Segment B		Segment C		Segment D		Segment E		Total
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	
Revenue from sales and services	1,068,016,674	3,500,081,068	81,117,698	-	50,208,187	-	77,711,651	-	-	-	4,777,135,278
Segment operating profit	34,190,967	72,250,384	208,533	-	10,548,483	-	14,368,192	-	13,247,412	-	144,813,971

Revenue from sales and services of segment A in foreign countries amount of Baht 4,775.22 million is revenue from Singapore of Baht 4,239 million (2018: Baht 2,993.17 million) and from Malaysia of Baht 536.22 million (2018: Baht 506.91 million).

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash on hand	30	1,224,306	-	-
Deposits at banks - current accounts	196,480,084	122,610,302	30,483,551	16,413,238
Deposits at banks - savings accounts	1,609,782	10,039,968	1,342,949	2,279,147
	198,089,896	133,874,576	31,826,500	18,692,385

The interest rates on savings accounts are 0.50% - 0.63% per annum (2018: 0.50% - 0.63% per annum).

8 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade receivables				
- other parties	738,000,060	516,882,169	164,342,673	148,236,959
- related parties (Note 27.3)	39,698,484	33,981,028	26,930,857	32,902,909
<u>Less</u> Allowance for doubtful accounts	(19,829,770)	(12,897,671)	(10,556,873)	(8,552,015)
Trade receivables - net	757,868,774	537,965,526	180,716,657	172,587,853
Accrued income				
- other parties	4,546,987	6,164,776	-	1,323,697
- related parties (Note 27.3)	-	614,365	-	614,365
	762,415,761	544,744,667	180,716,657	174,525,915
Other receivables - related parties (Note 27.3)	159,242	159,242	3,916,788	7,151,565
Other receivables - other parties	47,985	-	-	-
Interest receivables - related parties (Note 27.3)	-	-	-	373,202
Dividends receivable				
- related parties (Note 27.3)	-	-	7,496,284	-
Advance payment for purchasing of goods and services	15,148,664	11,793,725	9,024,991	10,758,467
Insurance claim receivable	-	9,935,689	-	-
Prepaid expense	5,594,934	959,209	815,751	526,275
Others	824,264	2,062,784	824,264	1,060,504
	784,190,850	569,655,316	202,794,735	194,395,928

The aging analysis of the trade receivables is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current	608,470,768	381,302,675	107,401,476	94,077,831
Overdue:				
1 - 60 days	106,349,925	130,223,696	33,072,114	64,836,288
61 -120 days	29,121,521	5,231,943	27,348,081	1,090,710
121 - 180 days	9,296,267	20,642,080	9,296,267	11,977,984
Over 180 days	24,460,063	13,462,803	14,155,592	9,157,055
	777,698,544	550,863,197	191,273,530	181,139,868
<u>Less</u> Allowance for doubtful accounts	(19,829,770)	(12,897,671)	(10,556,873)	(8,552,015)
	757,868,774	537,965,526	180,716,657	172,587,853

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials	2,756,494	6,340,111	148,693	3,078,344
Finished goods	8,352,172	18,158,070	-	-
Goods in transit	-	1,216,654	-	1,216,654
Spare parts	89,841	123,175	-	-
	11,198,507	25,838,010	148,693	4,294,998

10 Investments in subsidiaries and interests in a joint venture

10.1 Investments in subsidiaries

The investments in subsidiaries are as follows:

			Holding interest in ordinary share (%)		Separate financial statements	
Company	Incorporated country	Nature of business	2019 (%)	2018 (%)	2019 Baht	2018 Baht
Direct subsidiaries						
Sea Oil Energy Limited	Islands of Bermuda	Holding company	100.00	100.00	32	32
Sea Oil Offshore Limited ²	Malaysia	Retail sale of fuel oil and related products	100.00	100.00	977,400	977,400
Sea Oil Petroleum Pte. Ltd. ¹	Singapore	Retail sale of fuel oil and related products	75.00	75.00	174,146,327	174,146,327
Sea Oil Petrochemical Company Limited	Thailand	Production and retail sale of solvent and related products	99.99	99.99	189,823,947	189,823,947
Living Energy Company Limited ³	Thailand	Holding company, management service for solar power plant and retail sale of solar roof top	99.99	99.99	193,158,944	193,158,944
Energon Pte. Ltd.	Singapore	Holding company	100.00	-	30,407	-
					558,137,057	558,106,650

¹ The Company invests in Sea Oil Petroleum Pte. Ltd., by holding 0.75 million ordinary shares at USD 1 per share and 4.40 million preference shares at USD 1 per share, combining to the total holding interest at 95.37%. The preference shares are non-voting rights, therefore, the voting rights of the Company in this subsidiary is 75%.

² Sea Oil Offshore Limited has stopped the business operation since 30 November 2019. The Company is in the process of returning the license to the authority. Sea Oil Petroleum Pte. Ltd. is the distributor of fuel oil to existing customers of Sea Oil Offshore Ltd.

³ Renergy Company Limited, which is a subsidiary of Living Energy Company Limited was dissolved on 12 February 2019. Renergy Company Limited repaid Living Energy Company Limited in an amount of Baht 1,221,635 and non-controlling interests of Baht 119. Renergy Company Limited stopped business operation and there is no revenue from operation.

Movement in the investment in subsidiaries is as follows:

	Separate financial statements	
	2019 Baht	2018 Baht
As at 1 January	558,106,650	370,432,920
Addition	30,407	187,673,730
As at 31 December	558,137,057	558,106,650

Sea Oil Petrochemical Company Limited

On 27 March 2018, the Company paid Baht 40.50 million for 0.54 million shares at Baht 75 per share. It is an additional call for the remaining 75% of par value.

Sea Oil Petroleum Pte. Ltd.

On 15 August 2018, the Company invested 4.40 million shares at USD 1 in preference shares of Sea Oil Petroleum Pte. Ltd., totalling USD 4.40 million, equivalent to Baht 147.17 million by conversion the debt of Baht 115.00 million (note 27.4) and interest receivable of Baht 27.12 million. The Company also paid in cash of Baht 5.05 million. The preference shares are non-voting right with cumulative dividend per share at 5.65% per annum.

During the first and fourth quarter of 2019, Sea Oil Petroleum Pte. Ltd. declared dividend payment for preference shares in an amount of USD 0.07 and 0.25 million or equivalent to Baht 2.24 and 7.45 million respectively. The Company already received cash for dividend income on 18 March 2019 and 13 January 2020 respectively.

Sea Oil Offshore Limited

On 6 November 2019, Sea Oil Offshore Limited declared dividend payment for ordinary shares in an amount of USD 0.85 million or equivalent to Baht 25.54 million. On 24 December 2019, the Company already received cash for this dividend.

Energion Pte. Ltd.

On 29 November 2019, the Company invested 1,000 shares at USD 1 in ordinary shares of a newly registered company, Energion Pte. Ltd., totalling USD 1,000 or equivalent to Baht 30,407. The amount of share invested is 100% of issued share capital.

10.2 Investment in a joint venture

Investment in a joint venture is as follows:

Company	Incorporated country	Nature of Business	Ownership of interest		Consolidated financial statements	
			2019 (%)	2018 (%)	2019 Baht	2018 Baht
Pan Orient Energy (Siam) Ltd.	Islands of Bermuda	Exploration, development and production of petroleum and natural gas	49.99	49.99	1,227,160,236	1,268,396,862

Pan Orient Energy (Siam) Ltd. (POES) is held by Sea Oil Energy Limited 49.99% and Pan Orient Petroleum Pte. 50.01%. The Group classifies the investment in POES as a joint venture as the significant decisions on the investee's operations require unanimous vote by all shareholders.

POES currently operates a petroleum concession Block L53/48 at Kamphaeng Saen District, Nakorn Pathom Province.

Movement in the investment in a joint venture is as follows:

	Consolidated financial statements	
	2019 Baht	2018 Baht
As at 1 January	1,268,396,862	1,265,688,243
Share of profit	111,739,775	2,708,619
Dividend received	(152,976,401)	-
As at 31 December	1,227,160,236	1,268,396,862

On 31 July 2019, Pan Orient Energy (Siam) Ltd. declared dividend payment to shareholders in an amount of CAD 13.25 million or equivalent to Baht 306.00 million. The declared dividend is for Sea Oil Energy Limited in an amount of CAD 6.62 million or equivalent to Baht 152.98 million. Sea Oil Energy Limited received this dividend on 8 August 2019.

The following table provides a summary of financial information for a joint venture. The information as disclosed is the amounts shown in the financial statements of the joint venture (which is not just the share of the Group in the joint venture) and adjusted by items required to comply with the equity method. These include adjustments to fair values at the date of acquisition and the differences in accounting policies between the Group and the joint venture.

	31 December 2019 Baht'000	31 December 2018 Baht'000
Statement of financial position as at 31 December		
Assets		
Cash and cash equivalents	436,139	210,850
Other current assets	459,044	507,484
Non-current assets	3,511,031	3,528,686
Total assets	4,406,214	4,247,020
Liabilities		
Current liabilities	139,688	85,567
Non-current liabilities	1,811,960	1,624,407
Total liabilities	1,951,648	1,709,974
Net assets	2,454,566	2,537,046
Statement of comprehensive income for the year ended 31 December		
	2019 Baht'000	2018 Baht'000
Revenue	1,332,891	380,912
Depreciation and amortisation	(521,181)	(231,879)
Cost and administrative expenses	(266,168)	(141,899)
Profit from operations	545,542	7,134
Income tax	(322,040)	(1,718)
Net profit	223,502	5,416

Reconciliation of the summarised financial information presented to the carrying amount of interest in a joint venture:

	2019 Baht'000	2018 Baht'000
Net assets as at 1 January	2,537,046	2,531,630
Profit for the year	223,502	5,416
Dividend paid	(305,982)	-
Net assets as at 31 December	2,454,566	2,537,046
Interest in a joint venture (49.99%)	1,227,160	1,268,397
Carrying value as at 31 December	1,227,160	1,268,397

The Company tests impairment of investment in a joint venture at the year end. The recoverable amount of investment in a joint venture is determined based on value-in-use calculation. This calculation uses cash flow projection from the petroleum concession. It is based on an estimate of the petroleum reserves, the petroleum resources and future oil prices provided by specialist. The Group applies future oil prices at 58.98 USD/Barrel with growth rate at 2.00% per annum and weighted average cost of capital at 10.00% - 14.00% per annum as discount rate for net cash flows received from the petroleum reserves and petroleum resources for each individual type of reserves.

The calculation showed the recoverable amount exceeded carrying value by Baht 1,878.87 million. An increase in discount rate of 35.00% to be 45.00% to 48.00% per annum or a reduction of future oil prices by 38.54% per year would remove the excessive amount of the recoverable amount.

11 Property, plant and equipment, net

	Consolidated financial statements						Total Baht
	Land and land improvements Baht	Building and building improvements Baht	Fixtures and office equipment Baht	Solar power equipment Baht	Vehicles Baht	Construction in progress Baht	
At 1 January 2018							
Cost	65,397,257	14,624,823	15,503,688	409,038,473	111,405	158,105,863	662,781,509
<u>Less</u> Accumulated depreciation	-	(78,079)	(9,976,159)	(51,742,960)	(31,614)	-	(61,828,812)
Net book amount	65,397,257	14,546,744	5,527,529	357,295,513	79,791	158,105,863	600,952,697
For the year ended 31 December 2018							
Opening net book amount	65,397,257	14,546,744	5,527,529	357,295,513	79,791	158,105,863	600,952,697
Addition	-	356,250	2,550,599	284,747	-	90,774,481	93,966,077
Disposal							
- Cost	-	-	-	-	-	(765,452)	(765,452)
- Accumulated depreciation	-	-	-	-	-	-	-
Depreciation charged (Note 24)	-	(750,005)	(2,222,923)	(17,573,487)	(22,280)	-	(20,568,695)
Exchange differences	-	-	(14,311)	-	-	-	(14,311)
Closing net book amount	65,397,257	14,152,989	5,840,894	340,006,773	57,511	248,114,892	673,570,316
At 31 December 2018							
Cost	65,397,257	14,981,073	17,915,439	409,323,220	111,405	248,114,892	755,843,286
<u>Less</u> Accumulated depreciation	-	(828,084)	(12,074,545)	(69,316,447)	(53,894)	-	(82,272,970)
Net book amount	65,397,257	14,152,989	5,840,894	340,006,773	57,511	248,114,892	673,570,316

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	Consolidated financial statements							
	Land and land improvements Baht	Building and building improvements Baht	Fixtures and office equipment Baht	Solar power equipment Baht	Vehicles Baht	Machinery and equipment Baht	Construction in progress Baht	Total Baht
At 1 January 2019								
Cost	65,397,257	14,981,073	17,915,439	409,323,220	111,405	-	248,114,892	755,843,286
<u>Less</u> Accumulated depreciation	-	(828,084)	(12,074,545)	(69,316,447)	(53,894)	-	-	(82,272,970)
Net book amount	65,397,257	14,152,989	5,840,894	340,006,773	57,511	-	248,114,892	673,570,316
For the year ended 31 December 2019								
Opening net book amount	65,397,257	14,152,989	5,840,894	340,006,773	57,511	-	248,114,892	673,570,316
Addition	-	-	3,073,745	4,402,508	-	9,000,000	11,029,165	27,505,418
Transfer in (out)	3,534,195	44,444,261	10,747,576	-	-	198,686,414	(257,412,446)	-
Disposal								
- Cost	-	-	(1,499,940)	(6,249,672)	-	-	-	(7,749,612)
- Accumulated depreciation	-	-	1,210,618	1,201,774	-	-	-	2,412,392
Depreciation charged (Note 24)	(269,680)	(2,706,491)	(3,809,404)	(17,603,877)	(22,280)	(16,511,363)	-	(40,923,095)
Exchange differences	-	-	(102,184)	-	-	-	-	(102,184)
Closing net book amount	68,661,772	55,890,759	15,461,305	321,757,506	35,231	191,175,051	1,731,611	654,713,235
At 31 December 2019								
Cost	68,931,452	59,425,334	29,950,806	407,476,056	111,405	207,686,414	1,731,611	775,313,078
<u>Less</u> Accumulated depreciation	(269,680)	(3,534,575)	(14,489,501)	(85,718,550)	(76,174)	(16,511,363)	-	(120,599,843)
Net book amount	68,661,772	55,890,759	15,461,305	321,757,506	35,231	191,175,051	1,731,611	654,713,235

The borrowing costs of Baht 3.18 million (2018: Baht 9.77 million) are capitalised in cost of qualifying assets and presented in “addition” in the consolidated financial statements. The Group uses a capitalisation rate of 5.28% to calculate borrowing costs eligible for capitalisation.

Land, building, solar power equipment and machinery and equipment of subsidiaries are partially pledged as collateral for loans from a financial institution (Note 15).

On 4 December 2019, there was a fire in solar power plant of Sky Solar Power Co., Ltd., located in Lamphun Province. Therefore, the subsidiary wrote off damage assets of Baht 4.91 million. The subsidiary is in the process of compensation claim from insurance (Note 24).

	Separate financial statements			
	Fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
At 1 January 2018				
Cost	7,640,795	111,405	711,360	8,463,560
<u>Less</u> Accumulated depreciation	(7,198,901)	(31,614)	-	(7,230,515)
Net book amount	441,894	79,791	711,360	1,233,045
For the year ended 31 December 2018				
Opening net book amount	441,894	79,791	711,360	1,233,045
Addition	1,923,676	-	-	1,923,676
Depreciation charged (Note 24)	(463,215)	(22,280)	-	(485,495)
Closing net book amount	1,902,355	57,511	711,360	2,671,226
At 31 December 2018				
Cost	9,564,471	111,405	711,360	10,387,236
<u>Less</u> Accumulated depreciation	(7,662,116)	(53,894)	-	(7,716,010)
Net book amount	1,902,355	57,511	711,360	2,671,226
For the year ended 31 December 2019				
Opening net book amount	1,902,355	57,511	711,360	2,671,226
Addition	298,200	-	47,100	345,300
Depreciation charged (Note 24)	(599,620)	(22,280)	-	(621,900)
Closing net book amount	1,600,935	35,231	758,460	2,394,626
At 31 December 2019				
Cost	9,862,671	111,405	758,460	10,732,536
<u>Less</u> Accumulated depreciation	(8,261,736)	(76,174)	-	(8,337,910)
Net book amount	1,600,935	35,231	758,460	2,394,626

12 Intangible assets - net

	Consolidated financial statements	Separate financial statements
	Computer software Baht	Computer software Baht
At 1 January 2018		
Cost	5,452,307	3,683,113
<u>Less</u> Accumulated amortisation	(2,635,763)	(2,371,555)
Net book amount	2,816,544	1,311,558
For the year ended 31 December 2018		
Opening net book amount	2,816,544	1,311,558
Addition	72,207	-
Amortisation charged (Note 24)	(469,424)	(324,480)
Exchange differences	(9,092)	-
Closing net book amount	2,410,235	987,078
At 31 December 2018		
Cost	5,503,479	3,683,113
<u>Less</u> Accumulated amortisation	(3,093,244)	(2,696,035)
Net book amount	2,410,235	987,078
For the year ended 31 December 2019		
Opening net book amount	2,410,235	987,078
Amortisation charged (Note 24)	(447,057)	(279,441)
Exchange differences	(70,237)	-
Closing net book amount	1,892,941	707,637
At 31 December 2019		
Cost	5,401,461	3,683,113
<u>Less</u> Accumulated amortisation	(3,508,520)	(2,975,476)
Net book amount	1,892,941	707,637

13 Deferred income tax

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

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets:				
Deferred tax asset to be recovered within 12 months	-	2,448,710	-	2,448,710
Deferred tax asset to be recovered after 12 months	4,342,033	7,123,231	4,403,642	3,330,327
	4,342,033	9,571,941	4,403,642	5,779,037
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(88,952)	(929,119)	(88,952)	(929,119)
Deferred tax liability to be settled after 12 months	-	-	-	-
	(88,952)	(929,119)	(88,952)	(929,119)
Deferred income tax (net)	4,253,081	8,642,822	4,314,690	4,849,918

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Movement of deferred income tax is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
At 1 January	8,642,822	8,708,743	4,849,918	4,915,839
Charged/(credited) to profit or loss	(4,184,519)	(65,921)	(391,615)	(65,921)
Charged/(credited) to other comprehensive income	(205,222)	-	(143,613)	-
At 31 December	4,253,081	8,642,822	4,314,690	4,849,918

Movement of deferred tax assets and liabilities is as follows:

	Consolidated financial statements				
	Allowance for doubtful debt Baht	Employee benefit obligations Baht	Amortised interest of promissory notes Baht	Tax loss carry forward Baht	Total Baht
Deferred tax assets					
At 1 January 2018	1,752,403	1,364,839	1,798,597	3,792,904	8,708,743
Charged/(credited) to profit or loss	(42,000)	255,085	(1,798,597)	2,448,710	863,198
At 31 December 2018	1,710,403	1,619,924	-	6,241,614	9,571,941
Charged/(credited) to profit or loss	400,971	815,957	-	(6,241,614)	(5,024,686)
Charged/(credited) to other comprehensive income	-	(205,222)	-	-	(205,222)
At 31 December 2019	2,111,374	2,230,659	-	-	4,342,033

	Consolidated financial statements	
	Discount of debentures Baht	Total Baht
Deferred tax liabilities		
At 1 January 2018	-	-
Charged/(credited) to profit or loss	(929,119)	(929,119)
At 31 December 2018	(929,119)	(929,119)
Charged/(credited) to profit or loss	840,167	840,167
At 31 December 2019	(88,952)	(88,952)

	Separate financial statements				
	Allowance for doubtful debt Baht	Employee benefit obligations Baht	Amortised interest of promissory notes Baht	Tax loss carry forward Baht	Total Baht
Deferred tax assets					
At 1 January 2018	1,752,403	1,364,839	1,798,597	-	4,915,839
Charged/(credited) to profit or loss	(42,000)	255,085	(1,798,597)	2,448,710	863,198
At 31 December 2018	1,710,403	1,619,924	-	2,448,710	5,779,037
Charged/(credited) to profit or loss	400,971	815,957	-	(2,448,710)	(1,231,782)
Charged/(credited) to other comprehensive income	-	(143,613)	-	-	(143,613)
At 31 December 2019	2,111,374	2,292,268	-	-	4,403,642

	Separate financial statements	
	Discount of debentures Baht	Total Baht
Deferred tax liabilities		
At 1 January 2018	-	-
Charged/(credited) to profit or loss	(929,119)	(929,119)
At 31 December 2018	(929,119)	(929,119)
Charged/(credited) to profit or loss	840,167	840,167
At 31 December 2019	(88,952)	(88,952)

14 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Refundable valued added tax	59,273,247	41,133,036	-	-
Deposit	3,000	3,000	-	-
	59,276,247	41,136,036	-	-

As at 31 December 2019, refundable valued added tax of Baht 59.27 million is the amount that Sea Oil Petrochemical Company Limited asked for a refund for the years during 2016 - 2019. It is under the process of consideration by the Revenue Department.

15 Borrowings

15.1 Short-term borrowings

Detail of short-term borrowings from financial institutions is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Short-term borrowings				
Promissory notes	69,800,000	263,848,661	69,000,000	263,848,661
Short-term borrowings	154,264,450	144,733,790	93,956,450	79,834,190
	224,064,450	408,582,451	162,956,450	343,682,851

Movement of short-term borrowings from financial institutions is as follows:

	Consolidated financial information			
	Promissory notes Baht	Bills of exchange Baht	Short-term borrowings Baht	Total Baht
At 1 January 2018	-	396,301,984	-	396,301,984
Addition	685,200,000	-	1,110,909,881	1,796,109,881
Repayment	(420,200,000)	(400,000,000)	(966,486,586)	(1,786,686,586)
Transaction costs	(2,000,000)	-	-	(2,000,000)
Amortised transaction costs/interest	848,661	3,698,016	-	4,546,677
Exchange differences	-	-	310,495	310,495
At 31 December 2018	263,848,661	-	144,733,790	408,582,451
Addition	677,800,000	-	1,193,871,206	1,871,671,206
Repayment	(873,000,000)	-	(1,179,748,946)	(2,052,748,946)
Amortised transaction costs/interest	1,151,339	-	-	1,151,339
Exchange differences	-	-	(4,591,600)	(4,591,600)
At 31 December 2019	69,800,000	-	154,264,450	224,064,450
	Separate financial statements			
	Promissory notes Baht	Bills of exchange Baht	Short-term borrowings Baht	Total Baht
At 1 January 2018	-	396,301,984	-	396,301,984
Addition	685,200,000	-	851,946,857	1,537,146,857
Repayment	(420,200,000)	(400,000,000)	(772,112,667)	(1,592,312,667)
Transaction costs	(2,000,000)	-	-	(2,000,000)
Amortised transaction costs/interest	848,661	3,698,016	-	4,546,677
At 31 December 2018	263,848,661	-	79,834,190	343,682,851
Addition	677,000,000	-	948,540,755	1,625,540,755
Repayment	(873,000,000)	-	(934,418,495)	(1,807,418,495)
Amortised transaction costs/interest	1,151,339	-	-	1,151,339
At 31 December 2019	69,000,000	-	93,956,450	162,956,450

Promissory notes

The Group issued promissory notes to financial institutions. The interest rates are at MLR-1.00 to MLR-1.25 per annum and fixed interest rate at 4.38% per annum. The maturities are 3 months.

Bills of exchange

On 23 August 2017, the Company issued non-interest-bearing bills of exchange with the face value of Baht 400.00 million to a local asset management company. The bills were sold at Baht 387.31 million, net from a discount of Baht 12.69 million. The bills' maturity is 6 months and the repayment is due on 23 February 2018. The Company already settled the bill on due date.

Short-term borrowings

The Group made credit facility agreements with financial institutions, which have floating interests rates as specified by each financial institutions.

15.2 Long-term borrowings

Details of long-term borrowings are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Long-term borrowings				
Borrowing from a parent (Note 27.5)				
- Current portion	-	50,000,000	-	50,000,000
Borrowings from financial institutions				
- Current portion	116,326,000	73,476,000	60,000,000	-
- Non-current portion	278,570,000	199,976,000	115,000,000	-
Debentures				
- Current portion	399,555,239	-	399,555,239	-
- Non-current portion	-	396,505,743	-	396,505,743
	794,451,239	719,957,743	574,555,239	446,505,743

Movement of long-term borrowings is as follows:

	Consolidated financial statements		
	Borrowing from a parent Baht (Note 27.5)	Borrowings from financial institutions Baht	Debentures Baht
At 1 January 2018	300,000,000	327,008,000	-
Addition	-	-	400,000,000
Repayment	(250,000,000)	(53,556,000)	-
Transaction costs	-	-	(5,980,000)
Amortised transaction costs/interest	-	-	2,485,743
At 31 December 2018	50,000,000	273,452,000	396,505,743
Addition	-	175,000,000	-
Repayment	(50,000,000)	(53,556,000)	-
Amortised transaction costs/interest	-	-	3,049,496
At 31 December 2019	-	394,896,000	399,555,239
<u>Less</u> Current portion	-	(116,326,000)	(399,555,239)
Non-current portion	-	278,570,000	-
	Separate financial statements		
	Borrowing from a parent Baht (Note 27.5)	Borrowings from financial institutions Baht	Debentures Baht
At 1 January 2018	300,000,000	-	-
Addition	-	-	400,000,000
Repayment	(250,000,000)	-	-
Transaction costs	-	-	(5,980,000)
Amortised transaction costs/interest	-	-	2,485,743
At 31 December 2018	50,000,000	-	396,505,743
Addition	-	175,000,000	-
Repayment	(50,000,000)	-	-
Amortised transaction costs/interest	-	-	3,049,496
At 31 December 2019	-	175,000,000	399,555,239
<u>Less</u> Current portion	-	(60,000,000)	(399,555,239)
Non-current portion	-	115,000,000	-

15.2.1 Long-term borrowings from financial institutions

Long-term borrowings from financial institutions in the amount of Baht 394.90 million comprise the following:

- 1) The Company's borrowings of Baht 175.00 million are pledged by shares of a listed company that are held by Nathalin Company Limited, a parent company. The loan agreement requires that the value of the borrowings shall not exceed 60% of the pledged shares value.
- 2) Borrowings of the Solar Group from a bank are Baht 199.98 million. The borrowings bear interest at MLR-1.75 to -1.25 per annum. The repayments are made of 120 instalments from the date of receiving the borrowings. All fixed assets of the Solar Group are used for collateral. The bank requires the saving accounts be opened for receiving money from selling electricity and for settlement of principle and interest of borrowings. Usage of that savings account is required an approval from bank.

The loan agreements required the Solar Group to comply with debt covenants in maintaining financial ratios which comprise the maximum debt-to-equity of 3:1 and the minimum debt service coverage ratio (DSCR) of 1. As at 31 December 2019, 2 companies under the Solar Group breached the covenants and received a waive letter from the bank on 27 December 2019. Therefore, their non-current portion of borrowings as at 31 December 2019 remained as non-current portion.

- 3) Borrowing of Sea Oil Petrochemical Company Limited from the financial institution is Baht 19.92 million. The borrowing bears interest at MLR-0.75 per annum. The repayments are made of 36 instalments from the date of receiving the borrowings. Land and machinery of Sea Oil Petrochemical Company Limited is used as collateral.

The loan agreements between Sea Oil Petrochemical Company Limited and the bank required the Company to comply with debt covenants in maintaining financial ratios which comprise the maximum debt to equity of 2:1 and the minimum debt service coverage ratio (DSCR) of 1. As at 31 December 2019, the Company cannot maintain the minimum debt service coverage ratio (DSCR) of 1. However, the subsidiary received a waive letter from the bank on 12 December 2019. As of 31 December 2019, the amount was already classified as current liabilities since it was due within one year.

15.2.2 Debentures

On 23 February 2018, the Company issued debentures, with the value of Baht 400.00 million for a private placement to institutional investors and high net worth. The fixed interest rate is 5.90% per annum. The debentures are due on February 23, 2020. Nathalin Co., Ltd., a parent company, has pledged its own shares of a listed company as collateral for the value not less than Baht 600.00

Fair value

The fair value of short-term borrowings and debentures which due within one year are close to the book value due to the insignificant effect from a discount rate.

The fair value is determined in level 2 of fair value (Note 3.3), calculated by discounted cash flow model based on yield curve of risk-free bond plus risk premium in relevance with the Group's credit rating as disclosed by the Thai Bond Market Association.

The fair value of the long-term borrowings is as follows:

	Consolidated financial statements			
	Fair value		Carrying value	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Long-term borrowings from financial institutions	400,479,030	304,889,530	374,976,000	273,452,000

Interest rate risk of the Group's borrowings is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Fixed interest rate	414,555,239	461,505,743	414,555,239	461,505,743
Floating interest rate	603,960,450	667,034,451	322,956,450	328,682,851
	1,018,515,689	1,128,540,194	737,511,689	790,188,594

Credit facilities

The Group has outstanding unused credit facilities as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current portion	742,112,645	777,704,800	390,680,645	518,106,400
	742,112,645	777,704,800	390,680,645	518,106,400

16 Reconciliation of liabilities arising from financing activities

			Non-cash transactions		
	1 January 2019 Baht	Cash flows (net) Baht	Amortised transaction costs/interest Baht	Exchange differences Baht	31 December 2019 Baht
Consolidated financial statements					
Short-term borrowings from financial institutions	408,582,451	(181,077,740)	1,151,339	(4,591,600)	224,064,450
Long-term borrowing from a parent	50,000,000	(50,000,000)	-	-	-
Long-term borrowings from financial institutions	273,452,000	121,444,000	-	-	394,896,000
Debentures	396,505,743	-	3,049,496	-	399,555,239
Separate financial statements					
Short-term borrowings from financial institutions	343,682,851	(181,877,740)	1,151,339	-	162,956,450
Long-term borrowing from a parent	50,000,000	(50,000,000)	-	-	-
Long-term borrowings from financial institutions	-	175,000,000	-	-	175,000,000
Debentures	396,505,743	-	3,049,496	-	399,555,239

	1 January 2018	Cash flows (net)	Non-cash transactions		31 December 2018
	Baht	Baht	Amortised transaction costs/interest Baht	Exchange differences Baht	Baht
Consolidated financial statements					
Short-term borrowings					
from financial institutions	396,301,984	7,423,295	4,546,677	310,495	408,582,451
Long-term borrowing from a parent	300,000,000	(250,000,00)	-	-	50,000,000
Long-term borrowings					
from financial institutions	327,008,000	(53,556,000)	-	-	273,452,000
Debentures	-	394,020,000	2,485,743	-	396,505,743
Separate financial statements					
Short-term borrowings					
from financial institutions	396,301,984	(57,165,810)	4,546,677	-	343,682,851
Long-term borrowing from a parent	300,000,000	(250,000,000)	-	-	50,000,000
Debentures	-	394,020,000	2,485,743	-	396,505,743

17 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade payables				
- Other parties	479,327,432	204,512,226	22,016,768	20,414,854
- Related parties (Note 27.3)	648,370	612,362	-	-
Accrued expenses				
- Other parties	21,008,602	33,243,324	9,770,068	9,308,753
- Related parties (Note 27.3)	657,190	688,051	612,501	464,681
	501,641,594	239,055,963	32,399,337	30,188,288

18 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Statement of financial position				
Post-employment benefit	12,704,514	9,220,126	11,461,342	8,099,618
Profit or loss				
Post-employment benefit	4,510,498	1,714,698	4,079,788	1,275,425
Other comprehensive income				
Remeasurement of post-employment benefit	(1,026,110)	-	(718,064)	-

The movement in the defined benefit obligation over the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
At 1 January	9,220,126	7,505,428	8,099,618	6,824,193
Current service cost	1,789,216	1,480,239	1,526,057	1,060,722
Interest expense	341,259	234,459	316,552	214,703
Past service cost	2,380,023	-	2,237,179	-
	4,510,498	1,714,698	4,079,788	1,275,425
Remeasurement				
Gain from change in financial assumptions	(235,835)	-	(214,643)	-
Experience gain	(790,275)	-	(503,421)	-
	(1,026,110)	-	(718,064)	-
At 31 December	12,704,514	9,220,126	11,461,342	8,099,618

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law became effective on 5 May 2019. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 days' pay to 400 days' pay. The effect of the new law is Baht 2.38 million and Baht 2.24 million for the consolidated financial statements and the separate financial statements, respectively. All amount is recognised in profit and loss in the second quarter of 2019.

The principal actuarial assumptions used are as follows:

	2019	2018
Discount rate	3.32%	3.21%
Salary growth rate	5.00% - 13.00%	5.00% - 13.00%
Turnover rate of employees	0.00% - 8.50%	0.00% - 8.00%

The sensitivity analysis of the actuarial assumptions is as follows:

	Consolidated financial statements			
	Change in assumption		Impact on defined benefit obligation	
			Increase (decrease) in obligation	
	2019	2018	2019 Baht	2018 Baht
Discount rate	Increase 1%	Increase 1%	(2,104,661)	(1,570,394)
	Decrease 1%	Decrease 1%	2,614,993	1,964,266
Salary growth rate	Increase 1%	Increase 1%	2,617,196	1,957,915
	Decrease 1%	Decrease 1%	(2,138,009)	(1,597,476)
Turnover rate of employees	Increase 20%	Increase 20%	(1,848,368)	(1,388,879)
	Decrease 20%	Decrease 20%	2,220,168	1,681,404

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The weighted average duration of the defined benefit obligation is 23.1 years (2018: 23.8 years).

19 Share capital

	Number of shares Shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2018	553,538,208	553,538,208	933,127,791	1,486,665,999
Exercise of warrants (Note 20)	21,454	21,454	42,908	64,362
At 31 December 2018	553,559,662	553,559,662	993,170,699	1,486,730,361
Issue of share	-	-	-	-
At 31 December 2019	553,559,662	553,559,662	993,170,699	1,486,730,361

As at 31 December 2019 and 2018, the total number of authorised ordinary shares is 691,867,135 shares with a par value of Baht 1 per share. The issued shares were paid are 553,559,662 shares, total Baht 1,486,730,361.

20 Warrants to purchase ordinary shares

On 7 March 2017, the Company issued warrants (SEOIL-W) to its existing shareholders. The details are as follows:

Type of warrants	: Issued in the names of respective holder and negotiable
Term of warrants	: 1 year from the issuing and offering date
Number of warrants	: 138,373,427 units
Offering ratio	: 1 unit per 1 offered ordinary share
Offering price	: Baht 0.00 per unit (Nil)
Exercise ratio	: 1 warrant can be exercised for a purchase of 1 ordinary share (changeable)
Exercise price	: Baht 3.00 per a new ordinary share (changeable)
Exercise date	: On the last business day of each quarter (March, June, September and December) in each year, throughout the term of warrants
Initial exercise date	: 30 June 2017
Last exercise date	: 6 March 2018

Movement of warrants to purchase ordinary shares for the year ended 31 December 2018 is as follows:

	SEOIL-W Rights
Opening balance	138,328,927
Rights issued during the year	(21,454)
Exercise of warrants during the year	(138,307,473)
Closing balance	-

The warrants expired on 6 March 2018, there were 21,454 units of SEOIL-W warrant that are exercised for 21,454 new ordinary shares in the total amount of Baht 64,362. The process of share registration was completed on 15 March 2018.

21 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
At 1 January	26,509,200	26,509,200	26,509,200	26,509,200
Appropriation during the year	1,010,800	-	1,010,800	-
At 31 December	27,520,000	26,509,200	27,520,000	26,509,200

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

22 Other income

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest income	3,592,613	2,817,223	61,344,946	10,143,269
Dividend income (Note 10.1)	-	-	35,233,571	-
Management fee from subsidiaries	-	-	3,749,085	3,867,721
Fine from breach of trading agreement	27,349,466	-	-	-
Compensation from insurance claim	-	20,079,454	-	-
Compensation from legal case	9,262,833	-	-	-
Compensation from delay of work	-	7,958,055	-	-
Others	6,136,695	3,695,886	424,422	35,794
Total	46,341,607	34,550,618	100,752,024	14,046,784

Fine from breach of trading agreement is income of Sea Oil Petroleum Pte. Ltd., where as a customer did not receive the products as indicated in the agreement. The subsidiary received cash on 21 May 2019.

Compensation from legal case is income of Sea Oil Offshore Ltd. in which it won the legal case. The court finalised the case on 10 May 2019, in an amount of USD 0.29 million or equivalent to Baht 9.26 million. The subsidiary received cash on 27 June 2019.

On 13 August 2019, Sea Oil Energy Limited paid interest for the long-term borrowings in an amount of Baht 152.98 million to the Company. It comprised of interest receivables during 2 February 2015 to 31 December 2016 amounting Baht 99.14 million, and the interest that the Company ceased to recognise during 1 January 2017 to 31 January 2018 amounting Baht 53.84 million. The Company recognised Baht 53.84 million as interest income during the period of 2019. On 31 December 2019, the Company has unrecognised interest receivables amounting Baht 93.36 million which will be recognised as interest income when receive.

23 Finance costs

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest - related party	1,554,795	4,856,164	1,554,795	4,856,164
Interest - financial institution	30,689,018	39,933,850	17,589,861	18,940,201
Interest - debentures	26,649,496	22,658,894	26,649,496	22,658,894
<u>Less</u> Cost of borrowings	(3,177,097)	(9,774,903)	-	-
	55,716,212	57,674,005	45,794,152	46,455,259

24 Expenses by nature

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Purchase of goods		6,152,132,276	4,471,121,074	1,333,087,333	1,102,992,567
Changes in inventories		12,735,548	8,682,323	2,929,651	(1,216,654)
Changes in goods in transit		1,216,654	(3,078,344)	1,216,654	(3,078,344)
Direct cost for catering service on the accommodation vessel		29,855,895	27,492,052	29,855,895	27,492,052
Employee benefits expenses		110,743,957	90,159,931	66,442,645	57,735,109
Depreciation and amortisation	11, 12	41,370,152	21,038,119	901,341	809,975
Transportation expenses		45,055,914	32,156,710	15,641,950	15,178,958
Sale commission expenses		22,020,223	20,850,700	3,824,060	6,171,317
Loss from fire	11	4,908,806	1,149,557	-	-

25 Income tax

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current tax:				
Current tax on profits for the year	13,280,358	3,197,337	1,353,847	-
Total current tax	13,280,358	3,197,337	1,353,847	-
Deferred tax:				
Origination and reversal of temporary differences	4,184,519	65,921	391,615	65,921
Total deferred tax	4,184,519	65,921	391,615	65,921
Total tax expense	17,464,877	3,263,258	1,745,462	65,921

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the company as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Profit (loss) before income tax	90,607,150	9,113,884	21,958,939	(60,350,312)
Tax calculated at a tax rate of 20% (2018: 20%).	18,121,430	1,822,777	4,391,788	(12,070,062)
Effect:				
Difference of tax rates	(3,900,674)	(2,092,877)	-	-
Share of profit (loss) from joint venture, net of tax	(22,347,955)	(541,724)	-	-
Income not subject to tax	(1,464,001)	(8,169,846)	(12,257,714)	-
Expenses with double deductible for tax	(563,189)	(73,989)	(253,372)	(73,989)
Additional taxable income	15,369,100	9,812,827	9,812,827	9,812,827
Expenses not deductible for tax	4,221,292	2,506,090	51,933	2,397,145
Tax losses for which no deferred income tax asset was recognised	8,028,874	-	-	-
Tax charged	17,464,877	3,263,258	1,745,462	65,921

The Group's and Company's effective tax rates are 19.28% and 7.95%, respectively (2018: 35.81% and (0.11)%, respectively). The effective tax rate changes from the previous year as the result of Group's business operation.

Deferred tax assets are recognised for tax loss carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. Unrecognised deferred tax assets of Baht 8.03 million relate to unused cumulative losses of Baht 40.16 million.

26 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Net profit (loss) attributable to ordinary shareholders (Baht)	60,849,897	(754,619)	20,213,477	(60,416,233)
Weighted average number of ordinary shares in issue during the year (Share)	553,559,662	553,555,900	553,559,662	553,555,900
Basic earnings (loss) per share (Baht per share)	0.1099	(0.0014)	0.0365	(0.1091)

27 Related party transactions

The Company is controlled by Nathalin Company Limited (incorporated in Thailand). Nathalin Company Limited and Panboonhom family hold 45.04% and 11.53% in Company's shares, respectively. The remaining 43.43% of the shares is widely held. Significant transactions with its related parties are as follows:

27.1 Sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Sales of goods				
Subsidiaries	-	-	42,702,413	23,912,246
Entities under common control	318,437,804	274,793,956	248,138,848	221,904,937
	318,437,804	274,793,956	290,841,261	245,817,183
Sales of services				
Entities under common control	36,402,714	36,284,082	36,402,714	36,284,082
Interest income				
Subsidiaries	-	-	61,338,424	10,033,919
Dividend income				
Subsidiaries	-	-	35,233,571	-
Management fee				
Subsidiaries	-	-	3,749,084	3,867,721
Other income				
Subsidiaries	-	-	216,792	-
Entities under common control	265,195	-	-	-
	265,195	-	216,792	-

27.2 Purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cost of sales and transportation expense				
Parent company	172,400	172,400	-	-
Subsidiaries	-	-	-	5,729,391
Entities under common control	7,483,888	7,434,855	-	-
	7,656,288	7,607,255	-	5,729,391
Rental and service expense				
Parent company	3,821,051	3,768,264	3,821,051	3,768,264
Management fee				
Parent company	4,902,403	4,943,378	4,126,127	4,344,858
Entities under common control	-	341,000	-	341,000
	4,902,403	5,284,378	4,126,127	4,685,858
Other service expense				
Parent company	1,614,214	1,294,409	1,488,831	1,177,269
Entities under common control	245,203	224,427	245,203	60,000
	1,859,417	1,518,836	1,734,034	1,237,269
Finance costs				
Parent company	1,554,795	4,856,164	1,554,795	4,856,164

27.3 Outstanding balances arising from sales/purchases of goods/services

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade receivables				
Subsidiaries	-	-	158,895	3,123,967
Entities under common control	39,698,484	33,981,028	26,771,962	29,778,942
	39,698,484	33,981,028	26,930,857	32,902,909
Accrued income				
Entities under common control	-	614,365	-	614,365
Interest receivables				
Subsidiaries - Current	-	-	-	373,202
Subsidiaries - Non-current	-	-	-	99,139,637
	-	-	-	99,512,839
Other receivables				
Parent company	159,242	159,242	159,242	159,242
Subsidiaries	-	-	3,757,546	6,992,323
	159,242	159,242	3,916,788	7,151,565
Dividend receivables				
Subsidiaries	-	-	7,496,284	-
Trade payables				
Parent company	13,000	13,000	-	-
Other related parties	635,370	599,362	-	-
	648,370	612,362	-	-
Accrued expense				
Parent company	657,190	540,850	554,362	460,376
Subsidiaries	-	-	58,139	4,305
Entities under common control	-	147,201	-	-
	657,190	688,051	612,501	464,681
Non-current liabilities				
Parent company	80,260	63,860	-	-
Other related parties	3,495,050	2,788,601	-	-
	3,575,310	2,852,461	-	-

27.4 Loans to subsidiaries

The loans were made to subsidiaries as follows:

	Separate financial statements	
	2019 Baht	2018 Baht
Short-term loans	220,000,000	172,823,277
Long-term loans	1,387,880,000	1,387,880,000
	1,607,880,000	1,560,703,277

The movement of short-term loans to subsidiaries is as follows:

	Separate financial statements	
	2019 Baht	2018 Baht
As at 1 January	172,823,277	259,390,530
Addition	127,000,000	175,912,000
Repayment - cash received	(79,823,277)	(147,412,053)
Repayment - conversion of debt to preference shares (Note 10.1)	-	(115,000,000)
Loss from exchange rate	-	(67,200)
As at 31 December	220,000,000	172,823,277

Short-term loans

For the year ended 31 December 2019, the movement of short-term borrowings is as follows:

The Company made loan to Sea Oil Petrochemical Company Limited of Baht 127.00 million. The Company received repayment Baht 78.00 million during the year.

The Company received repayment from Sea Oil Offshore Limited of Baht 1.82 million on 25 July 2019.

Long-term loans

The long-term loans are loans to Sea Oil Energy Limited at Baht 1,387.88 million for the purpose to acquire Pan Orient Energy (Siam) Ltd. The loans interest rates are at 1.55% - 5.65% per annum and the repayment term is at call.

The fair value of such loans was Baht 1,389.62 million (2018: Baht 1,423.63 million), determined in level 2 of fair value (Note 3.3), calculated by discounted cash flow model based on yield curve of risk-free bond plus risk premium in relevance with the Group's credit rating as disclosed by the Thai Bond Market Association.

27.5 Long-term borrowing from a parent

On 1 September 2017, borrowing of Baht 300.00 million was made with Nathalin Co., Ltd., a parent company. The borrowing bears interest at the rate of 5.00% per annum. The repayment term is within 2 years and the maturity date is on 31 August 2019. As at 16 August 2019, the Company repaid all of the remaining borrowing.

27.6 Key management compensation

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Short-term employee benefit	34,837,880	29,521,473	26,860,530	21,957,493
Post-employee benefit	2,009,585	708,634	2,009,585	708,634
	36,847,465	30,230,107	28,870,115	22,666,127

27.7 Guarantee

- 1) The Company engages in letter of guarantees to subsidiaries for purchase agreement of petroleum product as follows:

Sea Oil Offshore Limited

- Guaranteed amount not exceed USD 0.65 million for 3 years ended 10 February 2020.
- Guaranteed amount not exceed USD 0.50 million for 3 years ended 31 March 2022.

Sea Oil Petroleum Pte. Ltd.

- Guaranteed amount not exceed USD 0.70 million for 1 year ended 30 November 2020.

- 2) The Company engaged in letter of guarantee for long-term borrowing from a financial institution of Sea Oil Petrochemical Company Limited in an amount of Baht 60.00 million.
- 3) The Company and Nathalin Company Limited engaged in letter of guarantee for credit facility from a financial institution of Sea Oil Petrochemical Company Limited in an amount of Baht 100.00 million.

28 Commitments and contingent liabilities

28.1 Capital commitment

Capital commitment which is not recognised in the financial statement is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Property, plant and equipment	2,438,476	-	-	-
	2,438,476	-	-	-

28.2 Operating lease commitment

The Group has the future aggregate minimum lease payments in respect of the lease of building and office equipment under non-cancellable operating leases contracts as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Within 1 year	17,876,809	15,025,521	2,425,585	4,156,058
1 to 5 years	45,546,768	39,809,747	1,204,125	3,113,985
More than 5 years	149,530,510	158,550,010	-	-
	212,954,087	213,385,278	3,629,710	7,270,043

28.3 Bank guarantees and letter of credit

The Group has letters of guarantee and letter of credit issued by banks as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Guarantee for purchase of oil from suppliers	96,112,905	67,029,980	96,112,905	67,029,980
Guarantee for electricity used	320,000	320,000	-	-
	96,432,905	67,349,980	96,112,905	67,029,980

28.4 Litigation

- 1) On 14 November 2018, Sea Oil Petrochemical Company Limited was sued under the Labor Lawsuit by a former employee to claim Baht 8.34 million for compensation from injury while working during the fire incident occurred in the year 2017. On 28 February 2019, the subsidiary conciliated with the plaintiff by compensating amount of Baht 0.65 million. The Court approved the conciliation agreement between the plaintiff and the subsidiary. Therefore, the case is finalised.
- 2) On 28 November 2018, Sea Oil Petrochemical Company Limited together with the 2 insurance companies (joint defendants) was sued under Civil Lawsuit by an insurance company (plaintiff) to claim for damage occurred to the car insured with the Plaintiff from the fire incident occurred in the year 2017 for Baht 9.58 million. The insurance companies that are joint defendants had made claim payment to the Company and the Company has already released such claim payment to the car's owner. On 10 October 2019, the Court rendered the judgement to dismiss the plaintiff's complaint. On 25 November 2019, the plaintiff submitted appealed to the Court of Appeal. Currently, the case is under the consideration process of the Court of Appeal. The Group's management believes that there will not be a material impact from this litigation cases, therefore, the Group has not recorded provision for liability in the financial statements.

29 Subsequent events

- 1) On 17 January 2020, Pan Orient Energy (Siam) Ltd. declared dividend payment for shareholders in an amount of CAD 8.60 million or equivalent to Baht 198.62 million which is the dividend income for Sea Oil Energy Limited in an amount of CAD 4.30 million or equivalent to Baht 99.30 million. Sea Oil Energy Limited received this dividend income on 23 January 2020.
- 2) On 24 January 2020, Sea Oil Energy Limited paid interest for the long-term borrowings in an amount of Baht 95.40 million to the Company which is the interest that the Company ceased to recognise during 1 February 2018 to 5 January 2020.
- 3) On 21 February 2020, the Board of Directors' meeting has resolved the following transactions to be proposed to the shareholders' meeting:
 - The decrease of the Company's authorised share capital from Baht 691,867,135 to Baht 553,559,662, by cancelling 138,307,473 authorised shares with a par value of Baht 1 each.
 - The increase of the Company's authorised share capital from Baht 553,559,662 to Baht 608,915,628, by authorised new 55,355,966 ordinary shares with the par value of Baht 1 each to support the stock dividends.
 - The stock dividend of 55,355,966 ordinary shares at par value of Baht 1 per share in the ratio of 10 existing shares per 1 share, totalling Baht 55,355,966 or Baht 0.10 per share. The cash dividend at Baht 0.01111 per share, totalling Baht 6,150,663. Total proposed dividend is 1.11111 Baht per share, or Baht 61,506,629.

Management Discussion and Analysis

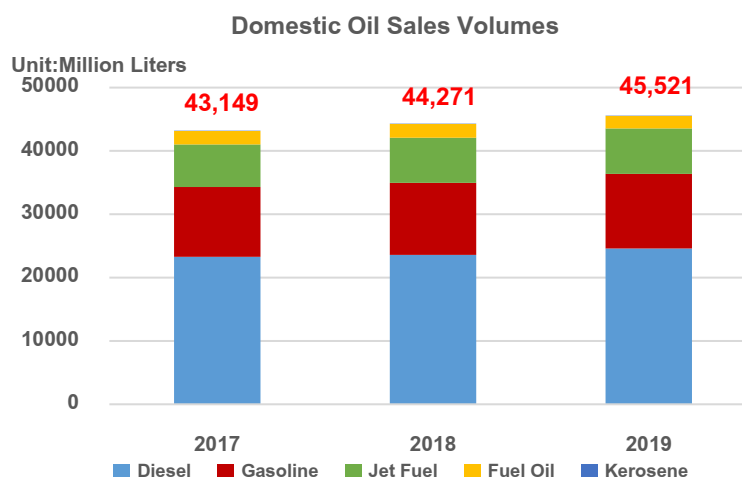
Executive Summary

In 2019, the global economic has decelerated, particularly the export and manufacturing sector, IMF predicted that the global economic growth continues to slow down from 2018 in line with shrinking global trade volumes, which is the major cause of the U.S.-China trade war that is still in the process of negotiations. Exchange rate fluctuations, the risk of political stability in the EUROPEAN Union.

Thai Economy overview in 2019 slightly decreased from the previous year due to the contraction of external demand and the slowdown in domestic demand. Export value decreased from the previous year as the result of the impact of the trade war between China and the United States, as well as the economies of major Thai trading partners such as China, Japan, ASEAN and the European Union, has decreased in growth rate.

The situation of crude oil price in the world market is still volatile and the direction of decline. In 2019 Brent crude oil prices averaged decreased to \$64.36 per barrel compare with year 2018 which averaged at \$71.06 per barrel from the risk factor of oversupply, while the demand was decreased from the overall global economy growth slows down. OPEC and allied countries are in the process of finding an agreement for reducing crude oil production capacity to stabilize on price. In 2019, There's the market's adjustment, the sulfur emissions was reduced from 3.5% to 0.5% in order to comply with the new regulation of International Maritime Organization (IMO) to reduce pollution (effective since January 1, 2020) As a result, the overall in price and production of petroleum products in 2019 decreased from 2018.

The fluctuating oil prices may affect the company revenue from oil trading which is the main income of the business. However, it does not affect the operating profit, because the company has established a strategy to manage the risk of oil price fluctuation by determining the selling price from cost plus pricing method and the company is an oil trader under Section 10, therefore no legal reserve inventory cost, causing not being affected by the decline in value of inventories. For the Investment of exploration & production business, the company has managed production and drilling plan with the joint venture to suit with oil price situation as well as planning to reduce production costs as much as possible. However, the company still believed that the domestic energy demand continues to rise continuously. Based on the overall sales volume of fuel in the country 2017-2019, as shown in the graph below (Source: Department of Energy Business)



According to the Office of Industrial Economic data estimated the expansion rate of Manufacturing Production Index (MPI) in 2020 will be increased 2 - 3 percent range, with positive factors from the government's stimulus policy likely to come out periodically. Investors are moving production lines into Thailand in the aftermath of the trade war. The government's investment driven by the progress of major investment projects, including operations under the Eastern Economic Corridor (EEC), also needs to monitor the slowdown in the global economy, and there are still issues that need to be monitored in the face of the uncertainty of the global trade war, exchange rate fluctuations economic slowdown in EU countries The global crude oil price situation may also cause a slowdown in domestic investment.

2019 Operating performance overview

Income Statement (Unit : Million Baht)	Consolidated			
	2019	2018	Increase(decrease)	
			Amount	%
Revenue from Sales of Goods and Services	6,473.06	4,777.14	1,695.92	35.50
Gross Profit	216.61	237.62	(21.01)	(8.84)
Other Income	46.34	34.55	11.79	34.12
Selling and Administrative Expenses	(228.46)	(210.91)	17.55	8.32
Financial Cost	(55.72)	(57.67)	(1.95)	(3.38)
Share of profit from a joint venture	111.74	2.70	109.04	4,038.52
EBITDA	187.69	87.83	99.86	113.70
Corporate Tax	(17.47)	(3.26)	(14.21)	435.89
Earnings per Year	73.14	5.85	67.29	1,150.26
Net Profit (loss) attributable to				
Owners of the parent	60.85	(0.75)	61.60	8,213.33
Non-controlling interests	12.29	6.60	5.69	86.21

The Company and its subsidiaries had net profit of 73.14 million baht, increasing around 67.29 million baht or 1,150.26% compared to the previous year, consisting of 60.85 million baht of the net profit of the owners of the parent company and 12.29 million baht of the net profit of the non-controlling interest. The main reasons increasing the total net profit are as follows:

The Company and its subsidiaries were aware of share of the profit from joint venture, Pan Orient Energy (Siam) Limited which operates petroleum exploration and production business in concession 53/48, in the amount of 111.74 million baht, increasing 109.04 million baht or 4,038.52% compared to the previous year, due to an escalation of the production volume resulting from discovery of oil resource L53-DD, even though the average oil selling price in 2019 has decreased around 5.3%.

Furthermore, in 2019, the discovery of oil resource L53-DD has caused the increase of 57% of the reserve oil in 2P level (Proved Reserve combined with Probable Reserve).

The Company and its subsidiaries gained revenue from sales of goods and services at the amount of 6,473.06 million baht in total, increasing by 1,695.92 million baht or 35.50% compared to the previous year mainly due to the international oil trading.

The revenue structure of 2019 is as shown below.

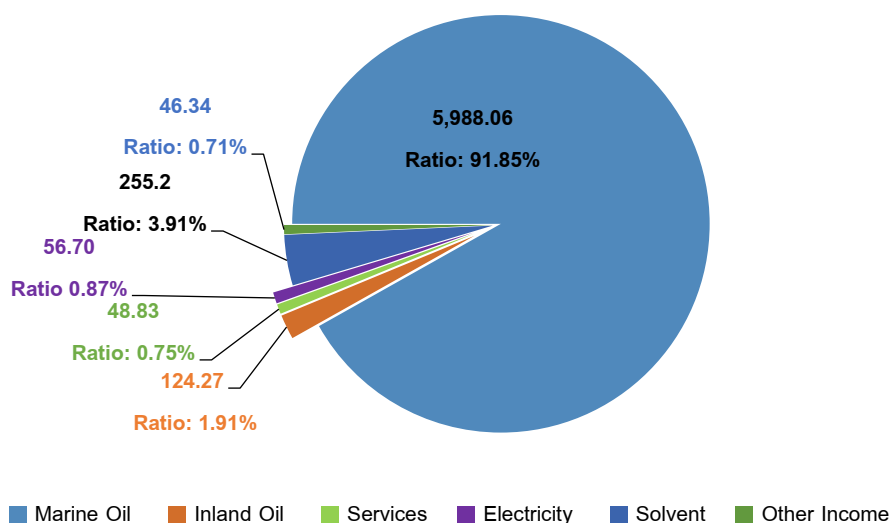
Consolidated Financial Statement (Unit : Million baht)	2018		2019		Increase (Decrease)	
	Value	%	Value	%	Value	%
Revenue from Oil Trading	4,649.22	96.62	6,112.33	93.76	1,463.11	31%
• Marine	4,568.10	94.93	5,988.06	91.85	1,419.96	31%
• Inland	81.12	1.69	124.27	1.91	43.15	53%
Revenue from Services	50.21	1.04	48.83	0.75	-1.38	-3%
Revenue from Sales of Electricity and Equipment	77.71	1.62	56.70	0.87	-21.01	-27%
Revenue from Sales of Solvent	-	-	255.20	3.91	-	-
Other Income	34.55	0.72	46.34	0.71	11.79	34.13%
Total	4,811.69	100.00	6,519.40	100.00	1,707.71	35.49%

The Company had 46.34 million baht of other income, increasing by 11.79 million baht or 34.12% compared to the previous year mainly thanks to interest received, penalty from breach of sales contract and compensation from prosecution.

The Company had 187.69 million baht of EBITDA, increasing by 99.86 million baht or 113.70%.

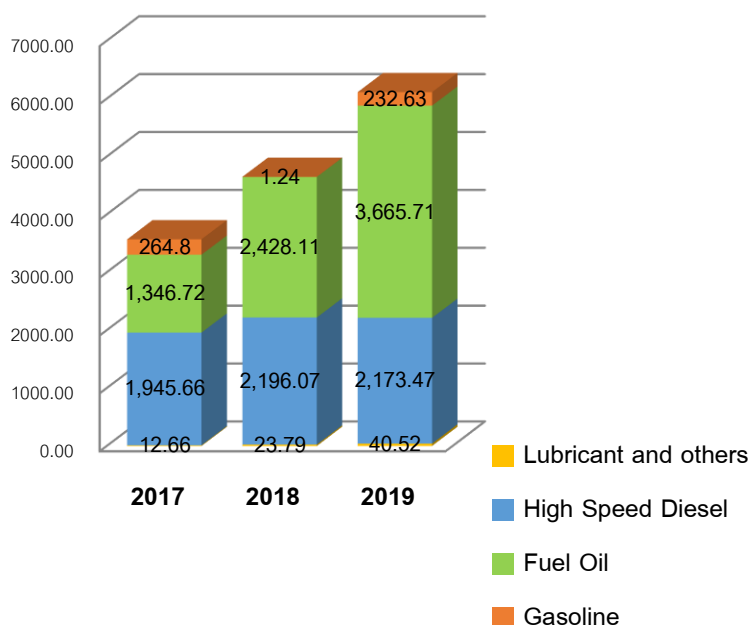
Revenue Structure of 2019

(Unit : Million baht)



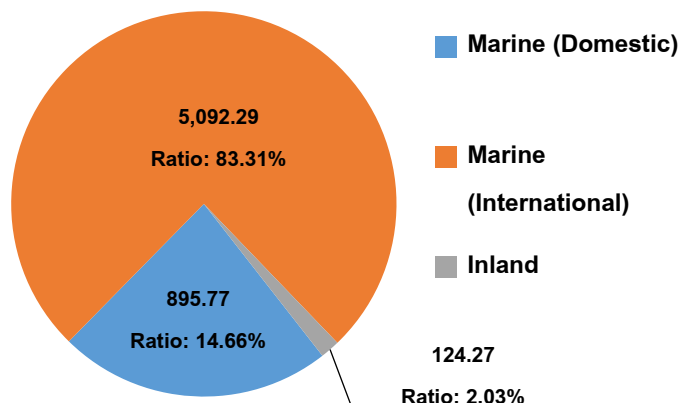
Revenue from Oil Trading by oil types for 2018-2019

(Unit : Million baht)



Revenue from Oil Trading by selling methods for 2019

(Unit : Million baht)



The revenue gained from the oil trading of the Company and its subsidiaries in 2019 was at the amount of 6,112.33 million baht, increasing from 2018 by 31% resulting from the increase of the oil trading, both marine and land, with the international customers causing the total of oil selling volume to increase by 51.10%.

Revenue from Oil Trading by Products

The Revenue obtained from the oil trading of the Company and its subsidiaries by products in 2019 consists of 2,173.47 million baht of the High Speed Diesel selling, equivalent to 35.56% of the total revenue of oil trading and the selling volume of the High Speed Diesel in 2019 was 117.50 million liters, mostly from marine oil trading to the international customers.

The revenue received from fuel oil selling in 2019 was 3,665.71 million baht, equivalent to 59.97% of the total revenue of oil trading and the selling volume of the fuel oil in 2019 274.15 million liters, mainly from marine oil trading to the international customers and cargo ships.

The revenue received from gasoline selling in 2019 was 232.63 million baht, equivalent to 3.81% of the total revenue of oil trading and the selling volume of the gasoline in 2019 was 15.81 million liters, mainly from marine oil trading to the international customers.

Revenue from Supply Management

The Company gained the revenue from supply management which consists of the revenue from providing catering and housekeeping service to the staffs on the oil and gas drilling rigs in the gulf of Thailand, accommodation barge as well as the onshore oil and gas drilling rigs.

The revenue received from Catering & Supply Management in 2019 was 48.83 million baht, decreasing from 2018 by 3% due to occasional suspension of sailing by the customers by the reason of climate.

Revenue from Electricity from Solar Energy Production and Distribution

The revenue received from the electricity distribution was 56.70 million baht, decreasing from 2018 by 27% as a result of termination of the selling project of solar cells, including effect from the climate and diminution of efficiency of the electricity production tools. In 2019, there was tools maintenance and replacement in some project to enhance their efficiency. Such maintenance and replacement were expected to be fully conducted in 2020.

Revenue from Solvent Production and Distribution

The revenue gained from the solvent production and distribution was 255.20 million baht, equal to 3.91% of the total revenue. In the second quarter of 2019, the solvent distribution can be divided as explained below.

- Domestic – White Spirit selling ratios was 5.55% of the whole products.
- External – solvent and diesel, which were by-products sold to neighboring countries such as Laos and Myanmar, selling ratio was 94.45% of the whole products.

Sales and Services Cost and Gross Profit

Sales cost consisted of cost from the oil trading and cost from production and distribution of the solvent, electricity from solar energy and solar cells. As for services cost, it was from supply management business.

In 2019, the Company and its subsidiaries has sales cost of oil and lubricants and production and distribution cost of the solvent and electricity from solar energy, equal to 6,211.78 million baht or 96.69% of the total revenue gained from whole distribution of oil, solvent and electricity from solar energy causing the Company and its subsidiaries to have 212.45 million baht of gross profit from distribution of oil, solvent and electricity from solar energy in 2019, decreasing from 2018 by 13.22 million baht or 5.86%. Thus, the Company has adjusted its sales strategies to raise its market share and expand the market and since the competition circumstance in both domestic and international oil market were kind of intense, the Company has to lower the price to keep the old customers as well as attract the new ones.

In 2019, the Company and its subsidiaries had the total gross profit ratio from distribution of oil, solvent and electricity from solar energy of 3.31%.

The services cost of Catering & Supply Management business in 2019 was 44.67 million baht, equivalent to 91.49% of the total services revenue, causing the Company to have the gross profit from the services in 2019 of 4.15 million baht, decreasing from 2018 by 65.25% due to the increase of services cost caused by the improvement of services quality and standard to reach the international standard.

The Company had the gross profit ratio of the Supply Management services in 2019 equivalent to 8.51%.

The total gross profit of the Company and its subsidiaries was 216.61 million baht, decreasing by 8.84% compared to the previous year.

Sales and Administrative Expenses

The Company and its subsidiaries had sales and administrative expenses of 228.46 million baht, increasing by 8.32% compared to the previous year because of premium, marketing fees and increased expenses related to increase of salespersons for business expansion in overseas.

Financial Cost

In 2019, the Company and its subsidiaries had financial cost of 55.72 million baht, decreasing from the previous year by 1.96 million baht or 3.39%. The decreased financial cost was due to reduction of loan from the financial institutes.

Profit (Loss) from Exchange Rate

In 2019, the Company and its subsidiaries had profit from exchange rate of 0.10 million baht, decreasing from the previous year by 96.63% from adjustment of unrealized exchange rate at year end.

Corporate Income Tax

In 2019, the Company and its subsidiaries had corporate income tax of 17.46 million baht, increasing from 2018 in the amount of 14.20 million baht due to the increase of the Company and its subsidiaries' profit.

Financial Status

Financial Statement	Consolidated Financial Statement	
(Unit : Million baht)	2018	2019
Assets Included	2,744.30	2,967.50
Liabilities Included	1,389.91	1,555.66
Shareholders' Equity Included	1,354.39	1,411.84
Owners of the Parent Company	1,346.65	1,395.49
Registered Capital	691.87	691.87
Issued and Paid-up Capital	553.56	553.56

Assets

The Company and its subsidiaries had total assets of 2,967.50 million baht, increasing by 223.20 million baht or 8.13% compared to the previous year from the increase of current assets by 272.59 million baht or 36.46%.

The increased current assets mostly were from the increase of cash and cash equivalent in the amount of 64.22 million baht and accounts receivable and other debtors in the amount of 214.53 million baht which most of them are not due yet.

(1) Current Assets

As of 31 December 2019, the Company and its subsidiaries had the current assets of 1,020.15 million baht, increasing from the previous year by 36.46% mainly due to the increasing in cash and cash equivalent in the amount of 64.22 million baht and accounts receivable and other debtors in the amount of 214.53 million baht which most of them are not due yet.

Cash and Cash Equivalent

As of 31 December 2019, the Company and its subsidiaries had cash and cash equivalents of 198.09 million baht, increasing by 47.97% from the previous year due to the increase of cash flow from the operation and dividend received from investment activities.

Accounts Receivable and Other Debtors

As of 31 December 2019, the Company and its subsidiaries had accounts receivable and other debtors, net of 784.19 million baht, increasing by 37.66% from the end of 2018 due to the escalation of sales. However, the accounts receivable as of 31 December 2019 were mainly from undue debts and overdue not exceed 3 months.

(2) Non-Current Assets

As of 31 December 2019, the Company and its subsidiaries had non-current assets of 1,947.35 million baht decreasing by 2.47% from the previous year, mainly due to decreasing of property, plant and equipment net of the condensate splitter plant from depreciation of machines and condensate splitter plant and the decrease of joint venture investment fund from receipt of the dividend from Pan Orient Energy (Siam) Limited ("POES") in the amount of 152.98 million baht and increase of the share of profit for 2019 in the amount of 111.74 million baht.

As of 31 December 2019, the investment fund in the joint venture in the amount of 1,227.16 million baht, which came from the subsidiary (Sea Oil Energy Ltd.) acquired shares of Pan Orient Energy (Siam) Limited ("POES") in the amount of 9,863 shares or 49.99% of issued and paid up share capital of POES. POES operated the business in exploration and production of petroleum and natural gas in Thailand, concession of petroleum hole L53 / 48 at Nakhon Pathom province. In 2019, the Company had share of profit amount of 111.74 million baht at the end of 2019. The Company has tested the impairment of investments in joint ventures by using the estimated cash flow expected to receive throughout the petroleum concession period and it has been found that the total value of the present value from the calculation of the expected value of the return on investment in the joint venture is greater than the book value by 1,878.87 million baht. Thus, in 2019, the Company had no record of impairment of such investment.

Liabilities

The Company and its subsidiaries had total liabilities of 1,555.66 million baht, increasing by 138.35 million baht or 11.93% compared to the previous year because of the increase of the current liabilities in the amount of 479.29 million baht from accounts payable and other creditors from international oil trading.

Shareholders' Equity

The shareholders' equity of the Company and its subsidiaries equaled to 1,411.84 million baht, consisting of the owners of the parent in the amount of 1,395.49 million baht and non-controlling interests in the amount of 16.35 million baht. The total shareholders' equity increased 57.44 million baht or 4.24% from the previous year from the increase of the annual comprehensive income.

Cash Flow

Statement of Cash Flow For the year ended 31 December 2019 (Unit : Million baht)	Consolidated	
	2018	2019
Net Cash Gained from (Used in) Operation Activities	15.34	101.11
Net Cash Gained from (Used in) Investment Activities	(91.89)	133.36
Net Cash Gained from (Used in) Financing Activities	50.08	(161.41)

Statement of Cash Flow For the year ended 31 December 2019 (Unit : Million baht)	Consolidated	
	2018	2019
Net Increase (Decrease) of Cash and Cash Equivalent	(26.47)	73.07
Cash and Cash Equivalent at the Beginning of the Year	171.91	133.87
Exchange Profit (Loss) of Cash and Cash Equivalent	(11.57)	(8.85)
Cash and Cash Equivalent at the End of the Year	133.87	198.09

Net Cash Gained from (Used in) Operation Activities

In 2019, the Company and its subsidiaries had net cash gained from operation activities in the amount of 101.11 million baht, increasing from 2018, mainly due to the profit from the operation and decrease of the accounts receivable and increase of the accounts payable.

Net Cash Gained from (Used in) Investment Activities

In 2019, the Company and its subsidiaries had net cash gained from investment activities in the amount of 133.36 million baht, mainly due to the dividend received from the investment of preference shares and POES joint venture.

Net Cash Gained from (Used in) Financing Activities

In 2019, the Company and its subsidiaries had net cash used in financing activities in the amount of 161.41 million baht, mainly due to loan repayment to the financial institutes and interest.

From the cash flow used in the above activities, the Company and its subsidiaries had net increase in cash and cash equivalent 73.07 million baht from the end of 2018, resulting in the Company and its subsidiaries having cash and cash equivalent as of 31 December 2019 equaled to 198.09 million baht.

Factors and influences that may affect the operating results or financial position in the future

The oil price fluctuation and the economic slowdown in Asia, due to the global economic and oil price still fluctuate from several factors, for example; production quantity, oil demand etc. The company's main revenue comes from oil sales, therefore, changes in oil prices could affect the overall company performance. If oil prices drop dramatically, as a result, revenue from sales of products of the company would drop as well. However, the company has a policy to determine the selling price by using cost-plus margin (Cost Plus Pricing Method) to maintain margins. The Company also reduces risks by investing in other business and set strategy to reduce production and selling cost including admin expenses properly to reduce the impact of oil price fluctuations. However, the Company has closely monitored the situation to conduct business in accordance with the stated goals and enable to adapt the strategy in line with current situation.

Table of Important Financial Ratio

Financial Ratio	Consolidated as of 31 st December		
	2017	2018	2019
Current Ratio (times)	0.95	0.96	0.81
Quick Ratio (times)	0.85	0.90	0.78
Turnover Ratio (times)	7.98	9.48	9.66
Average Collection Period (days)	45.12	37.96	37.26
Gross Profit Margin (%)	5.73	4.97	3.35
Operating Profit Margin (%)	0.34	0.56	(0.18)
Net Profit Margin (%)	(2.79)	0.12	1.13
Return on Equity (%)	(8.37)	(0.06)	4.44
Return on Asset (%)	(3.97)	0.22	2.56
Debt to Equity Ratio (times)	0.92	1.03	1.10
Net Debt to Equity Ratio (times)	0.77	0.85	0.75
Interest Coverage Ratio (times)	1.93	0.27	1.81

Financial Ratio Formula

Current Ratio (times)	=	Current assets / Current liabilities
Quick Ratio (times)	=	(Cash, Bank Deposits + Marketable Securities + Accounts Receivable and Notes - Inventories) / Current liabilities
Turnover Ratio (times)	=	Net sales / (Accounts receivable before doubtful debts + Trade Notes) (Average)
Average Collection Period (days)	=	360 / Turnover Ratio
Gross Profit Margin (%)	=	Gross Profit / Net sales and services
Operating Profit Margin (%)	=	Operating Profit / Net sales and service
Net Profit Margin (%)	=	Net profit / Total Revenue
Return on Equity (%)	=	Net Income / Average Stockholders' Equity
Return on Asset (%)	=	Net Income / Average Total Assets
Debt to Equity Ratio (times)	=	Total liabilities / Shareholder's equity
Net Debt to Equity Ratio (times)	=	(Total liabilities – Trade payable) / Shareholder's equity
Interest Coverage Ratio (times)	=	Cash Flow from Operations + Interest Paid from Operations + Tax / Interest expenses from operation and investment

General Information & Other Significant Information

General Information

Company Name	: Sea Oil Public Company Limited (“Company” or “SEA OIL”)
Head Office	: 88 Soi Bangna-Trad 30, Debaratna Road, Bangna-Tai, Bangna, Bangkok 10260, Thailand
Type of Business	: The Company conducts 2 core businesses as follows: <ol style="list-style-type: none">1. Supply of marine bunker fuel and lubricant products to both domestic and international shipping vessels and supply of fuel to in-land businesses i.e. industrial factories and other businesses like land transportation business and bus service business.2. Supply management, catering and other services to vessels and oil & gas exploration business both offshore and onshore.
Registration Number	: 0107554000194
Telephone	: (02) 398-9850, (02) 398-9851
Facsimile	: (02) 398-9852
Website	: www.seaoilthailand.com
Registered Capital	: 691,867,135 Baht, divided into 691,867,135 Ordinary Shares, 1 Baht each
Paid-up Capital	: 553,559,662 Baht, divided into 553,559,662 Ordinary Shares, 1 Baht each (As of December 31, 2019)

Reference

Securities Registrar	: Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Din Daeng, Bangkok 10400, Thailand Telephone : (02) 009-9000 Fax: (02) 009-9991
Auditor	: PricewaterhouseCoopers ABAS Ltd. By Ms. Sukhumaporn Wong-Ariyaporn Certified Auditor No, 4843 or Mr. Chaisiri Ruangritchai Certified Auditor No, 4526 or Mr. Vichien Khingmontri Certified Auditor No, 3977 15 th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120, Thailand Telephone : (02) 286-9999, (02) 344-1000 Fax : (02) 286-5050

Registrar and Paying Agent : TMB Bank Public Company Limited
A Building, 3000 Phahon Yothin Road, Chomphon, Chatuchak, Bangkok
10900, Thailand
Telephone : (02) 299-1217 Fax : (02) 299-1278
(Debentures of SEA OIL due in 2020, amount of 400 million baht, offering
for sale in February 2018.)

Important information

Sea Oil Public Company Limited has 6 subsidiaries, as shown below.

Company Name : Sea Oil Energy Limited
Registration Date : 15 October 2014
Head Office : 27 Reid Street – 1 Floor Hamilton HM11, Bermuda
Type of Business : Invest as Joint Ventures
Registered Capital : 1 US Dollar, divided into 1 Ordinary Shares, 1 US Dollar each
Paid-up Capital : 1 US Dollar, divided into 1 Ordinary Shares, 1 US Dollar each

Company Name : Sea Oil Offshore Limited
Registration Date : 22 January 2015
Head Office : Unit B, Lot 49, 1 Floor, Block F, Lazenda Warehouse 3, Jalan Ranca - Ranca, 87000
Labuan F.T., Malaysia
Type of Business : International Bunkering Services
Registered Capital : 30,000 US Dollars, divided into 30,000 Ordinary Shares, 1 US Dollar each
Paid-up Capital : 30,000 US Dollars, divided into 30,000 Ordinary Shares, 1 US Dollar each

Company Name : Sea Oil Petroleum PTE. LTD.
Registration Date : 22 April 2015
Head Office : 7 Temasek Boulevard, Suntec Tower One #08-02/02A, Singapore 038987
Type of Business : Marine fuel and lubricants supplier in Singapore
Registered Capital : 5,400,000 US Dollars, divided into 1,000,000 Ordinary Shares, 1 US Dollar each and
4,400,000 Preferred Shares.
Paid-up Capital : 5,400,000 US Dollars, divided into 1,000,000 Ordinary Shares, 1 US Dollar each and
4,400,000 Preferred Shares.

Company Name : Energon PTE. LTD.
Registration Date : 29 November 2019
Head Office : 7 Temasek Boulevard, Suntec Tower One #08-02, Singapore 038987

Type of Business : Investment in shares of companies or other legal entities
Registered Capital : 1,000 US Dollars, divided into 1,000 Ordinary Shares, 1 US Dollar each
Paid-up Capital : 1,000 US Dollars, divided into 1,000 Ordinary Shares, 1 US Dollar each

Company Name : Seaoil Petrochemical Company Limited
(Previously "Nakornchai Prakarn Chemical Company Limited")
Head Office : 700/340 Moo. 6 Donhuaroh, Muang, Chonburi 20000, Thailand
Type of Business : Condensate Splitter
Registered Capital : 204,000,000 Baht, divided into 2,040,000 Ordinary Shares, 100 Baht each
Paid-up Capital : 204,000,000 Baht, divided into 2,040,000 Ordinary Shares, 100 Baht each

Company Name : Living Energy Company Limited
Head Office : 88 Soi Bangna-Trad 30, Debaratna Road, Bangna-Tai, Bangna, Bangkok 10260, Thailand
Type of Business : Production and distribution of electrical energy
Registered Capital : 75,260,000 Baht, divided into 752,600 Ordinary Shares, 100 Baht each
Paid-up Capital : 75,260,000 Baht, divided into 752,600 Ordinary Shares, 100 Baht each

Joint Ventures

Company Name : Pan Orient Energy (Siam) Limited ("POES")
Registration Date : 30 January 2007
Head Office : Bermuda
Type of Business : Onshore petroleum and gas exploration and production of Thailand, 100% procession on L53/48 Concession
Registered Capital : 19,728 US Dollars, divided into 19,728 Ordinary Shares, 1 US Dollar each
Paid-up Capital : 19,728 US Dollars, divided into 19,728 Ordinary Shares, 1 US Dollar each
Shareholding Ratio : Sea Oil Energy Limited holds 9,863 shares, equivalent to 49.99% of the total shares issued and paid-up capital of POES.
Pan Orient Petroleum Company Pte. Limited (registered in Singapore) holds 9,865 shares, equivalent to 50.01% of the total shares issued and paid-up capital of POES.

