

A full-page background image showing a man in a brown t-shirt and blue jeans lifting a young child into the air. They are in a field of young corn plants. The sky is filled with dramatic, golden clouds from a setting or rising sun. A large, diagonal, semi-transparent green and blue graphic overlay covers the bottom right portion of the image.

Energy For Tomorrow

Annual Report 2020

General and Other Important Information

Company's Name	WP Energy Public Company Limited
Security Symbol	WP
Website	www.wp-energy.co.th
Company Registration No.	107557000403
Authorized Capital	518,500,000 Baht
Date of Establishment	24 November 2014
Main Business	LPG Distribution
Total Employees	350 Persons
Head Office Location	1 East Water Building, 15 th Floor, Vipavadeerangsit Soi 5, Vipavadeerangsit Road, Jomphol, Jatujak, Bangkok 10900

Branch Location

Branch	Type	Address
Branch 1	LPG Terminal	No. 115 Moo 16, Bang Pakong Sub-district, Bang Pakong District, Chachoengsao Province
Branch 2	Filling Plant	No. 458/12 Moo 4, Naklua Sub-district, Banglamung District, Chonburi Province
Branch 3	Filling Plant	No. 55 Moo 3, Phahonyothin Road, Klongnueng Sub-district, Klongluang District, Pathum Thani Province
Branch 4	Filling Plant	No. 3/2 Moo 2, Soi Lang Wat Charunrat, Liang Mueang Road (Bypass), Huaykapi Sub-district, Mueang Chonburi District, Chonburi Province
Branch 5	Filling Plant	No. 11 Soi Bangna-Trad 26, Bangna Sub-district, Bangna District, Bangkok
Branch 6	Filling Plant	No. 85 Moo 4, Lat Lum Kaeo Sub-district, Lat Lum Kaeo District, Pathum Thani Province
Branch 7	Filling Plant	No. 500 Bang Khae Road, Bang Khae Sub-district, Bang Khae District, Bangkok
Branch 8	Service Station	No. 10/2 Moo 1, Bang Kaeo Sub-district, Bang Phli District, Samut Prakan Province
Branch 9	LPG Terminal/ Filling Plant	No. 226 Moo 17, Tha Phra Sub-district, Mueang Khon Kaen District, Khon Kaen Province
Branch 10	LPG Terminal	No. 286 Moo 1, Bang Cha Kreng Sub-district, Mueang Samut Songkhram District, Samut Songkhram Province
Branch 11	LPG Terminal	No. 73/1 Moo 10, Wiang Tan Sub-district, Hang Chat District, Lampang Province
Branch 12	Service Station	No. 111 Moo 1, Wang Manao Sub-district, Paktho District, Ratchaburi Province
Branch 13	LPG Terminal	No. 101 Moo 10, Ban Haet Sub-district, Ban Haet District, Khon Kaen Province
Branch 14	LPG Terminal	No. 115/1 Moo 16, Bang Pakong Sub-district, Bang Pakong District, Chachoengsao Province
Branch 15	Filling Plant	No. 19/2 Moo 4, Nong Nam Sub-district, Mueang Lamphun District, Lamphun Province
Branch 16	Filling Plant	No. 1 Moo 4, Don Kaeo Sub-district, Mae Rim District, Chiang Mai Province

Reference Persons

Securities Registrar	Thailand Securities Depository Co., Ltd.
Auditor	PricewaterhouseCoopers ABAS Ltd. 1. Miss. Tithinun Vankeo, CPA Registration No. 9432 ; and/or 2. Mr. Pisit Thangtanagul, CPA Registration No. 4095; and/or 3. Miss Nuntika Limviriyalers CPA Registration No. 7358
Legal Advisor	SRPP Co., Ltd.
Financial Advisor	Finansa Securities Co., Ltd.

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We always seek for an alternative,
invent an innovation with

**“the power
of possibilities”**

to enhance the business value.





The background of the image is a scenic landscape featuring a range of mountains under a blue sky with scattered white clouds. In the foreground, there is a grassy hillside. A large, thick, light green arc graphic starts from the top left corner and curves across the middle of the image, partially obscuring the text.

We are driven by

**“the power of
determination
and creativity”**

to be the leader of the Energy business group
with clean energy for you and our planet.



A man with short dark hair is shown in profile, smiling broadly while sitting in the driver's seat of a car. The scene is backlit by bright sunlight coming through the window, creating a warm, golden glow. A large, semi-transparent blue graphic, consisting of two overlapping curved shapes, is positioned over the right side of the image. The text is overlaid on the lower part of this blue graphic.

“The power of positive thinking”

we are ready to share and drive
all lives at all time to walk with us from
today and every other day.

Total Revenue Year 2020

Unit: Million Baht



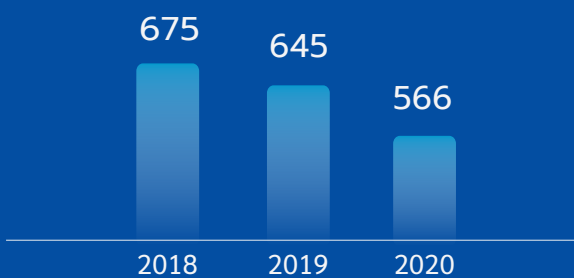
Revenue Breakdown Year 2020

Unit: Million Baht



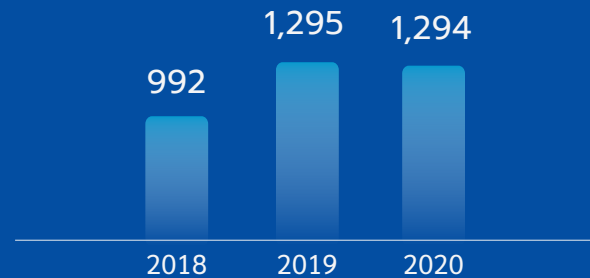
EBITDA

Unit: Million Baht



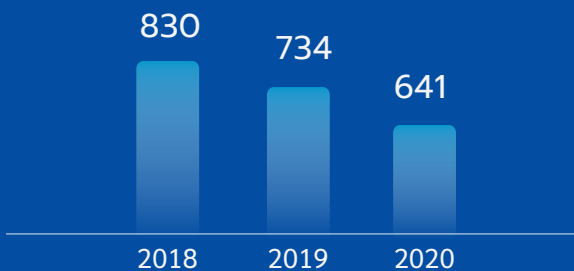
Equity

Unit: Million Baht



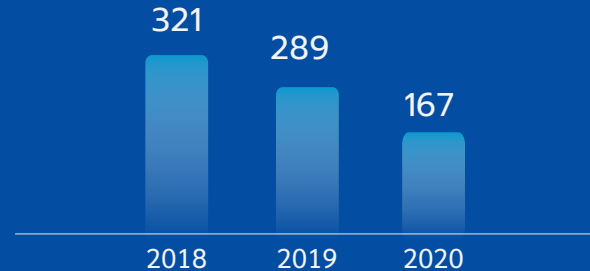
Gross Profit

Unit: Million Baht



Net Profit

Unit: Million Baht



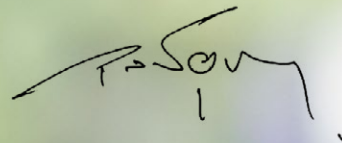
Financial Highlights

Unit: Million Baht

	2018	2019	2020
Financial Highlights			
Total Revenue	14,978	14,466	12,072
Gross Profit	830	734	641
EBITDA	675	645	566
Net Profit	321	289	167
Assets	5,715	6,049	6,271
Liabilities	4,723	4,754	4,977
Equity	992	1,295	1,294
Financial Ratios			
Gross Profit Margin (%)	5.64%	5.18%	5.40%
EBITDA Margin (%)	4.51%	4.46%	4.69%
Net Profit Margin (%)	2.15%	2.00%	1.38%
EPS (Baht/share)	0.62	0.56	0.33
Current Ratio (x)	2.08	1.93	2.14
Debt / Equity (x)	4.76	3.67	3.85
Interest-Bearing Debt / Equity (x)	0.21	0.14	0.44
Return on Assets (ROA) (%)	7.09%	7.17%	3.80%
Return on Equity (ROE) (%)	38.65%	30.40%	12.88%



“as a regional leader
in energy business
with service innovation
excellence in response
to every consumer
need.”



(Mr. Chulchit Bunyaketu)
Chairman of the Board of Directors
WP Energy Public Company Limited

Message from the Chairman

Dear Shareholders,

In 2020, the COVID-19 pandemic has resulted in the economic crisis all over the world, and in Thailand with GDP up to -6.1%, a decrease of the number of foreign tourists to be just remained at 6.7 million people from 39.9 million people in 2019, an existing slowdown of export sector, a gradual closedown of many businesses, and a decrease of both domestic and foreign purchasing power. Therefore, WP Energy PCL and the Company's business partners have been unavoidably affected from the deflation of domestic industrial sector, resulting in below expectation of the part of the Company's operating results. However, the Company has still maintained the satisfactory rate of return due to the prudent business operation and careful investment policies, the constant adaptation to be suitably consistent with the situations, and the efficient cost management.

In 2020, the Company has generated a strong profit margin. During the year, the Company could pay interim dividend in the ratio of 0.25 Baht/share for the operating results in 2019 after having the first retained earnings. In 2021, the Company has still aimed at the efficient management for return to the shareholders who always trust and support the Company.

Throughout the past period, the Company has adhered to the policy established by WP Energy PCL's Board of Directors in conducting the business with integrity, transparency, and commitment to achieve the Company's goals under the vision "as a regional leader in energy business with service innovation excellence in response to every consumer need." In this 2021, the Company has still continued such policy and prepared to move forward to be the business leader with its integrated business strategies which incorporate upstream, midstream, and downstream businesses, together with seeking for new businesses for fulfillment and extension. However, the Board of Directors and executives are confident of the business ability of the long-term steady growth and grateful to all shareholders, business partners, and related parties for the constant strong supports.

As the Chairman of the Board, I would like to deliver my gratitude to all shareholders, investors, supporting customers, business allies, employees, and related parties that have well and consistently trusted and supported the Company.

Message from the Chief Executive Officer

Dear Shareholders,

This 2020 has been regarded as a very challenging year due to the COVID-19 pandemic as a phenomenon which has never happened, having great impact on all economic and social sectors and almost business operations both in Thailand and worldwide. The adaptation has been entirely required for survival. The energy business has been one of several businesses directly affected from such situation. However, the opportunity is always waiting in every crisis. WP Energy PCL has been immediately adapted through an application of technology, a pursuit of new market to compensate the missing market, or even an attempt to invent new products which are differentiated from before to generate sales volume and profit, resulting in the Company's ability to exist in this critical period.

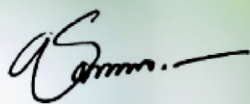
From the establishment of the Company and trading registration in the Stock Exchange of Thailand in 2018 onwards, the Company has continuously aimed for developing, ceaselessly looked for new opportunities, and efficiently implemented the cost management guideline. In 2020, the Company has succeeded in business expansion to other LPG-irrelative businesses for risk diversification by investing in food business through 50% of shareholding in Wonder Food Holding Company Limited via WP Solution Company Limited. It has been expected that the investment in this business will entirely contribute to an increase of profit margin in the future. The operating results of LPG business as the main business has still achieved the setting target and has been able to maintain its market share at the second rank of the country as usual with the proportion at 18%. However, the Company has adjusted its business operation based on the changing market trend using good management, resulting in the strength and stability of the Company's current financial position, operating results and capital, and the readiness to advance the creation of the continuous sustainable growth.

With its positive intention in combination of working dedication of all parties, the Company has aimed at service development to create the satisfactions of its business partners in all business sectors. Meanwhile, the Company has also strictly given precedence to the good corporate governance, operation under good governance through transparent and fair operations together with community, society and environmental care, as the key corporate foundation for the stable and sustainable growth in the future.

In this 2021, the Company has still advanced to expand its business to strengthen a more satisfactory turnover through enhancing the strength of the main business which is "World Gas" brand, focusing on development of the existing businesses to extend and reinforce the potentials in part of revenue and profit for more strength.

On behalf of the executives, I would like to deliver my gratitude to the shareholders, joint venture partners, business partners, customers, employees, and related parties for good and constant supports on the Company's operations. The Company is ready to carry forward its business for growth, struggle against various obstacles, and build strength and commitment in code of conduct, corporate governance, and sustainable development for creating the maximum satisfactions to the shareholders. The Company also aims to be the regional leader of the energy business with excellent service innovation in accordance with corporate vision.

In this 2021, the Company
has still advanced to
expand its business
to strengthen a more
satisfactory turnover
through enhancing
the strength of the main
business which is
“World Gas” brand



(Miss Chomkamol Poompanmoung)
Chief Executive Officer
WP Energy Public Company Limited



Board of Directors



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1. Mr. Chulchit Bungaketu
Chairman of the Board of Directors /
Independent Director

2. Mrs. Niskorn Tadthiemrom
Chairman of the Audit Committee /
Independent Director

3. Mr. Kanoksakdi Bhinsaeng
Director / Chairman of the Executive Committee

4. Mrs. Soithip Trisuddhi
Chairman of the Nomination and Remuneration
Committee / Member of the Audit Committee /
Independent Director

5. Mr. Bowon Vongsingnudom
Director / Member of the Executive Committee

6. Ms. Chomkamol Poompanmoung
Director / Member of the Executive Committee
/ Member of the Nomination and Remuneration
Committee / Chief Executive Officer



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7. Mr. Chatchaval Jiaravanon

Chairman of the Risk Management Committee /
Director / Member of the Executive Committee

8. Mr. Sa-nga Ratanachartchuchai

Director / Member of the Executive Committee
/ Member of the Nomination and Remuneration
Committee

9. Mrs. Lakananan Luksamitananan

Member of the Audit Committee /
Independent Director

10. Mr. Somchai Kuvijitsuwan

Independent Director / Member of the Risk
Management Committee

11. Mr. Rungson Sriworasat

Independent Director / Member of the Risk
Management Committee

12. Mr. Kasemsit Pathomsak

Director

Vision

Regional leader in
energy business with
service innovation
excellence

Mission

1. Manage by observing international standards of the principle of good governance to steadily extend the business success
2. Expand energy business overseas
3. Continuously develop organizational capacity and reinforce a quality workforce
4. Collaborate with business allies to achieve stable growth
5. Seek for new business opportunities and ways to improve services





Overview

Significant Changes and Development

Capital and Number of Shares

Significant Development in 2018

On 1 February 2018, the securities of the Company (WP) has been resumed for trading in the SET in energy and utilities sector under the resources industry group with the authorized capital of Baht 518,500,000.

Significant Development in 2019

The Board of Directors' Meeting No. 1/2019 held on 17 January 2019 resolved to approve the Company's capital increase in WP Gas Co., Ltd. which is the Company's subsidiary. The said subsidiary will issue 17,000,000 ordinary shares for capital increase at par value of 10 Baht per share in the amount of Baht 170,000,000.

Significant Development in 2020

The Board of Directors' Meeting No. 3/2020 held on 25 March 2020 resolved to approve the Company's capital increase in WP Solutions Co., Ltd. which is the Company's subsidiary. The said subsidiary will issue 2,100,000 ordinary shares for capital increase at par value of 10 Baht per share in the amount of Baht 21,000,000.

Business Operation

Significant Development in 2018

- On 19 September 2018, the Company signed a hiring contract for constructing the Bang Pakong Phase 3 liquid petroleum gas storage and distribution depot with storage capacity of 9,500 tons to be used as support of the reserve policy requiring an reserve increase of the entrepreneur from 1 percent to 2 percent in 2021. After completion of the said construction, the Company will have a LPG storage and distribution depot with a total storage capacity of 18,489 tons.
- The Board of Directors Meeting No.11/2018 held on 29 October 2018 resolved to approve, its subsidiary company, WP Gas's investment in Thai Gas Corporation Co., Ltd. in the proportion of 80 percent of Thai Gas Corporation's authorized capital in the amount of 168,800,256 baht. On 27 February 2019, the Company has already held the shares in Thai Gas Corporation in the proportion of 80 percent.

Significant Development in 2019

- The Board of Directors Meeting No.10/2019 held on 24 October 2019 resolved to approve the Company's takeover of all seven filling plant businesses with investment value of Baht 170,000,000 to enhance the competitive potential, increase sales volume, and directly expand market to more consumers.
- The Company achieved "Best LPG Distributors 2019" Global Awards from International Finance (IFM Awards), England, and Asia Corporate Excellence & Sustainability Awards 2019 (ACES Awards 2019) from MORS Group for admiring the Asian organizational success as the model of stable and sustainable growth. The Company is a single integrated energy company from Thailand which was awarded in this field, resulting in more recognition in Asian region and international level.
- The Company has been passed for certification of Level 3 Green Industry Standards from the Ministry of Industry regarding the systematic environmental management as the focus on good commitment due to the Company's serious commitment in business operation under corporate governance code and moral business operation together with social, community, and environmental, and the Company's related party responsibilities.

Significant Development in 2020

- The Board of Directors Meeting No. 3/2020 held on 25 March 2020 resolved to approve WP Solutions Co., Ltd. as the Company's subsidiary to enter into joint venture with Wonder Food International Co., Ltd. to establish Wonder Food Holding Co., Ltd. to operate the food business in the proportion of 50 percent of authorized capital of Wonder Food Holding Co., Ltd.
- The Company achieved "Best Renewable Energy (LPG) Efficient Provider" Global Awards from Global Banking and Finance Awards, and "Most Innovative CSR Initiative" from International Finance Awards (IFM Awards) continuously for the second year for admiring the organizational success as the model of stable and sustainable growth, and admiring the commitment on business operation under the corporate governance code, and moral business operation together with social, community and environmental responsibility.
- The Company accepted to join Zero Accident Campaign Activity and promote its establishment to be committed in prevention of occupational accident based on the concept that the accident with the cause relating to occupation can be prevented. The hazard statistics in the establishment shall be reduced to be zero through the continuous occupational safety, health, and environment planning and management, resulting in the safety culture for labor's safety and good health.



Overview

Policy and Overview of the Business Operation

WP Energy Public Company Limited (the “Company”) is a company originated from merger in accordance with the Public Limited Companies Act B.E. 2535 (1992) and Amendment between World Gas (Thailand) Co., Ltd., and Picnic Corporation Public Company Limited, which has been registered for merger and registered for incorporation on 24 November 2014, and has acquired all assets, liabilities, rights, duties and responsibilities of both companies in accordance with the legal effect. At present, the Company has had an authorized capital of Baht 518,500,000 being classified into 518,500,000 ordinary shares, and paid-up capital of Baht 518,500,000.

The Company is the licensed LPG trader in accordance with Section 7 of the Fuel Trade Act B.E. 2543 (2000) and Amendment (“Section 7 Trader”). The main business of the Company is to operate LPG trading business under “World Gas” trademark. The Company’s target is to be leader in the integrated energy by focusing on the service development via knowledge and long experiences to continuously improve the service efficiency by aiming at the business operation’s potential from upstream to downstream, and the potential extension in distribution of products to ensure the coverage of product distribution in all business sectors. The Company’s gas terminals are in the areas which are the centers of each region which can support LPG reserve all over, such as LPG service stations, gas filling plants, gas stores, commercial group and industrial.



Overview

Nature of Business

1. Overview of the Liquefied Petroleum Gas Selling Business

The Company engages in LPG trading business under “World Gas” trademark which is licensed to operate as an oil trader under Section 7 of the Fuel Trade Act B.E. 2543 (2000) and Amendments. In 2019, the Company’s market share measured by LPG sales volume (excluding petrochemicals) was at 18.19 % (2019: 17.67%).

2. Product Characteristics

The Company’s product is Liquefied Petroleum Gas (LPG) which can be classified into two selling sizes of LPG.

1. **Distribution in Bulk** means that LPG is filled into a bulk storage tank which is located on LPG tanker truck (being a vehicle specifically designed to carry liquefied gas) in large quantity per filling, and then transferred into bulk storage tank located within the customers’ premises, such as LPG service stations, LPG filling plants, and industrial plants that require a large quantity of LPG for use.
2. **Distribution in Cylinder** means LP is filled into small cylinders. The Company currently uses four sizes of small cylinders, including 4 kg, 13.5 kg, 15 kg, and 48 kg, which enable the Company to appropriately meet the usage needs of each group of customers.

There are two channels through which the Company delivers and distributes the small gas cylinders.

- **LPG filling plants operated by the Company** means that LPG is filled by the Company into cylinders inside 8 filling plants currently operated by the Company to be delivered to the customers in respective areas and purchase orders.
- **LPG filling plants not operated by the Company** means that LPG is distributed by approximately 148 business partners of the Company nationwide, mostly located in the West, the East and the Central of Thailand. LPG will be delivered by the Company under “World Gas” trademark to these filling plants which must hold a license to fill LPG cylinders on behalf of the Company only.

To operate an LPG filling plant, it must obtain a commission agent license (a license to act as a commission agent to distribute LPG) from the trader under Section 7 to be permitted for the LPG compressed filling under the trademark of the commission agent license’s issuer as required by laws. If it requires to serve for filling LPG cylinders for other brands, the LPG filling plant must also obtain the consent from the trader under Section 7 before the compressed filling can be performed with new brands. Moreover, a building construction permit issued by the Department of Energy Business must be held in operation of the LPG filling plant. The said filling plant must be located in an industrial zone approved by a government agency.



The Company has the quantity and proportion of cylinders classified by capacity as of 31 December 2020 as follows:

Cylinder Capacity	4 Kg	13.5 Kg	15 Kg	48 Kg	Total
Number (Units)	2,095,672	580,716	3,398,362	360,958	6,434,342
Proportion (%)	32.6%	9.0%	52.8%	5.6%	100.00%

LPG Transportation

LPG is transported from the producers to the Company through two modes of transport, namely ship and truck.

- **Ship Transportation:** The Company will load LPG obtained from the producers into tankers and transports it to the ports where the Company’s LPG terminals are located. The LPG is then transferred through pipelines to the Company’s LPG terminals for storing and preparing the subsequent distribution.
- **Truck Transportation:** The Company’s tanker trucks will collect LPG from the producers and deliver it directly to the customers without transporting it back to the Company’s LPG terminals for storing like ship transportation.

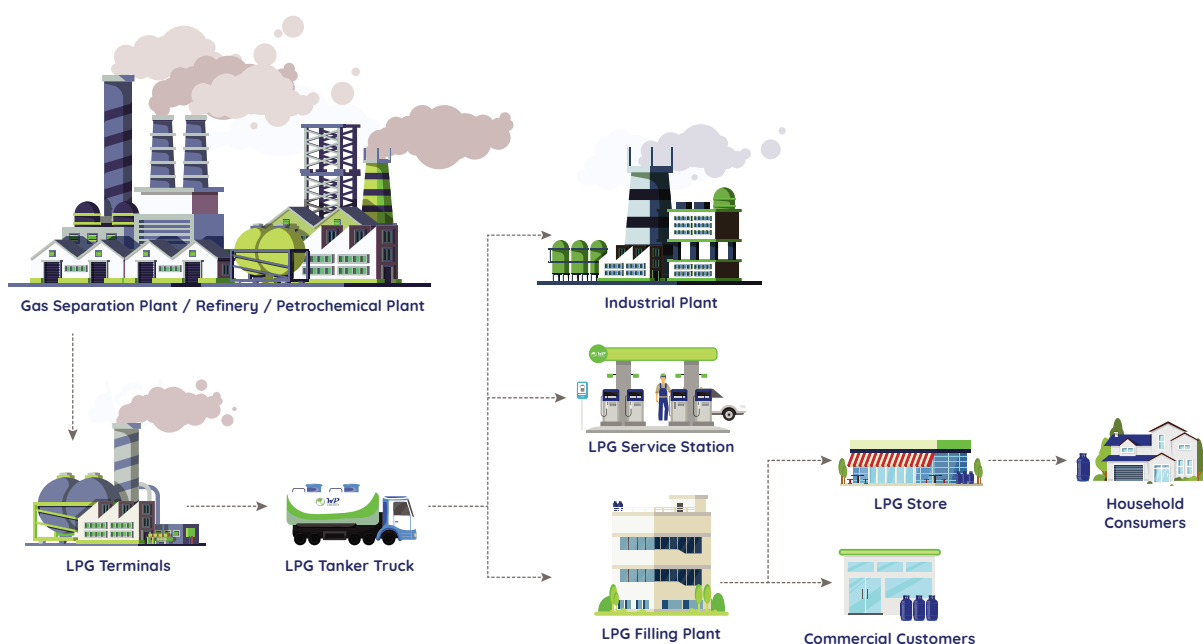
Presently, the Company has a total of five LPG terminals, including:

No.	LPG Terminal	Capacity (Ton)	Maximum Gas Disposing Rate (Ton/Day)	Number of Dispensers (Unit)
1.	Bang Pakong LPG Terminal, Bang Pakong District, Chachoengsao Province Phase 1 Phase 2	4,315 8,700	7,800	18
2.	Ban Haet LPG Terminal, Ban Haet District, Khon Kaen Province	1,980	2,300	6
3.	Bang Cha Kreng LPG Terminal, Mueang Samut Songkhram District, Samut Songkhram Province	1,800	5,000	13
4.	Hang Chat LPG Terminal, Hang Chat District, Lampang Province	186	1,200	3
5.	Phichit LPG Terminal, Phichit Province	1,360	1,200	3
	Total	18,341	17,500	43

The Company's LPG transportation by road is mostly carried out by EAGLE and PREMIER, a subsidiary of the Company and LPG carrier under Section 12 of the Fuel Trade Act B.E. 2543 (2000) and Amendments. As of 31 December 2020, the Company has the number of tanker trucks as follows:



Figures of the summary of the Company's LPG filling and distribution process in Thailand



3. Marketing Strategies and Customer Groups

Most of the LPG traders in Thailand presently use domestic raw materials of the same quality and gas cylinders manufactured by only a handful of factories in Thailand. Therefore, it can be concluded that there are almost no differences between the products produced by traders under Section 7. However, the competition within the industry focuses on marketing and service strategies as well as trader reliability.

The Company's overall marketing policy includes focus on service development for strictly improving the integrated continuous service efficiency from upstream to downstream based on the maximum safety quality under laws, rules, standards, and regulations.

The Company emphasizes the distributing products to the customer group of filling plants which are the filling plant branches and the filling plant agents of the Company together with market expansion in the segment of the commercial customer, shop, service station, and industrial plant with high volume of LPG consumption demand. The goal is to create the stable customer network of the Company, resulting in the Company's ability to achieve a sustainable long-term sales growth. The details of the Company's marketing and service strategies for each customer segment are as follows:

- **LPG Filling Plants**

As LPG cylinders of the Company under "World Gas" trademark are well known and popular among the

Consumers, and the Company offers LPG cylinders in various sizes to appropriately meet the needs of the diverse customers, many people have been continuously interested in investment as an LPG filling agent under "World Gas" trademark. This has resulted in a wide and continuous distribution of the Company's products among the consumers. The Company provides an assistance in terms of technique, and consideration on the business feasibility of building an LPG filling plant, safety inspection in accordance with laws, and acquisition of LPG stores. In addition, the Company regularly offers training for the LPG filling plant employees to ensure that the LPG filling plant employee and owners understand how to use LPG properly and safely.

- **LPG Service Stations**

As LPG demand of the LPG gas station customer segment has been a customer group with a declining

growth, and quite high competition, therefore, the Company has sold LPG at an appropriate price to allow the customers to gain profits and operate their business. To motivate this group of customers to choose the Company's services as the first choice, the Company emphasizes on services that prioritize on-time delivery,

accuracy of the volume delivered in each time, and polite services from all of the organizational employees.

- **Industrial Plants**

For the industrial plant customer group, the Company is trusted from the leading customers in the industrial group as LPG is popular for using in production process in the industries, the Company is ready for the integrated services covering all work processes from design, installation to after-sales services. The Company will invest in equipment and installation of LPG dispensing system for the customers with a large volume of consumption that enter into a long-term LPG purchase and sales agreement with the Company. Furthermore, the Company has a supply standard for products and services that can fulfill the customer needs and provide on-time transportation with an emphasis on the customer safety, effective after-sales service, and development of a good relationship with its business partners.

- **Commercial Customers**

As the Company has currently sold products to many major commercial customers and has also established a good relationship with other several large groups of the commercial customers, and most commercial customers are the customers with a large volume of LPG consumption demand; therefore, the Company has foreseen the opportunity and established a policy to expand a customer base in this group, particularly the customer group with network of shopping malls, restaurants, hotels, and/or hospitals and have a good relationship with the Company but have never used the Company's products. The Company has also established a policy to motivate trust from this group of commercial customers and switch to use services with the Company by offering high standard services including on-time delivery, accuracy of the volume delivered, and polite services from all organizational employees.

- **LPG Stores**

In addition to the Company's emphasis on the standard of each LPG cylinder which must be certified in accordance with the standards set by the Department of Energy Business and LPG cylinder repair and maintenance standards, the Company has attempted to develop and improve for the continuous higher quality to maximize consumer satisfaction. Another thing to which the Company has given an equal precedence is to build a good relationship with gas stores under "World Gas" trademark by assisting to provide the information relating to news and matters of law, and advice on the application of a gas accumulation license from a local agency where the said store is located.

Characteristics of Customer Groups and Distribution Channels

In the Company's LPG trade business, the Company distributes LPG to its customers under "World Gas" trademark, which can be segmented into the following major groups:

1. **LPG filling plants**, which are small industry operators that have duty to be an LPG filling agent to fill LPG into cylinders with the Company-owned "World Gas" trademark for distribution to LPG stores, which will

subsequently sell the LPG cylinders to households or commercial customers;

2. **LPG service stations**, which are service stations that are opened to sell LPG to the LPG-powered vehicles;
3. **Industrial plants**, which use LPG as fuel, such as ceramic sanitary ware producers and industries that use heat energy to manufacture their products at a constant temperature.
4. **Commercial customers**, including shopping malls, restaurants, hotels, and hospitals that use LPG for cooking.
5. **LPG stores**, which are the operators that receive cylinders with the Company-owned "World Gas" trademark that have already been filled with LPG from the gas filling plants and further sell them to households or commercial customers.

LPG filling plants, Commercial customers, LPG stores, and Industrial plants using large volume of LPG usually order LPG in advance on monthly basis, while LPG service stations and industrial plants using small volume of LPG often order LPG in advance on weekly basis. The Company delivers LPG to the customers through the service providers of the transportation firms which are its subsidiary (EAGLE and PREMIER) and other external transportation firms.



Table of LPG Sales Volume Proportion Classified by Type of Customer in 2020

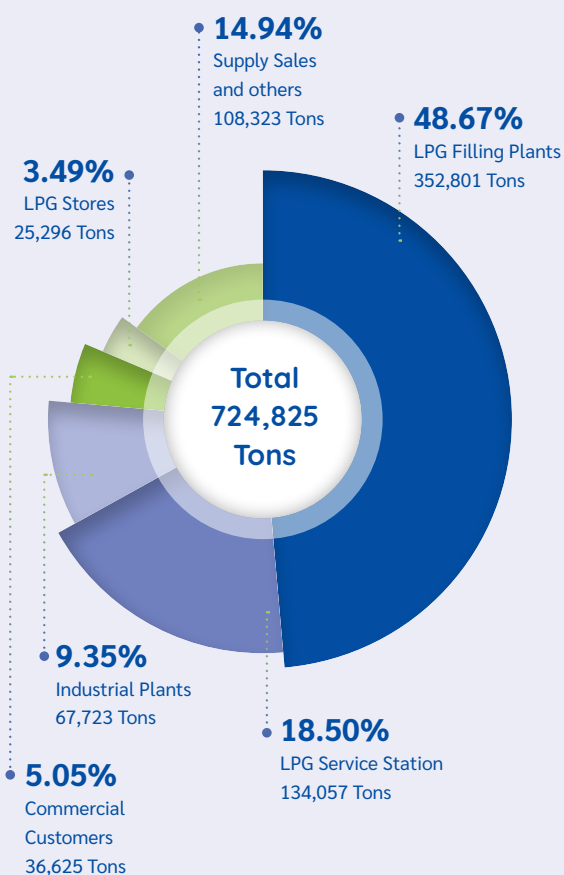
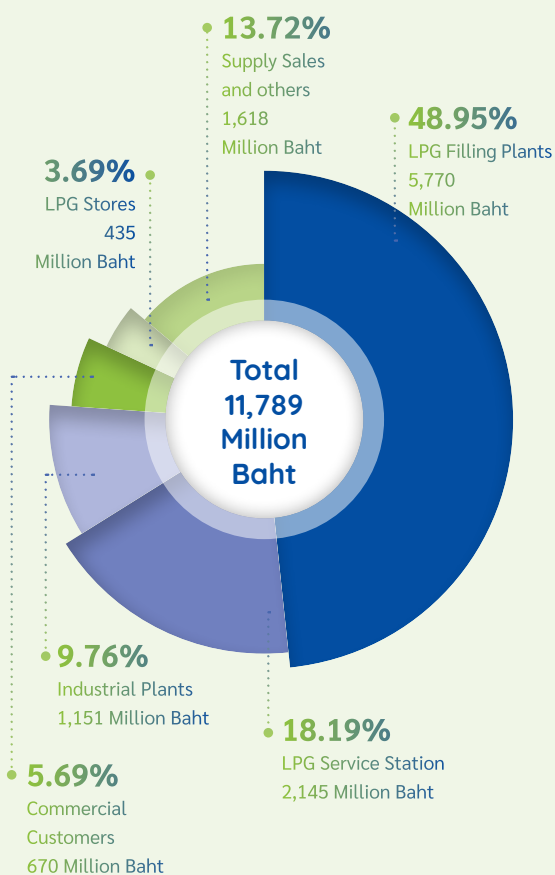


Table of LPG Sales Revenue Proportion Classified by Type of Customer in 2020



4. LPG Industry Situation

The business activities in LPG industry are classified into three levels as follows.

- 1. Upstream Industry** is the industry in which the operators engage in the business relating to exploring and drilling oil and natural gas from natural sources for storing and delivering to the midstream operators for using as a raw material in refining and separation processes of products to be suitable for usability, or delivered to the domestic power plants and industrial operators, mostly by pipeline transportation.
- 2. Midstream Industry** is the industry in which the operators engage in the midstream businesses which are in charge of gas separation into different types,

and adjustment of the gas quality to suit the needs of customers. Gases derived from this process come from several production sites within the energy industry such as oil refineries, gas separation plants, and petrochemical plants. LPG is used as raw material petrochemical industry and consumed as fuel.

- 3. Downstream Industry (Distribution)** is the industry in which the operators engage in the businesses relating to bringing gas from the midstream producers or importing gas from the foreign countries to be stored, filled into cylinders, and distributed to various types of the customer group.

LPG Trade Industry in Thailand

Liquefied Petroleum Gas mostly refers to either propane or butane or to mixture of both of them. It is a petroleum product derived from a gas separating process and crude oil refining process. The gas is compressed into a liquid state under high pressure and converted into vapor when the pressure drops. Most liquefied petroleum gas is used as cooking fuel, fuel in vehicles, and fuel in manufacturing processes in industrial plants. In general, this liquefied petroleum gas is often called liquid propane gas or “LPG”.

The liquefied petroleum gas (LPG) industry in the country has been in operation for more than 40 years. In the past, the LPG production sites in the country came from the natural gas resources in the Gulf of Thailand and obtained from the refinery’s crude oil refining, and partly from importing from abroad. For domestic consumption demands, liquefied

petroleum gas is consumed as cooking gas in household activities, used as fuel in the transportation sector, used as heat in the industrial sector as well as being the initial raw material for the petrochemical industry. Additionally, a certain amount is exported to the ASEAN countries.

In 2020, the production, import including domestic consumption demand and export volume was decreased in all respects when compared with 2019. In 2020, the production was at 5,404 million kilograms, decreasing from the period of 2019 by 622 million kilograms, or approximately 10.325%. The import volume was at 535 million kilograms, decreasing by 15 million kilograms or 2.75%. The domestic LPG sales volume was at 5,7410 million kilograms, decreasing by 89 million kilograms or 12.49%, while LPG export volume clearly decreased to be at 233 million kilograms, decreasing by 66 million kilograms or 22.22%.

Table showing LPG Supply and Distribution

(Unit : Million Kilograms)

	2020	2019	2018
Production	5,404	6,026	6,652
Import	535	550	682
Domestic Distribution	5,740	6,559	6,620
Export	233	299	385

Source: Energy Policy and Planning Office, Ministry of Energy ([http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders\[publishUp\]=publishUp&issearch=1](http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders[publishUp]=publishUp&issearch=1))

The domestically produced LPG is derived from the two main production sources including natural gas separation plants and crude oil refineries in production proportion from both sites at 60.91% and 39.09%, respectively in 2020. The details of LPG production sites are shown in the table below.

Table showing LPG Production Volume in Thailand Classified by Production Source

(Unit : Million Kilograms)

	2020		2019		2018	
	Volume	%	Volume	%	Volume	%
Natural gas separation plants	3,292	60.91	3,706	63.28	3,773	61.47
Crude oil refineries	2,112	39.09	2,150	36.72	2,365	38.53
Total	5,404	100.00	5,980	100.00	6,247	100.00

Source: Energy Policy and Planning Office, Ministry of Energy ([http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders\[publishUp\]=publishUp&issearch=1](http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders[publishUp]=publishUp&issearch=1))

Uses of LPG

The Table of LPG Domestic Consumption Demand Classified by Economic Sector shows that LPG consumption demand in 2019 was at 6,559 million kgs., being mainly derived from the uses of LPG in petrochemical sectors and household sector at 41.94% and 32.10%, respectively. LPG consumption demand for using as fuel in vehicles and industrial sector was in secondary proportion, or approximately 15.60% and 10.06%, respectively.

In 2020, LPG consumption demand was totally 5,740 million kgs., decreasing from 2019 by 12.49%. This demand was mainly due to LPG consumption demand in petrochemical sector at 2,343 million kgs., decreasing from 2019 by volume

of 408 million kgs. or 14.88%. LPG consumption demand in household sector was at 2,033 million kgs., decreasing from 2019 by 92 million kgs or 4.33%; while LPG consumption demand of the service stations was at 752 million kgs. when compared with 2019, decreasing by 271 million kgs. or 26.49%. The consumption demand in industrial sector was at 612 million kgs., decreasing by 48 million kgs. or 7.27% when compared with 2019.

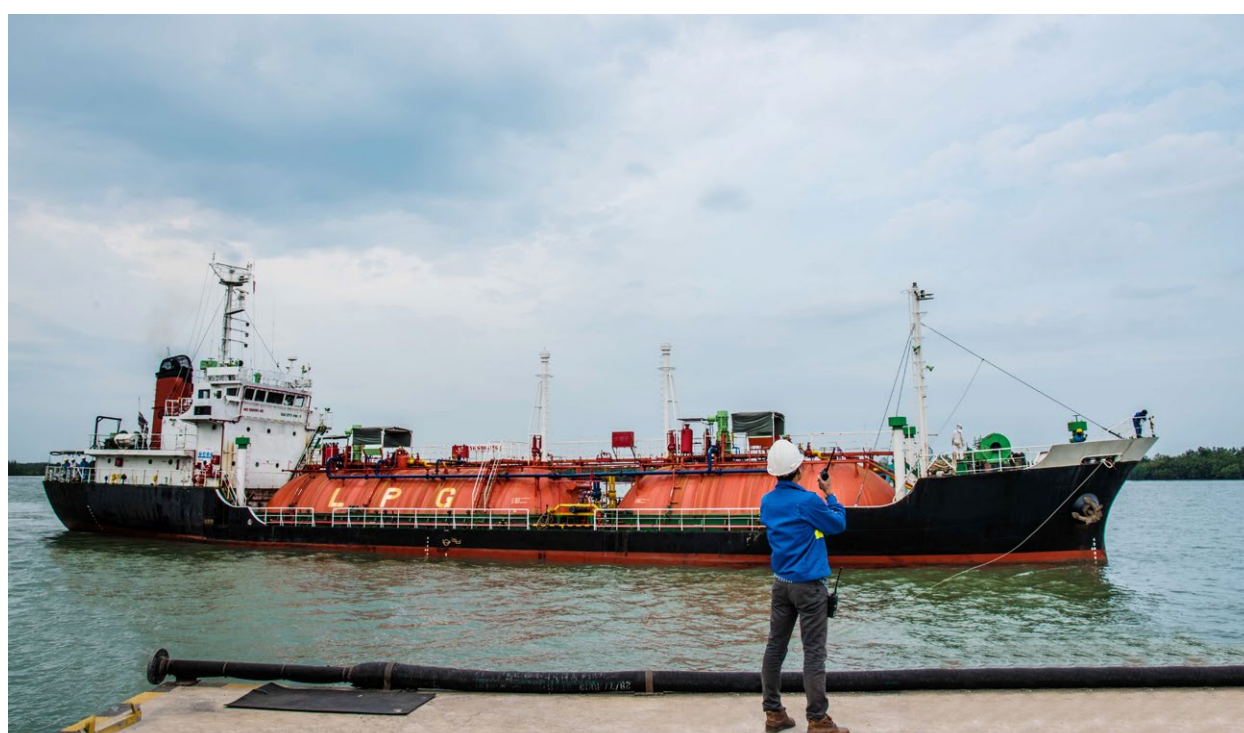
The proportion for LPG consumption demand classified by Thailand's economic sector in 2020 was as follows: petrochemical sector at 40.82%, household sector at 35.42%, service stations at 13.10%, and industrial sector at 10.66%.

Table showing LPG Domestic Consumption Demand Classified by Economic Sector

(Unit : Million Kilograms)

	2020		2019		2018	
	Volume	%	Volume	%	Volume	%
Household	2,033	35.42	2,125	32.40	2,164	32.69
Industry	612	10.66	660	10.06	687	10.38
Service stations	752	13.10	1,023	15.60	1,170	17.68
Petrochemical raw materials	2,343	40.82	2,751	41.94	2,598	39.25
Total	5,740	100.00	6,559	100.00	6,619	100.00

Source: Energy Policy and Planning Office, Ministry of Energy ([http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders\[publishUp\]=publishUp&issearch=1](http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders[publishUp]=publishUp&issearch=1))



Summary of the Significant Government Sector Policy in LPG of Thailand from before 2004 until present

periods before 2004-2014

- The Government set the ex-refinery price referring world market price and using Oil Fund to supervise retail price.
- The Government controlled the ex-refinery price to be a fixed price.
- In 2008, Thailand has commenced to import LPG under compensation of Oil Fund on differences between world market price and controlled price.
- 2011
 - The Government increased the ex-refinery prices for the refineries referring to CP price at 76% and controlled price (333 \$/ton) at 24%, under compensation of Oil Fund on differences between the refinery price and controlled price.
 - LPG price in industrial sector was gradually increased to reflect the refinery cost whereas the price in household sector and transportation sector were fixed.
- In 2012, the LPG price in transportation sector was gradually adjusted to reflect the refinery cost.
- In 2013, the LPG price in household sector was adjusted but LPG price for the low-income earner was maintained.
- In 2014, the retail price for all of three sectors was adjusted to be in the same level.

Periods from 2015-2016

- In 2015, the government restructured LPG price using Pool Price System
- In 2016, the Committee on Energy Policy Administration approved the principle of preliminary liberalization of LPG as follows:
 - Cancel the compensation for transportation cost of LPG to regional terminals by establishing the transportation cost account for governing instead.
 - Liberalize particularly in part of import from January 2017 onwards.

Periods from 2017-2019

- In 2017
 - **In January 2017**, the import liberalization and ex-refinery price restructuring have been commenced by referring CP+X import price. However, the oil fund collection and control on domestic producer's price have still been executed.
 - **In July 2017**, The Department of Business Energy announced an increase in legal reserve of LPG from 1% to be 2% to be effective on 1 January 2021.
 - **In August 2017**, the National Energy Policy Council resolved to approve the liberalization of LPG business from August 2017 as per the following summary of essence.
 - 1) Cancel the LPG pricing for natural gas separation plants, oil refineries, and aromatic plants as well as importation.
 - 2) Cancel the ex-refinery pricing (initial purchase price) and the Energy Policy and Planning Office (EPPO) will announce reference prices to be used for regulating LPG retail prices in the country only.
 - 3) Cancel the determination on compensation or oil fund contribution rates of the production by natural gas separation plants and oil refineries (Cancel Fund #1).
 - 4) Cancel the announcement of wholesale prices at gas terminals.
 - 5) Adjust the mechanism of the Oil Fund (Fund #2) to be similar to the mechanism for maintaining fuel price stability for the objective of price stability maintenance.
 - 6) Assign the Energy Policy and Planning Office, Department of Energy Business (DOEB), and Department of Internal Trade to study the appropriate marketing margin for LPG and list of LPG retail price differences between Bangkok and other provinces.
 - 7) EPPO shall have a mechanism to monitor in case the imported price of LPG is significantly different from the cost of separation plant.

- 8) According to the gas terminal of PTT Public Company Limited (PTT) in Chonburi Province (LIFE Project), PTT will commercially operate its business under the LIFE Project once the LPG business is completely liberalized. PTT will set the rules to allow other LPG traders to principally have a fair and equal right to use the services of its LPG import depot at Khao Bo Ya in Chonburi Province and negotiate a commercial service fee rate until other LPG traders complete the construction/expansion of their own large LPG import depots. The rules for using the LPG terminal will also be disclosed to the public.
- 9) LPG sales by PTT's natural gas separation plants will prioritize the sales of LPG in the fuel sector

and will not renew the existing petrochemical raw materials purchase agreement (entered before 2 December 2016) which will be gradually expired, and will sell only for the effective purchase agreement.

- 10) For promoting the domestic sales of LPG as the first priority, the operators must apply for a permit on exporting LPG from the Department of Energy Business and a fixed rate of USD 20 per ton will be charged for exporting LPG, whether it is produced domestically or imported, as a contribution to the Oil Fund, unless the operators notify the Department of Energy Business in advance of their plans to import LPG for re-export.

- **In October 2017**, the Committee on Energy Policy Administration passed a resolution to change the rules for setting reference prices for LPG imports from CP+X prices to be Spot+X prices as per the following detail: Approved the change on the rules for setting reference prices for LPG imports previously referring to CP prices announced monthly as references to use average weekly LPG cargo price instead from Spot Cargo (FOB Arab Gulf) published by Platts as per the following details:

$$\text{Import Price} = \text{LPG cargo} + X (\text{importing costs})$$

Whereas:

- (1) LPG cargo is the average previous week's price of LPG cargo FOB Arab Gulf referring to the data published by Platts, with the ratio of propane to butane at 50:50.
- (2) X is importing costs.
 - (2.1) Freight is the average previous week's cost for transportation of LPG from Ras Tanura, Saudi Arabia to Si Racha, Thailand.
 - (2.2) Insurance is equal to 0.005% of cost and freight (CFR).
 - (2.3) Loss is equal to 0.5% of cost, insurance, and freight (CIF).
 - (2.4) Other importing costs, including:
 - Surveyor/witness Fee & Lab expense
 - Management Fee
 - Import Duty
 - Others
- (3) The exchange rate used for calculation must be the average previous week's exchange rate that is sold

Source: Energy Policy and Planning Office, Ministry of Energy, www.eppo.go.th

However, the publication of the reference LPG price structure information has been changed to formerly publicize the weekly information on every Monday (or the first working day of the week) instead of the monthly information.

- 2018

- **In August 2018**, the Energy Policy and Planning Office, Ministry of Energy, has started to change the rules for calculating the reference import price of LPG from the average one week to be the average bi-week of LPG cargo FOB Arab Gulf from Spot Cargo data published by Platts. The said rule has been applied until present without changing.
- **In October 2018**, the Committee on Energy Policy Administration, Energy Policy and Planning Office, gave a written notice for the resolution of the Committee on Energy Policy Administration No. 18/2018 (No. 65) on 5 September 2018 that the meeting considered the improvement of liquefied petroleum gas price mechanism and reached the following resolutions:
 - 1) Approved to reduce the importing cost for Import Depot fee from USD 20 per ton to be USD 0 per ton.
 - 2) Approved to spend the Oil Fund to maintain LPG price stability by allowing the LPG Account of Oil Fund to be in deficit to the amount not exceed 7,000 million Baht. The amount from the Refined Oil Account shall be transferred to the LPG Group Account and later transferred back. The Energy Fund Administration Institute is also assigned to monthly prepare income/ expenditure reports and the status of the Oil Fund of LPG for reporting the Committee on Energy Policy Administration.

Setting the Conditions of the Department of Energy Business for Importing LPG

The Department of Energy Business has drafted the Notification of the Ministry of Energy on Setting the Conditions for Importing LPG by Oil Traders under Section 7, as per the following essence:

- 1) Oil traders under Section 7 that has import volume of LPG for sale as fuel in the Kingdom shall comply by entering into an indemnity agreement to pay compensation in case of failure to import as planned, confirming the compliance with the import plan in advance no less than three days before the arrival of the cargo ship at the port of entry in the customs zone, and completing the declaration of information about volumes, prices, and expenses incurred from importing LPG within five days of importing into the Kingdom.
- 2) The Director-General of the Department of Energy Business shall consider issuing an order for oil traders to undertake emergency import of LPG when there is a situation that may cause LPG shortage and impact toward national security from any situation, for example, it is informed that the LPG producers in the country encounter with problem and need to shut down for emergency repairs and the oil traders fail to import LPG according to the notified plan, etc. However, the Director-General shall propose to the Committee on Energy Policy Administration for approval before issuing the order.
- 3) If an oil trader fails to comply with the LPG import plan until causing an order for the emergency import of LPG, the Director-General of the Department of Energy Business shall issue a written order to determine the oil trader to pay compensation as agreed upon in the indemnity agreement within 30 days of receipt of the order.
- 4) If an oil trader fails to pay the full and correct compensation within the required period, the Director General of the Department of Energy Business shall issue a letter of reminder to remind the oil trader to pay the compensation within a required period of not less than seven days. If the oil trader remains failing to comply with the letter of reminder, the compulsory administrative measures shall be imposed to seize or forfeit the property of the oil trader to be subsequently auctioned to fully pay off the compensation under the law on administrative procedure.
- 5) An oil trader who does not import LPG in any month according to the notified plan, whether or not this action results in an order of the emergency import of LPG, shall be deemed as breach of the conditions related to trading operations issued under Section 8 of the Fuel Trade Act, B.E. 2543 (2000) and shall be punished as set forth in Section 36 by imprisonment of not more than six months or a fine of not more than THB 50,000, or both.
- 6) The Minister may consider revoking a license to operate fuel trading under Section 7 by the time that an oil trader fails to import according to the plan three times in one calendar year
- 7) An oil trader that is unable to import LPG according to the plan due to force majeure shall not be liable for the damage and shall be exempted from the offence

under Section 36. However, the oil trader shall notify the Director-General of the Department of Energy Business in writing of such situation or circumstance, together with evidence, within seven days from the next day after the end of that situation, and then propose to the Committee on Energy Policy Administration for consideration; and

- 8) Considering to cancel the Notification when any of the following events occurs: LPG price structure is determined by demand and supply or market mechanism that reflects true costs, and free competition occurs without import or export control that is a barrier to LPG trade between the countries after three years of the effective date of this Notification.

• 2020

On 19 March 2020, from the consideration by the Meeting of the Committee on Energy Policy Administration, Ministry of Energy on review of LPG pricing due to

a continuous decrease in world market LPG price in such period of time in accompany with an incidence of the COVID-19 pandemic affecting the economy in the overview of the country, the Committee on Energy Policy Administration, therefore, resolved to cancel Ex-refinery wholesale pricing excluding VAT at 17.1795 Baht/kg. This has resulted in LPG retail price at 21.87 Baht/kg. When combined with other operating expenses, it has caused LPG retail price to be within the target framework of 363 Baht/15 kg. cylinder. The Committee on Energy Policy Administration also newly resolved to approve Ex-refinery wholesale pricing excluding VAT at 14.3758 Baht/kg. (previously decreasing from 2.8037 Baht/kg.), resulting in LPG retail price at 18.87 Baht/kg. When combined with other operating expenses, it has caused LPG retail price to be within the target framework of 318 Baht/15 kg. cylinder, and it is effective from 24 March 2020 onwards whereas the said resolution has remained effective until present.

LPG Selling Price in Thailand

Table showing the Comparison of Ex-Refinery Wholesale Prices of LPG in many periods

	Ex-refinery Wholesale Price of LPG (Baht/Kilogram)			
	After Cancellation of Subsidy by Oil Fund 25 December 2009	Ex-Refinery Wholesale Price of LPG 31 December 2018	Ex-Refinery Wholesale Price of LPG 31 December 2019	Ex-Refinery Wholesale Price of LPG 31 December 2020
1) Ex-refinery price or gas separation plant price or import price	11.1212	15.3776	16.0540	16.6103
Excise Tax ⁽¹⁾	2.1700	2.1700	2.1700	2.1700
Municipality tax ⁽²⁾	0.2170	0.2170	0.2170	0.2170
Oil Fund ⁽³⁾	0.1781	(0.5851)	(1.2615)	(4.6215)
Ex-refinery wholesale price before VAT	13.6863	17.1795	17.1795	14.3758
VAT ⁽⁴⁾	0.9580	1.2026	1.2026	1.0063
2) Ex-refinery wholesale price after VAT	14.6443	18.3821	18.3821	15.3821

Source: Energy Policy and Planning Office, Ministry of Energy

Note : ¹ Excise tax is fixed at 2.1700 Baht/Kilogram.

² Municipality tax is 10.00% of the excise tax.

³ Oil Fund compensation is in line with the Notification of the Committee on Energy Policy Administration on pricing, Oil Fund contribution rates and compensation rates for LPG produced and imported into the Kingdom for using, Oil Fund contribution and compensation rates for LPG delivered to LPG terminals, and Oil Fund compensation rates for LPG exported out of the Kingdom.

⁴ VAT for ex-refinery wholesale price of LPG is 7.00% of the ex-refinery wholesale price of LPG.

Energy Policy and Planning Office's Announcement of LPG Retail Reference Price in Thailand

LPG Retail Price = Ex-refinery Wholesale Price (Including VAT) + Market Margin + VAT of Market Margin

Sample for Calculation of LPG Pricing Structure as of 31 December 2020

		LPG Selling Price	
		Baht/Kilogram	%
1)	Ex-refinery price or gas separation plant price or import price	16.6103	88.04
	Excise tax ⁽¹⁾	2.1700	11.50
	Municipality tax ⁽²⁾	0.2170	1.15
	Oil Fund ⁽³⁾	(4.6215)	-24.50
	Ex-refinery wholesale price before VAT	14.3758	-
	VAT ⁽⁴⁾	1.0063	5.33
2)	Ex-refinery wholesale price after VAT	15.3821	-
	Market margin	3.2566	17.26
	VAT ⁽⁵⁾	0.2280	1.22
3)	LPG retail price	18.87	100.00

Source: Energy Policy and Planning Office, Ministry of Energy

Note : 1. Excise tax is fixed at 2.1700 Baht/Kilogram.

2. Municipality tax is 10.00% of the excise tax.

3. Oil Fund compensation is in line with the Notification of the Committee on Energy Policy Administration on pricing, Oil Fund contribution rates and compensation rates for LPG produced and imported into the Kingdom for using, Oil Fund contribution and compensation rates for LPG delivered to LPG terminals, and Oil Fund compensation rates for LPG exported out of the Kingdom.

4. VAT for ex-refinery wholesale price of LPG is 7.00% of the ex-refinery wholesale price of LPG.

5. VAT is 7.00% of the market margin.



Competition in LPG Trading Industry

LPG trading business has currently been the business with a quite complex Barrier to Entry condition, resulting in an inability of the new operators that are interested in the business to enter for business operation. The detail of such condition is as follows.

The business requires a certain amount of funds because a LPG trader must be licensed to be an oil trader under Section 6 of the Fuel Act B.E. 2521 (1978) from the Ministry of Commerce. At present, the licensing requirement has been altered to be an oil trader under Section 7 of the Fuel Trade Act B.E. 2543 (2000) and Amendments and must possess the following qualifications:

1. have a registered capital of THB 50 million or more;
2. have revolving fund of THB 100 million or more;
3. have a terminal and annual volumes of trade (volumes imported into the Kingdom, purchased, refined, produced, or obtained in one year) of more than 50,000 metric tons;
4. Own a trademark.

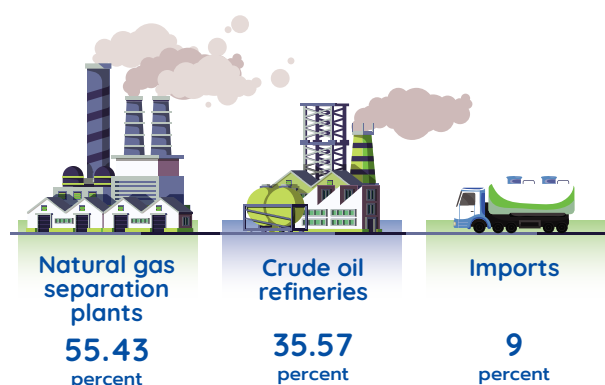
LPG business needs to gain customer confidence and trust, which take time to build. Due to non-difference in products in LPG trading business, the competition among the operators focuses on marketing and services to motivate the customers to trust on using their products. The operators must have an understanding on their customers and have impressive services, including fast delivery, technical services, and LPG cylinder maintenance and repair services

It is possible for the foreign operators to foresee the potential of Thailand to become a hub for the transportation system in Indochina region. Therefore, the foreign operators have been interested to operate their businesses in Thailand. The said operation will be a key parameter that may cause a competition in gas trading business in the future. However, the foreign operators have lacked of experiences in the business and relationships with the gas traders in Thailand, which may be a factor preventing them from easily achieving a business success

5. Product Supply

LPG

Thailand supplies LPG for sale from three sources, including:



1. Natural gas separation plants, which have a capacity in 2020 in the approximate proportion of 55.43% of total supply volume. There have currently been seven gas separation plants, five of which are located in Rayong Province, one in Nakhon Si Thammarat Province, and one in Sukhothai Province.
2. Crude oil refineries, which have a capacity in the approximate proportion of 35.57% of total supply volume. These refineries include:
 - Thai Oil Public Company Limited (“Thai Oil”)
 - PTT Global Chemical Public Company Limited
 - Star Petroleum Refining Public Company Limited
 - Bangchak Petroleum Public Company Limited
 - Esso (Thailand) Public Company Limited (“Esso”)
 - IRPC Public Company Limited (“IRPC”)
3. Imports in volume at the approximate proportion of 9% of total supply volume

Source: Energy Policy and Planning Office, Ministry of Energy ([http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders\[publishUp\]=publishUp&issearch=1](http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders[publishUp]=publishUp&issearch=1))

In 2020, the Company supplied LPG from the major domestic producers consisting of PTT Public Company Limited and PTT Oil and Retail Business Public Company Limited, whereas LPG from natural gas separation plant is partially mixed, and supplied from the producing companies which are all refineries in the country.



Overview

Risk Factors

The Company recognizes the importance of risk management under the changes which may affect the business both from internal and external factors. The Company continues to implement Enterprise Risk Management (ERM) to the extent of all business operation processes and establishes a working group in charge of overall risk management for highest efficiency through preparation of risk matrix to assess the potential likelihood and impact both in quantity and quality in order to identify the impact as determined by the criteria. Given multiple impacts which may be caused by more than one incidence, all possible aspects should be taken into account and the appropriate criteria to determine severity level of impact should be selected for using in assessment.

Compliance Risk for Laws, Rules, and Policies of the Government

Due to the changes in government policies which aim at the country development in all dimensions including society, economy, and environment, the government policies relating to LPG business have been established as outlined below:

(A) LPG Business Liberalization Policy

The Committee on Energy Policy Administration has approved the guidelines to liberalize LPG business by continuously reducing the control over LPG production and supply business until the liberalization of the whole process is completed. The liberalization of the whole process puts an end to the control of LPG price and volume from every production and supply source, completely liberalizes import and export activities, and terminates the announcement of ex-refinery and wholesale prices at gas terminals. The liberalization policy has been effective since August 2017 onwards and set out the following operating guidelines: 1) cancel the pricing of natural gas separation plants of PTTEP Public Company Limited, oil refineries, aromatics plants, and importation, 2) cancel the ex-refinery pricing (initial purchase price) and the Energy Policy and Planning Office (EPPO) will announce reference prices to be used as information for regulating LPG retail prices in the country only, 3) cancel the determination of the compensation or oil fund contribution rate of the production by natural gas separation plants and oil refineries, 4) cancel the announcement of wholesale prices at gas terminals, 5) adjust the mechanism of oil fund to resemble the mechanism for the purpose to maintain price stability, 6) assign EPPO, Department of Energy Business (DOEB), and Department of Internal Trade to study an appropriate marketing margin for LPG and a list of LPG retail price differences between Bangkok and other provincial areas.

After the complete deregulation of LPG selling price, it may affect the Company's operating results and competitiveness since LPG selling prices reflect the true costs as well as global and domestic market price mechanism, resulting in LPG supply cost in accordance with market mechanism and allowing the Company to conduct import or export activities, and more options of cost from both domestic and overseas supply sources. The increased number of supply options provides the Company more bargaining power with domestic suppliers through its ability to control its sourcing costs and selling prices required by the Company to enhance its competitive opportunity.

(B) Cooking Gas Sales Liberalization Policy

Trade liberalization agreements of the World Trade Organization (WTO) may attract the major world operators from overseas or domestic traders with capital and technological preparedness to conduct LPG business in Thailand in order to build a base which can enter into the market into the Indochina neighboring countries due to

Thailand's suitability in location, transportation, and utility infrastructure. This will lead to more severe competition in this business.

Nonetheless, the overseas or domestic operators may face some challenges in respect to their unfamiliarity with market conditions and lack of experiences in LPG business, relationship with LPG traders, and business network in Thailand, which are important factors affecting the marketing success. On top of this, an investment in the numerous gas cylinders is necessary for marketing.

(C) Consumer and Environmental Protection Policy

The government may enact the additional laws to increase the safety for LPG users and promote the environmental protection campaign, which may affect the Company's operating costs and profit in the future. As an LPG business operator, the Company is aware of the said significance and has adopted the policies to continuously develop and improve the safety of its containers. The Company has taken steps to ensure that its LPG terminals, filling plants, service stations, and each cylinder meet the safety standards required by the government and are regularly inspected by the government and relevant agencies.

The Company is confident that our current standards for products, LPG terminals, filling plants, service stations, and cylinders gain acceptance from the government agencies and consumers. Additionally, the Company continues to



efficiently manage its costs to ensure that this risk factor does not affect the company.

The risks have been exposed to the increase of LPG traders under Section 7 of the Fuel Trade Act B.E. 2543 (2000) and its amendments.

At present, there are only a few major LPG business operators, providing more opportunity for the new operators to enter into the industry by applying to register with the Department of Business Development, Ministry of Commerce, to become traders under Section 7. The entry of these new traders will increase competitions within the industry and may affect the Company's operating results and market share in the future. Nevertheless, in entering to be the new LPG traders under Section 7 of the Fuel Trade Act B.E. 2543 (2000) and its amendments, the traders must meet the qualifications and conditions specified by the Ministry of Commerce, consisting of the requirement for having a registered capital of at least 50 million baht and more, and a minimum revolving fund of 100 million baht. New traders are also required by the law to store an LPG as legal reserve of up to 1 percent of their estimated annual trade volume in 1-year period, demanding a large amount of investment in constructing/renting gas terminals to store the LPG reserve as required by the legal provisions. Apart from this, the traders are required to have an annual LPG trade volume (quantity imported into the Kingdom, bought, refined, produced, or obtained in one year) of over 50,000 tons and own their trademarks within one-year period. This requires the use of capital and time to gain the consumer acceptance in their trademark. If the traders under Section 7 wish to market their gas cylinders for the household sector, the additional investment funds are needed to sufficiently distribute the cylinders to the consumers all over. The said conditions limit the opportunity for entry into this industry of the new operators.

Commercial Risk

The Company's sales proportion is divided into five customer groups consisting of household (HH), gas shop (GS), filling plant (FP), industrial group (IN), commercial group (CM), and gas service station (AG). However, due to the situation of petroleum prices which has led to the small price difference with LPG, it has affected the behavior of the car users who have used cars as vehicles and were using gas have eventually switched to use petroleum. This has affected the sales proportion in the AG customer group with a decrease in trading. As a result, the Company has reviewed its new

sales proportion by focusing on proactive strategies and other customer groups to increase the trading proportion without impact on its overall business. On top of this, the Company has developed a strategic plan and goals to continue extending its sustainable business growth.

Operation Risk

The risks associated with the operation may affect business continuity. These risks may be caused by both internal and external Factors, such as LPG transportation.

(A) Sea Transportation

In LPG transportation system, the Company mainly uses gas tankers as vehicles to transport LPG by sea. LPG acquired from the manufacturers (gas separation plants and oil refineries) is transported to LPG terminals in Chachoengsao and Samut Songkhram for storage and distribution prior to LPG transportation by truck to deliver cargoes to the customers in different areas. At the same time, for managing marine cargo transportation risk, marine cargo insurance is insured during transportation to mitigate the impact on the Company. In addition, the Company reviews the cargo receipt and delivery process and to ensure no errors from marine transportation.

(B) Land Transportation

The Company transports LPG by land via Eagle Intertrans Company Limited (EAGLE), its subsidiary, which operates LPG transport service business and is well expert, and has LPG transport driving training and skill development system. In addition, EAGLE has been granted for an LPG carrier license from the Department of Energy Business. All vehicles used in LPG transport are permitted and regularly inspected by the Department of Land Transport. Aside from this, licenses have been granted from the Department of Energy Business to all drivers. This can assure that EAGLE has strictly complied with the rules and regulations of the regulating government agencies under life and property safety awareness. Furthermore, EAGLE has insured all LPG transport vehicles under the objective to minimize the impact which may be arisen on the Company in case of unexpected accidents or events which may be occurred during transport. Any unforeseen accidents or events during transport may lead to losses and affect the company's reputation and operations.

(C) Container Safety

As the Company's containers are gas cylinders containing

LPG which is a flammable substance and may be dangerous in case of improper usage, to prevent the said event, the Company has implemented LPG cylinder standards established by the Ministry of Industry. A periodic quality inspection of LPG cylinders is scheduled. In case where LPG cylinders cause damages, as an LPG trader, the Company is primarily responsible for the occurred damage, possibly affecting the Company's reputation and operations. However, LPG explosion is generally and frequently caused by other equipment which is not LPG cylinder since the LPG cylinder manufacturer has the proper safety inspection process for the cylinders and valves from the production process in accordance with the TIS standards of the Ministry of Industry set by the Office of Thai Industrial Standards Institute (TISI).

In addition, the Department of Energy Business, Ministry of Energy, has required the inspection of LPG cylinders. The cylinders with five years of use are inspected using hydro test while cylinders with ten years of use are inspected using hydro test and expansion test. If the cylinders fail to pass the tests, they cannot be used to contain LPG again and have to be destroyed accordingly.

All of other additional equipment used with LPG cylinders, such as burners and gas stove hoses, are not the Company's products. Therefore, the Company is legally not responsible for their safety. However, if there is an explosion from such equipment, the incidence may indirectly affect the Company's reputation.

Nevertheless, all of the Company's products meet the international safety standards, and in the past, the products under the Company's trademark have never caused any explosive accidents. However, to build consumer confidence in the Company's standards, the Company has established a policy to increase the number of operating centers for quality inspection and repair gas cylinders both in part of cylinder color and perfection to increasingly meet the industrial standards. The Company is, therefore, confident that it can control the risks associated with product safety.

(D) Safety and Environmental Risk

The nature of the Company's business operation involves with the activities which may harm to health and environment. If an accident, force majeure, or operational error occurs, it may significantly affect the Company's stakeholders, investment plan, operating results, and image both in short or long term.

However, the Company will develop occupational health, safety, and environmental policy to serve as a task framework starting from investment planning, operating procedure determination, safety culture creation, environmental protection and impact mitigation, and energy consumption efficiency enhancement through the worthwhile energy consumption for the sustainable growth. The Company also thoroughly communicates with the related parties to ensure the correct understanding in the manners of the managed risks and the preventive measures for controlling production process which will be carried out in the future. The promotion and preventive plan for internal management has been prepared by establishing safety management system, policy, practice and manual to provide knowledge and review the practical guideline on a continual basis, determining the persons in charge in each area, and formulating a control and punishment measure in case of ignorance not to comply with the safety policy.

However, in 2020, the Company has confronted with the challenge of COVID-19 crisis, and still needed to maintain the product delivery standards and create the operating system to continuously make the customer confident on the Company's delivery and services. The Company has also established Business Continuity Plan (BCP) to determine the operating guideline and strategy for the continuous operating management in critical state, and consider the adjustment of the incidence level to determine the appropriate operating guideline and resource allocations in the related operations under the Company's policies.



Information of Securities and Shareholders

Securities of the Company

As at 31 December 2020, the Company has authorized capital of THB 518,500,000, consisting of 518,500,000 ordinary shares in total at par value of one Baht per share, and paid-up capital of THB 518,500,000.

Shareholders

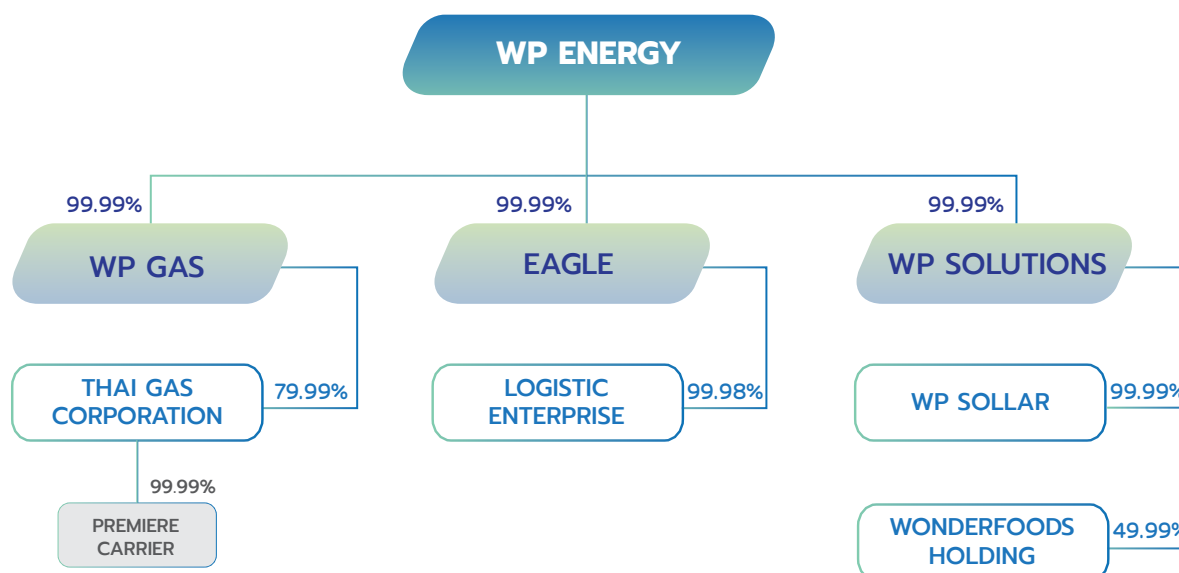
Top ten major shareholders as at 30 December 2020 are as follows.

No.	Name of Shareholder	Paid-Up Shares	% of Paid-Up Shares
1	Ms. Chomkamol Poompanmoung	93,088,847	17.953 %
2.	Mr. Aiyawatt Srivaddhanaprabha	84,998,404	16.393 %
3.	Mr. Somyot Poompanmuang	47,461,014	9.393 %
4.	Mr. Chatchaval Jiaravanon	37,312,417	7.196 %
5.	Mr. Rachata Poompanmuang	31,783,417	6.130 %
6.	Mr. Pisarn Panichawong	24,213,366	4.670 %
7.	Ms. Apiradee Opasiamlikit	22,000,000	4.243 %
8.	VERWALTUNGS - UND PRIVAT - BANK AKTIENGESELLSCHAFT	17,281,471	3.333 %
9.	WP ENERGY PUBLIC COMPANY LIMITED *	10,370,000	2.000 %
10.	Mr. Somchai Benjarongkakul	9,661,486	1.863 %

* WP ENERGY PUBLIC COMPANY LIMITED have holding shares for the share repurchase program for financial management purpose.

Shareholding Structure of the Company and Subsidiaries

(As at 31 December 2020)



Company		Nature of Business	Authorized Capital (Million Baht)	Paid-Up Authorized Capital (Million Baht)	Shareholding Proportion of the Company (%)
Subsidiaries					
EAGLE	Eagle Intertrans Co., Ltd.	Land Transportation Service Business for LPG	84	84	99.99
WP GAS	WP Gas Co., Ltd.	Service Station Business	201	201	99.99
LOGISTIC ENTERPRISE	Logistic Enterprise Co., Ltd.	Small Transport Truck Business for Rent	1	1	99.98
WP SOLLAR	WP Sollar Co., Ltd.	Electricity Generation and Distribution Business	1.5	1.5	99.99
WP SOLUTIONS	WP Solutions Co., Ltd.	Holding company (investing in other companies)	21	21	99.99
THAIGAS CORPORATION	Thai Gas Corporation Co., Ltd.	LPG Trading Business	136.8	136.8	79.99
PREMIER CARRIER	Premium Carrier Co., Ltd.	Land Transportation Service Business for LPG	35	35	99.99
Wonderfood holding	Wonderfoods Holding Co., Ltd.	Restaurant Business	36	36	49.99

Revenue Structure of the Company and its Subsidiaries Classified by Type of Revenues

The Company and its subsidiaries generate main revenue from LPG sales to various types of customers, and revenue from transportation service fees, and other incomes. In 2020, the Company and its subsidiaries had the revenue structure and proportion classified by type of revenues as follows:

(Unit : Million Baht)	2020		2019		2018	
	Revenue	(%)	Revenue	(%)	Revenue	(%)
Revenue from LPG sales	11,856	98.21	14,127	97.66	14,684	98.04
Revenue from transportation service fees	21	0.18	27	0.19	42	0.28
Other incomes	194	1.61	311	2.15	251	1.68
Total revenue	12,072	100	14,466	100	14,978	100

Other incomes include:

(Unit : Million Baht)	2020	2019	2018
Income from transportation fee	94	125	129
Interest received	6	8	8
Income from rental fee	15	12	11
Income from cylinder repair and maintenance	31	21	16
Profit from property selling	14	115	22
Other incomes	34	30	66
Total other incomes	194	311	252

**Table showing the Sales Volume Proportion of WP Energy Public Company Limited
Classified by Customer Group for 2020, 2019, and 2018**

Customer Group	Proportion in 2020 (%)	Proportion in 2019 (%)	Proportion in 2018 (%)
Gas Filling Plant	48.67	44.83	43.48
Gas Service Station	18.50	24.29	26.42
Industrial Factory	9.34	9.39	9.23
Commercial Customers	5.05	5.32	4.85
Gas Stores	3.49	4.15	4.31
Supply Sale and Others	14.94	12.02	11.71
Total	100	100.00	100.00

**Table showing the Revenue from Distribution Proportion of WP Energy Public Company Limited
Classified by Type of Customer for 2020, 2019, and 2018**

Type of Customer	Revenue (Million Baht) 2020	Proportion (%)	Revenue (Million Baht) 2019	Proportion (%)	Revenue (Million Baht) 2018	Proportion (%)
Gas Filling Plant	5,770	48.95	6,376	45.13	6,422	43.73
Gas Service Station	2,145	18.19	3,337	23.62	3,809	25.94
Industrial Factory	1,151	9.77	1,378	9.76	1,412	9.62
Commercial Customers	670	5.69	842	5.96	806	5.49
Gas Stores	435	3.69	609	4.31	658	4.48
Supply Sale and Others	1,618	13.72	1,585	11.22	1,577	10.74
Total	11,789	100	14,127	100	14,684	100



Dividend Payment Policy

WP Energy Public Company Limited

The Company's dividend payment policy is determined to pay for not less than 30% of net profit after deducting taxes and reserved fund as required by laws and the Company's regulations. However, such dividend payment shall depend on the investment plan, necessity, and other appropriateness that may occur in the future. The Company may determine to pay dividend less than the abovementioned ratio if the Company needs to use such net profit for its further business expansion.

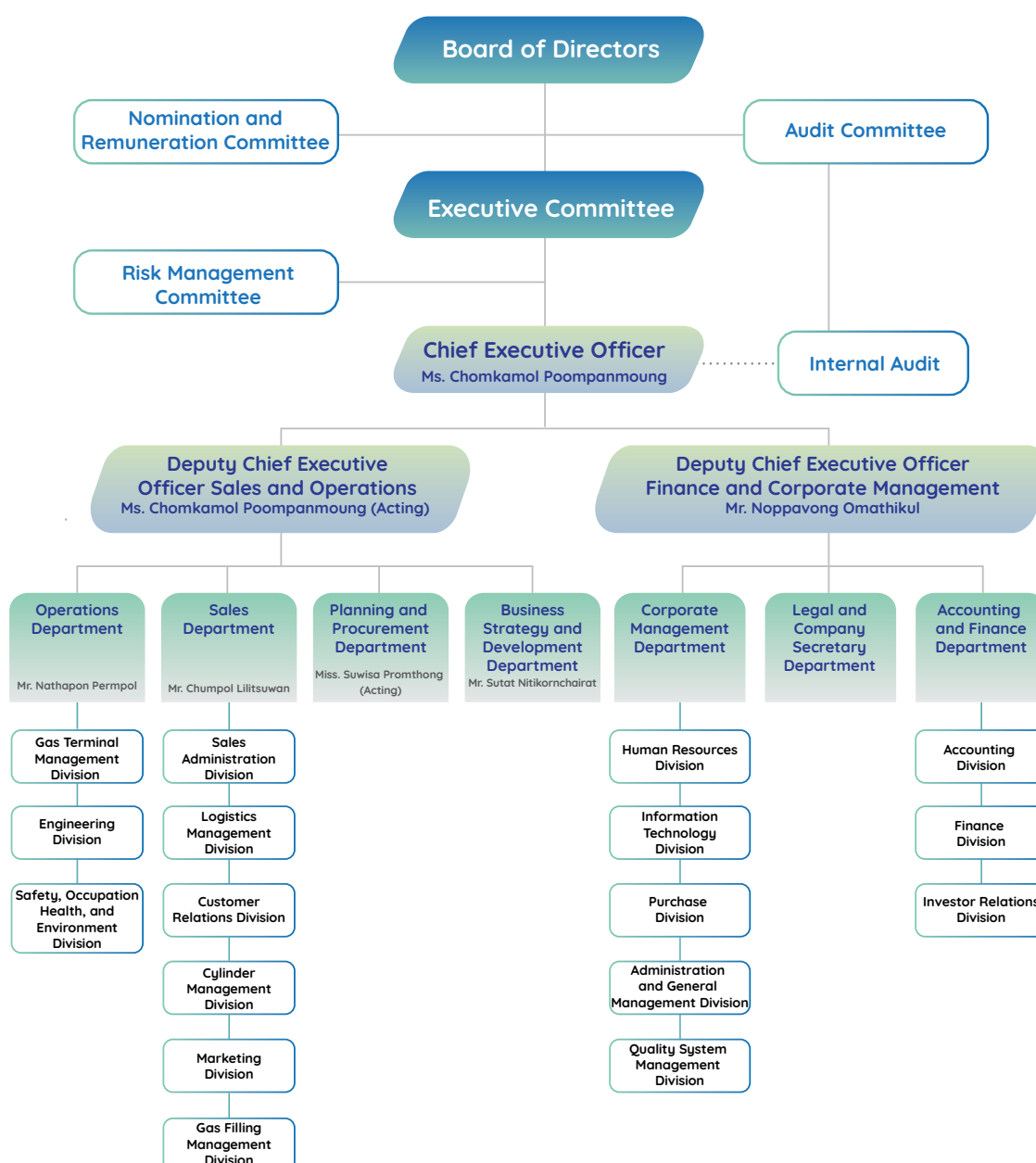
Dividend Payment Policy of the Subsidiaries

The Boards of Directors of the Company's subsidiaries shall consider and approve, then propose a dividend payment policy to the shareholders' meeting of each subsidiary for consideration and approval. The dividend payment will be based on the investment plan taking into consideration other necessity and appropriateness, such as cash flow adequacy of the subsidiaries after deducting reserved fund as required by laws.

Management Structure

Organization Structure (as at 31 December 2020)

To advance the organization for efficient management and success in accordance with the direction under the setting goal of future business operation, to ensure fully support on an organizational development, the Company has restructured the organizational management structure which is effective from 8 August 2019.



1. Board of Directors

1.1 List of the Board of Directors in the office as at 31 December 2020 is as follows.

	Name	Position	Office Holding Date	Number of Meeting Attendance (Times)
1	Mr. Chulchit Bunyaketu	Chairman of the Board of Directors / Independent Director	24 November 2014	12/12
2	Mrs. Niskorn Tadthiemrom	Chairman of the Audit Committee / Independent Director /	24 November 2014	12/12
3	Mr. Kanoksakdi Bhinsaeng	Director / Chairman of the Executive Committee	24 November 2014	11/12
4	Mrs. Soithip Trisuddhi	Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director	27 October 2015	10/12
5	Mr. Bowon Vongsingnudom	Director / Member of the Executive Committee	27 October 2015	12/12
6	Ms. Chomkamol Poompanmoung	Director / Member of the Executive Committee / Member of the Nomination and Remuneration Committee / Chief Executive Officer	24 November 2014	12/12
7	Mr. Chatchaval Jiaravanon	Chairman of the Risk Management Committee / Director / Member of the Executive Committee	24 November 2014	11/12
8	Mr. Sa-nga Ratanachartchuchai	Director / Member of the Executive Committee / Member of the Nomination and Remuneration Committee	24 November 2014	12/12
9	Mrs. Lakananan Luksamitananan*	Member of the Audit Committee / Independent Director	1 August 2016	11/12
10	Mr. Somchai Kuvijitsuwan	Independent Director / Member of the Risk Management Committee	20 October 2016	12/12
11	Mr. Rungson Sriworasat	Independent Director / Member of the Risk Management Committee	21 June 2017	8/12
12	Mr. Kasemsit Pathomsak	Director	11 May 2018	11/12

* The Member of the Audit Committee who possesses sufficient knowledge and experiences to review the reliability of financial statements.

As at 31 December 2020, the Board of Directors held total of 12 meetings to perform duties as entrusted.

1.2 Authorized Signatory Directors in Binding the Company

The authorized signatory directors in binding the Company under the Company's Articles of Association, and Juristic Person Registration Certificate in accordance with the Public Limited Companies Law, Department of Business Development, Ministry of Commerce, as at 31 December 2019, are any one of Mr. Kasemsit Pathomsak, or Mr. Sa-nga Ratanachartchuchai or Mr. Chatchaval Jiaravanon, who countersign with any one of Mr. Kanoksakdi Bhinsaeng or Ms. Chomkamol Poompanmoung, totaling to two persons.

1.3 Composition and Qualifications of the Board of Directors

1. The Company's Articles of Association and Charter of the Board of Directors prescribes that the Board of Directors consists of not less than five directors whereas at least one-third (1/3) of total directors but not less than three persons must be the independent directors. The independent directors are independent from the control of the executives and major shareholders, must not be involved in or have gain and loss in finance and business management, and is fully qualified pursuant to the Rule of the Independent Qualification as prescribed in the Notification of the Capital Supervisory Board. At least one half (1/2) of total directors must have domicile in Thailand.
2. The director may either be the shareholder of the Company or not.
3. The Board of Directors consists of at least three members of the Audit Committee. This Audit Committee shall be fully qualified in accordance with the Notification No. TorJor. 28/2551, and have the scope of duties and responsibilities as prescribed in the Notification of the Stock Exchange of Thailand ("SET").
4. The Board of Directors shall elect one director as Chairman of the Board of Directors, and may elect Vice Chairman of the Board of Directors, and other positions as deemed appropriate. The Vice Chairman of the Board of Directors shall have duty in accordance with the Company's Articles of Association, and as entrusted by the Chairman of the Board of Directors.

The composition and qualifications of the Board of Directors shall be in line with the Charter, the Company's Articles of Association and requirement of laws. The directors shall have knowledge and experiences which are useful for the Company. In 2019, the Board of Directors consisted of twelve directors whereas the said number was appropriate for the Company's size and type of business.

1. Eleven non-executive directors
2. One executive-director who are Chief Executive Officer
3. 3. Six independent directors (in the number of more than one-third (1/3) of directors of the whole Board as prescribed in the Company's Articles of Association)

1.4 Appointment and Retirement of the Office of the Company's Directors

The Charter of the Board of Directors, and the Company's Articles of Association have established the rule for appointment and retirement of the office of the Company's directors as per the following summary.

Appointment of the Company's Directors

1. The shareholder shall elect the director in accordance with the Company's Articles of Association, and relevant laws under transparency and clarity in nomination of the directors. The educational background and professional experiences, qualification and non-prohibited characteristics of the said candidate shall be considered. The details of the consideration support shall be adequate for decision making benefit of the Board of Directors and shareholders.
2. In case where the director retires by rotation, the Shareholders' Meeting shall consider appointing the director with the appointment resolution. The director must earn the majority vote of the shareholders who attend the meeting and vote. If a tie exists, the Chairman of the Meeting shall cast an additional one vote as casting vote.
3. In every Annual General Meeting, at least one-third (1/3) of the number of directors by ratio shall vacate the office. If the number of directors is unable to identically divided into three portions, the nearest number to one-third (1/3) of directors shall vacate the office. Any directors who must vacate the office in the first year and second year after the Company's registration shall vacate using drawing method. In the following years, the

director who is in the office for longest term shall vacate the office and the director who retires by rotation may be selected to resume the office.

4. In case where the director office is vacant due to reason other than retirement by rotation, the Board of Directors shall select any person who possesses qualifications and non-prohibited characteristics in accordance with Public Limited Companies Act and Exchange Law, as the director in the following meeting, unless the remaining office term of the said director is less than two months. The person who is the replacing director shall be in the director office for just remaining term of the replaced director.
5. Other than retirement by rotation, the director may be retired upon:
 - 5.1 Death;
 - 5.2 Resignation;
 - 5.3 Disqualification or possession of prohibited characteristics in accordance with the Public Limited Companies Law, Securities and Exchange Law, and other relevant laws;
 - 5.4 Resolution of the Shareholders' Meeting for vacating;
 - 5.5 Order of the Court for vacating
6. Any director who wishes to resign from the office shall submit Resignation Form to the Company. His/her resignation shall be effective from the arrival date of Resignation Form to the Company. The resigned director shall give a notice of his/her resignation to the Registrar of the Public Limited Company for acknowledgement.
7. The Shareholders' Meeting may pass a resolution to allow any director to vacate his/her office prior to the time of retirement of rotation with not less than three-fourth (3/4) of the number of shareholders who attend the meeting and have voting rights, whereas total of the counted shares are not less than one half of the number of shares held by the shareholders who attend the meeting and have voting rights.

1.5 Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors is responsible for complying with laws, objectives and Articles of Association of the Company and resolution of the Shareholders' Meeting, and performing its

duties with honesty and diligence to maintain interests of the shareholders and stakeholders both in short-term and long-term. To ensure that the Company's operation takes place in the direction that causes maximum benefits of the shareholders and stakeholders, the Board of Directors shall supervise to establish vision, mission, target, policy, operating direction, strategic plan, work plan and annual budget of the Company. The Board of Directors shall mutually express their opinions for understanding on the business overview prior to consideration and approval, and monitoring the management to be in line with the setting target by adhering to the guideline of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission as per the following summary.

1. Hold the Shareholders' Meeting as Annual General Meeting of Shareholders within four (4) months from the ending date of the Company's accounting period. The Company should deliver Appointment Notice to the Board of Directors' Meeting, and Appointment Notice to the Shareholders' Meeting, and meeting agenda and documentation for advance consideration in a reasonable period which must not be less than the period specified in the Company's Articles of Association.
2. Prepare reliable accounting system, financial reporting and auditing, and supervise to ensure efficient and effective internal audit process.
3. Consider key potential risk factors and completely determine the guideline of risk management to cover and supervise the executives to have efficient system or process of risk management, and seek for contingent business opportunity from such risk, and establish adequate and effective internal control, and assessment process of the internal control appropriateness.
4. Prepare financial statements at the ending date of the Company's accounting year, and sign for certification on such financial statements to propose the Shareholders' Meeting in Annual General Meeting of Shareholders for consideration and approval.
5. Consider giving consent on selection and nomination for appointing the auditor, and consider appropriate remuneration as proposed by the Audit Committee prior to proposing the Shareholders' Meeting in Annual General Meeting of Shareholders for consideration and approval.

6. Scrutinize and manage to solve problem on the potential conflict of interests, and connected transactions, and give precedence to the consideration on core and important transactions by generally emphasizing on maximum benefit of the shareholders and stakeholders.
 7. Establish target, guideline, policy, business operation plan, and budget of the Company, monitor and supervise the efficient and effective management and administration of the Management in accordance with the established policy, work plan and budget.
 8. Have authority to consider and approve the entry into contract, investment and/or any transactions related to ordinary course of business, and execute the transaction that supports the ordinary course of business of the Company under general trade conditions within budget approved by the Board of Directors' Meeting or under financial limit specified in the rule of approval and execution authority.
 9. Have consideration and approval authority for spending in investment or execution, borrowing or applying any credit from financial institutions, lending, and entering to be the guarantor for doing the ordinary course of the Company's business in unlimited financial limit under rules of the Company, and related regulations and laws of the Stock Exchange of Thailand, and the Office of the Securities and Exchange Commission.
 10. Establish the appropriate personnel selection system for the personnel who assume to take responsibility of the key management position in all levels under transparent and fair nomination process.
 11. Consider determining management structure, and have authority to appoint the Executive Committee, the Managing Director and other Sub-Committees as appropriate, such as Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee, etc., and determining the scope of authority and remuneration of the appointed Executive Committee, Managing Director and Sub-Committees.
 12. The Board of Directors can authorize and/or entrust other person to represent the specific duty performance by such authorization or sub-authorization within the scope of authorization under power of attorney provided and/or in line with rules, requirements or orders prescribed by the Board of Directors and and/or the Company. However, the delegation of authorities and responsibilities by the Board of Directors is not in the manner of authorization or sub-authorization that allows the Board of Directors or the authorized person of the Board of Directors to approve transactions that the Board or the authorized person may have conflict (as defined in the Notification of the SEC or the Notification of Capital Market Supervisory Board), may have gain and loss or may acquire benefit in any manners, or many have any of other conflict of interests with the Company or its subsidiaries, except being approval of transactions in accordance with policy and criteria considered and approved by the Shareholders' Meeting or the Board of Directors' Meeting.
 13. The directors and executives must report the Company regarding their own or related party's gain and loss which is gain and loss related to business management of the Company and its subsidiaries in accordance with rules, conditions, and procedures prescribed in the Notification of the Capital Market Supervisory Board.
 14. The directors and executives must be mutually liable for the traders of the Company's securities in any damage occurred due to disclosure of information to the shareholders or public by misstatement in the essence or concealment of material fact which should inform as prescribed in the Securities and Exchange Law, unless the said directors and executives will prove that they are unable to perceive the genuineness of information or lack of the information that should inform by their own position.
 15. Give precedence to business operation with social and environmental responsibilities, and promote better and sustainable well-being of Thai society.
 16. Arrange the Company Secretary to help oversell activities of the Board of Directors and support the Board of Directors and the Company to comply with the related laws and requirements.
 17. Arrange the review and revision of the Charter of the Board of Directors to be corresponding to the situations.
- Moreover, the execution of the Board of Directors requiring the approval of the Shareholders' Meeting prior to execution of the following matters are as follows.
- Entry into connected transactions and acquisition or disposal of core assets of the Company as prescribed by laws and the Notification of Capital Market Supervisory Board

- Sale or transfer of the Company's business in whole or in important part to other party as prescribed by laws and in the Notification of the Capital Supervisory Board
- Acquisition or acceptance of the business transfer of other company to belong to the Company as prescribed by laws and in the Notification of the Capital Supervisory Board
- Entry, revision or cancellation of the contract related to leasing the Company's business in whole or in important part, assigning other party to manage the Company's business or combine business with other party under purpose of profit and loss sharing
- Addition or revision and alteration of the Company's Memorandum of Association or Articles of Association
- Increase of capital/reduction of authorized capital
- Issuance of denture for public offering
- Winding-up of the Company/amalgamation with other companies
- Declaration for annual dividend payment
- Any other undertakings prescribed by laws/Articles of Association of the Company whereas consent must be given by the Shareholders' Meeting.

1.6 Independent Directors

The Company's Articles of Association prescribes that the Board of Directors must consist of independent directors at least one-third (1/3) of directors for the whole Board, but must not be less than three (3) persons who are the directors with knowledge, competency, and qualification of independence under the Notification of the Capital Market Supervisory Board, and as prescribed by the Board of Directors in definition of independent director as follows.

Independent director means the independent director from the major shareholder or group of the major shareholder and executive of the Company that has authority to freely express opinion based on the assigned tasks in equitable protection of interests of all parties of the shareholders and stakeholders.

1.7 Sub-Committees

To comply with the principles of good corporate governance, the Board of Directors has appointed four sets of Sub-Committees including the Audit Committee, Nomination and Remuneration Committee, Executive Committee, and Risk

Management Committee to perform the duty in prudent and efficient considering and screening the important operations in specific matters, and proposing opinions to the Board of Directors. The list, and roles and duties of each Particular Committee as at 31 December 2020 are as follows.

Audit Committee

	Name	Position	Number of Meeting Attendance (Times)
1	Mrs. Niskorn Tadthiemrom	Chairman of the Audit Committee	5/5
2	Mrs. Soithip Trisuddhi	Member of the Audit Committee	5/5
3	Mrs. Lakananan Luksamitananan	Member of the Audit Committee	5/5

The Company's Articles of Association prescribes that the composition of the Audit Committee consists of at least three independent directors. All of the above three members are independent directors with qualifications under the Notification of the Capital Market Supervisory Board, and at least one member of the Audit Committee has accounting and finance knowledge.

Moreover, the Board of Directors has approved the Charter of the Audit Committee determining the composition, qualifications, office term, and scope of duties as per the following details.

The office term by rotation of the Audit Committee is determined for three (3) years per term whereas one year means the period from the Annual General Meeting of Shareholders of the appointed year to the Annual General Meeting of Shareholders in the following year. The committee members who retire by rotation may be appointed to resume the office.

Scope of Authority of the Audit Committee

1. Review the Company's financial report to ensure its accuracy and adequacy.
2. Review the Company's internal control system and internal audit system to ensure their appropriateness, efficiency and effectiveness, and consider an independence of Internal Audit Unit, and approve the consideration on appointment, removal, and dismissal of the Head of Internal Audit, or any other work units

responsible for internal audit.

3. Review to ensure the Company's compliance with the Securities and Exchange Law, requirements of the Stock Exchange of Thailand, or laws related to the Company's business.
4. Consider the selection and nomination to appoint the independent person to serve as the Company's auditor, propose a remuneration of such person, and attend the meeting with the auditor, without meeting attendance of the Management, at least once a year.
5. Consider the disclosure of the Company's information in case where the connected transactions or transactions that may have conflict of interests in accordance with laws and requirements of the Stock Exchange of Thailand to make sure that such transactions are reasonable and in maximum benefit of the Company.
6. Prepare the Report of the Audit Committee and disclose in Annual Report of the Company. Such report must be affixed with signature of the Chairman of the Audit Committee and at least contain the following information.
 - (a) Opinion on the accuracy, completeness, and reliability of the Company's financial report
 - (b) Opinion on the adequacy of the Company's internal control system
 - (c) Opinion on the compliance with the Securities and Exchange Law, requirements of the Stock Exchange of Thailand or laws related to the business of the Company
 - (d) Opinion on the appropriateness of the auditor
 - (e) Opinion on the connected transactions that may have conflict of interests
 - (f) Number of the Audit Committee's Meetings and meeting attendance of each Member of the Audit Committee
 - (g) Overall opinion or observation acquired by the Audit Committee from the performance of duties under the Charter
 - (h) Other transactions that the shareholders and general investors should be informed under scope of duties and responsibilities assigned by the Board of Directors
7. Review key risk management of the Company for linkage with internal control.
8. Review and propose the revision of scope, duties, and responsibilities of the Audit Committee consistency with situations.
9. Perform any tasks assigned by the Board of Directors under consent of the Audit Committee. In performing such tasks, the Audit Committee is directly responsible for the Board of Directors and the Board of Directors is also responsible for the Company's operations with the third party.
10. If the Audit Committee detects or has doubt that the following transactions or acts may have significant impact on financial position and operation results of the Company, the Audit Committee shall report to the Board of Directors to take improving and corrective actions within the time the Audit Committee deemed appropriate.
 - (a) Transaction of which conflict of interests occurs
 - (b) Significant corruption or abnormality or fault in internal control system
 - (c) Violation of the Securities and Exchange Law, requirements of the Stock Exchange of Thailand, or laws related to the Company's business

As at 31 December 2019, the Audit Committee held total of five meetings to perform duties under scope of authority and responsibilities specified in the Charter and assigned by the Board of Directors.

Nomination and Remuneration Committee

	Name	Position	Number of Meeting Attendance (Times)
1	Mrs. Soithip Trisuddhi	Chairman of the Nomination and Remuneration Committee	2/2
2	Ms. Chomkamol Poompanmoung	Member of the Nomination and Remuneration Committee	2/2
3	Mr. Sa-nga Ratanachartchuchai	Member of the Nomination and Remuneration Committee	2/2

The Board of Directors determines the composition of the Nomination and Remuneration Committee consisting of at least three members, and schedules the office term by rotation of the Nomination and Remuneration Committee for three years per term whereas one year means the period from the Annual General Meeting of Shareholders in the appointed year to the Annual General Meeting of Shareholders in the following year. The committee members who retire by rotation may be appointed to resume the office. The scope of authority of the Nomination and Remuneration Committee is defined under Charter as follows:

1. Nominate a suitable candidate for the position of director or Chief Executive Officer or senior executive that is vacant or expired, and propose to the Board of Directors or the Shareholders' Meeting for consideration and election, whichever the case may be, taking into consideration the composition of the Committee and the candidate's knowledge, competency and experiences which are useful for the Company, number of companies where the said candidate holds a position, and conflict of interests.
2. Prepare a list of the suitable nominated candidates for the position of director or Chief Executive Officer in advance and/or in case where the position of director or Chief Executive Officer is vacant.
3. Request the opinions of the Board of Directors and/or Chief Executive Officer (if any) to support the consideration of selection and nomination prior to proposing to the Board of Directors or the Shareholders' Meeting, whichever the case may be, for further consideration and election.
4. Develop performance assessment form for the Chairman of the Board, directors, Particular Committees, and Chief Executive Officer.
5. Nominate qualified directors to serve as member of the Particular Committee and Chairman of the Particular Committee to the Board of Directors for appointment when the position is vacant or propose improvement of particular committee members to the Board of Directors as appropriate.
6. Consider remunerations for the Board of Directors and Particular Committees under fair and reasonable rule or procedure and structure based on their performance, the Company's operation results, practical guideline in the same industry, and scope of duties and responsibilities, and propose to the Shareholders'

Meeting for consideration and approval.

7. Consider remunerations for the Chief Executive Officer and salary structure of the senior executive under fair and reasonable rule or procedure and structure. In case of remuneration of the Chief Executive Officer, the duties, responsibilities and annual performance shall be taken into account. The remuneration shall be proposed to the Board of Directors' Meeting for consideration and approval.
8. Always consider reviewing the rules of the Nomination and Remuneration Committee to ensure an appropriateness, including policy and criteria related to the determination of remuneration and benefits of directors, Chief Executive Officer, and senior executives of the Company.
9. Support the Company to give the minor shareholders the opportunity to nominate the candidate to be selected as the Company's director.
10. Perform any other task related to nomination and remuneration of directors and Chief Executive Officer as assigned by the Board of Directors.

As at 31 December 2020, the Nomination and Remuneration Committee held four meetings in total to perform the assigned duties.

Executive Committee

	Name	Position	Number of Meeting Attendance (Times)
1	Mr. Kanoksakdi Bhinsaeng	Chairman of Executive Committee	12/12
2	Mr. Chatchaval Jiaravanon	Member of the Executive Committee	10/12
3	Ms. Chomkamol Poompanmoung	Member of the Executive Committee	11/12
4	Mr. Sa-nga Ratanachartchuchai	Member of the Executive Committee	10/12
5	Mr. Bowon Vongsingnudom	Member of the Executive Committee	11/12

For the flexible business operations of the Company and efficient operation results, the Board of Directors shall consider appointing the Executive Committee consisting of a certain number of the directors and executives with

appropriate qualifications to perform the management and control of the Company's business as assigned by the Board of Directors to support the duty performance, create confidence to the stakeholders for sustainable growth of the Company and clearness in the matter of composition, office term, duties and responsibilities, and meeting of the Executive Committee. Therefore, the Board of Directors has approved the preparation of the Charter of the Executive Committee to be properly applied as guideline of performance of duties in accordance with laws and consistency with the principles of good corporate governance.

The Chief Executive Officer is the ex officio executive director. The office term by rotation of the Executive Committee is scheduled for three years per term whereas one year means the period from the Annual General Meeting of Shareholders of the appointed year to the Annual General Meeting of Shareholders in the following year. The committee members who retire by rotation may be appointed to resume the office.

Scope of Authority of the Executive Committee

1. Consider screening the business operation strategy, financial target, and work plan (in short-term, intermediate-term, and long-term), including annual budget to be proposed to the Board of Directors.
2. Formulate investment policy of the Company and define the direction of investment policy consistency with the Company's policy.
3. Consider transaction related to investment and disposal of assets, human resource management, finance and financial management, general management, and any other transactions related to the Company's business within scope of power approved by the Board of Directors.
4. Regularly supervise and monitor operation results and financial position of the Company, and monthly report the operation results and financial position to the Company's directors for acknowledgement.
5. Seek for and assess the opportunity of the new business investment, study feasibility for new projects, and have authority to consider and approve the participation in bidding and operation of the projects as deemed appropriate, and entering into jurist acts related to such matters until completion.

6. The Executive Committee may authorize the executives or any person to have action power in one or several matter(s) as considered and deemed appropriate by the Executive Committee. The transaction approval of the Executive Committee and/or authorization shall not be the approval of the connected transactions or transactions that may have conflict of interests or transactions that the Executive Committee has gain and loss as prescribed in the Company's Articles of Association, and as prescribed in the Board of Directors and the related supervisory agencies.
7. Formulate policy guideline, appoint and define power and duties, supervise, monitor, coordinate, and define the authority of the special working group or management team, and consider and approve the proposals offered by the management team or special working group.
8. Consider and remark the opinions to the Board of Directors related to dividend payment policy of the Company.
9. Consider and execute the important issues related to the operation of the Company.
10. Consider screening and provide suggestions on all types of works proposed to the Board of Directors, except works under duties and responsibilities and/or being the authority of other Sub-Committees of the Company to consider screening for direct proposal to the Board of Directors.
11. Perform other tasks in the scope of authority and responsibilities in accordance with periodic dutiful delegation of the Board of Directors.
12. Acknowledge other matters both related to business management and non-related to the Company's business management, such as lawsuits of which the Company becomes the defendant, etc., deemed necessary or appropriate by the member of the Executive Committee to propose for acknowledgement.

The Executive Committee has authority to approve general budget under approved budget for operating expenses within the limit of not exceeding THB 20,000,000.

As at 31 December 2020, the Executive Committee held eleven meetings in total to perform assigned duties.

Risk Management Committee

	Name	Position	Number of Meeting Attendance (Times)
1	Mr. Chatchaval Jiaravanon	Chairman of the Risk Management Committee	None
2	Mr. Rungson Sriworasat	Member of the Risk Management Committee	None
3	Mr. Somchai Kuvijitsuwan	Member of the Risk Management Committee	None

The Board of Directors determines the composition of the Risk Management Committee consisting of at least three members, and schedules the office term by rotation of the Risk Management Committee for three years per term whereas one year means the period from the Annual General Meeting of Shareholders in the appointed year to the Annual General Meeting of Shareholders in the following year. The committee members who retire by rotation may be appointed to resume the office. The scope of authority is defined as follows:

1. Consider and approve policy, objective, and framework of the risk management as operating framework in risk management process of the organizational employees in the same direction and consistency with the business targets and strategies. The risk management policy, objective and framework shall be annually reviewed and early warning signs is emphasized.
2. Set up the risk management working group and define authority of the working group to have duty to establish a risk management policy and plan for each work unit, and propose them to the Risk Management Committee's Meeting for consideration.
3. Supervise the identification of risks, taking into consideration both external and internal factors that may cause failure of the Company to achieve its defined objectives; assess the impact and likelihood of the identified risks to rate risks and apply the appropriate risk management measures.
4. Provide advice and support on risk management working group in the matter of the enterprise risk management,

and promote and support the continuous improvement and development of the internal risk management system.

5. Supervise the effectiveness of the risk management and assess risk management result.
6. Perform any other task as assigned by the Board of Directors and specified in the Articles of Association

As at 31 December 2019, the Risk Management Committee held one meeting to perform the assigned duties.

2. List of the Company's Executives under Organizational Structure Chart as 8 August 2019

	Name	Position
1	Ms. Chomkamol Poompanmoung	Chief Executive Officer (appointed on 8/8/2019) / Acting Director of Planning and Procurement **
2	Mr. Noppavong Omathikul	Deputy Chief Executive Officer - Finance and Corporate Management / Acting Director of Accounting and Finance/ Acting Director of Legal and Company Secretary/ Acting Director of Corporate Management **
3	Mr. Chumpol Lilitsuwan	Director of Sale
4	Mr. Sutat Nitikornchairat	Director of Business Strategy and Development
5	Mr. Nathapon Permpon	Director of Operation

** The Company has currently been considering recruitment of the executives to hold the office in the future or division combination for more conciseness and efficiency in management of the organization.

For the efficient organizational management, the Board of Directors has appointed the executives in different departments consisting of Chief Executive Officer who has authority and duty in managing the Company's business in accordance with policy, work plan, and budget approved by

the Board of Directors and is the highest-ranking superior of the employees, Deputy Chief Executive Officer - Operations and Deputy Chief Executive Officer – Planning and Corporate Management who has duty in managing the Company's activities to be in line with the determined strategies and goals.

Moreover, the directors of various departments have duty in duty performance for execution of the Company to achieve the determined goals. They must possess qualifications and non-prohibited characteristics specified by the Public Limited Companies Law and Securities and Exchange Law, and must be the persons with knowledge, competency, expertise, and experiences in diverse areas, as well as vision, virtue and morality, and enable to devote sufficient time for benefits of the Company's business operation.

Scope of Authority of Chief Executive Officer

1. Execute as assigned by the Board of Directors under rules and regulations of the Company.
2. Have authority to issue orders, rules, announcements, and records for performing duty in accordance with the Company's policies and interests, and for maintaining the internal working discipline.
3. Have authority to act and show up as the Company's representative with the third party in the related activities for the Company's benefits.
4. Approve the appointment of advisors in various fields necessary for the Company's operations.
5. Act as attorney of the Company to manage the Company's business in accordance with objectives, regulations, policies, rules, requirements, orders, resolutions of the Shareholders' Meeting, and resolutions of the Board of Directors in all respects.
6. Act as the authorized person in command, contact, order, execution, and signing for juristic act of the contract, order document, and written notice or any letters used to communicate with the government agencies, state enterprise and other parties; and have authority to perform any necessary and appropriate acts to successfully complete the aforesaid execution.
7. Have authority to sub-authorize and/or assign other person to perform specific tasks on behalf of Chief Executive Officer. Such sub-authorization and/or assignment must be within the scope of authorization and/or in accordance with rules, requirements or

orders prescribed by the Board of Directors and/or the Company.

8. Have authority to approve operating expenses for ordinary course of the Company's business, such as expense relating to asset purchase, important investment spending, and entry into other transaction for benefits of the Company. Such approval authority is for approval on general commercial transactions with financial limit for each transaction as specified in Corporate Authority Index (CAI) for Approval and Execution, and investment in the transactions of the Company but not more than the budget approved by the Board of Directors.
9. Perform other tasks occasionally assigned by the Executive Committee or the Board of Directors.

The Chief Executive Officer has authority to approve general expenses under the approved budget for operating expense within the limit of not exceeding THB 10,000,000, in case of purchase of goods and main raw materials (per time) of not exceeding THB 50,000,000, in case of main expenses in business operation (per time) within the limit of not exceeding THB 25,000,000, and in case of issuance of L/C / LG / BG or letter of guarantee for purchasing goods and main raw materials (per time) within the limit of not exceeding THB 400,000,000.

3. Company Secretary

Pursuant to Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008), the Board of Directors' Meeting held on 10 November 2016 resolved to appoint Ms. Daraporn Unyamaneetrakoon to hold the office of the Company Secretary and define scope of duties and responsibilities as follows.

1. Prepare and store the following documents.
 - (a) Register of Directors
 - (b) Appointment Notice to the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting, and Annual Report of the Company
 - (c) Appointment Notice to the Shareholders' Meeting and Minutes of the Shareholders' Meeting
 - (d) Other important documents of the Company
2. Store Stakeholding Report reported by the directors or executives.

3. Submit Copy of Stakeholding Report under Section 89/14 of the Securities and Exchange Act B.E. 2535 (1992) (including Amendment) prepared by the executive directors and related parties to the Chairman of the Board of Directors, and the Chairman of the Audit Committee for acknowledgement within seven working days from received date of that report.
4. Oversee the disclosure of information and information report in responsible part under rules and requirements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
5. Promote and support supervision and monitoring of the business operation and duty performance of the executives and employees of the Company and its associated companies in accordance with laws and regulations of which the Company entered into investment.
6. Perform duties to hold the Board of Directors' Meeting, Executive Committee and Shareholders' Meeting in accordance with the Company's Articles of Association.
7. Supervise and monitor the Company and the Board/ Committees to ensure the compliance consistency and in accordance with the related laws and regulations, and resolutions of the Board of Directors' Meeting, Shareholders' Meeting and Corporate Governance Code.
8. Support directors and/or executives for knowledge provision and training attendance in various courses related to the performance of duties of directors and particular committee members.
9. Report directors and/or executives to revise and alter requirements and rules.
10. Arrange assessment of performance of the Board of Directors.

11. Perform any tasks assigned by the Company or from the Board of Directors, and prescribed by the Capital Market Supervisory Board.

4. Remuneration of Directors and Executives

4.1 Remuneration of Directors

The Board of Directors has formulated a fair remuneration payment policy for directors. The Nomination and Remuneration Committee is in charge of considering and reviewing the appropriateness and consistency with the Company's current situations. At present, there has none of the requirement for paying remuneration to all members of the Sub-Committees, which include the Audit Committee, Executive Committee, and Nomination and Remuneration Committee, and Risk Management Committee.

Nonetheless, the remuneration paid to the directors must be approved by the shareholders' meeting. The 2020 Annual General Meeting of Shareholders held on 18 June 2020 resolved to approve the following remuneration of directors.

Remuneration of Directors for 2020

Board of Directors	Monthly Remuneration
Chairman of the Board of Directors	73,500
Chairman of the Audit Committee	73,500
Director	42,000
Executive Director	21,000

Remark: Remuneration of directors particularly includes monthly remuneration and none of the meeting allowance is provided to the directors.

Summary for Remuneration of Individual Directors in 2020

	List of the Directors	Remuneration (Baht)								
		WP	Subsidiaries							
			EAGLE	LOGISTIC	WP GAS	WP SOLUTION	WP SOLLAR	THAI GAS	PREMIER	WONDER FOOD
1	Mr. Chulchit Bunyaketu	882,000	-	-	-	-	-	-	-	-
2	Mrs. Niskorn Tadthiemrom	882,000	-	-	-	-	-	-	-	-
3	Mr. Kanoksakdi Bhinsaeng	504,000	-	-	-	-	-	-	-	-
4	Mrs. Soithip Trisuddhi	504,000	-	-	-	-	-	-	-	-
5	Mr. Chatchaval Jiaravanon	504,000	-	-	-	-	-	-	-	-
6	Mr. Bowon Vongsingnudom	504,000	-	-	-	-	-	-	-	-
7	Mr. Sa-nga Ratanachartchuchai**	504,000	600,000	-	-	-	-	-	-	-
8	Ms. Chomkamol Poompanmoung*	252,000	-	-	-	-	-	-	-	-
9	Mrs. Lakananan Luksamitananan	504,000	-	-	-	-	-	-	-	-
10	Mr. Somchai Kuvijitsuwan	504,000	-	-	-	-	-	-	-	-
11	Mr. Rungson Sriworasat	504,000	-	-	-	-	-	-	-	-
12	Mr. Kasemsit Pathomsak**	504,000	-	-	-	-	-	-	-	-
Total Amount		6,552,000	600,000	-	-	-	-	-	-	-

Remark:

- * shows remuneration particularly for the director office excluding remuneration for executive office.
- ** Mr. Sa-nga Ratanachartchuchai received remuneration from Eagle on behalf of the Chairman of the Board of Directors. Other directors did not receive remuneration from holding office in subsidiaries.



4.2 Executive Remuneration

In January – December 2020, the Company paid remuneration to the executives in total amount of THB 20,634,850.

5. Personnel

5.1 Number of Employees

As at 31 December 2020, the Company has had total of 350 employees, consisting of 16 executives, and additional 334 employees (permanent employees and daily employees).



5.2 Employee Remuneration (Excluding Executives)

In January – December 2020, the Company paid employee remuneration (excluding executives) in total amount of THB 94,142,095 (Ninety four million one hundred and forty two thousand ninety five Baht only).



5.3 Employee Management Policy

The Company has formulated the policy for creation of the personnel readiness by focusing on development of human resource management system to carry the organization for sustainable organizational development and growth through review of the organizational structure and work process for personnel readiness in proper manpower and consistency with the Company's business growth plan and business expansion. In addition, the Company emphasizes on creation of human resource management system by establishment of clear policy and process to ensure the continuous integration of the Company's needs, building of the employee motivation, and creating achievement in order to lead the organization toward excellency and its organizational goals in all areas.

From 2020 onwards, the Company has applied strategies in various areas such as:

- Proactive recruitment and selection for recruiting the personnel who have diversified knowledge, competency, potential and experiences
- Emphasis on development of the personnel potential to enhance capacity for work specialization and be ready for learning, and initiating challenging innovations
- Reinforcement of the readiness of the high potential personnel to have an opportunity to step toward executive level and being the leader of the business driving in the future through procedure of assessment, selection, development, and management on profession basis
- Appropriate remuneration management and application of Performance Management System (PMS) via Key Performance Indicators (KPIs) to reflect performance from an organizational level to an individual level for efficient monitoring and managing the performance
- Creation of the good and safe working atmosphere and working environment, and emphasis on internal communications, and also support on Work-Life Balance for employees to create balance in working and personal life
- Creation of the employee engagement toward the organization under expectation on the culture of the consciousness of the employees in all sections in cooperation to stimulate happy cooperating society, resulting in continuous growth of the Company

Profiles of Directors and Executives



Mr. Chulchit Bunyaketu
Chairman of the Board of Director/
Independent Director

Age 77 years

Starting Date: 24 November 2014

Education/Training

- Bachelor of Law, Faculty of Political Science, Chulalongkorn University
- Advance Diploma, Public Administration, Exeter University
- M.A. Political Science, Kent State University
- Diploma of National Defence College of Thailand, Joint State-Private Sector Course Class 335

Director Course Training from Thai Institute of Directors (IOD)

- Director Accreditation Program Class 38/2005

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand: 8 Companies

- Director, King Power Duty Free Co., Ltd.
- Director, King Power Entertainment Co., Ltd.
- Director, King Power Marketing and Management Co., Ltd.
- Director, King Power Suvarnabhumi Co., Ltd.
- Director, King Power Hotel Management Co., Ltd.
- Director, King Power Development Co., Ltd.
- Director, King Power Click Co., Ltd.
- Director, Siam Polo Park Co. Ltd.

Holding Office in Other Organization/Special Activity: 1 Organization

- Director, Thailand Polo Association

Past Work Experience (last 5 years)

- | | |
|----------------|---|
| 2000 – Present | Independent Director, Total Access Communication Public Company Limited |
| 2016 – Present | Advisor, King Power Group |
| 2012 – Present | Director, Siam Polo Park Co. Ltd. |

Number of Shares Held:

None

Family Relationship with Other Director:

None



Mrs. Niskorn Tadthiemrom

Chairman of the Audit Committee / Independent Director

Age 73 years

Starting Date: 24 November 2014

Education/Training

- Master of Business Administration, University of Wisconsin, U.S.A
- Bachelor of Arts, Faculty of Economics, Chulalongkorn University (Second Class Honor)
- Diploma of National Defence College of Thailand, Joint State-Private Sector Course Class 14
- Public Administration and Law for Executives, King Prajadhipok's Institute
- Senior Executives Program, Ministry of Culture
- Developing Top Management Government's Centre for Management and Policy Studies, UK
- Senior Executives Program, OCSC
- Budget Development and Analysis University of Wisconsin , U.S.A.
- Budgeting and Accounting DSE
- Supply and Materials Management Crown Agents, UK

Director Course Training from Thai Institute of Directors (IOD)

- Director Certificate Program (DCP) Class 120/2009
- Audit Committee and Continuing Development Program (ACP) Class 27/2009
- Role of the Chairman Program (RCP) Class 24/2010

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand: 1 Companies

- Chairman of the Audit Committee, Buriram United Company Limited

Holding Office in Other Organization/Special Activity:

None

Past Work Experience (last 5 years)

2010 – Present Audit Committee,
University of Phayao

Number of Shares Held:

None

Family Relationship with Other Director:

None



Mr. Kanoksakdi Bhinsaeng
Director / Chairman of Executive Committee

Age 65 years

Starting Date: 24 November 2014

Education/Training

- Master of Public Administration, Sripatum University
- Bachelor of Arts (Political Science), Ramkhamhaeng University
- Diploma of National Defence College of Thailand Class 14
- Senior Executives Program Class 9, Capital Market Academy
- Senior Justice Executives Program Class 16
- Senior Executives Program Class 4, Thailand Energy Academy
- The Rule of law for Democracy ,College of the Constitution Court Class 5

Director Course Training from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 73/2008
- Director Certification Program (DCP) Class 106/2008

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand: 6 Companies

- Chair of Executive Board, Buriram United Co. Ltd.
- Chairman of the Board of Directors, Big Crane and Equipment Rentals Co. Ltd.
- Advisor, NOK'S GROUP's Affiliated Companies
- Director, WP Solutions Co. Ltd.

Holding Office in Other Organization/Special Activity: 2 Companies

- President, Thailand Polo Association
- Secretary, Wat Suvarnabhumi Budthachayanti Foundation

Past Work Experience (last 5 years)

2002 – Present	Advisor, Chiang Mai Construction Co. Ltd.
2006 – Present	Advisor, NOK'S GROUP's Affiliated Companies
2012 – Present	Managing Director, Buriram United Co. Ltd.

Number of Shares Held:

None

Family Relationship with Other Director:

None



Mr. Chatchaval Jiaravanon

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

Age 59 years

Starting Date: 24 November 2014

Education/Training

- Bachelor of Business Administration, University of Southern California

Director Course Training from Thai Institute of Directors (IOD)

- Director Accreditation Program Class 71/2008
- Corporate Governance for Capital Market Intermediaries Class 13/2016

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand: 4 Companies

- Director and Managing Director, True Corporation Public Company Limited
- Director, AEON Thana Sinsap (Thailand) Public Company Limited
- Director / Audit Committee, Ticon Industrial Connection Public Company Limited
- Member of Nomination and Remuneration Committee
- Chairman of the Board, Financia Syrus Securities Public Company Limited

Holding Office of Director/Executive in Other

Company Not Listed in the Stock Exchange of Thailand: 8 Companies

- Chairman of the Board, Thai Kodama Co. Ltd.
- Chairman of the Executive Board, True Multimedia Co. Ltd.
- President and Chief Executive, Officer Telecom Holding Co. Ltd.
- Director, Echo Autoparts Thailand Co. Ltd.
- Director, CPPC Co. Ltd.
- Director, WP Gas Co. Ltd.
- Director, WP Solutions Co. Ltd.
- Director, WP Sollar Co. Ltd.

Holding Office in Other Organization/Special Activity: 1 Companies

- Member of Corporate Advisory Board, Marshall School Business, University of Southern California

Past Work Experience (last 5 years)

2013 - 2014 Director,
Picnic Corporation Public Company Limited

Number of Shares Held:

37,312,408 (7.196%)

Family Relationship with Other Director:

None



Mrs. Soithip Trisuddhi

Member of Audit Committee / Independent Director / Chairman of the Nomination and Remuneration Committee

Age 66 years

Starting Date: 27 October 2015

Education/Training

- Bachelor of Arts, Thammasat University
- Bachelor of Laws, Thammasat University
- Master of Arts, Thammasat University
- Graduate Diploma in Public Law Class 6, Thammasat University
- Senior Executives Program Class 28
- Diploma of National Defence College of Thailand Class 45
- Senior Justice Executives Program Class 9
- Politics and Governance in Democratic Systems for Senior Executives Program Class 10
- Senior Executives Program Class 15, Capital Market Academy
- Industrial Business Development and Investment for Senior Executives Program Class 1
- Senior Justice Administration Executives Program Class 5
- Corporate Governance for State Enterprises and Public Organizations' Directors and Senior Executives
- Program Class 1, King Prajadhipok's Institute (Public Director Institute)

Director Course Training from Thai Institute of Directors (IOD)

- Director Certificate Program Class 88/2007
- Audit Committee Program Class 26/2009

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Holding Office in Other Organization/Special Activity:

None

Past Work Experience (last 5 years)

2014 – September 2015 Permanent Secretary,
Ministry of Transport

Number of Shares Held:

None

Family Relationship with Other Director:

None



Mr. Bowon Vongsinudom
Director / Member of Executive Committee

Age 66 years

Starting Date: 27 October 2015

Education/Training

- Master of Management, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Master of Engineering (Chemical Engineering), Chulalongkorn University
- Bachelor of Engineering (Chemical Engineering), Chulalongkorn University
- Diploma of National Defence College of Thailand, Joint State-Private Sector Course Class 17

Director Course Training from Thai Institute of Directors (IOD)

- Director Accreditation Program Class 76/2008
- Director Certification Program Class 209/2015
- Advance Audit Committee Program (AACP) Class 28/2018
- Role of the Chairman Program (RCP) Class 45/2019

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand: 1 Companies

- Chairman of the Board, Prima Marine, Public Company Limited

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand: 3 Companies

- Director, Bangkok Industrial Gas Co., Ltd
- Chairman of the Board, UAC Advance Polymer & Chemicals Co., Ltd.
- Director, Thaigas Corporation Co., Ltd

Holding Office in Other Organization/Special Activity:

None

Past Work Experience (last 5 years)

2018 – 2020	President of Risk Management Committee / Chief Executive officer / Managing Director Thai Vegetable oil Co., Ltd
2018 – 2020	Vice Chairman The Federation of Thai Industries, President The Institute of Industrial Energy
2015 – 2019	Chairman of the Board, Thai British Security Printing Public Company limited
2012 – 2019	Director and chairman of the Audit Committee, Plastic Institute of Thailand

Number of Shares Held:

None

Family Relationship with Other Director:

None



Mr. Sa-nga Ratanachartchuchai

**Director / Member of Executive Committee
/ Member of Nomination and Remuneration
Committee**

Age 60 years

Starting Date: 24 November 2014

Education/Training

- Bachelor of Law, Thammasat University

**Director Course Training from Thai Institute of
Directors (IOD)**

- - Director Accreditation Program (DAP)

**Holding Office of Director/Executive in Other
Company Listed in the Stock Exchange of
Thailand:**

None

**Holding Office of Director/Executive in Other
Company Not Listed in the Stock Exchange of
Thailand: 5 Companies**

- Director, Logistic Enterprise Co. Ltd.
- Director, Eagle Intertrans Co. Ltd.
- Director, WP GAS Co. Ltd.
- Director, WP Solutions Co. Ltd.
- Director, WP Sollar Co. Ltd.

**Holding Office in Other Organization/Special
Activity:**

None

Past Work Experience (last 5 years)

2013 – 2014 Director,
Picnic Corporation Public Company Limited

Number of Shares Held:

28

Family Relationship with Other Director:

None



Ms. Chomkamol Poompanmoung
Director / Member of Executive Committee
/ Member of Nomination and Remuneration
Committee / chief executive officer

Age 37 years

Starting Date: 24 November 2014

Education/Training

- BA Business and Administration (Pass), University of Kent at Canterbury , UK
- BA Economics and Business Administration (1st Class Honors) Hannings, UK
- MSc International Marketing (Merit) University of Surrey, UK
- MA Politics, Governance and Democracy (Pass), Royal Holloway, University of London
- Energy Literacy for 9 Sustainable Future Class1

Director Course Training from Thai Institute of Directors (IOD)

- Director Certification Program Class 193/2014
- Senior Justice Executives Program Class 9
- Senior Executives Program , Thailand Energy Academy

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand: 6 Companies

- Director, WP Gas Co. Ltd.
- Director, WP Solutions Co. Ltd.
- Director, WP Sollar Co. Ltd.
- Director, Beyond Green Co.Ltd
- Director, Thaigas Corporation Co.Ltd
- Director, Wonderfood Holding Co.Ltd

Holding Office in Other Organization/Special Activity:

None

Past Work Experience (last 5 years)

2012 - 2014	Acting Chief Executive Officer, World Gas (Thailand) Co. Ltd.
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Number of Shares Held:

93,088,847 (17.953%)

Family Relationship with Other Director:

None



Mr. Rungson Sriworasat
Independent Director / Member of Risk Management

Age 65 years

Appointment Date: 21 June 2017

Education/Training

- Bachelor of Business Administration (Accounting), Ramkhamhaeng University, 1978
- Bachelor of Laws, Sukhothai Thammathirat Open University, 1992
- Master of Business Administration, Prince of Songkla University, 1994
- Diploma, National Defence College, National Defence Course, 2006
- Diploma, Senior Executives Program 1, Batch 42, Office of the Civil Service Commission, 2004
- Certificate, Senior Justice Executives Program (Batch 10), National Academy of Justice, 2006
- Higher Diploma, Politics and Governance in Democratic Systems for Senior Executives Program (Batch 13), King Prajadhipok's Institute, 2010
- Diploma, Senior Executives Program (Batch 10), Capital Market Academy, 2010
- Diploma, Inspector General Enhancement Program, 2010
- Diploma, Senior Justice Administration Executives Program, Batch 2, 2011
- Certificate, Top Executive Program in Commerce and Trade (TEPCoT), Batch 6, 2013
- Certificate, Bhumipalung Phandin Program for Senior Executives, Batch 3, 2014
- Certificate, Top Executive Program in Industrial Business Development and Investment, 2015
- Diploma, Top Executive Program in Energy, Batch 7, 2015
- Medical Governance Certificate Program for Senior management, Batch 7
- International Financial Fraud Training Program (IFFT) Internal Revenue Service (IRS) GEORGIA, USA

Director Course Training from Thai Institute of Directors (IOD)

- IOD Director Certification Program (DCP), Class 81/2006
- IOD Successful Formulation & Execution the Strategy (SFE), Class 2/2008
- IOD Finance for Non-Finance Director (FND), Class 39/2008
- IOD Refresher Course DCP (DCP re), Class 1/2008
- IOD Audit Committee Program (ACP), Class 26/2009
- IOD Director Accreditation Program (DAP), Class 86/2010
- IOD Role of the Chairman Program (RCP), Class 28/2012
- IOD Financial Institutions Governance Program (FGP), Class 7/2013
- IOD Anti-Corruption for Executive Program (ACEP), Class 14/2015

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand: 4 Companies

- Independent Director, Berli Jucker Public Company Limited
- Independent Director, Audit Committee, and Corporate Governance Committee, Charoen Pokphand Foods Public Company Limited
- Independent Director, Chairman of the Audit Committee, Nomination and Remuneration Committee, U City Public Company Limited
- Independent Director,

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Holding Office in Other Organization/Special Activity:

None

Number of Shares Held:

None

Past Work Experience (last 5 years)

2018 – Present	Qualified Director, Board of Directors of North-Chiang Mai University Council
2018 – Present	Advisory Chairman of Thailand Swimming Association
2017- Present	Director of University Development Committee to become Rambhai Barni Rajabhat University
2016- Present	Prime Minister's Advisor, The Secretariat of the Prime Minister
2016- Present	Internal Audit Committee, The Thai Bar Under the Royal Patronage
2016- Present	Director of Institute of Research and Development for Public Enterprises
2016- Present	Advisory of Thai Medical Device Development Foundation under the Royal Patronage
2015- Present	Qualified Director, Board of Directors of Prince of Songkla University
2014 -2018	Chairman of the board Directors, TMB Bank Public Company Limited
2015 -2017	Member of National Reform Steering Assembly

Family Relationship with Other Director:

None



Mrs. Lakananan Luksamitananan
Member of the Audit Committee / Independent Director

Age 65 years

Starting Date: 1 August 2016

Education/Training

- Bachelor of Business Administration (Accounting), Ramkhamhaeng University
- Bachelor of Law, Sripatum University
- Master of Public Administration, Chulalongkorn University
- Master of Business Administration, Kasetsart University
- Doctor of Philosophy Program in Political Science, Ramkhamhaeng University
- Advanced Certificate Course in Promotion of a Peaceful Society 9, King Prajadhipok's Institute
- Certificate Top Executive Program in Commerce and Trade (TEOCOT) Class 2
- Joint Government-Private Sector Administration of Society's Peace and Order Course : 7
- Thailand Insurance Super Leadership Program , Class 1
- Medical Governance Certificate Program for Senior management, Batch 9

Director Course Training from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 136/2017

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Holding Office in Other Organization/Special Activity: 1 Companies

- Vice President, Accounting and Financial Administration, Football Association of Thailand

Past Work Experience (last 5 years)

2016 – Present Vice President, Accounting and Financial Administration, Football Association of Thailand
Director, Thai League Co. Ltd.
Vice President, Accounting and Finance, Thai League Co. Ltd.

Number of Shares Held:

None

Family Relationship with Other Director:

None



Mr. Somchai Kuvijitsuwan

Independent Director / Member of Risk Management Committee

Age 71 years

Starting Date: 20 October 2016

Education/Training

- Master of Public Administration, National Institute of Development Administration
- Bachelor of Laws, Ramkhamhaeng University
- Barrister-at-Law Class 71, Institute of legal education Thai bar association
- Provincial Prosecutors Class 9/2530
- Training for Role of the Chairman Program (RCP)
- Training for the Role of the Nomination and Governance Committee
- Senior Executives Program Class 9, Capital Market Academy
- Senior Executives Program Class 2, Thailand Energy Academy

Director Course Training from Thai Institute of Directors (IOD)

- Director Certification Program (DCP) Class 76

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand: 2 Companies

- Director and Audit Committee, Prima Marine Public Company Limited
- Director EASTERN POWER GROUP PUBLIC COMPANY LIMITED

Company Not Listed in the Stock Exchange of Thailand:

None

Holding Office in Other Organization/Special Activity:

None

Past Work Experience (last 5 years)

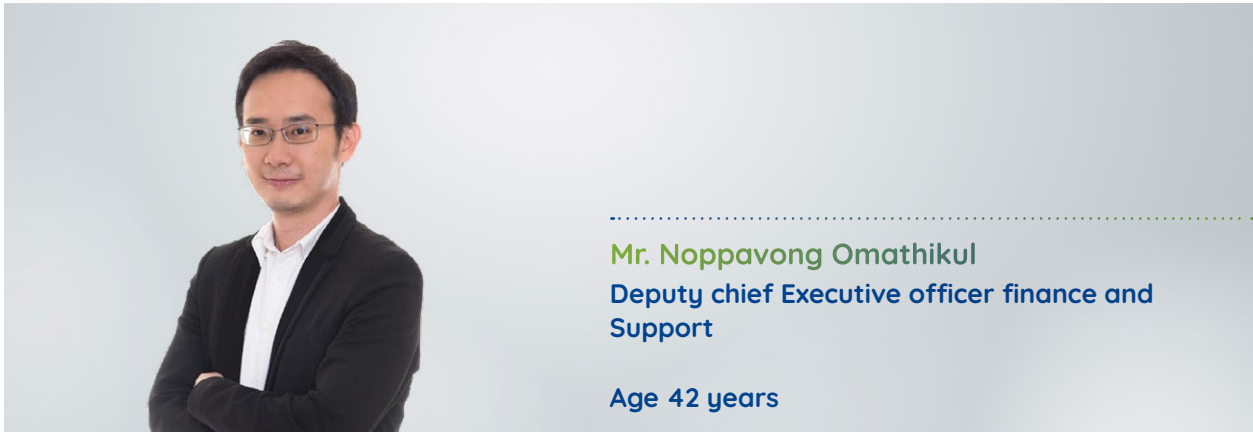
2016 – Present	Chairman of the Board, AQ Estate Public Company Limited
2016 – Present	Director, Prima Marine Co. Ltd.
2015 – 2018	Director and Chairman of the Audit Committee, Thonburi Healthcare Public Company Limited
2011 – 2018	Director and Chairman of the Audit Committee, PTT Global Chemical Public Company Limited

Number of Shares Held:

None

Family Relationship with Other Director:

None



Education/Training

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

Number of Shares Held:

None

การดำรงตำแหน่งกรรมการ/ผู้บริหารในกิจการอื่นที่เป็นบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย :

None

Family Relationship with Other Director:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

- Director Thaigas Corporation Co. Ltd.

Past Work Experience (last 5 years)

2018 – present	Deputy chief Executive officer finance and Support, WP Energy Public Company Limited
2014 - 2018	Director of Accounting and Finance, WP Energy Public Company Limited
2011 – 2014	Senior Manager, Pricewaterhouse Cooper ABAS Co. Ltd.



Mr. Chumpol Lilitsuwan

Director of Planning and Procurement

Age 53 years

Education/Training

- Master of Business Administration (Business Administration),
University of the Thai Chamber of Commerce
- Bachelor of Business Administration (Financial Management),
University of the Thai Chamber of Commerce

Number of Shares Held:

None

Family Relationship with Other Director:

None

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Past Work Experience (last 5 years)

2016 - Present	Acting Director of Sales, WP Energy Public Company Limited
2015 - Present	Acting Director of Planning and Procurement, WP Energy Public Company Limited



Mr. Sutat Nitikornchairat

Director of Business Strategy and Development

Age 42 years

Education/Training

- MSc. Industrial Logistics, Birmingham City University, UK
- BEng. Civil Engineering, Chulalongkorn University, Thailand

Number of Shares Held:

None

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand:

None

Family Relationship with Other Director:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Past Work Experience (last 5 years)

- | | |
|----------------|--|
| 2018 – Present | Director of Business Strategy and Development,
WP Energy Public Company Limited |
| 2013 – 2017 | Manager of Business Development Unit,
Global Green Chemical Public Company
Limited |



Mr. Nathapon Permpon
Director of Operation

Age 50 years

Education/Training

- Master of Business Administration in Financial Management Program, Ramkhamhaeng University
- Master of Business Administration in Marketing Management Program, Ramkhamhaeng University
- Bachelor of Industrial Engineering, King Mongkut's University of Technology North Bangkok

Number of Shares Held:

None

Family Relationship with Other Director:

None

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Past Work Experience (last 5 years)

- | | |
|----------------|---|
| 2018 – Present | Director of Operation,
WP Energy Public Company Limited |
| 2016 – 2017 | Senior Marketing Department Manager,
Linde (Thailand) Public Company Limited |

Ms. Daraporn Anyamaneetragee
Senior Legal Manager and Company Secretary

Age 37 years

Education/Training

- Bachelor of Law, Thammasat University
- Master of Laws (Private and Business Law), Dhurakij Pundit University
- Practice and Etiquette (Lawyer's License), Lawyers Council of Thailand
- Certificate Company Secretary Program of Thai Institute of Director

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Past Work Experience (last 5 years)

2014 - Present	Senior Legal Manager, WP Energy Public Company Limited
2013 – 2014	Lawyer, Bangkok Smartcard System Co. Ltd.
2006 - 2013	Lawyer, TPI Polene Public Company Limited

Number of Shares Held:

None

Family Relationship with Other Director:

None

Details of Outsourced Independent Internal Audit

Miss Nipathip Suparuekrattanachai

Head of Internal Audit

Age 34 years

Education/Training

- Master of Business Administration in Department of Finance, National Institute of Development Administration
- Bachelor of Business Administration, First Class Honor in Department of Accounting, Kasetsart University
- Strategic CFO in Capital Markets Program, Class 8 : SET
- Anti-Corruption The Practical Guide (ACPG), Class 45 : Thai Institute of Director
- Corporate Governance for Executives Program, Class 12 : Thai Institute of Director
- The 7 Habits of Highly Effective People of FY2019 Program : PacRim Group

Diploma / Certificate

- CPA, Federation of Accounting Professions

Training

- Course of Financial and Accounting Standards, Auditing Standards, and Internal Audit Standards

Holding Office of Director/Executive in Other Company Listed in the Stock Exchange of Thailand:

None

Holding Office of Director/Executive in Other Company Not Listed in the Stock Exchange of Thailand:

None

Past Work Experience (last 5 years)

August 2016 – Present	Assistant Director of the Internal Audit Department,	WP Energy Public Company Limited
2015 – August 2016	Assistant Director of the Accounting and Finance Department,	WP Energy Public Company Limited
2014 – 2015	Audit Section Manager,	Pricewaterhouse Coopers ABAS Limited
2008 – 2014	Audit Assistant,	Pricewaterhouse Coopers ABAS Limited

Number of Shares Held:

None

Family Relationship with Other Director:

None



Corporate Governance

1. Corporate Governance Policy

The Board of Directors gives precedence to operations in compliance with the Principle of Good Governance in business operation for moral, transparent, and accountable management system of the organization, contributing to creation of confidence to the shareholders, investors, stakeholders, and all groups of the related parties under Corporate Governance Code for Listed Companies 2017. This will ensure that the Company Group becomes an efficient organization both in terms of business operation and good management for benefit of the Company's business operation with the ethical responsibility and reinforcement of transparency and efficiency of the Management. According to the emphasis of the Board of Directors to the prudent and circumspect management for creating the

confidence of the shareholders and stakeholders toward the efficiency of the Company's business operation for its maximum benefits. Therefore, four sets of the Sub-Committees, consisting of Audit Committee, Nomination and Remuneration Committee, Executive Committee, and Risk Management Committee, are appointed to closely supervise specific matters of the corporate governance, to perform duty in considering screening the specific matters of business operation based on roles and duties assigned by the Board of Directors.

Each Sub-Committee has composition, qualifications and scope of authority under the Charter of the Sub-Committees as per the following summary.

Audit Committee

At least three independent directors with qualifications prescribed by the Stock Exchange, and the Securities and Exchange Commission of Thailand are appointed whereas at least one of them must have accounting/finance knowledge. The Audit Committee is in charge of auditing and reviewing reliability of financial statements, auditing and governing to ensure that internal control system and internal audit system are in place, and reviewing risk management system for appropriate and effective linkage with internal control.

Nomination and Remuneration Committee

At least three members are appointed by the Board of Directors and at least one of them must be an independent director. The Nomination and Remuneration Committee is responsible for selecting and nominating a suitable candidate for the position of the Board of Directors or Chief Executive Officer or senior executive. The nomination criteria must be determined in an efficient and transparent manner to acquire knowledgeable and competent persons who are able to support the organization. The Committee also considers the remuneration determination guideline for the Board of Directors and Chief Executive Officer under determination of the fair and reasonable consideration criteria comparable to other companies in same or similar industry to be proposed to the Board of Directors' Meeting or Shareholders' Meeting for further consideration.

Executive Board

At least five members are appointed by the Board of Directors. The Executive Committee plays a major roles and responsibilities to ensure the operations in accordance with the Company's strategies, policies, and rules. The Committee also has authority to control the Company's business by considering screening the business plan and annual budget to be presented to the Board of Directors, establishing the financial and investment policies and direction of the investment policy to be in line with the Company's policies, considering and executing the important matters related to the Company's operations, and considering and providing suggestion for all types of works proposed to the Board of Directors.

Risk Management Committee

At least three members are appointed by the Board of Directors and at least one of them must be an independent director. The Risk Management Committee has duty in

considering and approving the policies, objectives, and framework of risk management as the operating framework in risk management process of the organizational employees to be in the same direction and consistent with the Company's targets and strategies. However, the policies, objectives, and framework of risk management will be regularly reviewed on yearly basis, and promote and support the continuous development of the risk management system within the organization.

2. Nomination of Directors and Executives

Directors of the Company

Upon vacancy of the Company's director office, the Nomination and Remuneration Committee shall have duty in recruiting and selecting a qualified candidate to be nominated to be the director by taking into consideration the candidate's knowledge, competency, and expertise in various fields that are beneficial to the Company's business and potential conflict of interests of the directors. The Nomination and Remuneration Committee is responsible for recruiting director by considering from the candidate whose qualifications are useful and proper for the Company as per details in the topic of "Scope of Authority of the Nomination and Remuneration Committee".

The Annual General Meeting of Shareholders must approve the election of a director in replacement of a director who retires by rotation, with the majority of votes of shareholders attending the meeting and having voting rights. The election rules and procedures for directors are as follows.

1. The Nomination and Remuneration Committee shall consider a list of qualified candidates for directors of the Company and propose to the Board of Directors for re-consideration prior to proposing to the Annual General Meeting of Shareholders for election. However, every shareholder has the right to nominate anyone for the position of the Company's director.
2. In case where the number of nominated candidates is less than the number of directors that should be elected in that time, all nominated candidates for directors shall be proposed to the Shareholders' Meeting for election. The voting shall be conducted for election of each individual candidate with majority of votes.
3. In case where the number of nominated candidates

for directors is more than the number of directors that should be elected in that time, the shareholders shall cast their votes to elect individual candidates for directors not exceeding the number of directors that should be elected in that time. The directors shall be appointed in the descending order of votes earned by the candidates to meet the number of directors that should be elected in replacement of vacancy in other case other than an expiration of term by rotation, the Board of Directors may elect a replacing director for vacancy with votes of not less than three-fourth of the remaining number of directors. The person who is a replacing director shall be in his/her office for the remaining term of the vacated director.

Chief Executive Officer

In nominating Chief Executive Officer, the Nomination and Remuneration Committee shall consider a candidate

who has very necessary skills, experiences, profession, and specific qualifications for the Company's maximum benefits, taking into consideration the potential conflict of interests. The nomination must be approved by the Board of Directors.

Executives

The Chief Executive Officer who is authorized to consider filling and appointing a person who has knowledge, competency, and experiences in the Company's business to be filled in the executive position, and report to the Board of Directors, unless the position is in a level of Deputy Chief Executive Officer and higher which must be approved by the Board of Directors. In addition, the appointment of a head of department in management level related to audit functions must be firstly approved by the Audit Committee.

3. Control on Insider Trading

The Company establishes a policy to inform the department executives for understanding on obligation in reporting the Company's securities holding by them, their spouse and non-full aged child, and reporting the change of the securities holding to the Office of the Securities and Exchange Commission under Section 59, and Penalty under 275 of Securities and Exchange Act B.E. 2535 (1992).

1. The directors and executives are required to prepare and deliver via the Company's secretary the report of the Company's securities holding by them, their spouse and non-full aged child, prior to every delivery to the

Office of the Securities and Exchange Commission. The preparation and delivery shall be performed within thirty (30) days from the appointment date for holding the director and executive office or report of the change in securities holding within three (3) working days from the date of purchasing, selling, transferring or accepting the transfer of such securities under Section 59 and Penalty under Section 275 of Securities and Exchange Act B.E. 2535 (1992).

2. The relevant directors, executives, and operators who are informed of the inside information which is essential and affects the change in the securities price shall suspend the trading the Company's securities in the period prior to dissemination of the financial statements or dissemination of the financial position and status of the Company until after the Company's public disclosure of information. The Company shall give a written notice to the directors and executives to suspend the trading of the Company's securities for at least thirty (30) days in advance prior to the public disclosure of the information (Blackout period). They should wait for at least twenty-four (24) hours after the public disclosure of information, and are prohibited to disclose the essential information to other parties.
3. In case where the inside information which has not yet been publicly disclosed is used in the insider trading of the securities as taking advantage against the third party whether in such period or not, the person who performs such act remains liable under the Securities and Exchange Act B.E. 2535 (1992). The Office of the SEC is entitled to call for submission of the acquired benefit, and may be punished for imprisonment of no more than 2 (two) years or imposed of the monetary fine for no more than two times of benefit acquired or will be acquired from violating act but not less than 500,000 Baht or both imprisonment and fine.
4. The directors and executives are required to submit the stake holding report of their own or any related parties whereas such stakes are related to management of the Company or its subsidiaries. The first report must be submitted within 30 (thirty) days from the appointment as director or executive in the specified report form, and the report must be made upon every change within 30 (thirty) days after change in the specified report form.
5. The Company's directors, executives, staffs, and employees are prohibited to use its inside information which has or may have impact on the change in the price

of its securities, has not yet been publicly disclosed, and has been perceived by them from their position or status, to purchase or sell or offer for purchasing or offer for selling or persuade other persons to purchase or sell or offer for purchasing or offer for selling its shares or other securities (if any) either directly or indirectly, and either such act will be performed for their own or other persons' benefit, or such fact is disclosed to allow other persons perform such act whether they will gain benefit in return.

4. Compliance with Principles of Good Corporate Governance under International Standard Basis

The Company complies with the Principles and Code of Best Practice of the Stock Exchange of Thailand under Corporate Governance Code of the Listed Companies as per the following summary.

Rights of Shareholders

With emphasis of the Company on the rights of shareholders in proper, complete, adequate, timely, and equitable acquisition of the Company's information to support decisions in all issues, therefore, the Board of Directors formulates the following policies.

1. The Company shall deliver Appointment Notice to the Meeting together with an adequate meeting supporting information in agenda, specifying objective and reason, and opinions of the Board of Directors in every agenda in order to give the shareholders the opportunity to completely study information in advance prior to the date of the Shareholders' Meeting at least fourteen (14) days. In case where the shareholder is unable to attend the meeting by presence, the Company gives the said shareholder the opportunity to enable to authorize any independent director or person to attend the meeting in lieu of him/her using Proxy delivered by the Company together with Invitation Notice to the Meeting.
2. Equitably facilitate all shareholders to attend the meetings both in matters of suitable venue and time.
3. In the Shareholders' Meeting, the determined respective agenda shall be considered and voted without change in key information or unexpectedly add meeting agenda in

the meeting. The shareholders are given the opportunity to have equitable rights to audit the Company's operation, inquire, express opinions and suggestions, and the related directors and executives shall attend the Shareholders' Meeting to reply queries in the meeting.

4. Add the channel of news recognition of the shareholders via the Company's website. News and details are particularly disclosed in the Company's website. In case where Invitation Notice to the Meeting is disseminated prior to the meeting date in advance for convenient and complete download of the meeting agenda information by the shareholders.
5. Establish a policy that every director must attend the meeting to reply queries from the shareholders together.
6. Minutes of the meeting shall be completely, properly, quickly and transparently recorded in significant query and opinion aspects in the minutes of the meeting for verifiability of the shareholders. Moreover, the Company also records meeting video for reference storage. In addition, the Company shall disseminate the minutes of the Shareholders' Meeting in the Company's website for the shareholders' consideration, and delivers such minutes to the Stock Exchange of Thailand within fourteen (14) days from the date of the said Shareholders' Meeting.

Enhance convenience to the shareholders in receiving dividend by transfer of money into bank account (if dividend is paid) to facilitate the shareholders to receive dividend on time, prevent the problem of cheque damage and loss or arrival delay to the shareholders.

The Equitable Treatment of Shareholders

The Company determines an equitable treatment of all shareholders and therefore, the Board of Directors formulates the following policies.

1. The Company shall deliver Appointment Notice to the Meeting and meeting supporting information for advance acknowledgement of the shareholders prior to meeting not less than fourteen (14) days to give the shareholders the opportunity to completely study information prior to the date of the Shareholders' Meeting.
2. Study the guideline to give the minor shareholders the opportunity to enable to nominate the directors or propose the additional meeting agenda prior to the Shareholders' Meeting.

3. Enhance facilitation to the shareholder who is unable to attend the meeting by presence by allowing the shareholder to authorize any person or at least one independent director to attend the meeting and pass resolution in lieu of him/her, and notify a name list of such independent directors in Appointment Notice to the Shareholders' Meeting.
4. Equitably treat all shareholders either being major shareholders or minor shareholders whether they are Thai shareholders or foreign shareholders.

Role of Stakeholders

The Company realizes and perceives the rights of stakeholders of all groups whether being the internal stakeholders such as shareholders, employees, and internal stakeholders such as customers, business partners, creditors, competitors, public sector, and other agencies, and the related nearby community due to the support of stakeholders to the Company for competitiveness and profitability of the Company. This is regarded as long-term value creation for the Company. Therefore, the following policies are formulated.

1. Employee Treatment Policy and Guideline

The Company realizes that the employee is key high valued factor of the Company's goal attainment. Thus, it is its policy to fairly treat its employees in terms of opportunity, emolument from the appointment and removal, and potential development, and the Company establishes the following practice for compliance with such policy.

- Treat the employees politely, and respect their individuality, as well as give fair emolument to the employees, establish provident fund for the employees, and emphasize on supervision of the employee welfare.
- Maintain working environment for safety of the employee life and property, and perform the employee appointment, removal, rewarding, and punishment in good faith on knowledge, competency and suitability basis of that employee.
- Emphasize on the employee development of knowledge and competency by giving a thorough and regular opportunity for the employee development of competency to have professional working potential.
- Attend opinions and suggestions on professional knowledge basis of the employees in the strict compliance with laws and regulations related to the employees.

2. Shareholder Treatment Policy and Guideline

The Company always recalls that the shareholders are the business owners, and the Company is responsible for adding the long-term values to the shareholders. Therefore, the directors, executives and employees are required to comply with the following guidelines.

- Honestly perform duties and carefully, prudently and fairly make decision on any executions in accordance with the professional principle for both major and minor shareholders for maximum benefits of overall shareholders.
- Regularly and completely present the report of the Company's status, turnover, financial and accounting information position, and other reports on fact basis.
- Inform all shareholders for equitable acknowledgement on future trend of the Company both in positive and negative aspects on probability basis with adequate supporting information and reason.
- Prohibit not to exploit for the personal and other person's benefits using any information of the Company which is not publicly disclosed or taking any action in the manner that may cause conflict of interests of the Company.

3. Customer Treatment Policy and Guideline

With the Company's commitment on the development of goods and services of the Company and its associated companies for maximum satisfaction and benefits of the customers, and adherence to the customer treatment with responsibilities, honesty and customer care, therefore, the Company establishes a customer treatment policy as follows.

- Serve customers politely and enthusiastically and ready for service, greet with sincerity and willingness, and take care service user as if the close relatives, and render services rapidly, properly and reliably.
- Keep customer secret and not wrongfully utilize for personal benefit or other related party's benefit.
- The Company adheres to the fair marketing under an operating policy for the customer acquisition of the accurate, non-distorting and ambiguous, or exaggerating advertising information of the Company's services so that the customers can have accurate and adequate information for their decision making.
- Give advice on service procedure of the Company for the efficiency and maximum customer benefits.

- Take into account the quality and efficiency of the Company's services other than the development of quality service management system, and pay attention on the occupational health and safety management so that customers can receive highest quality and efficient services.
- The Company takes into account the customer safety and commits to the quality and safe services received by customers as prescribed by standards, rules and regulations on international safety, and laws, and regular service development and improvement for the customer confidence on quality, standard and safety of the Company's services.
- The Company establishes the customer relations system to be used in customer communication and efficient complaint on service quality by telephone to ensure the quick fulfillment of customer needs.
- The Company organizes the activities for reinforcement of sustainable relationships between customers and the Company.

4. Business Partner and/or Creditor Policy and Guideline

The Company has a policy that the employees shall fairly and honestly treat the business partners and/or the creditors of all parties, not take advantage with the business partners by taking into account maximum benefits of the Company, fair return receiving basis for both parties, and avoid situation that causes conflict of interests, negotiate to solve problems on business relationship basis as per the following practical guideline.

- Not demand or receive or pay any benefits which are dishonest in trading with business partners and/or creditors.
- In case where there is information that demand or receiving or paying any dishonest interests occurs, the details must be disclosed to business partners and/or creditors, and mutually, the problems must be fairly and quickly solved.
- Strictly comply with agreed conditions. In case of the failure to comply with any clauses of conditions, the creditors must be hurriedly informed for the advance acknowledgement to mutually find the guideline of problem solving.

5. Competitor Treatment Policy and Guideline

The Company has a business competitor treatment policy not to violate secret or perceive business secret of its competitors by fraudulent means and therefore, formulates the following principle of policy.

- Behave and conduct under the framework of rule of good competition.
- Not seek for the secret information of the business competitors by dishonest or improper means.
- Not destroy reputation of the business competitors with pessimism accusation.

6. Social, Quality, Safety, Occupational Health, and Environmental Responsibility Policy

The Company seriously commits to its business operation under the Corporate Governance Code and fair business operation, together with the participation in responsibilities toward society, community, environment, stakeholders, and all related parties of the Company, and continuous operating development in quality, safety, occupational health, and environment.

With the Company's awareness on the significance of coexisting society and intention of mutual sharing on supervisions and responsibilities toward stakeholders in all areas where the Company enter for business operation, the Company is participative in improvement of the quality of life for community and society through all-around support of life development, such as granting the supporting fund in education and sport, creating jobs, and distributing income to the community, supporting LPG for cooking to the schools in the areas, and deficient areas. Moreover, the Company also emphasizes on safety standard as it has been well known that the Company which operates the business of LPG distribution must be trusted and confident on maximum safety. Thus, the Company establishes a policy to strictly operate business under laws, rules, standards and regulations, and reiterates the entrepreneurs in various sections to execute under the same principle. The knowledge and accident prevention trainings are regularly organized by the officers of the Department of Energy Business to the entrepreneurs as well as gas filling employees.

In keeping with the aforesaid intention and concept, therefore, the Company establishes a social, quality, safety, occupational health, and environmental responsibility policy as follows.

Fair Business Operation

The Company transparently executes under the clear formulation of working rules for different sections, strict enforcement for creating the working equality, and efficient governance of the management system. Therefore, the following policies and practical guidelines are established as follows.

1. Honestly engage the business and operate the business under social responsibilities in terms of laws, code of conduct, and commitment of benefaction with individuals, group of community, society and environment.
2. Engage the business under standard operating system and good control, using full knowledge and competency with prudent practice by adequate information and evidence which is referable and strictly observed in accordance with the related laws and requirements.
3. Fairly treat customers and business partners, not demand or accept any unjust interests from the business partners. In case of failure to comply with any clauses of conditions, the business partners shall hurriedly be informed in advance to mutually find the corrective guideline.
4. Not disclose information of the customers perceived by the Company as the result of business operation which is the information that should be normally reserved and not disclosed unless it is the disclosure according to legal duty.
5. Allow the customers to complain about imperfection of goods and services.
6. Properly and completely disclose news and information of products and services.
7. Fairly comply with the customer agreements and conditions, and in case of failure to comply with the agreements and conditions, the customers must be hurriedly informed to mutually find a solution.
8. Respect intellectual property right of other persons whereas the Company establishes a policy of the personnel's compliance with laws or requirements relating to the intellectual property rights, such as the application of legal copyrighted computer program.
9. Promote and culture consciousness to the Company's personnel in all levels for the social responsibilities.

Anti-Corruption

The Company manages its business on transparency and ethics basis, adheres to the Corporate Governance Code, and complies with the laws relating to corruption prevention and resistance as per details apparent in the policy and anti-corruption policy of the Company.

Respect for Human Rights

The Company has a policy to support and respect human right protection by treating the related parties whether being employees, surrounding community and society with respect on humanity right, concerning on equality and equitable freedom, non-infringement of basic rights, and non-discrimination whether in the matters of race, nationality, religion, language, color skin, sex, age, physical condition, or social status. In addition, the Company also supervises its business not to be involved in infringement of human rights, such as the employment of child labor and sexual harassment, etc. Moreover, the Company promotes monitoring the compliance with the requirement of human rights through an arrangement of the participation in opinion expression, and complaint channel for victim from the right infringement as the result of the Company's business operation and remedy as appropriate.

For efficient respect for human rights, the Company also creates body of knowledge on human rights and cultures consciousness to its personnel for compliance with the principle of human rights.

Fair Labor Treatment

The Company always realizes on a significance of human resource development and fair labor treatment as key factor that contributes to an addition of the business value, and reinforcement of sustainable competitiveness and growth of the Company in the future. Therefore, the Company has formulated the policies and practical guidelines as follows.

1. Respect the right of the employees in accordance with the principle of human rights and comply with labor law.
2. Establish the employment process and fair employment condition, remuneration determination, and consideration on achievement and feat under fair performance assessment process.

3. Promote personnel development by organizing teaching, seminar, training, and sending personnel to attend technical seminars and trainings in the various related fields for developing knowledge, competency and potential of the personnel, and culturing good attitudes, virtue, morality and teamwork to the personnel.
4. Organize welfare in various areas for the employees as required by laws, such as social security, etc., other than what are required by laws, such as health insurance and accident insurance, etc., and provide different types of grants to the employees.
5. Provide annual medical examination service for the personnel in all levels of the Company by considering from risk factor based on level, age, sex and working environment of each person.
6. Always execute safe and hygienic work performance of the employees in good work place under the establishment of accident occurrence prevention measure, reinforcement of employees to have safety consciousness, and organizing of training and promotion of healthy employees, and maintenance of work place for hygiene and safety.
7. Give the employees the opportunity to enable to express opinion or complain on unfair treatment or improper act in the Company, and protect the employees who report such matters.
3. Encourage and create an awareness of the workers on a significance of quality maintenance and upgrade by communicating a practical guideline for the companywide understanding.
4. Allocate the necessary resources and information, and support the participation of the workers, counseling, and development of the personnel to be ready and consistent with the objective and target in quality.
5. Continuously communicate the operation and effectiveness in quality to the stakeholders, as well as overhear the recommendations to be used in review and improvement of the operation, and development, improvement and correction, and implementation in accordance with the policies and practices to be modern, to ensure the support on the changing law, environmental situation and social condition.
6. The Company adheres to the fair marketing under an operating policy for the customer acquisition of the accurate, non-distorting and ambiguous, or exaggerating advertising information of the Company's services so that the customers can have accurate and adequate information for their decision making.
7. The Company takes into account the customer safety, and commits to the quality products and services received by customers as required by laws, and always develops and improves services to make the customer confident of the Company's quality, standard and service.

Quality Policy

The Company aims for the continuous development of products and services of the Company and the associated companies for maximum customer satisfaction and benefit, and adheres to customer treatment with responsibility, honesty, and customer care, under the following execution.

1. The Company takes into account the quality and efficiency in products and services of the Company. The companywide quality is managed with a quality management tool, knowledge management, and productivity, to ensure that its customers will receive products and services with the highest quality and efficiency.
2. Comply with the quality law, and the relevant standards, rules and regulations, and other requirements.

8. The Company establishes the customer relations system to be used in customer communication and efficient complaint on quality and service by telephone to ensure the quick fulfillment of customer needs.

Safety and Occupational Health Policy

With the Company's awareness on a significance of safety and occupational health by focusing on safe work performance in every procedure of work process to prevent the effect toward the employees, anyone who works in the area, property, community, and environment, the Company aims for the following execution.

1. Strictly comply with laws and standards, as well as regulations promulgated in safety and occupational health.

2. Continuously and sustainably develop safety, occupational health, working environment management system.
3. Systematically manage risk management in safety and occupational health in formulating control and abatement measure for risk due to work performance, and determining a guideline for emergency and crisis management, to prevent incident which may cause loss or may result in injury and illness of the workers and stakeholders.
4. Encourage and create an awareness of the workers on a significance of safety and occupational health by communicating a practical guideline for the companywide understanding.
5. Communicate the operation and effectiveness in safety and occupational health to the workers and stakeholders, as well as overhear the recommendations to be used in review and improvement of the operation for the maximum efficiency.
6. Emphasize on the workers' safety, occupational health, and working environment, and promote both healthy body and mind of the worker.
7. Allocate the necessary resources and information, and support the participation of the workers, counseling, and development of the personnel to be ready and consistent with the objective and target in safety and occupational health.
4. Respect to customs, traditions, and cultures of each locality entered to operate business by the Company.
5. Regularly do activities for mutual social, community and environmental creativity for the community where the Company is located to have better quality of life both by the Company's execution and cooperation with government sector and public sector agencies, and community.
6. Appropriately cooperate in activities with the community around the areas where the Company enter for business operation as the case may be.
7. Rapidly and efficiently respond to the circumstance affecting environment, community, life and properties as the result of the Company's operation by full cooperation with the government officers and related agencies.
8. Protect, prevent, and abate an environmental impact, adequately and sustainably using resources in accordance with the principle of the circular economy.
9. Safely work in all work procedures and processes, not resulting in damage to themselves, the related parties, properties, community, and environment.
10. Support the purchase and procurement of products, goods, equipment, and services as appropriate, by taking in account safety, environment friendliness, waste occurrence reduction, and energy saving.

Environmental Care

With the Company's emphasis on the surrounding community and society under awareness that the Company is part of the society in jointly stepping toward social and environmental development for continual sustainability, therefore, the Company continuously organizes the community and social activities together with business operation under the overall community and social responsibility as follows.

1. Establish a business operation policy under main concern on environmental condition and strict compliance with the applicable environment-related laws and regulations.
2. Establish clear Corporate Social Responsibility (CSR) Implementation Policy, and observe inside the organization.
3. Encourage the employees of the Company to be conscious and responsible for environment and society.

11. Continuously promote the development, improvement, correction, and implementation in accordance with the policies, rules and practices to be modern to ensure the support on the changing laws, technological development, energy consumption and conservation, environmental situation, and social condition.

Community or Social Development Participation

The Company establishes the social assistance and development policy due to its realization on the community and social responsibilities as follows.

1. The Company has an appropriate social and community support and assistance policy particularly for the community around gas depot and LPG filling plants of the Company.
2. The Company gives the community and related parties the opportunity to participate in remarking opinions for the projects that may affect community, and proposing

comments or complaints as the result of the Company's operation.

3. The Company cooperates in operation in accordance with the prepared international standards or agreements in the matters to contribute to prevention or mitigation of the environmental impact.
4. The Company has a youth educational support policy through scholarship support, skill enhancement equipment support for learnings to the schools, etc.
5. The Company gives precedence to a rapid and efficient respond circumstance that affects community, society and environment as the result of the Company's operations.
6. The Company promotes its employees to be conscious and responsible for environment and society.
7. The Company truly aims at supporting the participation of the employees and business partners in preservation of natural resources, contributing to natural resource restoration and care to maintain the natural resource abundance, and creating an awareness of sustainable resource conservation. The environmental conservation projects are continuously organized under expectation on participation of all segments in natural conservation, and also culturing awareness of social benefits.

Disclosure and Transparency

The Board of Directors has a policy to disclose financial data and information and others related to the Company's business and turnover accurately, truly, fully, sufficiently, regularly, and timely to reflect the real financial status and performance, as well as the future of the Company's business.

In addition, the Company also aims for the supervision to ensure a strict compliance with laws, regulations, and rules regarding disclosure of information and transparency. The Company publishes the information on its website both in Thai and English language through the channels of mass media and publicity media of the Stock Exchange of Thailand for thorough acknowledgement of the shareholders and other related parties on the Company's information. The Company also improves and alters to be consistent with the guidelines promulgated for enforcement by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

The personnel of Investor Relations Department is assigned by the Company to perform communication with the investors or shareholders, and institutional investors and minor shareholders. The Company regularly holds the meeting to analyze operation results and disseminate corporate information both of financial information and general information to the shareholders, securities analysts, credit rating company, and related government agencies via various channels, such as report to the Stock Exchange of Thailand, Office of the Securities and Exchange Commission, and website of the Company. Moreover, the Company also gives precedence to a regular disclosure of its information both in Thai and English language for thorough news acquisition of the shareholders or other related parties by publicizing via mass media, or the Company's website. The information will be always updated whether being movement news, visions, missions, financial statements, public relations news, annual report, structure of the Company and executives, structure of the shareholding and name list of the major shareholders.

In addition, the Company emphasizes on financial report indicating true financial position and turnover of the Company on accurate, complete and adequate accounting information basis in accordance with the Generally Accepted Accounting Standards. The Company shall disclose information of each director, and roles and duties of the Board of Directors, and Sub-Committees of the Company in Annual Report of the Company (Form 56-2), and Annual Registration Statement Form (Form 56-1), and disclose remuneration of the directors and senior executives in Annual Report of the Company (Form 56-2) and Annual Registration Statement Form (Form 56-1).

Board of Director's Responsibilities

The Board of Directors is accountable to its shareholders regarding the business operations of the Company and corporate governance to meet its goals and guidelines for maximum benefits of the shareholders under concern on interests of all parties of stakeholders.

The Board of Directors has duties to comply with laws, the Company's objectives and Articles of Association, and resolutions of the Shareholders' Meeting. It shall perform duties with due care and honest in the best interest of shareholders and stakeholders both in short term and long term to ensure that the operations of the Company is in the direction most beneficial to the shareholders and stakeholders. The Board of Directors shall oversee the preparation of the Company's vision, mission, goals,

policies, operational directions, strategic plans, work plans, and annual budgets; and mutually express its opinions for understanding of the overview of the business prior to consideration and approval, and monitoring the management to meet the predetermined goals adhering to the guidelines of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

Internal Control

The Board of Directors establishes a comprehensive internal control system of the Company both in finance and operation to comply with the related laws, regulation, and rules, and also establishes efficient and adequate checking and balancing mechanism to protect and safeguard the Company's assets all the time, determines a hierarchy of approval authority and responsibilities of the executives and employees under checking and balancing system in determining work rule in writing. The independent internal auditor and Internal Audit Department of the Company are responsible for auditing the work performance of all work units in accordance with the established rules and assessing the efficiency and adequacy of the internal control of work units inside the Company.

Control on Use of Inside Information

The Board of Directors recognizes on the importance of the good corporate governance. To ensure transparency and prevent the use of the Company's non-publicly disclosed inside information for personal exploitation, the Company has established a policy for use of the Company's information as follows:

1. The Company shall educate the directors, executives, and persons holding a management level in accounting or finance line which is a department director level and higher or equivalent about their duties, to prepare and submit a report of their and their spouses and non-full aged children's holdings of the Company's securities to the Office of the Securities and Exchange Commission under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (1992).
2. The Company requires the directors, executives, and persons holding a management level in accounting or finance line which is a department director level and higher or equivalent, to prepare and submit a report of their and their spouses and non-full aged children's holdings of the Company's securities to the Company Secretary before submitting it to the Office of the Securities and Exchange Commission within thirty (30)

days from the appointment date to assume the director and executive office, or a report of any changes in their holdings of securities within three (3) days from the day of purchase, sale, transfer, or acceptance on transfer of such securities.

3. The Company requires the directors, executives, and persons holding management level in accounting or finance line which is a department director level and higher or equivalent, and the related officers who are informed of material inside information that affect change in securities prices shall suspend trading the Company's securities.

Within the period prior to the dissemination of financial statements or financial position and status of the Company until the Company's public disclosure of information, the Company shall notify the directors, executives, persons holding management level in accounting or finance line which is a department director level and higher or equivalent, and the related officers in writing to suspend trading the Company's securities within the period of at least thirty (30) days prior to the public disclosure of information. They should wait at least twenty-four (24) hours after the public disclosure of such information and they are prohibited not to disclose such essential information to other parties.

4. Determine a disciplinary punishment in case of violation on use of inside information for personal exploitation, starting from the written warning, pay reduction, temporary job suspension without pay, or dismissal. The punishment shall be considered from the intention of the act and gravity of such offense.

Roles and Duties of the Board of Directors

The Company requires its directors to comply with roles and duties prescribed in the Charter of the Board of Directors, and Code of Best Practice for Directors of Listed Companies according to the guideline of the Stock Exchange of Thailand. The Board of Directors must understand and be informed of their roles, duties, and responsibilities and must perform their duties in accordance with laws, the Company's objectives and Articles of Association, resolutions of the Shareholders' Meeting, Charter of the Board of Directors, and corporate governance policy of the Company with honesty and under main concern on the benefits of the Company and shareholders. However, the Board of Directors shall formulate the policies, business goals, business plans,

and budgets of the Company, and supervise to ensure the operation of the Management in accordance with the determined policies, work plans and budgets efficiently and effectively in the best benefits of the Company and overall shareholders.

The Board of Directors' Meeting

The Company complies with the rules regarding the Board of Directors' Meeting as specified in Public Limited Companies Act B.E. 2535 (1992) (including Amendment) and the Company's Articles of Association. The Company is required to hold the Board of Directors' Meeting and determine meeting agenda in advance, and notify each director of such schedule. The Company shall send the meeting documentation to the directors in advance at least seven working days prior to the meeting date.

The number of the Board of Directors' Meetings shall be in accordance with the appropriateness for the obligations and responsibilities of the Board of Directors and the nature of business of the Company, but not less than one meeting must be held in every three months.

Remuneration

The Company establishes as policy that the directors' remuneration must be approved by the Shareholders' Meeting as per the following criteria of consideration.

- The Company's turnover in comparison with the remuneration of directors of the listed companies in Stock Exchange that engage in the business with the similar business size and nature
- Experiences, roles, obligations, scope of duties and responsibilities of each director
- Benefits expected by the Company to be obtained from each director
- The determined remuneration must attract the directors who possess qualifications appropriate for the need and situation of the Company to be the director.

Annual Report of the Board of Directors

The Board of Directors is responsible for preparing the Company's financial reports and the financial information presented in Annual Report. Financial statements are prepared in accordance with the Generally Accepted Accounting Standards by adopting the appropriate accounting policies under regular observance and exercise of careful discretion in preparation and determination of an adequate disclosure of the important information in notes to

financial statements. The Board of Directors shall assign the Audit Committee to oversee the quality of financial reports and remark opinions to the Board of Directors.

In addition, the Company has still established the policies to support the concept of awareness on good corporate governance in other areas as follows.

Anti-Corruption Policy

The Company gives precedence to anti-corruption and adheres to virtue, ethics, management transparency, and responsibilities toward stakeholders of all parties in its business operation. Therefore, the Company has set a guideline for proper conduct of the Board of Directors, Management, and employees in its Business Ethics and Employee Code of Conduct, which are part of "Corporate Governance" of the Company.

Corruption means "performing or refraining from performing duties or improper exercising of ex officio authority, violation of laws, ethics, regulations, or policies of the Company to gain undue advantage in various forms, such as demanding, receiving, proposing, or giving property or any other benefits to government officials or anyone dealing business with the Company, etc."

The Company has established an anti-corruption policy as the following practical guideline:

- Directors, executives, and employees shall not perform or support any fraudulent or corrupt activities under no circumstances, and shall strictly comply with anti-corruption measures.
- The Board of Directors, executives, and all employees must comply with an anti-corruption policy both in direct or indirect means, without involvement in corruption whether being offering, giving commitment, asking, demanding, giving or receiving bribes, actions, or behavior indicating corruption in every locality in which the Company operates.
- The Company shall communicate and publicize both inside and outside the organization to strengthen knowledge, understanding, and cooperation to deter those who want to commit a corrupt act against the Company.
- The Company shall prepare a clear operational process, which includes the assessment of corruption risk, and regular monitoring and reviewing process to be consistent with the changing business and relevant laws.

- The Company shall provide fairness and protection for the employees who refuse or report corruption related to the Company through the designated channel. A corrupt person shall be subject to a disciplinary action in accordance with the rules set by the Company and may be legally punished if such action is illegal.
- Upon detection of the employee on any act within the scope of corruption related to the Company, he/she must notify the superior and responsible work unit.
- The corporate culture that is honest and committed to fairness shall be created and training shall be arranged for the organizational employees to encourage its employees to be honest with their duties and ready to strictly adhere to the principles and code of conduct on good corporate governance policy as the operational practices throughout the organization.
- Any activities under anti-corruption policy shall apply the practical guidelines set out in Code of Business Conduct Manual, good corporate governance policy as well as rules and related operating manuals of the Company as well as any other guideline the Company deems appropriate to prescribe for compliance with this policy. All directors, executives, and employees shall exercise due diligence in the following matters:
 - (a) Giving or receiving gifts, entertainment, and expenses for giving or receiving gifts and entertainment shall comply with Company's regulations.
 - (b) Giving or receiving donations for charity or subsidy from giving or receiving donations shall be transparent and legal. The payee shall be monitored to report the operational results according to the purpose of obtaining money from the Company for business relations and procurement. It is prohibited to give or accept bribes in business operation and procurement of all kinds. The Company's business operation and contact shall be transparent, honest, accountable, and subject to relevant business laws and rules.
 - (c) Do not use any funds or resources of the Company to support political activities to any political candidate who is politician or political party.

Nevertheless, the Company shall consider the fairness and protection, and shall not demote, penalize, or cause a negative effect to the employees who refuse corruption even though the said action will make the Company lose a business opportunity. The Company shall focus on

communication and understanding with those involved with the Company in order to comply with this anti-corruption policy.

In addition, the Company shall provide a whistle blowing channel for directors, executives, employees, and all stakeholders of all groups to submit a complaint or whistleblowing directly to Internal Audit Department or directly to the Audit Committee or through the Management of the Company. The determined channels of complaint or whistleblowing include the Company's website, e-mail or mail, which are effective on 14 November 2016 onwards.

Approval Measures and Procedures for Related Party Transactions

The related party transactions or connected transactions of the Company shall be entered in accordance with rules set in the Securities and Exchange Act and Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 on the Rules of the Related Party Transactions and Notification of the Securities and Exchange Commission on the Information Disclosure and Practices of Listed Companies in Related Party Transactions, as well as related rules of the Securities and Exchange Commission and/or Stock Exchange of Thailand and regulations related to the disclosure of related party transactions in notes to financial statements audited by auditor of the Company, Annual Report, and Annual Registration Statement (Form 56-1).

If the Company is required by laws to gain approval from the Board of Directors' Meeting or Shareholder's Meeting before entering into a related party transaction in any matter, the Company shall assign the Audit Committee to review and provide comments on such transaction. The opinions of the Audit Committee will be presented to the Board of Directors' or Shareholders' Meeting, whichever the case may be, to ensure that the proposed transaction is in the best benefit of the Company.

In case of a related party transaction between the Company and/or subsidiaries and a person who may have conflict of interest or stake or may have conflict of interest in the future, the Audit Committee will remark an opinion on the necessity of entering into such transaction and the reasonableness of price of such transaction, by considering various conditions in line with the nature of ordinary course of business in the industry, and/or comparing with the price of a third party and/or market price and/or price or terms of such transaction at the same level with a third party, and/or enabling to indicate that the transaction has reasonable pricing or

reasonable and fair conditions. If the Audit Committee is not proficient in consideration of the contingent related party transactions, the Company will assign its independent expert or auditor to provide comments on such related party transaction to be used to support the decision of the Board of Directors, Audit Committee and/or shareholders, whichever the case may be, to serve as a guideline for considering the necessity and the reasonableness of entering into important related party transactions.

In approving a related party transaction, the party who may have

conflict of interest or stake in the transaction shall have no right to vote for approving such related party transaction in order to ensure that such transaction will not be a removal or transfer of interest between the companies or shareholders of the Company but is a transaction considered by the Company to be in the best benefit of all shareholders.

In principle, the Management can approve such transactions if those transactions have trade agreements in the same way that any reasonable man should deal with a general partner in the same situation under bargaining power without his/her influence as a director, executive or related party. The Company shall prepare a summary report of such transactions to be reported to the next Board of Directors' Meeting.

Related Party Transaction Policy

1. The directors and Executives of the Company shall prepare the stakeholding report of their own or their related parties, and inform the Company so that the Company will have information for internal use for execution in accordance with the regulations on the related party transactions.
2. If the Company enters into any contract or related party transaction with its subsidiaries, associated companies, related companies and/or third parties, the Company shall consider the necessity and suitability in entering into such contract, mainly taking into consideration the interest of the Company. The related party price shall be charged under the same terms and conditions as the general customers at fair market value. The Company shall use the same price and terms as the Arm's Length Basis, which is fair and reasonable for the best benefit of the Company and all shareholders. If such price is unavailable, the Company shall consider price comparison of products or services with the third

parties under the same or similar conditions or may utilize the report of an independent appraiser hired by the Company in comparison of the prices for significant related party transactions to ensure that the prices are reasonable for the best benefit of the Company and all shareholders.

3. The Company shall conduct a financial assistance transaction with its subsidiaries and associated companies, such as working capital in the form of loan, guaranteed loans with caution for the best benefit of the Group by charging the related party consideration, such as interest or guaranteed fee at market price on the transaction date.
4. In case where the value of the related party transaction is within the criteria requiring the request of approval from the shareholders, the stakeholding shareholders can attend the meeting as part of a quorum but having no voting rights. The stakeholders are not counted in vote calculation basis for approving the related party transactions. Therefore, no problem with quorum and vote is derived from such criteria.
5. The stakeholding directors or executives in any matters are not entitled to vote and disallowed to attend the meeting or approve the transactions in such matters.

In case of entry into related party transactions in the future, the Company shall comply with the Securities and Exchange Law, regulations, notifications, orders or requirements of the Capital Market Supervisory Board, Office of the Securities and Exchange Commission, and Stock Exchange of Thailand. The transactions must not be a removal or transfer of interests between the Company or its shareholders, but must be the transactions under concern of the Company on best benefits of the Company and all shareholders.

In case of the normal transactions that are expected to continuously occur in the future, the Company shall execute in accordance with rule and practical guideline for general trade referring to prices and conditions that are suitable, fair, reasonable, and accountable. Such transactions shall be entered in accordance with terms of the agreement with general commercial terms as approved by the Board of Directors' Meeting.

In this regard, the Management shall prepare a list of the summary of such transactions to be annually reported to the Audit Committee.

The Company's related party transactions shall be disclosed in accordance with laws and rules set by the Office of the Securities and Exchange Commission and Stock Exchange of Thailand, and in line with the accounting standards related to the Company or related parties of the Federation of Accounting Professions.

Conflict of Interest Prevention Policy

To declare the Company's intention on its realization of the importance on preventing a conflict of interest and protecting the Company and shareholders' maximum interests, the Company has established the following policy and practical guideline:

1. The directors, executives, and employees of the Company are prohibited to use the Company's opportunity or information for personal benefits or competition with the Company's business.
2. Any business decision of the personnel at all levels must be made in business activity operation for the best interest of the Company only. It is considered as duty of personnel at all levels to avoid financial involvement or relationship with other third parties that will result in loss of the Company's interests or conflict of faith or interest or obstruction of the efficient duty performance. The related or connected parties of the considered transactions must disclose the information about such conflict of interest for acknowledgement of the Company on their relationship or connection in such transactions and must not participate in consideration and approval of such transactions.
3. In case of an entry into the related party transaction with potential conflict of interest, the Board of Directors shall take action in accordance with the determined written measures and procedures for approval of related party transactions.
2. The Company has a policy to invest in businesses that can support and promote its core business by possible means of purchasing shares or acquiring other related business.
3. The Company may consider investing in other non-core businesses in the future. The investment shall be consistent with the Company's business condition and strategic plans.
4. In considering the investment in various projects of the Company, the Company shall analyze the feasibility of the project and consider the related factors as support, including investment risk in the project, business expansion trend, value addition, worthiness of the project, and increase in competitiveness of the Company, etc. The Company shall assign its experts (or external expert as the case may be) to consider the investment in such a project prior to investment, and present an investment plan to the Board of Directors for consideration, and provide recommendations to minimize potential investment risks.
5. In case of the joint venture with other persons, the Company shall verify to make sure that the joint investor of the Company is appropriate and credible, and has none of an embezzling or fraudulent history or behavior in the past.
6. In case of necessity on any hedging or insurance in investment, the Company shall provide hedging or insurance as appropriate.
7. The Company's investment shall be performed in the same manner as the Arm's Length Basis by always checking and preventing potential conflict of interests in each of such investments.
8. A request for an investment approval of the Company shall comply with the Notification of the Capital Market Supervisory Board on the Criteria for Entry into Significant Transactions within Acquisition or Disposal of Assets, and the Notification of the Stock Exchange of Thailand on the Information Disclosure and Other Practices of Listed Companies Concerning the Acquisition or Disposal of Assets B.E. 2547 (2004)

Investment Policy and Governance Policy for the Operation of the Subsidiaries

1. The Company gives precedence to and focuses on investing in activities with potential growth to generate good return on investment in liquefied petroleum gas which is the core business of the Company, with a focus on business expansion or increase in production capacity of the Company in various areas.

Code of Conduct

The Company has established a written Code of Conduct to serve as guideline for good business practices and for proper operation in order to build the corporate foundation of the stable business operation. The Company shall ethically and legally conduct its business in accordance with the requirements, and respect the rights of traders and customers of the Company as well as equally accountable to the related parties and personnel of the Company. Every personnel of the Company whether being the Board of Directors, executives, and every staff member shall be treated in the same way under a framework of ethics, virtue, honesty and orderliness, whether or not such persons have signed for acknowledgement.

The Company also establishes a policy to yearly review and update its Code of Conduct to be appropriate for the changing situations and gives precedence to an implementation for fair, equitable, transparent treatment of shareholders in all sectors, and presentation of the accurate and adequate information. The Company's Code of Conduct has been disseminated via the Company's website and Annual Report in order to build a good understanding and encourage the compliance of its directors, executives, and employees at all levels, and stakeholders, and communicate and disseminate the said Code of Conduct to new employees for thorough acknowledgement.





Corporate Governance

Social and Environmental Responsibility Policy

The Company is seriously committed to conduct the business under Corporate Governance Code and morality, together with responsibility for its society, community, environment, stakeholders, and all parties related to the company by driving under the power of positive thinking as promise under WP Energy-World Promise concept in serious responsibility for its society, community, environment, stakeholders, and all related parties to the Company throughout the past 40 years and over. The four aspects of the importance continuously performed by the Company are focused as follows.

1. Creation of the Improved Quality of Life of Thai People both in terms of Occupation and Daily Life

The Company sustainably supports food field and improves quality of life of the persons who carry on their occupation in food area in Thailand in every segment from the restaurant level, the small entrepreneurs, to the household consumption. The Company's vision is to sustainably improve the quality of life of the persons who carry on their occupation in food area in Thailand.

In last year, the activities supported by the Company are as follows.

- “Thailand Food Paradise” Project was implemented through a collaboration with Tourism Authority of Thailand in gathering the gastronomy tourism routes and promoting collaboration creation campaign in accordance with SHA (Safety and Health Administration) Standards to enhance the confidence on safety and hygiene in gastronomy tourism as stimulation of the tourists’ spending after COVID-19 situation. This has been regarded as the integration of the collaboration between government and private sectors in creating the new models of campaign and public relations channel media under an expectation of simultaneous benefits both to the entrepreneurs and the tourists.
- “Thailand Street Food Festival 2020” Project was implemented in collaboration with Tourism Authority of Thailand in selecting and gathering the top street food restaurants in the event for making a taste-test from the legendary Street Food restaurants to assist the affected persons in the Street Food Group of Thailand nationwide, and create good standards of Thai Street Food in new normal style under the wish to stimulate tourism and spending. This Project have affected the entire economy of the country and supported and developed to extend the Street Food business after Covid-19 situation.



2. The Company’s Focus on Priority to Art and Culture which is Thai Root

Particularly in the matters of food and fashion which are the crucial magnet in attracting the tourists into the country, the Company’s commitment requiring to carry forward the creative thinking of the new generations who turn to be interested in quality life is emphasized as the social return on “Power up your life” concept which is the key of the Company’s business operation.

- “World Curated by WP Energy x Bangkok Design Week 2020” Project mutually drives the growth of both domestic and foreign economies through the collaboration with Creative Economy Agency (Public Organization) (CEA) to jointly support Bangkok Design Week 2020 Event in “Bangkok Design Week 2020 x World Curated by WP Energy” campaign in the “Curated Charoen Krung” (Curated, Charoen Krung) Event for drawing five Thai brands in participation of identity creation through the design of elements in five restaurants and cafes in Charoen Krung zone to be more known in the group of new generation customers. In addition, five famous chefs joined in development of special menu concept reflecting all five restaurants and cafes and Charoen Krung zone.



3. Educational Support for Children and Youths

The Company promotes and supports scholarship to the children and youths with good behavior and pay attention in studying but lack of capital without any obligations to ensure the access to education and potential growth for Thai children and youths who will further become a powerful engine in the country’s development for future growth. The

Company emphasizes on children and youths in the surrounding area of gas terminals and in remote areas, therefore, it links the activity organizing with the group of household sector customers. The “Full Belly...Warm Smile with World Gas” Project has been continuously organized by the Company for the tenth consecutive year in this year at Wat Satthatham School in Samut Songkhram, with an objective of replenishing a smile to all the youths who are the future of the nation by providing scholarships, improving school canteen, providing agricultural plot. Due to the Company’s anticipation on an importance of the education, kitchen facility care, health care in taking complete nutrition of the Five Food Groups, this will extend a concurrent preparedness of the body and knowledge to be ready for becoming a key engine in the country’s development for the continuous growth in the future.



4. Sustainable Environmental Care

The Company aims at encouraging its employees and business partners which are the manufacturers, hotel operators, and department stores to take part in promotion of the environmental conservation, mutual development of natural resource restoration and care for maintaining the fertility, as well as creation of the sustainable resource conservation awareness through environmental conservation project on a continual basis.

- In addition, the Company also pays attention on the surrounding communities and stakeholders in the undertakings in the areas around the terminals to mutually develop, supervise, and promote the activities arisen in the said areas. The Company jointly supported the followings.

Managed to hand over disaster relief packages to the community families around gas terminals due to the COVID-19 situation.



- Sponsored equipment and tools for supporting reconnaissance and monitoring wildfires, Chiang Mai



- Gave a sponsorship money for 2020 Children’s Day Activity in the area of Bang Pakong Terminal areas consisting of Phomma Nukhro School, Samakkhi Rat Bamrung School, Wat Lang Brovonvittayayon School, Wattanalai School, Bangpakong District Non-Formal and Informal Education Centre, Bangpakong Police Station
- Gave a sponsorship money for 2020 Children’s Day Activity in the area of Khon Kaen Terminal.
- Gave a sponsorship money for sports competition inside Ban Haet Police Station, Khon Kaen.
- Gave a sponsorship money to the stores and Princess Mother’s Medical Volunteer.
- Sponsored sports day competition, Ban Haet Municipal School, Khon Kaen.
- Supported the COVID-19 pandemic prevention.
- Supported the activity of offering robes to Buddhist priests at monastery for education, Pracha Phatthana Ban Haet School, Khon Kaen



Internal Control and Risk Management

1. Opinions of the Board of Directors on the Company's Internal Control System

The Company's Board of Directors gives precedence to the adequate and effective internal control that is an important mechanism of the prevention and management of the risks or damages that may occur with the Company. In this regard, the Company applies the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Framework and Practical Guideline as its internal control framework and practical guideline. The five major components necessary for the internal control are determined as follows:

1. Control Environment;
2. Risk Assessment;
3. Control Activities;
4. Information & Communication System; and
5. Monitoring Activities with the objective to ensure that the Company's operation will achieve the objectives of internal control in terms of operational efficiency, use of resources, asset protection, financial and accounting report credibility, and legal & regulation compliance in line with the framework of the Corporate Governance (CG) Guideline.

According to a joint assessment of the internal control system by the Board of Directors and the Audit Committee, the Board of Directors deemed that the Company's internal control system is adequate and appropriate for its environment. The Company arranges the sufficient personnel for the efficient systematic operation to be consistent with the auditor's opinions that reported a non-finding of any essential situations or faults relating to the Company's internal control system, that affects the Company's financial statements.

The Company's internal control system can be separately summarized into five major components under the framework of COSO Internal Control Framework as follows.

1.) Control Environment

The Board of Directors emphasizes on the adequacy and appropriateness of the internal control environment for good corporate governance as a key basis that contributes to the Company's efficient and effective management which is a factor of the continuous sustainable business operation, and as a key basis for reinforcing the good corporate culture and strength to be united.

The Board of Directors supports the corporate culture that aims at honesty and code of conduct, and governance on the Company's business operation in accordance with the laws, and organizational objectives and goals, and ensure the good and appropriate internal control environment as follows.

- The Board of Directors establishes the good corporate governance policy, requirement for Code of Conduct, and anti-corruption measure in writing to be a guideline for the honest and ethical duty performance of the directors, executives and employees. The Company's Management is assigned to regularly communicate and publicize the said requirement to all executives and employees for their acknowledgement through internal training courses and activities. In addition, the requirement for complaint and whistleblowing is established for transparency and fairness to all parties and ensure that the informant or whistleblower is safely supervised and protected. This is considered as the creation of good attitude toward audit.
- The Board of Directors is independent from the Management, and has duty to govern an overall business operation and govern to target a clear and measurable strategy of the business operation to be used as a guideline for preparing the business plan and action

plan, as well as regular monitoring the overall operation of the Company.

- The Board of Directors appoints the Audit Committee to be in charge of reviewing to ensure the adequate and effective internal control system of the Company under Charter of the Audit Committee, and report the review result to the shareholders for acknowledgement in Annual Report.
- The executives have duty to pass on a governance-related guideline prescribed by the Board of Directors to the employees for implementing in accordance with the policies, and implant the employees who are the subordinates to be disciplinary in compliance with the requirements relating to the internal control.
- The employees at all levels must strictly comply with any ordinances, rules, regulations, and orders under the internal control system.
- The Company defines the organization structure in the line nature, separates duties in the key section for the check and balance, and determines a clear reporting line as well as appropriately authorizes and limits authority and responsibilities in accordance with the organization structure for the efficient management of the Company.
- The Company determines the qualification of the personnel in each position as criteria of the recruitment and selection of the qualified personnel for the positions both from external and internal organization, establishes the personnel development plan through Human Resource Department, the nomination plan and process for the successor of the key position, as well as performance assessment process to be standard and systematic for considering the provision of fair remuneration and building the incentive to the personnel in work performance for the maximum efficiency.

2.) Risk Assessment

The risk assessment is a part of the risk management which is the core principle of the sustainable business operation. The Company continuously develops the risk management system to be more efficient to create long-term value for stakeholders as follows.

- The Company implements the policy under the framework of Enterprise Risk Management (ERM) in accordance with the international standard of The Committee of Sponsoring Organizations of the Tread

way Commission (COSO) and yearly assessed the risk.

- The Company clearly formulates the risk management policy as the preparation framework of the risk management plan, and conducts the review, analysis, and monitoring, and formulating process for an integrated risk management measure during the year. The Company aims for creating good attitude and understanding to its employees regarding risk management so that the organizational employees at all levels can actually and efficiently implement the policy and work plan.
- The Board of Directors appoints the Risk Management Committee to be in charge of governing to ensure that the risks are identified, taking into account both external and internal factors that may result in the Company's failure to attain the determined objectives, and governing the impact and likelihood assessment of the identified risks to appropriately rate the risks and select for using risk management approach.
- The Company appoints Risk Management Team consisting of the executive of the risk owner department in each work unit to prepare the risk management plan, assess and rate risks, as well as find the countermeasure, and periodically report the work plan progress to the Risk Management Committee.

3.) Control Activities

The Company highly emphasizes on the internal control and internal audit system. Besides the internal audit unit is set up, the executives of every work unit has duties and responsibilities to efficiently and properly supervise and audit the work system under their own sections in accordance with the working rule, and implant the subordinates to be disciplinary and have good awareness regarding the internal control as follows.

- The Company determines the appropriate control activities for specific risks and nature of the Company, and clearly separates duties, such as approval duty, account bookkeeping duty, property supervision and collection duty, and establishes the policies, work methods, and work manuals in finance, purchase, and other areas in writing. In addition, the Company regularly reviews, clearly defines the transaction approval authority of the executive at each level, and clearly formulates the practice of the related party transactions to prevent the personal exploitation of the Company's interests, under main concern on the Company's interests.

- The Company establishes the monitoring process for the subsidiaries' operation to have an operational guideline which is constantly consistent with the business policies. The internal audit unit of the Company also performs audit work of which the audit on its subsidiaries is inclusive.

4.) Information & Communication

The Company emphasizes on the quality of information and communication which is a key part contributing to the support of the effective internal control system, under the following information and communication management guideline.

- The Company establishes the efficient process and channel of the inside information communication using communication technology through internet system, e-mail, and LINE@, which can communicate with all companywide employees in the same time for the necessary information. In addition, the position level of the employees who must be communicated by the Company to be informed of the important information in specific cases, can be defined.
- The Company regularly prepares the report of the financial figure and important information, and presents to the Board of Directors. The Board of Directors can additionally ask for the necessary information from the Company Secretary who performs the duty as the contact center to assist and coordinate with the Board of Directors in asking information. The documentary information used in every Board of Directors' Meeting is sent to all directors prior to the meeting date in advance.
- The Company has the whistleblowing or complaint channel for the illegal offense or doubtful behavior that may indicate corruption or misconduct of the person in the organization, for the employees and stakeholders of all groups to the Board of Directors through the Audit Committee, Chief Executive Officer, Director of the Human Resource Department, Company Secretary, and Internal Audit Department.

5.) Monitoring Activities

The Company formulates the monitoring and assessment process for the adequacy of its internal control system to ensure that its internal control system is efficient and effective as follows.

- The Company's internal audit unit is independent and directly reports to the Audit Committee, performs the audit duty, and assesses the efficiency and effectiveness

of the internal control of the activities in accordance with the professional standards of the internal audit. The annual audit plan is prepared and approved by the Audit Committee. The said plan is prepared under Risk-Based Approach in accordance with the international standards to be consistent with the Company's strategies by taking into account the risk impact, risk likelihood, determining the level of the risk significance, and studying and endeavouring to grasp the internal control of the current existing businesses, assessing an efficiency of the internal control and testing the control for the appropriate resource allocation both in terms of personnel and time in audit plan to ensure that such audit will achieve the organizational targets and objectives, and add organizational value. In addition, the Audit Committee suggests the operating improvement to the Management, assists in determining an improvement guideline in accordance with the suggestions, reports the audit report to the Audit Committee, and monitors the corrective action and observations to ensure that the relevant work units have actually followed the setting practical guidelines.

2. Different Opinions of the Audit Committee from the Opinions of the Board of Directors

- None -

3. Head of Internal Audit

The Company's Head of Internal Audit is Miss Nipathip Suparuekrattanachai who has been appointed to assume the office of the Company's Head of Internal Audit and Secretary of the Audit Committee from 1 August 2016 onwards.

The Audit Committee approves the consideration on appointment, removal, and dismissal of the Head of Internal Audit, and supervises the person who assumes the office of the Head of Internal Audit to possess the suitable and adequate educational background, experiences, and training for the duty performance relating to the Company's internal audit. The details of the educational background, training history, and work experiences of the Head of Internal Audit are presented in "Profile of the Company's Head of Internal Audit" (Attachment 3).



Related Party Transactions

The transactions between the related companies and businesses in 2020 are shown below and referred from 2020 financial report:

Company Name	Nature of Relationship	Nature of Relationship	2020 (Unit : Baht)
1. EAGLE	It is the Company's subsidiary whereas the Company holds 99.99% of total shares and has joint director (s) with the Company.	Transactions from income statement	
		Income of property rent	1,916,640
		Income of other service charges	206,072
		LPG transportation charge	135,026,404
		Transactions from statement of financial position	
		Trade and other receivables	160,522
		Trade and other payables	11,768,775
		Other current liabilities	572,289
2. LOGISTIC ENTERPRISE	It is a subsidiary of EAGLE whereas EAGLE holds 99.98% of total shares and has joint director (s) with the Company.	Transactions from income statement	
		Tanker truck rental fee	9,476,819
		Transactions from statement of financial position	
		Non-current assets	1,261,600
3. WP GAS	It is the Company's subsidiary whereas the Company holds 99.99% of shares, and has joint director (s) with the Company and the Company's executive as director.	Transactions from income statement	
		Interest income	612,482
		Income of management service	120,000
		Administrative expense in selling	2,516,300
		Transactions from statement of financial position	
		Trade and other receivables	61,840
		Accrued expenses	444,476
		Long-term loan	9,000,000

Company Name	Nature of Relationship	Nature of Relationship	2020 (Unit : Baht)
4. THAIGAS	It is the subsidiary of WP Gas whereas WP Gas holds 79.99% of total shares, and has joint director (s) with the Company and the Company's executive as director.	Transactions from income statement	
		LPG sales revenue	768,063,102
		Income of management service	1,850,565
		Income of other services	2,601,231
		Income of property and plant rent	900,000
		Income of cylinder repair expense	360,319
		Interest income	553,903
		Purchase of LPG	67,432,615
		Transactions from statement of financial position	
		Trade and other receivables	118,777,104
		Trade and other payables	2,217,353
		Long-term loans	22,700,000
5. PREMIER CARRIER	It is the subsidiary of THAIGAS whereas THAIGAS holds 99.99% of total shares, and has joint director (s) with the Company and the Company's executive as director.	Transactions from income statement	
		LPG transportation charge	5,100,223
		Transactions from statement of financial position	
6. WONDER FOOD	It is WP SOLUTIONS' subsidiary whereas WP SOLUTIONS holds 99.99% of total shares, and has joint director(s) with the Company and the Company's executive as director.	Transactions from income statement	
		Interest income	67,742
		Meal purchasing expense	1,761,196
		Transactions from statement of financial position	
		Trade and other receivables	67,742
		Trade and other payables	1,570,527
7. WP SOLUTIONS	It is the Company's subsidiary whereas the Company holds 99.99% of total shares, and has joint director (s) with the Company and the Company's executive as director.	Transactions from income statement	None
		Transactions from statement of financial position	None
8. WP SOLLAR	It is the subsidiary of WP SOLUTIONS whereas WP SOLUTIONS holds 99.99% of total shares, and has joint director (s) with the Company and the Company's executive as director.	Transactions from statement of financial position	None

Necessity and Validity

1. The Company entered into the related party transactions with EAGLE as follows: 1) income of property rent, and 2) income of other service charges, and 3) LPG transportation charge. However, the prices and conditions of all of three related party transactions are seemed as if the entry into the transaction with the third party, without the purpose of the benefit transfer between both parties or with any special transaction.
2. The Company entered into one related party transaction with LOGISTIC ENTERPRISE as follows: LPG transportation rent expense. However, the price and conditions of the said related party transaction are seemed as if the entry into the transactions with the third party, without the purpose of the benefit transfer between both parties or with any special transaction.
3. The Company entered into three related party transactions with WP GAS as follows: 1) income of interest income, 2) income of management fee, and 3) administrative expense in selling. However, the prices and conditions of these three related party transactions are seemed as if the entry into the transactions with the third party, without the purpose of the benefit transfer between both parties or with any special transaction.
4. The Company entered into seven related party transactions with THAIGAS as follows: 1) LPG sales revenue, 2) income of management service, 3) income of other services, 4) income of property and plant rent, 5) income of cylinder repair expense, 6) interest income, and 7) cost of LPG purchase. However, the prices and conditions of these four related party transactions are seemed as if the entry into the transactions with the third party, without the purpose of the benefit transfer between both parties or with any special transaction.
5. The Company entered into one related party transaction with PREMIER CARRIER as follows: LPG transportation charge. However, the price and conditions of the said related party transaction are seemed as if the entry into the transaction with the third party, without the purpose of the benefit transfer between both parties or with any special transaction.
6. The Company entered into two related party transaction with WONDER FOOD as follows: 1) interest income and 2) meal purchasing expense. However, the price and conditions of both related party transactions are seemed as if the entry into the transaction with the third party, without the purpose of the benefit transfer between both parties or with any special transaction.

Policy or Future Trend of the Related Party Transactions

In the case of the related party transactions, the Company shall comply with the Securities and Exchange Law, the Notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand which are effective for the Company, and the Company's policy regarding its conflicts of interest. However, the said related party transactions must not be a removal or a transfer of benefits between the companies or the Company's shareholders, but shall be the transactions under concern of the Company on the maximum benefit of the Company and all shareholders.

In the case of the transactions arisen by the Company's normal business operations, the Company shall comply with the rules and guidelines for general trade conduct based on prices and conditions as if the usual entry into transactions with the third party.

The disclosure of the Company's related party transactions shall be in compliance with laws and regulations prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand, and also in line with the Thai Accounting Standards on the Related Party Disclosures prescribed by the Federation of Accounting Professions.

The future trend of the Company's related party transactions will not differ from before, that is, it will be the related transactions between the Company and its subsidiaries, which include EAGLE, LOGISTIC ENTERPRISE, WP GAS, THAIGAS, PREMIER CARRIER, WONDER FOOD, WP SOLUTIONS, and WP SOLLAR as mentioned above.

Report of the Audit Committee for 2020

The Audit Committee of WP Energy Public Company Limited (the “Company”) consists of the competent independent directors who are appointed from the Board of Directors consisting of three complete qualified directors required by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as follows.

1. Mrs. Niskorn Tadthiemrom
Chairman of the Audit Committee
2. Mrs. Soithip Trisuddhi
Member of the Audit Committee
3. Mrs. Lakananan Luksamitananan
Member of the Audit Committee

The Audit Committee performs the duties as assigned by the Board of Directors in accordance with the Charter of the Audit Committee to be consistent with the regulations of the Stock Exchange of Thailand. From last 1 January 2020 to 31 December 2020, the Audit Committee held total of five meetings. In the four meetings arisen during 2020, the Audit Committee convened with the independent internal auditor without the meeting attendance of the Company’s Management.

However, the performance of the Audit Committee in 2020 can be summarized in the following essence:

1. Review of Financial Report

The Audit Committee reviewed quarterly and annual consolidated and separate financial statements for the year 2020. The Audit Committee inquired the auditor about the accuracy and completeness of the financial statements, the adjustment of significant account entries, the accounting estimates that affected financial statements, adequacy and appropriateness of bookkeeping method and scope of audit, the accurate and complete disclosure of information, and the auditor’s independence to ensure the Company’s preparation of the accurate financial statements in accordance with the requirements of laws and Generally Accepted Accounting Standards to be consistent with International Accounting Standards in reliable and timely manner, and the complete and adequate disclosure of material information which

is useful for the user of financial statements. The Audit Committee also listened to the clarification of Deputy Chief Executive Officer in Finance’s clarification, and the reporting of the auditor on the key information used in preparing financial report. The Audit Committee also convened the quarterly meeting with the auditor without the presence of the Management to independently overhear the unqualified opinions on auditing financial report certified by the auditor without any significant observations.

The Audit Committee considered and deemed that both quarterly and annual consolidated and separate financial statements for the year 2020 are accurate and reliable in materiality in accordance with Thai Financial Reporting Standards under adequate disclosure of information.

2. Review of Internal Control System and Internal Audit System

The Audit Committee quarterly reviewed the adequacy of the Company’s internal control system based on the guideline of internal control in various areas, together with Internal Audit Department of the Company, and auditor. The reviewed matters included the Company’s operations, resource usage, asset protection, error prevention or reduction, financial report reliability, and law and regulation compliance. The Audit Committee recommended that the Management shall apply the opinions of the Company’s Internal Audit Department and auditor to develop a more efficient internal control system.

In part of internal audit, the Company’s internal audit unit is an independent unit that directly reports to the Audit Committee, performs the auditing duty, assesses the efficiency and effectiveness of the internal control on activities in accordance with the Professional Practice of Internal Auditing, prepares annual audit plan which is approved by the Audit Committee. The plan is prepared in accordance with Risk-Based Approach pursuant to the international standards to be consistent with the Company’s strategies by taking into account the risk impact and risk likelihood. The said internal audit unit also determines the

significance level of risk, studies and endeavors to grasp the internal control of the existing undertakings, assesses the efficiency of the internal control, tests the control to appropriately allocate resources both in terms of personnel and time in audit entering plan to ensure that the said audit will attain the organizational goals and objectives, and enable to add value to the organization, and suggests the operating improvement to the Management, helps determining an suggestion-based improvement guideline, reports the audit result to the Audit Committee, and monitors the corrective actions of observations to make sure that the related work units have actually executed in accordance with the setting practical guideline.

The Audit Committee considered and deemed that the Company's operating methods and internal control system both in terms of accounting system and management system in overview are in line with the guidelines of the Stock Exchange of Thailand and the Office of the SEC. In overview, it was deemed that the Company has adequate and appropriate internal control system for the Company's environment. The Company has supplied the sufficient personnel for the efficient systematic operation. It was consistent with the auditor's opinion reporting that no essential situations or faults related to the Company's internal control system and affecting the Company's financial statements were found.

3. Review to Ensure the Company's Compliance with Laws and Regulations Related to the Company's Business

The Audit Committee reviewed the compliance with laws related to the Company's important business activities, and deemed that no essential issues were considered as non-compliance with Securities and Exchange Law or regulations of the Stock Exchange of Thailand and related laws.

The Audit Committee considered and deemed that the Company has properly and appropriately complied with the relevant laws and regulations.

4. Consideration of the Selection of Auditor and Determination of Remuneration

The Audit Committee considered from qualification, experience and quality of past performance, preparedness of the personnel, acceptable operating standard, and knowledge and understanding in LPG business, in accompany

with determination of the appropriate rate of audit fee of the auditor for the performed work load and quality.

The Audit Committee considered and deemed that the Company's auditor nominated for appointment is independent and possesses expertise in the profession, appropriate experiences, and full qualifications required by the Office of the Securities and Exchange Commission, and Stock Exchange of Thailand. Therefore, the Audit Committee deemed appropriate to propose to the appointment of the auditor under PricewaterhouseCoopers ABAS Ltd. ("PwC") as the Company's auditor for 2021 in another term, and nominate the audit fee for 2021 to the Board of Directors prior to proposing to the General Meeting of Shareholders for approval.

5. Related Party Transactions or Transactions with Potential Conflict of Interests

The Audit Committee considered and reviewed the related party transactions, connected transactions, or transactions with potential conflict of interests in compliance with the regulations prescribed by the Notification of the Stock Exchange of Thailand for execution of the listed companies.

The Audit Committee of the Company regularly considered and audited the related party transactions or connected transactions with the persons who may have conflict of interests or stakeholders to ensure that such transactions are in compliance with the rules of the Stock Exchange of Thailand and the Company's Code of Best Practices. In 2020, the Audit Committee deemed that the Company has complied with laws and regulations on the related party transactions, without transactions with potential conflict of interests. The transactions the Company entered with the parties that may have conflict of interests were in ordinary course of business on an arm's length basis. The similar term of trade conditions and agreements as entered with the third party are established in the said related party transactions entered by the Company.

The Audit Committee considered and deemed that the Company had none of any conflict of interests in accordance with the related rules. The Company has established measures and procedures for approving the related party transactions or connected transactions with the parties that may have conflict of interests or stakeholders, and the Audit Committee and the Board of Directors carefully considered the appropriateness before making their decisions to enter into any transactions.

6. Number of Meetings and Attendance of Each Audit Committee Member

The Company's Audit Committee consists of three qualified members as per the following name list.

Name List	Position	Number of Meeting Attendances
Mrs. Niskorn Tadthiemrom	Chairman of the Audit Committee	5/5
Mrs. Soithip Trisuddhi	Member of the Audit Committee	5/5
Mrs. Lakananan Luksamitananan*	Member of the Audit Committee	5/5

Remark * The member of the Audit Committee who has adequate knowledge and experience in accounting and finance to enable to perform the duty in reviewing the reliability of financial statements.

7. Overall Opinion of the Audit Committee on Performance of Duties under the Charter

The Audit Committee is independent of performing its works based on the entrusted duties and is well cooperative from the Company's Management, auditor, and Internal Audit Unit.

In overview summary, the Audit Committee has performed its duties and responsibilities under power and roles and duties set forth in the Charter of the Audit Committee, using knowledge, competence, carefulness, diligence, and adequate independence, and providing the creative opinions and suggestions for equitable benefits of the stakeholders.

In the opinion of the Audit Committee, the Company's Board of Directors and executives are ethical and committed to perform their duties to attain the Company's goals by emphasizing on the operations under the effective internal control system and internal audit system, and bringing about the report of the Company's financial information which is accurate, reliable and consistent with Generally Accepted Accounting Standards. In addition, the Company's performance has been consistent with laws related to business operations and good corporate governance system under the appropriate and effective internal control and internal audit systems, and the continuous development and improvement of operating system for better quality.

(Mrs. Niskorn Tadthiemrom)
Chairman of the Audit Committee

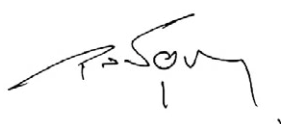
Report of the Board of Directors' Responsibility for Financial Reporting

The Board of Directors is responsible for separate financial statements and consolidated financial statements of WP Energy Public Company Limited and its subsidiaries. The said financial statements are prepared in accordance with Generally Accepted Accounting Standards through selection to apply the appropriate accounting policies and regular observance, exercise of prudent discretion, use of the reasonable estimation principle in preparation, and adequacy of proper and transparent disclosure of key information in notes to financial statements to indicate financial position, operating results and cash flows for benefits of shareholders and general investors. The said financial statements have been audited by the certified public accountant of PricewaterhouseCoopers ABAS Ltd. In auditing, the Company has supported information and documents so that the auditor could audit and express opinions in accordance with Auditing Standards.

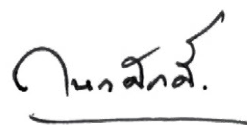
The Board of Directors realizes on its duties and responsibilities in the efficient preparation of financial report and therefore, establishes and maintains risk management system, internal control system both in terms of the related operation and information system, the appropriate and effective internal audit and governance to ensure the accuracy, completeness and adequacy of accounting information in maintenance of the Company's assets, and risk prevention, and non-essential occurrence of corruption or abnormal execution.

However, the Board of Directors has appointed the Audit Committee consisting of Independent Directors to perform the duty to govern and review the reliability and accuracy of financial statements, assess internal control and internal audit systems for efficiency, and consider the appropriate and complete disclosure of related party transactions. The opinions of the Audit Committee as appeared in the Audit Committee's Report are presented in this Annual Report.

Based on the aforesaid corporate governance and practices, the Board of Directors deemed that the overall internal control system of the Company is adequate and appropriate. It is reasonably confident to conclude that the consolidated and separate financial statements of WP Energy Public Company Limited and its subsidiaries for the year ended 31 December 2018 properly and fairly present financial position, operation results, and cash flows in accordance with Generally Accepted Accounting Principles, and proper compliance with the relevant laws and rules in all respects. The auditor has audited and expressed the opinions in the Certified Public Accountant's Report presented in this Annual Report.



(Mr. Chulchit Bunyaketu)
Chairman of the Board of Directors



(Mr. Kanoksakdi Bhinsaeng)
Chairman of the Executive Committee

Management Discussion and Analysis

1. LPG Industrial Situation in Thailand

In 2020, the production, import, domestic consumption demand, and export volume decreased in all areas compared to 2019. In 2020, production volume was 5,404 million kg, decreasing by 622 million kg or 10.32% from the 2019 period, and import volume was 535 million kg, decreasing by 15 million kg or 2.72%. Domestic LPG sales was 5,740 million kg, decreasing by 819 million kg or 12.48% at the time of a decrease in LPG export volume to be 233 million kg, decreasing by 66 million kg in the rate of 22.07%.

Table of LPG Supply and Distribution

(Unit : Million Kg)

	2020	2019	2018
Production	5,404	6,026	6,652
Import	535	550	682
Domestic Sales	5,740	6,559	6,620
Export	233	299	385

Source: Energy Policy and Planning Office Ministry of Energy, Ministry of Energy ([http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders\[publishUp\]=publishUp&issearch=1](http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders[publishUp]=publishUp&issearch=1))

In 2020, total LPG consumption demand volume was at 5,740 million kg, decreasing by 12.48% from 2019, mainly due to LPG consumption demand in petrochemical sector for 2,343 million kg. However, petrochemical sector decreased from 2019 by the volume of 408 million kg. or decreasing in the rate of 14.83%. Consumption demand from household sector was 2,033 million kg., decreasing from 2019 by 92 million kg. or 4.32% while consumption demand of service stations was 752 million kg. and decreased by 271 million kg. or 26.49% compared to 2019. Consumption demand in industrial sector was 612 million kg. and decreased by 48 million kg. or 7.27% compared to 2019.

The respective proportion of LPG consumption demand classified by Thailand economic sector in 2020 was as follows: petrochemical raw material 40.82%, household sector 35.42%, service stations 13.10%, and industrial sector 10.66%.

Table of LPG Domestic Consumption Demand by Economic Sector

(Unit : Million Kg)

	2020		2019		2018	
	Volume	%	Volume	%	Volume	%
Household	2,033	35.42	2,125	32.40	2,164	32.69
Industry	612	10.66	660	10.06	687	10.38
Service station	752	13.10	1,023	15.60	1,170	17.68
Petrochemical raw material	2,343	40.82	2,751	41.94	2,598	39.25
Total	5,740	100.00	6,560	100.00	6,619	100.00

Source: Energy Policy and Planning Office Ministry of Energy, Ministry of Energy ([http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders\[publishUp\]=publishUp&issearch=1](http://www.eppo.go.th/index.php/th/energy-information/static-energy/static-petroleum?orders[publishUp]=publishUp&issearch=1))

2. Overview of the Company's Business

WP Energy Public Company Limited is a producer and distributor of liquefied petroleum gas (LPG) for household, automotive, and industrial sectors under "World Gas" brand. As at 31 December 2020, the Company has had a market share of 18.19%.

In 2020, the Company's total revenue of THB 12,072.17 million being derived from LPG sales of THB 11,856.37 million. The Company's total revenue decreased by 16.55% from last year, due to a decrease in total LPG sales volume from 763,165 tons to 724,825 tons while average price per kilogram decreased from THB 18.59 per kg to THB 16.26 per kg.

The Company's revenue is derived from five main groups of customers, namely filling plants, LPG service stations, industrial plants, commercial customers, and gas stores. Over 50% of revenue is mostly from filling plants. If considering on sales volume, it indicated the same direction of sales volume and revenue at more than 50% of the Company's sales volume derived from filling plants.

Most of LPG traders in Thailand currently use domestic raw materials of the same quality and gas cylinders manufactured by only a handful of factories in Thailand. Therefore, it can be concluded that there are almost no differences between the products of traders under Section 7. However, the competition within the industry focuses on marketing and service strategies.

The Company gives precedence to all customer groups from small to medium-sized enterprise operators which are easy to reach, while expanding market to reach more commercial customers and industrial plants that require large volume of LPG under the goal of creating a stable customer network of the Company to ensure the stability and ability to generate revenue in long run.

3. Operation Results and Financial Position

Analysis and discussion of 2020 operation results and financial position of the Company and subsidiaries can be summarized as follows:

1. Operation Results

The Company Group's net profit for the year amounted to THB 167 million, decreasing by THB 122 million or 42.32% compared to 2019. Its total revenue amounted to THB 12,072 million, decreasing by THB 2,393 million or 16.55% from 2019, and EBITDA amounted to THB 566 million, decreasing by THB 78 million or 12.17%.

(Unit : Million Baht)	2020	2019	Increase (Decrease) Amount	Increase (Decrease) %
Total revenue	12,072	14,466	↓ -2,394	↓ -16.55%
Revenue from sales and services	11,878	14,154	↓ -2,277	↓ 16.08%
Revenue from gain from sale of land	-	83	↓ -83	↓ -100.00%
Net profit (before revenue from gain from sale of land)	167	206	↓ -40	↓ 19.20%
Net profit	167	289	↓ -122	↓ -42.32%
Net profit margin (%)	1.38%	2.00%	↓ -0.62 pp	
EBITDA	566	645	↓ -78	↓ -12.17%

2. Revenue

The Company and its subsidiaries earn main revenue from LPG sales for various types of customers, and revenue from transportation service charges and other incomes. In 2020, the Company and its subsidiaries' revenue structure and proportion of revenue by revenue type are as follows:

Table 1: Revenue Structure of the Company and its Subsidiaries by Revenue Type

(Unit : Million Baht)	2020		2019		Increase (Decrease) Amount	Increase (Decrease) %
	Amount	%	Amount	%		
Revenue from LPG sales	11,856	98.21%	14,127	97.66%	↓ -2,271	↓ -16.08%
Revenue from transportation service charges	21	0.18%	27	0.19%	↓ -6	↓ 20.49%
Other incomes	194	1.61%	311	2.15%	↓ -117	↓ 37.57%
Total revenue	12,072	100.00%	14,466	100.00%	↓ -2,394	↓ 16.55%

1) Revenue from LPG sales

In 2020, the Company and its subsidiaries' revenue from LPG sales amounted to THB 11,856 million, decreasing by THB 2,271 million or 16.08% from 2019 with revenue of THB 14,127 million mainly due to a decrease in total LPG sales volume from 763,165 tons to 724,825 tons as the result of a decrease in decreasing demand as an impact from the COVID-19 situation, particularly in the group of LPG service stations which has been taken place based on total domestic market condition.

2) Revenue from transportation service charges

In 2020, the Company and its subsidiaries' revenue from transportation service charges amounted to THB 21 million, decreasing by 20.49% from 2019 mainly due to a decrease in sale to the service station customers and consequence resulting in the decreasing in transportation service charges.

3) Other incomes

(Unit : Million Baht)	2020		2019		Increase (Decrease) Amount	Increase (Decrease) %
	Amount	%	Amount	%		
Transportation income	94	48.37%	125	40.17%	↓ -31	↓ -24.82%
Interest income	6	3.27%	8	2.71%	↓ -2	↓ -24.55%
Rental income	15	7.71%	12	3.75%	↑ 3	↑ 28.54%
Gain from disposal of assets	0	0.00%	103	33.21%	↓ -103	↓
Gain from disposal of equipment	14	7.24%	12	3.88%	↑ 2	↑ 16.53%
Revenue from cylinder maintenance	31	15.78%	21	6.80%	↑ 9	↑ 44.84%
Other income	34	17.63%	30	9.49%	↑ 5	↑ 15.98%
Total other incomes	194	100.00%	311	100.00%	↓ -117	↓ -37.57%

In 2020, the Company and its subsidiaries' other incomes amounted to THB 194 million, decreasing by 37.57% from 2019 mainly due to gain from sale of 1 plot of land in 2019.

Expenses

Main expenses of the Company and its subsidiaries include cost of LPG sales, cost of transportation services, selling expense, administrative expense, and finance cost. In 2020, the Company and its subsidiaries' expense structure and proportion of expense by expense type are as follows:

Table 2: Expense Structure of the Company and its Subsidiaries

(Unit : Million Baht)	2020		2019		Increase (Decrease) Amount	Increase (Decrease) %
	Amount	%	Amount	%		
Cost of LPG sales	11,227	94.67%	13,404	95.01%	↓ -2,178	↓ -16.25%
Cost of transportation services	10	0.09%	16	0.12%	↓ -6	↓ -38.46%
Selling expense	251	2.11%	292	2.07%	↓ -41	↓ -14.07%
Administrative expense	351	2.96%	392	2.78%	↓ -41	↓ -10.50%
Finance cost	21	0.17%	3	0.02%	↑ 17	↑ 504.55%
Total expenses	11,859	100.00%	14,108	100.00%	↓ -2,249	↓ -15.94%

1) Cost of LPG sales is shown in below Table.

(Unit : Million Baht)	2020	2019	Increase (Decrease) Amount	Increase (Decrease) %
	Amount	Amount		
Cost of LPG sales	11,227	13,404	↓ -2,178	↓ -16.25%
Revenue from LPG sales	11,856	14,127	↓ -2,271	↓ -16.08%
Proportion of cost of LPG sales comparative to revenue from LPG sales	94.69%	94.88%	↓ -0.19 pp	
Gross profit margin from LPG sales	5.31%	5.12%	↑ 0.19 pp	

In 2020, the Company and its subsidiaries' cost of LPG sales amounted to THB 11,227 million, decreasing by 16.25% from 2019 due to a decrease in LPG sales volume from 763,165 tons to 724,825 tons from an impact of the COVID-19 situation. A decrease in this sales volume also caused a decrease in revenue from LPG sales in the proportion that is more than a decrease in revenue as the result of the efficient LPG cost management and selling channel, resulting in an improvement of gross profit margin from 5.12% to 5.31%.

2) Cost of transportation services is shown in below Table.

(Unit : Million Baht)	2020	2019	Increase (Decrease) Amount	Increase (Decrease) %
Cost of transportation services	10	16	↓ -6	↓ -38.46%
Revenue from transportation service charges	21	27	↓ -6	↓ -20.49%
Proportion of cost of transportation services comparative with revenue from transportation service charges	47.05%	60.79%	↓ -13.74	
Gross profit margin from transportation services	52.95%	39.21%	↑ 13.74	

In 2020, the Company and its subsidiaries' cost of transportation services amounted to THB 10 million, decreasing by 38.46% from 2019 as the result of a decrease in the volume of transportation to the customers in the service station group. However, the Company and its subsidiaries' gross profit margin from transportation services increased from 39.21% in 2019 to 52.95% in 2020.

3) Selling expense

In 2020, selling expense amounted to THB 251 million or 2.11% of revenue from sales and services, decreasing by THB 41.03 million or 14.07% compared to 2019 due to the impact from COVID-19 situation, causing a decrease in sales volume and resulting in a decrease in selling expense, particularly the decreasing transportation expense from the decreasing sales volume. In addition, the Company Group has also concisely controlled expenses.

In 2020, the main selling and marketing expenses were due to an increase in marketing fee and advertising fee from a continuous creation of brand awareness mostly for public relations of "Word Gas" brand's image in branding "World Gas" brand to be widely recognized through channels with good feedback.

Moreover, the Company Group participated in developing Marketing campaign to take part in assisting Thai society to encounter with the COVID – 19's crisis by supporting the medical personnel and assisting the victims in the COVID-19 period.

4) Administrative expense

In 2020, the Company Group's administrative expense amounted to THB 351 million or 2.95% of revenue from sales and services, decreasing from last year by THB 41.18 million or 10.50% due to the Company Group's control on a concise budget disbursement in spending for maximum efficiency.

5) Finance cost

In 2020, the Company and its subsidiaries' finance cost amounted to THB 21 million or approximately 0.17% of total revenues (excluding other incomes), increasing by 504.55% from the same period of last year due to a revision of accounting standards in 2020 as the result of the adjustment of lease to be right-of-use, resulting in an increase in interest expense.

Table 3: Profit and Gross Profit of the Company and its Subsidiaries

(Unit : Million Baht)	2020	2019	Increase (Decrease) Amount	Increase (Decrease) %
Gross profit (excluding other incomes)	641	734	↓ -92	↓ -12.61%
Gross profit margin (excluding other incomes (%))	5.40%	5.18%	↑ 0.21 pp	
Net profit (before revenue from gain from sale of land)	167	206	↓ -40	↓ -19.20%
Net profit	167	289	↓ -122	↓ -42.32%
Net profit margin (%)	1.38%	2.00%	↓ -0.62 pp	

Profit

In 2020, the Company Group's gross profit was THB 641 million estimated to be gross profit margin of 5.40%, and net profit was THB 167 million estimated to be gross profit margin of 1.38%. Gross profit and net profit decreased by THB 92 million or 12.61%, and THB 122 million or 42.32% from 2019, respectively. However, if excluding revenue from gain from sale of land in 2019, net profit of the Company Group in 2020 decreased by THB 40 million or 19.20%. In addition, the Company Group's EBITDA was at THB 566 million, decreasing by 12.17%.

In the 2020 overview, the Company Group's net profit decreased compared with 2019 since in 2019, the Company Group had special transaction as revenue from gain from sale of 1 plot of THB 103 million (before tax deduction) valued land which is the investment property. Therefore, the Company Group earned gain from sale of such land as other income. In 2020, the Company Group's special expense from devaluation of inventory from the announcement of LPG price reduction of the government sector on 24 March 2020 in the amount of THB 19 million and legal case fine in the amount of THB 18 million, resulting in a decrease in profit in 2020 compared to 2020.

Assets

At the end of 2020, the Company and its subsidiaries' total assets amounted to THB 6,271 million, increasing by 3.68% from the end of 2019. The details of asset analysis of the Company and its subsidiaries can be summarized as follows.

Current Assets

1) Cash and cash equivalents

As at year end 2020, the Company and its subsidiaries' cash and cash equivalents amounted to THB 649 million in total, decreasing by 2.21% from the end of 2019 as the result from the Company and its subsidiaries' dividend payment and buyback of equity share. In addition, there were the LPG purchasing to increase reserved LPG inventory from 1% to 2% during 2020 to support the announcement of the Department of Energy Business Re: Types and Rates, Criteria, Methods and Conditions for Calculation of Fuel Reserve No. 2 B.E. 2021 Announced on January 26, 2021, which will be effective from 1 July 2021 onwards.

2) Financial assets measured with fair value through profit or loss

As at year end 2020, the Company and its subsidiaries' financial assets measured with fair value through profit or loss amounted to THB 209 million. In 2020, short-term investment was reclassified and transferred to be financial assets measured with fair value through profit or loss. During the year, equity instrument being classified as the said type of asset was traded for THB 80 million and THB 280 million, respectively.

3) Trade and other receivables

As at year end 2020, the Company and its subsidiaries' trade and other receivables-net amounted to THB 872 million, decreasing by 7.14% from the end of 2019 under classification into the following details.

	Consolidated Financial Statements			
	2020		2019	
	Million Baht	(%)	Million Baht	(%)
Trade receivables – net	806	92.39	898	95.59
Other receivables – net	66	7.61	41	4.41
Total trade and other receivables – net	872	100.00	939	100.00

Details of the analysis on trade receivable aging are as follows:

	Consolidated Financial Statements			
	2020		2019	
	Million Baht	(%)	Million Baht	(%)
Outstanding up to 3 months	795	90.61	896	91.95
Between 3-6 months	0.9	0.10	0.1	0.01
Between 6-12 months	8	0.94	4	0.42
Over 12 months	73	8.35	74	7.62
Total trade receivables	878	100	974	100
Less Allowance for doubtful accounts	-72		-76	
Trade receivables – net	806		898	

As at year end 2020, the Company and its subsidiaries' trade receivables consist of 90.61% trade receivables which are outstanding up to 3 months and the remaining was the overdue receivables. However, the Company and its subsidiaries have a policy to set aside allowance for doubtful accounts and consider setting aside allowance for doubtful accounts totaling THB 72 million, which was expected to be sufficient to cover the expected uncollectible receivable amount.

4) Inventory

The Company and its subsidiaries' inventories include LPG in the form of finished goods, which were THB 304 million as at year end 2020, increasing by 50.79% from the end of 2019 mainly due to the Company and its subsidiaries reserved additional LPG for the new gas terminals and to support the announcement of the Department of Energy Business Re: Types and Rates, Criteria, Methods and Conditions for Calculation of Fuel Reserve No. 2 B.E. 2021 Announced on January 26, 2021 which will be effective from 1 July 2021 onwards The company and its subsidiaries' liquefied petroleum gas reserves increased from 1% to 2% during 2020.

Non-Current Assets

1) Restricted bank deposit

The Company and its subsidiaries' restricted bank deposit as at year end 2020 amounted to THB 31 million, decreasing by 52.63% from THB 667 million the end of 2019. The restricted bank deposit is mostly cash for guarantee on issuance of letter of guarantee to the business partner. During 2020, the Company and its subsidiaries withdrew restricted bank deposit from a financial institution creditor for THB 351.26 million.

2) Investment property

As at year end 2020, the Company and its subsidiaries' investment property amounted to THB 91 million, increasing by 96.37% due to takeover of LPG filling plants during the year and letting of such property to earn rent in the amount of THB 7.55 million as revenue in 2020.

3) Property, plant, and equipment

As at year end 2020, the Company and its subsidiaries' property, plant and equipment – net amounted to THB 2,926 million, increasing by 6.36% from the end of 2019 mainly due to an increase of operating lease asset which is the distribution center leased to the third party.

4) Goodwill

As at year end 2020, the Company and its subsidiaries' goodwill amounted to THB 121 million, decreasing by THB 1 million or 0.82% due to devaluation based on impairment of LPG service station business section.

5) Intangible assets

As at year end 2020, the Company and its subsidiaries' intangible assets – net amounted to THB 258 million, increasing by THB 208 million or 411.71% from the end of 2019 mainly due to the Company and its subsidiaries has chosen to early adopt the amendment to TFRS 3, Business combination that is effective for accounting period beginning or after 1 January 2021. As a result of the early adoption, purchases of a distribution center during the year has been reassessed as an asset acquisitions and license costs were recognised in the consolidated and separate financial statement.

Other Non-Current Assets

As at year end 2020, the Company and its subsidiaries' other non-current assets amounted to THB 72 million, decreasing by THB 63 million from the end of 2019. Core non-current assets of the Company and its subsidiaries include deposits of office building leases, property leases, public utility bills, etc.

Liabilities

As at year end 2020, the Company and its subsidiaries' total liabilities amounted to THB 4,977 million, increasing by THB 233 million from the end of 2019. The details of the analysis on the Company and its subsidiaries' liabilities can be summarized as follows.

Current liabilities

1) Short-term borrowings from financial institution

As at year end 2020, the Company and its subsidiaries' short-term borrowings from financial institution amounted to THB 20 million as loan used in business operation of WP Gas Co., Ltd. as the Company's subsidiary during 2020.

2) Trade and other payables

As at year end 2020, the Company and its subsidiaries' trade and other payables amounted to THB 746 million, or decreasing by 24.61% from the end of 2019 as per the following details of trade and other payables.

	Consolidated Financial Statements			
	2020		2019	
	Million Baht	(%)	Million Baht	(%)
Trade payables – third party	549	73.61	730	73.76
Other payables	124	16.61	170	17.20
Accrued expenses	46	6.23	61	6.15
Advance payment	26	3.55	29	2.89
Total trade and other payables	746	100.00	990	100.00

The Company and its subsidiaries' trade payables are mostly LPG cost payable. Trade payables as at year end 2020 amounted to THB 549 million, decreasing by THB 181 million or 24.76% from the end of 2019 due to a reduction of LPG price compared to the end of 2019.

Non-Current Liabilities

1) Long-term borrowings from financial institution

As at year end 2020, the Company and its subsidiaries' long-term borrowings from financial institution amounted to THB 89 million, decreasing by 23.93% from the end of 2019 due to the Company and its subsidiaries' partial repayment of loans during 2020.

2) Deposit received

As at year end 2020, the Company and subsidiaries' deposits received amounted to THB 3,492 million, increasing by 2.22% from the end of 2019. The Company and its subsidiaries' deposits received are mainly deposits for small-sized gas cylinders. Customer purchase of more small-sized gas cylinders for filling LPG for sales in form of cylinder caused an increase in deposits received.

Shareholders' Equity

As at year end 2020, the Company and its subsidiaries' total shareholders' equity amounted to THB 1,294 million, consisting of issued and paid-up 518,500,000 shares at par value of 1 Baht per share, premium on LPT selling price of THB 532 million, and total retained earnings of THB 267 million.

4. Obligation Management

1. Obligation

As at 31 December 2020, the Company and its subsidiaries' obligation by obligation type and maturity period is as follows.

Obligation	Total	Payment Period		
		Less than 1 year	Over 1 year but less than 5 years	Over 5 years
Obligation under long-term liabilities	143,784,749	54,860,658	88,924,091	-
Obligation under operating lease	411,947,179	43,866,499	368,080,680	-
Total	555,731,928	98,727,157	457,004,771	-

2. Contingent Liabilities

1) Bank guarantees

As at 31 December 2020, the Company Group provided bank guarantees to guarantee purchases of gas and use of electricity for THB 1,749.14 million (2019 : THB 1,201.42 million). Bank deposits amounting to THB 288.54 million (2019 : THB 647.39 million), machineries and lands valuing to THB 193.60 million and 130.00 million, respectively, were pledged by the Company as collateral for the bank guarantees.

As at 31 December 2020, the Company Group's bank deposit amounted to THB 25.72 million (2019: THB 19.33 million) as collateral for borrowing from financial institutions.

As at 31 December 2020, the Company Group provided bank deposit as other performance securities in the ordinary course of business for THB 1.86 million (2019 : THB 0.66 million).

5. Summary of Significant Financial Ratios

Table 4: Significant Financial Ratios of the Company and its Subsidiaries

(Unit : Million Baht)

	2020	2019	2018
Liquidity Ratio			
Current Ratio	2.14	1.93	2.08
Quick Ratio	1.81	1.74	1.87
Trade Receivable Turnover	13.11	13.83	13.86
Inventory Turnover	44.48	73.87	76.07
Account Payable Turnover	17.41	17.62	17.1
Average Collection Period	27.46	26.03	25.98
Average Holding Period	8.09	4.87	4.73
Payment Period	20.68	20.44	21.06
Cash Cycle	14.88	10.46	9.65
Profitability Ratio			
Gross Profit Margin	5.40%	5.18%	5.64%
Other Profit Margin	0.00%	0.71%	0.26%
Net Profit Margin	1.38%	2.00%	2.15%
Net Profit Margin(1)	1.38%	1.28%	1.89%
Return on Equity	12.88%	25.27%	38.65%
Return on Equity(1)	12.88%	16.23%	33.96%
Efficiency Ratio			
Return on Assets	3.80%	6.14%	7.09%
Return on Assets ⁽¹⁾	3.80%	4.38%	6.40%
Total Asset Turnover	0.49	2.46	2.64
Financial Policy Ratio			
Debt to Equity Ratio	3.85	3.67	4.76
Interest Bearing Debt to Equity Ratio	0.44	0.14	0.21
Interest Coverage Ratio (EBITDA)	20.27	51.70	44.83
Interest Coverage Ratio	29.14	48.49	38.43
Debt Service Coverage Ratio (Cash Basis)	0.61	0.53	0.76

⁽¹⁾ It is calculated from net profit excluding revenue from non-core business.

Analysis on Significant Financial Ratios

		2020	2019	Explanation
Profitability Ratio				
Gross Profit Margin	%	5.40	5.18	Gross Profit Margin The Company and its subsidiaries' net profit margin increased from 5.18% to 5.40% for the year ended 31 December 2020. Even though total LPG sales volume decreased from 763,165 tons to 724,825 tons and selling price reduced by 2.8037 Baht/Kg., but the Company and its subsidiaries could make better gross profit as the result from good LPG cost management and selling channel.
Net Profit Margin	%	1.38	2.00	Net Profit Margin For the year ended 31 December 2020, the Company and its subsidiaries' net profit margin was 1.38%, decreasing from 2.00% from 2019 due to the inventory devalue from the government sector announcement of LPG price on 24 March 2020, resulting in a decrease in net profit margin in 2020 compared to 2019.
Return on Equity	%	12.88	25.27	Return on Equity For the year ended 31 December 2020, the Company and its subsidiaries' return on equity was 12.88%, decreasing from 25.27% compared to return on equity for the year ended 31 December 2019 mainly due to decreasing net profit and increasing shareholders' equity from appropriated and unappropriated retained earnings to be million 267.26 Baht in 2020 compared to 2019 with appropriated and unappropriated retained earnings of THB 226.62 million.
Efficiency Ratio				
Return on Assets	%	3.80	6.14	Return on Assets For the year ended 31 December 2020, the Company and its subsidiaries' return on assets was 3.80%, decreasing from 6.14% compared to return on assets for the year ended 31 December 2019 mainly due to decreasing profit and increasing average assets of the Company and its subsidiaries since in 2020, TFRS 16 was revised and long-term lease fee which was formerly recorded in expense category was transferred to be operating lease asset. In 2020, the Company and its subsidiaries commenced to record purchase of filling plants to be purchase of asset and record recognition of the right in the license of intangible assets, resulting in an increase of total assets for the year ended 31 December 2020 compared to the year ended 31 December 2019.

Financial Policy Ratio				
Debt to Equity Ratio	Times	3.85	3.67	Debt to Equity Ratio <p>For the year ended 31 December 2020, the Company and its subsidiaries' debt to equity ratio was 3.85 times, slightly increasing from 3.67 times compared to debt to equity ratio for year ended 31 December 2019 due to a decrease in shareholders' equity from equity shares bought back during the year.</p> <p>Even though debt to equity ratio was quite high. However, most of the Company's liabilities were deposit received for small-sized LPG cylinders to be in line with the Notification of the Consumer Protection Board on the contract for the business that sells liquid propane gas (LPG) of which LPG cylinder is collected for security money to be a business that controls the transactions in receipt evidence dated 7 December 1999 prescribing that the business operator must issue Receipt and return security money upon the consumer's return of LPG cylinder to the business operator. Therefore, it can be summarized that the said return to equity did not affect the Company's ability to directly acquire loans due to the Company's interesting bearing debt to equity ratio was regarded to be in quite low criteria.</p>
Interest Bearing Debt to Equity Ratio	Times	0.44	0.41	Interest Bearing Debt to Equity Ratio <p>For the year ended 31 December 2020, the Company and its subsidiaries' interest bearing debt to equity ratio was 0.44 times, slightly increasing from 0.41 times compared to interest bearing debt to equity ratio for year ended 31 December 2019 mainly due to a decrease in shareholders' equity from payment of dividend and buyback of equity shares.</p> <p>From this financial ratio, it can be summarized that the Company's interest bearing debt to equity ratio was regarded to be in quite low criteria. Thus, the Company can acquire additional loans in the future in case of necessity to spend money.</p>
Interest Coverage Ratio	Times	20.27	51.70	Interest Coverage Ratio <p>In 2020, the Company and its subsidiaries' interest coverage ratio was 20.27 times, decreasing from 51.70 times compared to interest coverage ratio in 2019 mainly due to a decrease in the Company and its subsidiaries' net profit as the result of a decrease in sales volume and from the Government Sector Notification of price reduction to assist the consumers for the COVID-19 situation, resulting in impairment of inventories in value of THB 19.45 million and fine from loss of the case for THB 18.0 million during 2020.</p>
Debt Service Coverage Ratio (Cash Basis)	Times	0.61	0.53	Cash Basis <p>In 2020, the Company and its subsidiaries' cash basis was 0.61 times, increasing from 0.53 times compared to cash basis in 2019 mainly due to the Company and its subsidiaries' withdrawal of deposit guarantee from a financial institution payable for THB 351.26 Baht, resulting in the Company's increase in cash flows.</p> <p>From this financial ratio, it can be summarized that the Company's cash basis has been adequate.</p>

Debt Service Coverage and Compliance with Important Loan Conditions

Meaning and Formula for Financial Ratio Calculation

Financial Ratios	Unit	Financial Ratio Calculation Formula
Current Ratio	Times	= Current assets / Current liabilities
Quick Ratio	Times	= (Cash and bank deposit + Marketable securities + Trade receivables) / Current liabilities
Trade Receivable Turnover	Times	= Net sales / (Trade receivable before doubtful accounts + Trade notes receivable) (Average)
Inventory Turnover	Times	= Cost of sales / Inventory (Average)
Payable Turnover	Times	= Purchase or cost of sales / (Trade payable + Trade notes payable) (Average)
Average Collection Period	Days	= 360 / Trade Receivable Turnover
Average Holding Period	Days	= 360 / Inventory Turnover
Payment Period	Days	= 360 / Payable Turnover
Cash Cycle	Days	= Collection Period + Holding Period – Payment Period
Gross Profit Margin	%	= Gross profit / Net sales
Other Profit Margin	%	= Non-operating profit / Total revenues
Net Profit Margin	%	= Net profit / Total revenues
Return on Equity	%	= Net profit / Shareholders' equity (Average)
Return on Assets	%	= Net profit / Total assets (Average)
Total Asset Turnover	Times	= Total revenues / Total assets (Average)
Debt to Equity Ratio	Times	= Total liabilities / Shareholders' equity
Interest Bearing Debt to Equity Ratio	Times	= Interest bearing debt / Shareholders' Equity
Interest Coverage Ratio	Times	= Cash flow from operating activities + Interest expense from operating activities + Tax / Interest expense from operating activities and investment
Interest Coverage Ratio (EBITDA)	Times	= EBITDA / Interest expense from operating activities and investment
Debt Service Coverage Ratio (Cash basis)	Times	= Cash flow from operating activities / Debt payment + Investment expense + Asset purchase + Dividend

6. Debt Service Coverage and Compliance with Important Loan Conditions

The Company must maintain two financial ratios as required by the financial institutions, consisting of Debt Service Coverage Ratio and Interest Bearing Debt to EBITDA as per the following detail.

			Ratio for 2020	Status
1	Debt Service Coverage Ratio Not lower than 1.20:1	= $\frac{\text{EBITDA}}{\text{Debt Service}}$	8.27	Pass
2	Interest Bearing Debt to EBITDA Not higher than 3:1	= $\frac{\text{Interest Bearing Debt}}{\text{EBITDA}}$	1.03	Pass

Debt Service Coverage Ratio and Interest Bearing Debt to EBITDA as per the following detail.

EBITDA: It is derived from consolidated financial statements using profit before income tax expense of consolidated financial statements after adjustment entry of expense.

Debt Service: Interest expense in consolidated financial statements (current year) + Current portion of long-term borrowings in consolidated financial statements (previous year) + Current portion of finance lease liabilities in consolidated financial statements (previous year)

Interest Bearing Debt: Current portion of finance lease liabilities in consolidated financial statements (current year) + Finance lease liabilities in consolidated financial statements (current year) + Current portion of long-term borrowings in consolidated financial statements (current year) + Long-term borrowings from financial institutions in consolidated financial statements (current year)

Based on the above data, it can be concluded that the Company has sufficient ability to pay debts and is able to fully comply with financial institution's conditions.

7. Liquidity and Sources of Capital

In the period of last 2020, the Company and its subsidiaries were liquid whereas the main sources of capital were cash flows from operating activities for Baht 500-600 Million per year which was adequate for normal operations and investment according to the plan. However, the Company regularly reviews and assesses its capital requirement by taking into account from short-term and long-term turnover to consider the receiving cash flows, and analyzing money market and capital market conditions on regular basis to enable to appropriately manage finance cost. If the Company is unable to generate sufficient cash flows from operating activities to be sufficient for investment or have an interesting capital mobilization and have low finance cost. The Company may consider the financing alternative to expand the business to earn best return such as issuance of debentures, and additional short-term and long-term capital borrowings from financial institutions.

8. Risk Factors Affecting the Company's Operation Results

As the result of the government policy in the matter of full liberalization of LPG business that is effective in the ending period of 2017 onwards, however, the government has still announced the reference LPG price for application of the entrepreneur as a guideline of business operation.

The liberalization of the entire LPG business system brings about the cancellation of the control of LPG price and volume of every production and supply source, and the cancellation of the announcement of LPG ex-refinery prices and wholesale prices at gas terminals.

The liberalization may have a long-term impact on the Company's operation results and competitiveness in the future because LPG selling prices will reflect actual costs and vary based on price mechanism in the world and domestic markets. If the LPG selling price reduces, the Company's profit may also decrease while the increase of LPG selling price may positively affect the Company's turnover. However, if the LPG selling price is too high, the consumers may choose to use other cheaper alternative energy. This change in consumer behavior will affect the turnover of other companies and traders under Section 7.



Consolidated and Separate Financial Statements

31 December 2020

Independent Auditor's Report

To the Shareholders and the Board of Directors of WP Energy Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of WP Energy Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

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 2020;
- 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 significant accounting policies and other explanatory information.

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 Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p>Provision for lost assets: small-sized gas cylinders</p> <p>Refer to note 17 to the financial statements for the related disclosures, the Group recognised a provision for lost gas cylinders amounting to Baht 247.85 million, which represents 4 percent of the Group's total assets. The gas cylinders are residing in the users' premises throughout the country and are not able to be physically examined for their existence.</p> <p>Management estimates the provision for lost gas cylinders based on the quantities appraised by an independent appraiser. The appraised quantities do not represent the exact quantities of the gas cylinders but they are based on an appraisal methodology, which uses the turnover of gas cylinders and the result of physical inspection at the filling stations as a basis of estimation. The appraised quantities represent the management's best estimate of the quantities of the lost cylinders. Management has arranged for the appraisal to take place every 3 years to obtain confidence in the estimate of the provision amount. The last appraisal was taken place in 2018 and the next appraisal will be complied in 2021.</p> <p>Since 2014, the management has maintained a record of movements of quantity and value, based on first-in, first-out cost method, of gas cylinders to derive at the balance of gas cylinder at year end. The management has relied on this record and believes that the provision for lost gas cylinders should be remained and is reasonably stated.</p> <p>I focused on this area due to the size of the provision balance, and because the provision is based on the management's estimate</p>	<p>Because it is not due for appraisal in 2020, I assessed the reasonableness of provision for lost assets : small-sized gas cylinders using the appraisal report, prepared at the end of 2018 as the beginning balance for 2019 and tested the movements of gas cylinders per the fixed assets register for 2019 and 2020 in order to derive the quantities of small-sized gas cylinders at the end of 2020.</p> <p>I tested the reliability of the appraisal report during my audit in 2018 and compared the quantities of small-sized gas cylinders per the appraisal report with the quantities in the fixed assets register. I noted that the quantities of these 2 sources were materially consistent.</p> <p>I performed the following procedures on the movements of gas cylinders of 2020.</p> <ul style="list-style-type: none"> • Tested the movements of gas cylinders per the Group's fixed assets register with supporting documents such as suppliers' invoices, Group's sales invoices, and gas cylinders destruction reports. • Assessed the reasonableness of provision for lost assets by assessing the reliability of the fixed assets register as described above. <p>I did not find any material exceptions from carrying out the above procedures.</p>
<p>Deposits received for small-sized gas cylinders</p> <p>Refer to note 25 to the financial statements for the related disclosures, deposit received comprises deposits received for small-sized gas cylinders and provision for deposits received of Baht 2,221 million, and Baht 1,271 million, respectively, which represent 70 percent of the Group's total liabilities.</p> <p>Deposits received for small-sized gas cylinders are recognised based on actual cash received when the Group receives cash and issues receipts to customers.</p>	<p>Because the provision for deposits received for small-sized gas cylinders is estimated based on the gas cylinder circulated in the users' premises, I performed the audit procedures on the quantities of the gas cylinders as explained in key audit matter regarding provision for lost assets: small-sized gas cylinders.</p> <p>I tested the reliability of the appraisal report during my audit in 2018 and compared the quantities of small-sized gas cylinders per the appraisal report with the quantities in the detail of deposits received. I noted that the quantities of these 2 sources were materially consistent.</p>

Key audit matter	How my audit addressed the key audit matter
<p>Management estimates provision for deposits received from the quantity of small-sized gas cylinders circulating and being stored in consumers' households and premises, based on an appraisal report prepared by independent appraiser and applying the average deposit amount of small-sized gas cylinders in each year to derive at the provision amount. Management believes that the liabilities, taken into accounts of such provision, are stated prudently and conservatively.</p> <p>Since 2014, the management has maintained a record of movements of deposits received for gas cylinders based on actual cash received and cash paid to customers to derive the ending balance of deposits. The management has relied on the accuracy of this record and believes that the provision for deposits received for small-sized gas cylinders is adequate and should not be adjusted for 2020.</p> <p>I focused on this area due to the size of the deposit balance and because the provision is based on the management's estimate.</p>	<p>I performed the following procedures on the movements of deposits received during 2020.</p> <ul style="list-style-type: none"> Tested the movements of deposits received for gas cylinders per the Group's record with receipts for deposits, and deposit refunded forms issued to customers, including traced the cash movements in bank statements. Assessed the reasonableness of provision for deposits received by assessing the reliabilities of the movements of deposits received as described above. <p>I did not find any material exceptions from carrying out the above procedures.</p>

Emphasis of matter

I draw attention to note 6.7, 6.9, 6.14, 6.15, 6.19, and 6.21 to the consolidated and separate financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My opinion is not modified in respect to this matter.

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.

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 judgement 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's 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's 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's 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.

Tithinun Vankeo

Certified Public Accountant (Thailand) No. 9432

Bangkok

24 February 2021

WP Energy Public Company Limited
Statements of Financial Position
As at 31 December 2020

		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Notes		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	11	649,142,426	663,488,781	486,112,084	525,605,588
Financial assets measured at fair value					
through profit or loss	13	209,572,921	-	209,572,921	-
Short-term investments		-	407,794,849	-	407,794,849
Trade and other receivables	12	872,577,990	939,713,165	934,371,161	1,037,607,272
Short-term loans to related parties	34.3	-	-	-	35,000,000
Inventories	14	303,809,721	201,482,108	293,195,031	189,055,487
Other current assets		7,262,981	9,778,268	4,289,711	6,768,326
Total current assets		2,042,366,039	2,222,257,171	1,927,540,908	2,201,831,522
Non-current assets					
Restricted cash	36	316,123,125	667,378,876	302,766,625	655,221,876
Investments in subsidiaries	15	-	-	482,149,065	432,149,065
Long-term loans to related parties	34.4	-	-	47,700,000	-
Investment properties	16	91,375,036	47,253,379	72,218,286	28,096,629
Property, plant and equipment	17	2,925,698,763	2,750,785,226	2,699,388,376	2,519,352,365
Right-of-use assets	18	433,558,018	-	395,752,732	-
Goodwill	19	120,857,198	121,857,198	5,106,502	6,106,502
Intangible assets	20	258,521,276	50,521,422	203,917,719	29,634,043
Prepaid rents		-	43,417,658	-	43,417,658
Deferred tax assets	21	10,921,825	10,788,052	8,762,842	9,133,617
Other non-current assets		71,907,587	134,730,301	68,186,155	133,537,837
Total non-current assets		4,228,962,828	3,826,732,112	4,285,948,302	3,856,649,592
Total assets		6,271,328,867	6,048,989,283	6,213,489,210	6,058,481,114

Director _____ Director _____

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 December 2020

		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institution	23	20,000,000	20,000,000	-	-
Trade and other payables	22	746,093,836	989,584,840	725,231,714	991,498,210
Current portion of long-term borrowings					
from financial institution	23	54,860,658	46,512,000	54,860,658	46,512,000
Current portion of lease liabilities	23	43,866,499	-	37,290,652	-
Current income tax payable		30,083,429	37,389,102	28,809,980	37,210,731
Other current liabilities		60,540,316	60,314,004	59,633,896	59,326,628
Total current liabilities		955,444,738	1,153,799,946	905,826,900	1,134,547,569
Non-current liabilities					
Long-term borrowings from financial institution	23	88,924,091	116,896,500	88,924,091	116,896,500
Lease liabilities	23	368,080,680	-	337,471,583	-
Employee benefit obligations	24	42,556,569	41,363,046	32,480,863	31,354,001
Deposits received	25	3,492,116,416	3,416,288,896	3,491,002,353	3,416,210,251
Deferred tax liabilities	21	16,891,507	17,465,001	-	-
Other non-current liabilities		13,465,790	8,114,421	13,441,791	8,114,421
Total non-current liabilities		4,022,035,053	3,600,127,864	3,963,320,681	3,572,575,173
Total liabilities		4,977,479,791	4,753,927,810	4,869,147,581	4,707,122,742

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares 518,500,000 shares					
of par Baht 1 each		518,500,000	518,500,000	518,500,000	518,500,000
Issued and paid-up share capital					
Ordinary shares 518,500,000 shares					
of paid-up Baht 1 each	26	518,500,000	518,500,000	518,500,000	518,500,000
Premium on LPG selling price		532,000,000	532,000,000	532,000,000	532,000,000
Retained earnings					
Appropriated - legal reserve	27	23,552,045	15,042,919	23,552,045	15,042,919
Unappropriated retained earnings		243,707,095	211,579,388	318,071,458	285,815,453
Treasury shares	26	(47,781,874)	-	(47,781,874)	-
Other components of equity		135	135	-	-
Equity attributable to owners of the parent		1,269,977,401	1,277,122,442	1,344,341,629	1,351,358,372
Non-controlling interests		23,871,675	17,939,031	-	-
Total equity		1,293,849,076	1,295,061,473	1,344,341,629	1,351,358,372
Total liabilities and equity		6,271,328,867	6,048,989,283	6,213,489,210	6,058,481,114

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Revenue					
Revenue from sales		11,856,372,602	14,127,428,125	11,789,304,946	14,118,573,816
Revenue from services		21,435,042	26,957,982	-	-
Total revenue		<u>11,877,807,644</u>	<u>14,154,386,107</u>	<u>11,789,304,946</u>	<u>14,118,573,816</u>
Cost					
Cost of sales		(11,226,620,456)	(13,404,427,053)	(11,228,887,837)	(13,452,443,317)
Cost of providing services		(10,084,890)	(16,387,211)	-	-
Total costs		<u>(11,236,705,346)</u>	<u>(13,420,814,264)</u>	<u>(11,228,887,837)</u>	<u>(13,452,443,317)</u>
Gross profit		641,102,298	733,571,843	560,417,109	666,130,499
Other income	28	194,359,141	311,308,985	197,676,827	311,240,557
Selling expenses		(250,649,805)	(291,678,422)	(230,280,170)	(251,362,146)
Administrative expenses		(350,791,010)	(391,966,141)	(292,729,752)	(332,358,369)
Finance costs		(20,735,852)	(3,429,960)	(19,000,097)	(2,633,415)
Profit before income tax		213,284,772	357,806,305	216,083,917	391,017,126
Income tax	30	(46,548,010)	(68,742,414)	(45,901,401)	(71,835,694)
Net profit for the year		<u>166,736,762</u>	<u>289,063,891</u>	<u>170,182,516</u>	<u>319,181,432</u>
Other comprehensive income (expense):					
<i>Item that will not be reclassified to profit or loss:</i>					
Remeasurements of post - employment benefit obligations		-	(7,433,113)	-	(5,741,807)
Income tax on item that will not be reclassified to profit or loss		-	1,486,623	-	1,148,361
Other comprehensive expense for the year, net of tax		<u>-</u>	<u>(5,946,490)</u>	<u>-</u>	<u>(4,593,446)</u>
Total comprehensive income for the year		<u>166,736,762</u>	<u>283,117,401</u>	<u>170,182,516</u>	<u>314,587,986</u>
Profit (loss) attributable to:					
Owners of the parent		170,054,218	290,494,480	170,182,516	319,181,432
Non-controlling interests		(3,317,456)	(1,430,589)	-	-
		<u>166,736,762</u>	<u>289,063,891</u>	<u>170,182,516</u>	<u>319,181,432</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Comprehensive Income (Cont'd)
For the year ended 31 December 2020

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Total comprehensive income (expense)					
attributable to:					
Owners of the parent		170,054,218	284,547,990	170,182,516	314,587,986
Non-controlling interests		(3,317,456)	(1,430,589)	-	-
		<u>166,736,762</u>	<u>283,117,401</u>	<u>170,182,516</u>	<u>314,587,986</u>
Earnings per share					
Basic earnings per share	31	<u>0.33</u>	<u>0.56</u>	<u>0.33</u>	<u>0.62</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2020

Consolidated financial statements											
Attributable to owners of the parent											
Notes	Issued and paid-up share capital	Premium on LPG selling price	Legal reserve	Unappropriated retained earnings (deficits)	Treasury shares	Other component of equity		Total owners of the parent	Non-controlling interests	Total equity	
						Changes in controlling interest in subsidiaries					
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2019	518,500,000	532,000,000	-	(57,925,683)	-	-	-	992,574,317	31,063	992,605,380	
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	19,338,538	19,338,538	
Appropriation of legal reserve	-	-	15,042,919	(15,042,919)	-	-	-	-	-	-	
Changes in controlling interest in subsidiaries	-	-	-	-	-	135	135	135	19	154	
Total comprehensive income (expense) for the year	-	-	-	284,547,990	-	-	-	284,547,990	(1,430,589)	283,117,401	
Closing balance at 31 December 2019	518,500,000	532,000,000	15,042,919	211,579,388	-	135	135	1,277,122,442	17,939,031	1,295,061,473	
Opening balance at 1 January 2020	518,500,000	532,000,000	15,042,919	211,579,388	-	135	135	1,277,122,442	17,939,031	1,295,061,473	
Establishment of a subsidiary	-	-	-	-	-	-	-	-	9,250,100	9,250,100	
Appropriation of legal reserve	-	-	8,509,126	(8,509,126)	-	-	-	-	-	-	
Dividends	-	-	-	(129,417,385)	-	-	-	(129,417,385)	-	(129,417,385)	
Acquisition of treasury shares	-	-	-	-	(47,781,874)	-	-	(47,781,874)	-	(47,781,874)	
Total comprehensive income (expense) for the year	-	-	-	170,054,218	-	-	-	170,054,218	(3,317,456)	166,736,762	
Closing balance at 31 December 2020	518,500,000	532,000,000	23,552,045	243,707,095	(47,781,874)	135	135	1,269,977,401	23,871,675	1,293,849,076	

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Changes in Equity (Cont'd)
For the year ended 31 December 2020

Separate financial statements						
Notes	Issued and paid-up share capital	Premium on LPG selling price	Legal reserve	Unappropriated retained earnings (deficits)	Treasury shares	Total equity
	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2019	518,500,000	532,000,000	-	(13,729,614)	-	1,036,770,386
Appropriation of legal reserve	-	-	15,042,919	(15,042,919)	-	-
Total comprehensive income for the year	-	-	-	314,587,986	-	314,587,986
Closing balance at 31 December 2019	518,500,000	532,000,000	15,042,919	285,815,453	-	1,351,358,372
Opening balance at 1 January 2020	518,500,000	532,000,000	15,042,919	285,815,453	-	1,351,358,372
Appropriation of legal reserve	-	-	8,509,126	(8,509,126)	-	-
Dividends	-	-	-	(129,417,385)	-	(129,417,385)
Acquisition of treasury shares	-	-	-	-	(47,781,874)	(47,781,874)
Total comprehensive income for the year	-	-	-	170,182,516	-	170,182,516
Closing balance at 31 December 2020	518,500,000	532,000,000	23,552,045	318,071,458	(47,781,874)	1,344,341,629

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Cash Flows
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash flows from operating activities					
Profit before income tax		213,284,772	357,806,305	216,083,917	391,017,126
Adjustments for					
Depreciation	16,17	263,030,794	274,249,505	241,654,943	235,693,722
Amortisation	18,20	69,283,586	9,348,810	63,207,638	4,353,592
Gain from disposal of plant and equipment	28	(14,071,068)	(12,074,634)	(10,559,002)	(8,594,019)
Loss from write-off of plant and equipment	17	10,335,556	14,271,599	-	2,449,322
Loss from write-off of right-of-use assets	18	5,834,736	-	5,834,736	-
(Gain) loss from sale of assets from finance lease		(587,468)	8,346,130	(587,468)	1,507,338
Loss from impairment of goodwill	19	1,000,000	3,400,700	1,000,000	3,400,700
Reversal of allowance for doubtful debts		-	(11,196,775)	-	(10,714,095)
Reversal of loss allowance		(3,439,109)	-	(4,596,873)	-
Fair value gain on trading securities	13b	-	(5,459,556)	-	(5,459,556)
Fair value gain on financial assets measured through profit or loss	13b	(1,778,072)	-	(1,778,072)	-
Rental income from investment properties	16	(7,555,047)	(872,796)	(7,110,421)	(592,431)
Interest income	28	(6,358,170)	(8,427,208)	(6,833,830)	(9,928,722)
Finance costs		20,735,852	3,429,960	19,000,097	2,633,415
Reversal of provision		-	(8,087,409)	-	(8,087,409)
Employee benefit obligations	24	6,625,880	11,545,937	3,578,259	9,113,940
		556,342,242	636,280,568	518,893,924	606,792,923
Changes in working capital					
- Trade and other receivables		89,915,040	171,247,072	127,205,402	(203,417)
- Inventories		(102,327,613)	(13,922,896)	(104,139,544)	(27,403,560)
- Other current assets		2,496,293	11,079,052	2,478,615	10,434,593
- Restricted cash		351,255,751	4,186,902	352,455,251	(5,139,587)
- Investment properties classified as held-for-sale		-	63,125,569	-	63,125,569
- Prepaid rents		-	5,493,776	-	5,493,776
- Other non-current assets		62,822,714	(93,279,024)	65,351,682	(92,832,408)
- Trade and other payables		(222,110,858)	(217,917,214)	(231,132,416)	(52,133,435)
- Other current liabilities		226,312	10,426,661	307,268	10,362,247
- Deposits received		75,827,520	31,477,345	74,792,102	31,398,700
- Employee benefit obligations	24	(5,432,357)	(3,365,181)	(2,451,397)	(1,676,176)
- Other non-current liabilities		5,351,369	-	5,327,370	-
Cash flows generated from operating activities		814,366,413	604,832,630	809,088,257	548,219,225
<u>Less</u> Interest paid		(20,879,447)	(3,538,486)	(19,143,691)	(2,530,217)
Income tax paid		(54,385,615)	(69,609,283)	(53,931,377)	(66,168,490)
Net cash generated from operating activities		739,101,351	531,684,861	736,013,189	479,520,518

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Cash Flows (Cont'd)
For the year ended 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash flow from investing activities					
Proceeds from disposals of financial assets					
measured at fair value through profit or loss	13b	280,000,000	-	280,000,000	-
Payments for financial assets measured at fair value					
through profit or loss	13b	(80,000,000)	-	(80,000,000)	-
Proceeds from disposals of short-term investments		-	302,707,877	-	302,707,877
Payments for short-term investment		-	(302,707,877)	-	(302,707,877)
Proceed from repayments of short-term loan					
to related party	34.3	-	-	35,000,000	-
Payment for long-term loan to related parties	34.4	-	-	(47,700,000)	-
Purchase of plant and equipment		(496,339,208)	(352,537,068)	(473,808,986)	(332,930,459)
Proceed from rental income					
from investment properties	16	7,555,047	872,796	7,110,421	592,431
Borrowing costs		(7,066,741)	(9,492,198)	(7,066,741)	(9,492,198)
Purchases of intangible assets		(200,170,110)	(10,486,767)	(179,053,741)	(3,500,000)
Purchase of investment properties	16	(44,701,599)	(12,955,384)	(44,701,599)	(12,955,384)
Acquisition of subsidiaries, net of cash acquired	33	-	(158,274,000)	-	-
Payments for increase in share capital of a subsidiary	15.1	-	-	(50,000,000)	(170,000,000)
Proceed from disposal of plant and equipment		15,645,671	22,780,387	11,866,982	8,594,148
Interest received		7,429,990	7,397,823	8,030,329	9,926,503
Net cash used in investing activities		(517,646,950)	(512,694,411)	(540,323,335)	(509,764,959)
Cash flow from financing activities					
Proceeds from disposal of investment in subsidiary		-	154	-	-
Proceeds from non-controlling interests in subsidiary		100	-	-	-
Proceeds from short-term borrowings					
from financial institution	23.2	120,000,000	96,928,152	-	-
Repayments to short-term borrowings					
from financial institution	23.2	(120,000,000)	(96,920,725)	-	-
Repayments to finance lease liabilities	23.1	(38,977,846)	(5,808,400)	(38,360,348)	-
Proceeds from long-term borrowings					
from financial institution	23.3	27,656,484	-	27,656,484	-
Repayments to long-term borrowings					
from financial institution	23.3	(47,280,235)	(46,512,000)	(47,280,235)	(46,512,000)
Dividends paid	32	(129,417,385)	-	(129,417,385)	-
Payments for treasury share	26	(47,781,874)	-	(47,781,874)	-
Net cash used in financing activities		(235,800,756)	(52,312,819)	(235,183,358)	(46,512,000)
Net decrease in cash and cash equivalents		(14,346,355)	(33,322,369)	(39,493,504)	(76,756,441)
Cash and cash equivalents at beginning of the year		663,488,781	696,811,150	525,605,588	602,362,029
Cash and cash equivalents at end of the year		649,142,426	663,488,781	486,112,084	525,605,588

The accompanying notes are an integral part of these consolidated and separate financial statements.

WP Energy Public Company Limited
Statements of Cash Flows (Cont'd)
For the year ended 31 December 2020

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Significant non-cash transactions				
Payable arising from purchases of equipment	31,702,859	62,868,010	27,793,614	62,784,099
Payable arising from purchases of intangible assets	10,000,000	71,400	-	-
Provision for decommissioning	-	1,764,421	-	1,764,421
Increase in non-controlling interests in subsidiary in exchange of property, plant and equipment	500,000	-	-	-
Increase in non-controlling interests in subsidiary in exchange of intangible assets	8,750,000	-	-	-

The accompanying notes are an integral part of these consolidated and separate financial statements.

1 General information

WP Energy Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

1 East Water Buildings 15th Floor, Soi Viphavadi Rangsit 5, Vibhavadi Rangsit Road, Chom Phon sub district, Chatuchak district, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The principal activities of the Group are trading of Liquefied Petroleum Gas (LPG), and transportation of oil, gas, and chemical substances.

On 24 November 2014, WP Energy Public Company Limited was registered as the amalgamated company between Picnic Corporation Public Company Limited (“PICNIC”) and World Gas (Thailand) Co., Ltd. (“WG”) under the Public Limited Companies ACT, B.E. 2535. As the amalgamated company, the Company will carry all the property, obligations, rights, duties and the businesses and liabilities, including litigations and commitments of PICNIC and WG. The amalgamation resulted in the dissolution of PICNIC and WG since 23 November 2014.

These Group consolidated financial statements were authorised for issue by the Board of Directors on 24 February 2021.

2 Significant events during the current period

In early 2020, there was an outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”). During March to May 2020, Thai Government has announced to close department stores, restaurants and hotels which are the main customers of the Group in order to prevent COVID-19 outbreak. The closure of those businesses has affected the demand in LPG Gas usage to decrease.

However, since May 2020 Thai Government has announced to relieve the closure and allow those businesses to operate normally which make the demand in LPG Gas usage to increase when compared to the demand in early 2020.

The Group pays close attention to the development of the COVID-19 outbreak to develop a way to deal with the issue. Currently, the Group has enough sufficient cash, working capital and liquidity to continue operating the business.

3 Basis for preparation

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 except financial assets measured at fair value through profit or loss.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

An English version of the consolidated and separate financial statements have 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.

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

a) 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

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, *Leases* will result in almost all leases being recognised on the balance sheet 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 has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

4 New and amended financial reporting standards (Cont'd)

4.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 adopted by the Group for the current reporting period and have significant impacts to the Group

Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

As a result of the early adoption, all acquisition transactions that the Group previously identified as business combination in the interim consolidated and separate financial information have been reassessed as asset acquisitions in the consolidated and separate financial statement (Note 20).

4.3 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

c) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

The Group's management is currently assessing the impact of initial adoption of this standard.

5 Adoption of new financial reporting standards and changes in accounting policies

This note explains the impact of the adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosure, TFRS 9 Financial Instruments and TFRS 16 Leases on the Group's consolidated financial statements and the Company's separate financial statements. The new accounting policies applied from 1 January 2020 were disclosed in Note 6.7, 6.15 and 6.16.

The Group and the Company have adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows:

Consolidated financial information				
Notes	As at 31 December 2019 Previously reported Baht	TAS 32 and TFRS 9 Reclassifications and adjustments Baht	TFRS 16 Reclassifications and adjustments Baht	As at 1 January 2020 Restated Baht
Assets				
Current assets				
Financial assets measured at fair value through profit or loss	a	-	407,794,849	-
Short-term investments	a	407,794,849	(407,794,849)	-
Trade and other receivables	b	939,713,165	-	(2,037,431)
Total current assets		1,347,508,014	-	(2,037,431)
Non-current assets				
Right-of-use assets	b	-	-	475,100,078
Prepaid rent	b	43,417,658	-	(43,417,658)
Total non-current assets		43,417,658	-	431,682,420
Total assets		1,390,925,672	-	429,644,989
Liabilities and equity				
Current liabilities				
Current portion of lease liabilities	b	-	-	34,157,765
Total current liabilities		-	-	34,157,765
Non-current liabilities				
Lease liabilities	b	-	-	395,487,224
Total non-current liabilities		-	-	395,487,224
Total liabilities		-	-	429,644,989

5 Adoption of new financial reporting standards and changes in accounting policies (Cont'd)

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows: (Cont'd)

		Separate financial information			
	Notes	As at 31 December 2019 Previously reported Baht	TAS 32 and TFRS 9 Reclassifications and adjustments Baht	TFRS 16 Reclassifications and adjustments Baht	As at 1 January 2020 Restated Baht
Assets					
Current assets					
Financial assets measured at fair value through profit or loss	a	-	407,794,849	-	407,794,849
Short-term investments	a	407,794,849	(407,794,849)	-	-
Trade and other receivables	b	1,037,607,272	-	(2,037,431)	1,035,569,841
Total current assets		1,445,402,121	-	(2,037,431)	1,443,364,690
Non-current assets					
Right-of-use assets	b	-	-	452,542,831	452,542,831
Prepaid rent	b	43,417,658	-	(43,417,658)	-
Total non-current assets		43,417,658	-	409,125,173	452,542,831
Total assets		1,488,819,779	-	407,087,742	1,895,907,521
Liabilities and equity					
Current liabilities					
Current portion of lease liabilities	b	-	-	33,049,384	33,049,384
Total current liabilities		-	-	33,049,384	33,049,384
Non-current liabilities					
Lease liabilities	b	-	-	374,038,358	374,038,358
Total non-current liabilities		-	-	374,038,358	374,038,358
Total liabilities		-	-	407,087,742	407,087,742

Note:

- a) Impacts from changes in classification of financial assets (Note 5.1)
b) Recognition of right of use assets and lease liabilities under TFRS 16 (Note 5.2)

5 Adoption of new financial reporting standards and changes in accounting policies (Cont'd)

5.1 Financial instruments

On 1 January 2020 (the date of initial application), the management has assessed which business models apply to the financial assets and financial liabilities and has classified its financial instruments into the appropriate TFRS 9 categories below.

Consolidated financial statements				
	Note	FVPL Baht	Amortised cost Baht	Total Baht
Financial assets				
Cash and cash equivalents		-	663,488,781	663,488,781
Financial assets measured at fair value through profit or loss	a	407,794,849	-	407,794,849
Trade and other receivables		-	897,599,238	897,599,238
Restricted cash		-	667,378,876	667,378,876
Other financial assets		-	38,105,126	38,105,126
		407,794,849	2,266,572,021	2,674,366,870
Consolidated financial statements				
		FVPL Baht	Amortised cost Baht	Total Baht
Financial liabilities				
Short-term borrowing from financial institution		-	20,000,000	20,000,000
Trade and other payables		-	900,105,019	900,105,019
Long-term borrowings from financial institution		-	163,408,500	163,408,500
Lease liabilities		-	429,644,989	429,644,989
Deposits received		-	3,416,288,896	3,416,288,896
Other financial liabilities		-	16,550,396	16,550,396
		-	4,945,997,800	4,945,997,800
Separate financial statements				
		FVPL Baht	Amortised cost Baht	Total Baht
Financial assets				
Cash and cash equivalents		-	525,605,588	525,605,588
Financial assets measured at fair value through profit or loss	a	407,794,849	-	407,794,849
Trade and other receivables		-	1,002,577,844	1,002,577,844
Short term loan to related parties		-	35,000,000	35,000,000
Restricted cash		-	655,221,876	655,221,876
Other financial assets		-	36,912,662	36,912,662
		407,794,849	2,255,317,970	2,663,112,819

5 Adoption of new financial reporting standards and changes in accounting policies (Cont'd)

5.1 Financial instruments (Cont'd)

On 1 January 2020 (the date of initial application), the management has assessed which business models apply to the financial assets and financial liabilities and has classified its financial instruments into the appropriate TFRS 9 categories below. (Cont'd)

	Separate financial statements		
	FVPL Baht	Amortised cost Baht	Total Baht
Financial liabilities			
Trade and other payables	-	911,491,073	911,491,073
Long-term borrowings			
from financial institution	-	163,408,500	163,408,500
Lease liabilities	-	407,087,742	407,087,742
Deposits received	-	3,416,210,251	3,416,210,251
Other financial liabilities	-	12,347,990	12,347,990
	-	4,910,545,556	4,910,545,556

Note:

a) Reclassification from short-term investment to financial assets measured at fair value through profit or loss (FVPL)

5.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases for leases of land, buildings, equipments and vehicles. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities was 4.88% - 5.38%.

Right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 1 January 2020. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

	Consolidated financial statement Baht	Separate financial statement Baht
Operating lease commitments disclosed as at 31 December 2019	514,582,045	490,612,049
<u>Less:</u> Discounted using the lessee's incremental borrowing rate of at the date of initial application	(109,918,820)	(110,312,365)
<u>Add:</u> Adjustments as a result of a different treatment of extension option	24,981,764	26,788,058
Lease liability recognised as at 1 January 2020	429,644,989	407,087,742
Current portion of lease liabilities	34,157,765	33,049,384
Non-current portion of lease liabilities	395,487,224	374,038,358

5 Adoption of new financial reporting standards and changes in accounting policies (Cont'd)

5.2 Leases (Cont'd)

Practical expedients applied

In applying TFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an arrangement contains a Lease.

6 Accounting policies

6.1 Principles of consolidation

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

b) 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.

When the Group loses control, joint control or significant influence 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.

c) 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 associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

6 Accounting policies (Cont'd)

6.2 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.

6.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's and the Company's functional and presentation 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 or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

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.

6.4 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

6 Accounting policies (Cont'd)

6.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold and/or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 6.7(f).

6.6 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

6.7 Financial asset

For the year ended 31 December 2020

a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

6 Accounting policies (Cont'd)

6.7 Financial asset

For the year ended 31 December 2020 (Cont'd)

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

f) Impairment

From 1 January 2020, the Group assesses on a forward looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. The Group applied historical credit loss adjusted with the management's judgement in estimating the expected credit loss as disclosed in note 12.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

6 Accounting policies (Cont'd)

6.7 Financial asset (Cont'd)

For the year ended 31 December 2020 (Cont'd)

f) Impairment (Cont'd)

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

Classification and measurement of financial assets is disclosed in Note 5.1.

For the year ended 31 December 2019

Investments in debt and equity securities

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading and available-for-sale investments

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

6 Accounting policies (Cont'd)

6.8 Non-current assets (or disposal groups) held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

6.9 Investment Property

Investment properties, principally land, buildings and infrastructures are held for long-term rental yields or for capital appreciation or both, and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

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

Buildings and infrastructures	10 - 30 Years
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The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by not taking into account the information related to COVID-19 in its financial projections for the purpose of fair valuing investment properties as at 31 December 2020.

6.10 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Small-sized gas cylinders which are circulating and utilising by customers in their households or premises are presented at cost less accumulated depreciation and provision for lost assets. The Company has arranged for the independent appraiser to assess the quantity of gas cylinders circulating and being stored in consumers' households or premises. A provision is provided for lost assets in accordance with the appraised quantities. The appraisal will be conducted every 3 years and when the lost assets quantity is ascertained, the lost cylinders will be written-off.

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

6 Accounting policies (Cont'd)

6.10 Property, plant and equipment (Cont'd)

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

Buildings and infrastructures	10 - 30 Years
Terminals and gas storage tanks	10 - 15 Years
Machinery and equipment	10 - 20 Years
Small-sized gas cylinders	20 Years
Furniture, fixtures and office equipment	3, 5 Years
Vehicles	5 Years

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 6.14).

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

6.11 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

6.12 Prepaid rent

Prepaid rent are initially recorded at cost and amortised on straight-line basis over the period of rent around 12 - 30 years.

6.13 Intangible assets

6.13.1 Trademarks and computer software licenses

Trademarks for Liquefied petroleum Gas (LPG) trading and restaurant business are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of 10 - 20 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 - 10 years.

6.13.2 License

Expenditure on acquired license is capitalised and amortised using the straight-line method over their useful lives of over 10 - 20 years.

6.13.3 Butane contract and Gas storage contract

Butane contract and Gas storage contract acquired in a business combination are recognised at fair value at the acquisition date. The contracts have finite useful life and carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over their useful lives of 1 and 5 years, respectively.

6 Accounting policies (Cont'd)

6.14 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.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 as an indication of the impairment of assets.

In addition, for goodwill and intangible assets that are not ready for intended use or sale that the Group has to test for impairment annually, the Group has chosen not to include information related to COVID-19 that potentially affect financial projections to consider for the asset's impairment testing.

6.15 Leases

For the year ended 31 December 2020

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

6 Accounting policies (Cont'd)

6.15 Leases (Cont'd)

For the year ended 31 December 2020 (Cont'd)

Leases - where the Group is the lessee (Cont'd)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases is recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

During the reporting period, the Group received discounts in the lease payments from lessors due to the COVID-19 outbreak. The Group elected not to account for all discounts in the lease payments under the lease modification in accordance with TFRS 16. Instead, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the exemption. The Group also reversed depreciation charges on the right-of-use assets and interest expenses on the lease liabilities recognised in the same proportion of Baht 1.94 million and Baht 1.14 million, respectively. The differences between the reduction of the lease liabilities and the reversal of the expenses of Baht 0.79 million are recognised in other gains(losses) instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease.

For the year ended 31 December 2019

Leases - where the Group 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.

6 Accounting policies (Cont'd)

6.15 Leases (Cont'd)

For the year ended 31 December 2019 (Cont'd)

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

6.16 Financial liabilities

For the year ended 31 December 2020

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

6 Accounting policies (Cont'd)

6.16 Financial liabilities (Cont'd)

For the year ended 31 December 2019

Borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

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.

6.17 Troubled debt restructuring where the Group is the debtor

When the Group transfers its assets or equities in settlement of its debts as part of the debt restructuring, the excess of the carrying amount of the payable settled (including accrued interest, unamortised premium or discount, finance charges or issue costs) over the fair value of the assets or equities transferred to the lender is recognised as a gain on restructuring.

Legal fees and other direct costs incurred in transferring equities are deducted from the amount recorded for that equity. All other direct costs incurred to effect the debt restructuring are deducted to arriving at a net gain on restructuring. If no gain on restructuring is recognised other direct costs incurred are included in expenses.

Where the debt restructuring involves modification of terms of payables, the Group accounts for the effects of the restructuring prospectively from the time of restructuring.

6.18 Borrowing costs

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

6.19 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.

6 Accounting policies (Cont'd)

6.19 Current and deferred income taxes (Cont'd)

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.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences.

6.20 Employee benefits

6.20.1 Short-term employee benefits

Liabilities for short-term employee benefits such as salaries, paid annual leave, paid sick leave, bonuses, and medical care 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.

6.20.2 Defined contribution

The Group pays contributions to a separate fund on a mandatory basis. 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.

6.20.3 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 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.

6 Accounting policies (Cont'd)

6.20 Employee benefits (Cont'd)

6.20.4 Termination benefit

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

6.21 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.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding the COVID-19 situation as a past event that has resulted in a present obligation in assessing the Group's provisions and contingent liabilities.

6.22 Deposits received

Deposits received in respect of small-sized gas cylinders are recognised as a liability in accordance with the Announcement of the Consumer Protection Committee dated 7 December 1999 regulating the issuance of deposit receipt and refund for the consumer of LPG, commencing 15 February 2000.

6.23 Share Capital

Ordinary shares with discretionary dividends are classified as equity.

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

Treasury share

Where any companies within the Group repurchases its shares, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

6.24 Revenue recognition

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 are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer.

Sale of goods - Liquefied Petroleum Gas

The Group recognised revenue from the sale of goods is recognised when the Group sells a product to the customer. Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements.

6 Accounting policies (Cont'd)

6.24 Revenue recognition (Cont'd)

Transportation services

The Group recognised transportation service contracts with a continuous service provision in proportion to the lapsed time of the voyage, regardless of the payment pattern.

Rental income from investment property

The Group recognised rental income from investment property in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognized as income in the accounting period in which they are earned.

Interest income

The Group recognised interest income using the effective interest method.

6.25 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.

6.26 Segment reporting

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

7 Financial risk management

7.1 Financial risk

The Group exposes to a variety of financial risks: interest rate 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. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and used as the key communication and control tools for Treasury team globally.

7.1.1 Interest rate risk

The Group has interest rate risk from borrowings at fixed and floating interest rates. The Group has no significant interest-bearing assets.

7 Financial risk management (Cont'd)

7.1 Financial risk (Cont'd)

7.1.2 Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tips assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

The Group's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

b) Security

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group and the Company has 2 types of financial assets that are subject to the expected credit loss model:

- trade and other receivables (Note 12)
- loan to related parties (Note 34)

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Loans to related parties

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

7 Financial risk management (Cont'd)

7.1 Financial risk (Cont'd)

7.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 649.24 million (2019: Baht 486.11 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Floating rate				
Expiring within one year				
- Bank borrowings	100,000,000	-	100,000,000	-
Expiring beyond one year				
- Bank borrowings	709,771,626	487,428,110	709,771,626	487,428,110

b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

	Consolidated financial statements			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Maturity of financial liabilities				
As at 31 December 2020				
Short-term borrowing				
from financial institution	20,000,000	-	-	20,000,000
Trade and other payables	687,741,239	-	-	687,741,239
Lease liabilities	62,264,076	223,278,907	236,396,274	521,939,257
Long-term borrowing from financial institution	60,526,207	93,679,529	-	154,205,736
Total financial liabilities that is not derivatives	830,531,522	316,958,436	236,396,274	1,383,886,232
	Consolidated financial statements			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Maturity of financial liabilities				
As at 31 December 2019				
Short-term borrowing				
from financial institution	20,000,000	-	-	20,000,000
Trade and other payables	900,105,019	-	-	900,105,019
Long-term borrowing from financial institution	53,292,905	124,153,571	-	177,446,476
Total financial liabilities that is not derivatives	973,397,924	124,153,571	-	1,097,551,495

7 Financial risk management (Cont'd)

7.1 Financial risk (Cont'd)

7.1.3 Liquidity risk (Cont'd)

b) Maturity of financial liabilities (Cont'd)

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Maturity of financial liabilities	Separate financial statements			Total Baht
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	
As at 31 December 2020				
Trade and other payables	675,976,304	-	-	675,976,304
Lease liabilities	54,408,517	199,065,035	226,555,171	480,028,722
Long-term borrowing from financial institution	60,526,207	93,679,529	-	154,205,736
Total financial liabilities that is not derivatives	790,911,028	292,744,564	226,555,171	1,310,210,762
Maturity of financial liabilities	Separate financial statements			Total Baht
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	
As at 31 December 2019				
Trade and other payables	911,491,073	-	-	911,491,073
Long-term borrowing from financial institution	53,292,905	124,153,571	-	177,446,476
Total financial liabilities that is not derivatives	964,783,978	124,153,571	-	1,088,937,549

7.2 Capital management

7.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- 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.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- the debt service coverage ratio must be not more than 1.2:1, and
- the ratio of interest-bearing debt to EBITDA must be not more than 3:1.

The Group has complied with these covenants throughout the reporting period.

8 Fair value

Fair value of financial assets and liabilities with a maturity of less than one year is considered to be the same as their the carrying value. Majority of the financial assets and financial liabilities with a maturity of more than one year are loan to related parties and long-term borrowings carry interest rate at floating rate. The management of the Group believes that the fair values of the Group's financial assets and financial liabilities do not materially differ from their carrying amounts.

The following table presents fair value of financial and non-financial assets and liabilities recognised or disclosed by their fair value hierarchy.

Consolidated financial statements		
Level 2		
	2020	2019
	Baht	Baht
Assets		
Financial assets measured at fair value through profit or loss	209,572,921	407,794,849
Investment properties	101,369,483	56,667,883
Total assets measured at fair value	310,942,404	464,462,732
Separate financial statements		
Level 2		
	2020	2019
	Baht	Baht
Assets		
Financial assets measured at fair value through profit or loss	209,572,921	407,794,849
Investment properties	79,056,983	34,355,383
Total assets measured at fair value	288,629,904	442,150,232

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

There were no transfers between levels 1 and 2 during the year.

There were no changes in valuation techniques during the year.

9 Critical accounting estimates and judgements

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

a) Estimated impairment of assets

The Group tests whether property, plant and equipment and intangible assets have suffered any impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with its accounting policy in Note 6.14. The recoverable amounts of cash-generating units have been determined based on the higher of an asset's fair value less costs to sell and value in use. These calculations require the use of estimates. The change in the assumption used would impact the recoverable amount.

9 Critical accounting estimates and judgements (Cont'd)

b) Defined retirement benefit obligations

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

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Additional information of other key assumptions for retirement benefits obligations other is disclosed in Note 24.

c) Goodwill impairment

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 6.14. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 19).

d) Provision for lost assets-small-sized gas cylinders

Management estimates provision for lost gas cylinders based on the quantities appraised by independent appraiser. The appraised quantities do not represent the exact quantities of the gas cylinders but they are assessed based on an appraisal methodology applied representing the management's best estimate of the quantities of the lost cylinders. Management will arrange for the appraisal to take place every 3 years to obtain confidence in the estimate of the provision amount.

e) Provision for deposits received for small-sized gas cylinders

Management estimates provision for deposits for small-sized gas cylinders circulating and being stored in consumers' households and premises, based on the gas cylinder quantities appraised by independent appraiser. Management believes that the liabilities, taken into accounts of such provision, are stated prudently and conservatively.

f) Consolidation of an entity with less than 50% ownership

Management consider that the Group has de facto control of Wonderfood Holding Company Limited even though the Group holds with a 49.99% equity interest. However, the Group has majority of the voting rights in the board of directors according to the shareholders agreement, and there is no history of other shareholders forming a group to exercise their votes collectively.

10 Segment information

Management has determined for the disclosure of segment in both business and geographic segment perspective that pursuant to business activities and operating results that are regularly reviewed by Chief Operating Decision Makers for the purposes of allocating resources and assessing performance. Board of Director has responsible to make decision for strategic for the Group and assesses the performance of the operating segments based on measure of gross profit.

Geographic segments

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

10 Segment information (Cont'd)

Business segments

The main business segments of the Company and its subsidiaries ("the Group") comprise:

- 1) Trading of Liquefied Petroleum Gas (LPG)
- 2) Transportation of oil, gas and chemical substances

The segments are determined pursuant to business activities and operating results that are regularly reviewed by Chief Operating Decision Makers.

Financial statement classified by business segment is as follows:

For the year ended 31 December 2020			
	Sale of LPG Baht	Transportation Baht	Consolidated Baht
Revenues from operation	12,685,177,175	192,964,147	12,878,141,322
Inter-segment revenue	(828,804,573)	(171,529,105)	(1,000,333,678)
Total revenue	11,856,372,602	21,435,042	11,877,807,644
Segment result	236,487,273	8,747,604	245,234,877
Related transactions			(11,214,253)
Finance costs			(20,735,852)
Profit before income tax			213,284,772
Income tax			(46,548,010)
Net profit			166,736,762
Timing of revenue recognition			
At a point in time	11,856,372,602	-	11,856,372,602
Over time	-	21,435,042	21,435,042
Total revenue	11,856,372,602	21,435,042	11,877,807,644
For the year ended 31 December 2019			
	Sale of LPG Baht	Transportation Baht	Consolidated Baht
Revenues from operation	15,010,076,171	218,529,914	15,228,606,085
Inter-segment revenue	(882,648,046)	(191,571,932)	(1,074,219,978)
Total revenue	14,127,428,125	26,957,982	14,154,386,107
Segment result	384,747,232	5,946,862	390,694,094
Related transactions			(29,457,829)
Finance costs			(3,429,960)
Profit before income tax			357,806,305
Income tax			(68,742,414)
Net profit			289,063,891
Timing of revenue recognition			
At a point in time	14,127,428,125	-	14,127,428,125
Over time	-	26,957,982	26,957,982
Total revenue	14,127,428,125	26,957,982	14,154,386,107

Information about major customer

No single customer represents a major customer because the Group has large number of customers.

11 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash on hand	1,315,974	1,151,106	217,657	269,506
Cash at bank	647,826,452	662,337,675	485,894,427	525,336,082
	<u>649,142,426</u>	<u>663,488,781</u>	<u>486,112,084</u>	<u>525,605,588</u>

The effective interest rates on cash at bank were ranging from 0.13% to 1.00% per annum (2019: 0.13% to 1.50% per annum).

12 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade receivables - third parties	877,898,897	974,183,582	830,234,299	909,448,208
Trade receivables - related parties (Note 34.2)	-	-	119,067,207	166,558,169
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	<u>(71,737,756)</u>	<u>(75,903,018)</u>	<u>(63,310,680)</u>	<u>(67,859,092)</u>
Trade receivables, net	<u>806,161,141</u>	<u>898,280,564</u>	<u>885,990,826</u>	<u>1,008,147,285</u>
Trade accounts receivable under investigation	1,784,223,548	1,784,272,009	1,784,223,548	1,784,272,009
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	<u>(1,784,223,548)</u>	<u>(1,784,272,009)</u>	<u>(1,784,223,548)</u>	<u>(1,784,272,009)</u>
Trade accounts receivable under investigation, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other receivables under investigation	170,344,286	170,344,286	170,344,286	170,344,286
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	<u>(170,344,286)</u>	<u>(170,344,286)</u>	<u>(170,344,286)</u>	<u>(170,344,286)</u>
Other receivables under investigation, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other receivables from sub-contractors	40,620,237	40,620,237	40,620,237	40,620,237
Other receivables	63,903,404	39,108,758	56,662,202	34,448,078
Withholding tax receivable	164,288	1,940,164	-	-
Interest receivable	15,961,300	17,033,120	8,837,867	10,034,366
Advance payments	10,426,702	5,125,257	9,842,705	4,650,420
Prepaid expenses	33,558,973	35,048,506	23,089,446	30,379,008
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts under TAS 101)	<u>(98,218,055)</u>	<u>(97,443,441)</u>	<u>(90,672,122)</u>	<u>(90,672,122)</u>
Other receivables, net	<u>66,416,849</u>	<u>41,432,601</u>	<u>48,380,335</u>	<u>29,459,987</u>
Total trade and other receivables, net	<u>872,577,990</u>	<u>939,713,165</u>	<u>934,371,161</u>	<u>1,037,607,272</u>

12 Trade and other receivables (Cont'd)

Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Impairments of trade receivables

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, the unemployment rate, and consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. As of 31 December 2020, the expected credit loss of Baht 71.74 million for trade receivables was assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

The loss allowance for trade receivables was determined as follows:

Consolidated financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As of 1 January 2020						
Gross carrying amount						
- trade receivables	781,540,580	114,256,050	125,248	4,086,452	74,175,252	974,183,582
Loss allowance	433,210	2,006,004	101,262	2,286,853	71,075,689	75,903,018
Consolidated financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As 31 December 2020						
Gross carrying amount						
- trade receivables	715,508,925	79,996,180	874,961	8,242,756	73,276,075	877,898,897
Loss allowance	496,663	1,405,412	707,402	3,502,842	65,625,437	71,737,756
Separate financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As of 1 January 2020						
Gross carrying amount						
- trade receivables	908,897,382	95,329,536	104,727	3,869,972	67,804,760	1,076,006,377
Loss allowance	433,210	2,006,004	101,262	2,111,463	63,207,153	67,859,092
Separate financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As 31 December 2020						
Gross carrying amount						
- trade receivables	835,460,239	42,788,049	113,213	4,679,028	66,260,977	949,301,506
Loss allowance	398,207	900,382	109,468	2,552,885	59,349,738	63,310,680

12 Trade and other receivables (Cont'd)

The loss allowance for trade receivables was determined as follows: (Cont'd)

The reconciliations of loss allowance for trade receivables for the year ended 31 December are as follow:

		Consolidated financial statements	
		2020 Baht	2019 Baht
1 January - calculated under TAS 101		75,903,018	73,035,359
Amounts restated through opening retained earnings		-	-
Opening loss allowance as at 1 January			
- calculated under TFRS 9 (2019: TAS 101)		75,903,018	73,035,359
Loss allowance acquired in business combinations			
- calculated under TFRS 9 (2019: TAS 101)		-	8,088,226
Increase in loss allowance recognised in profit or loss during the year		4,533,244	3,329,271
Receivable written off during the year as uncollectible		(27,566)	(234,305)
Unused amount reversed		(8,670,940)	(8,315,533)
As of 31 December - calculated under TFRS 9 (2019: TAS 101)		71,737,756	75,903,018

		Separate financial statements	
		2020 Baht	2019 Baht
1 January - calculated under TAS 101		67,859,092	72,596,977
Amounts restated through opening retained earnings		-	-
Opening loss allowance as at 1 January			
- calculated under TFRS 9 (2019: TAS 101)		67,859,092	72,596,977
Increase in loss allowance recognised in profit or loss during the year		719,397	1,178,122
Receivable written off during the year as uncollectible		(2,024)	(166,534)
Unused amount reversed		(5,265,785)	(5,749,473)
As of 31 December - calculated under TFRS 9 (2019: TAS 101)		63,310,680	67,859,092

13 Financial assets and financial liabilities

As at 31 December 2020, classification of the Group's financial assets and financial liabilities are as follows:

Consolidated financial statements			
	FVPL Baht	Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	649,142,426	649,142,426
Financial assets measured at fair value through profit or loss	209,572,921	-	209,572,921
Trade and other receivables	-	828,428,027	828,428,027
Restricted cash	-	316,123,125	316,123,125
Other financial assets	-	40,716,387	40,716,387
	<u>209,572,921</u>	<u>1,834,409,965</u>	<u>2,043,982,886</u>
Consolidated financial statements			
	FVPL Baht	Amortised cost Baht	Total Baht
Financial liabilities			
Short-term borrowings from financial institution	-	20,000,000	20,000,000
Trade and other payables	-	673,151,088	673,151,088
Long-term borrowings from financial institution	-	143,784,749	143,784,749
Lease liabilities	-	411,947,179	411,947,179
Deposits received	-	3,492,116,416	3,492,116,416
Other financial liabilities	-	17,654,716	17,654,716
	-	<u>4,758,654,148</u>	<u>4,758,654,148</u>
Separate financial statements			
	FVPL Baht	Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	486,112,084	486,112,084
Financial assets measured at fair value through profit or loss	209,572,921	-	209,572,921
Trade and other receivables	-	901,439,010	901,439,010
Restricted cash	-	302,766,625	302,766,625
Short-term loan to related parties	-	47,700,000	47,700,000
Other financial assets	-	36,994,954	36,994,954
	<u>209,572,921</u>	<u>1,775,012,673</u>	<u>1,984,585,594</u>
Separate financial statements			
	FVPL Baht	Amortised cost Baht	Total Baht
Financial liabilities			
Trade and other payables	-	662,908,700	662,908,700
Long-term borrowings from financial institution	-	143,784,749	143,784,749
Lease liabilities	-	374,762,235	374,762,235
Deposits received	-	3,491,002,353	3,491,002,353
Other financial liabilities	-	16,724,297	16,724,297
	-	<u>4,689,182,334</u>	<u>4,689,182,334</u>

13 Financial assets and financial liabilities (Cont'd)

a) Classification of financial assets at fair value through profit or loss (2019: fair value under TAS 105)

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has irrevocably not elected at initial recognition to recognise fair value gains and losses through OCI.

Financial assets measured at FVPL include the following:

	Consolidated and separate financial statements	
	2020 Baht	2019 Baht
Current assets		
Equity securities	209,572,921	407,794,849

b) Amounts recognised in profit or loss

	Consolidated and separate financial statements	
	2020 Baht	2019 Baht
Fair value gains on equity investments at FVPL (2019: fair value under TAS 105)	1,778,072	5,459,556

Significant acquisitions and disposals during the year

During the year 2020, the Group and the Company acquired equity securities measured at FVPL in the amount of Baht 80.00 million.

During the year 2020, the Group and the Company disposed equity securities measured FVPL in the amount of Baht 280.00 million.

14 Inventories

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Finished goods	303,809,721	201,482,108	293,195,031	189,055,487

The cost of inventories recognised as expense and included in cost of sales of the Group and the Company was amounting to Baht 10,443.02 million and Baht 10,503.43 million, respectively (2019: Baht 12,705.67 million and Baht 12,698.86 million).

15 Investments in subsidiaries

15.1 Movements of investments in subsidiaries

Movement of investments in subsidiaries for the year ended 31 December 2020 is as follows:

	Separate financial statement Investment in cost method Baht
Opening net book value	432,149,065
Increase in investment	50,000,000
Closing net book value	482,149,065

15 Investments in subsidiaries (Cont'd)

15.1 Movements of investments in subsidiaries (Cont'd)

The Company invested in all newly issued shares of WP Gas Company Limited, a subsidiary of the Company, by investing in 3 million ordinary shares at a par value of Baht 10 per share, totalling Baht 30 million. There is no effect to the shareholding interest in WP Gas Company Limited after share subscription. WP Gas Company Limited received shares subscription totalling Baht 30 million from the Company and registered the capital increase with the Ministry of Commerce on 24 January 2020.

The Company invested in all newly issued shares of WP Solutions Company Limited, a subsidiary of the Company, by investing in 0.20 million ordinary shares at a par value of Baht 10 per share, totalling Baht 2 million. There is no effect to the shareholding interest in WP Solutions Company Limited after share subscription. WP Solutions Company Limited received shares subscription totalling Baht 2 million from the Company and registered the capital increase with the Ministry of Commerce on 24 January 2020.

The Company invested in all newly issued shares of WP Solutions Company Limited, a subsidiary of the Company, by investing in 1.80 million ordinary shares at a par value of Baht 10 per share, totalling Baht 18 million. There is no effect to the shareholding interest in WP Solutions Company Limited after share subscription. WP Solutions Company Limited received shares subscription totalling Baht 18 million from the Company and registered the capital increase with the Ministry of Commerce on 11 June 2020.

15.2 Principal subsidiaries

The Group comprises of the subsidiaries listed below as at 31 December 2020 and 2019. All subsidiaries are included in the consolidation and have share capital consisting solely of ordinary shares that are held directly by the Group. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Group and Company

Name	Country of incorporation and place of business	Nature of business	Ownership interest held by Company		Ownership interest held by the Group		Ownership interests held by non-controlling interests	
			2020 %	2019 %	2020 %	2019 %	2020 %	2019 %
Subsidiaries								
Eagle Intertrans Company Limited	Thailand	Transportation of gas	99.99	99.99	-	-	0.01	0.01
WP Gas Company Limited	Thailand	Service Gas Station	99.99	99.99	-	-	0.01	0.01
WP Solutions Company Limited	Thailand	Holding Company	99.99	99.99	-	-	0.01	0.01
Subsidiary of Eagle Intertrans Company Limited								
Logistic Enterprise Company Limited	Thailand	Leasing of vehicle	-	-	99.98	99.98	0.02	0.02
Subsidiary of WP Solutions Company Limited								
WP Sollar Company Limited	Thailand	Production and distribution of electricity	-	-	99.99	99.99	0.01	0.01
Wonderfood Holding Company Limited	Thailand	Restaurant	-	-	49.99	-	50.01	-
Subsidiary of WP Gas Company Limited								
Thai Gas Corporation Company Limited	Thailand	Trading of gas	-	-	79.99	79.99	20.01	20.01
Subsidiary of Thai Gas Corporation Company Limited								
Premier Carrier Company Limited	Thailand	Transportation of gas	-	-	99.99	99.99	0.01	0.01

15 Investments in subsidiaries (Cont'd)

15.2 Principal subsidiaries (Cont'd)

WP Solutions Company Limited, a subsidiary of the Company, paid for investment in Wonderfood Holding Company Limited, amounting to Baht 17,999,900 to acquire 179,999 shares with a par value of Baht 100 per share, representing 49.99% of issued shares. Wonderfood Holding Company Limited is incorporated in Thailand and engages in restaurant business.

Total non-controlling interests is Baht 23,871,675 (2019: Baht 17,939,031) of which Baht 9,410,237 and Baht 7,153,646 belongs to Thai Gas Corporation Company Limited and Wonderfood Holding Company Limited, respectively. The non-controlling interests in respect of other subsidiaries are not material.

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations

Summarised statement of financial position

	Thai Gas Corporation Company Limited	
	At 31 December 2020 Baht	At 31 December 2019 Baht
Current assets	120,350,396	161,863,619
Current liabilities	(149,186,099)	(193,463,683)
Total current net assets	(28,835,703)	(31,600,064)
Non-current assets	102,041,845	81,429,291
Non-current liabilities	(26,154,957)	(1,650,725)
Total non-current net assets	75,886,888	79,778,566
Net assets	47,051,185	48,178,502

Summarised statement of comprehensive income

	Thai Gas Corporation Company Limited	
	For the year ended 31 December 2020 Baht	For the period from 27 February to 31 December 2019 Baht
Revenue	893,528,942	886,883,210
Net loss	(1,127,317)	(4,530,224)
Total comprehensive loss	(1,127,317)	(4,530,224)
Loss allocated to non-controlling interests	(225,463)	(906,045)

Summarised statement of cash flows

	Thai Gas Corporation Company Limited	
	For the year ended 31 December 2020 Baht	For the period from 27 February to 31 December 2019 Baht
Net cash (used in) generated from operating activities	(1,528,244)	53,638,867
Net cash (used in) generated from investing activities	(19,834,808)	28,298,075
Net cash generated from (used in) financing activities	11,978,830	(67,242,693)
Net (decrease) increase in cash and cash equivalents	(9,384,222)	14,694,249

15 Investments in subsidiaries (Cont'd)

15.2 Principal subsidiaries (Cont'd)

Summarised financial information on subsidiaries with material non-controlling interests (Cont'd)

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Cont'd)

Summarised statement of financial position

	Wonderfood Holding Company Limited
	At 31 December 2020 Baht
Current assets	23,723,509
Current liabilities	(15,498,173)
Total current net assets	8,225,336
Non-current assets	22,081,956
Non-current liabilities	(16,000,000)
Total non-current net assets	6,081,956
Net assets	14,307,292

Summarised statement of comprehensive income

	Wonderfood Holding Company Limited
	For the period from 17 July to 31 December 2020 Baht
Revenue	2,343,287
Net loss	(4,192,908)
Total comprehensive loss	(4,192,908)
Loss allocated to non-controlling interests	(2,096,454)

Summarised statement of cash flows

	Wonderfood Holding Company Limited
	For the period from 17 July to 31 December 2020 Baht
Net cash used in operating activities	(12,682,119)
Net cash used in investing activities	(6,922,960)
Net cash generated from financing activities	34,000,000
Net increase in cash and cash equivalents	14,394,921

16 Investment properties

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
As at 1 January				
Cost	47,274,034	3,161,900	28,117,284	3,161,900
<u>Less</u> Accumulated depreciation	(20,655)	-	(20,655)	-
Net book amount	47,253,379	3,161,900	28,096,629	3,161,900
For the year ended 31 December				
Opening net book amount	47,253,379	3,161,900	28,096,629	3,161,900
Additions	44,701,599	12,955,384	44,701,599	12,955,384
Transfer from property, plant and equipment (Note 17)	-	31,156,750	-	12,000,000
Depreciation	(579,942)	(20,655)	(579,942)	(20,655)
Closing net book amount	91,375,036	47,253,379	72,218,286	28,096,629
As at 31 December				
Cost	91,975,633	47,274,034	72,818,883	28,117,284
<u>Less</u> Accumulated depreciation	(600,597)	(20,655)	(600,597)	(20,655)
Net book amount	91,375,036	47,253,379	72,218,286	28,096,629
Fair value	101,369,483	56,667,883	79,056,983	34,355,383

The fair value of investment properties as at 31 December 2020 were valued by an independent professional appraiser based on market values on value in use basis. The fair values are within level 2 of the fair value hierarchy.

Amounts recognised in profit and loss that are related to investment properties are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Rental income	7,555,047	872,796	7,110,421	592,431

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17 Property, plant and equipment

	Consolidated financial statements							
	Land Baht	Building and infrastructures Baht	Terminals and gas storage tank Baht	Machinery and equipment Baht	Small-sized gas cylinders Baht	Furniture, fixtures and equipment Baht	Motor vehicle Baht	Construction in progress Baht
At 1 January 2019								
Cost	368,655,716	1,112,784,508	874,298,905	244,584,200	3,960,740,792	70,714,801	557,284,017	129,573,649
Less Accumulated depreciation	-	(420,949,064)	(637,897,655)	(156,753,891)	(2,391,881,872)	(62,815,138)	(471,954,252)	-
Provision for impairment	(33,847,950)	(315,971,076)	(54,645,456)	-	-	(234,729)	-	-
Provision for lost assets	-	-	-	-	(247,845,506)	-	-	-
Net book amount	334,807,766	375,864,368	181,755,794	87,830,309	1,321,013,414	7,664,934	85,329,765	129,573,649
For the year ended 31 December 2019								
Opening net book amount	334,807,766	375,864,368	181,755,794	87,830,309	1,321,013,414	7,664,934	85,329,765	129,573,649
Acquisition of subsidiary (Note 33)	-	20,285,524	97,361,226	2	-	824,607	57,909,641	-
Additions	-	1,945,736	1,369,000	6,275,206	88,395,473	4,064,224	5,976,606	292,230,716
Disposals, net	-	-	(11)	-	(50)	(72)	(10,705,620)	-
Disposal from financial lease, net	-	(13,895,833)	(1,457,389)	(459,853)	-	(16,707)	-	-
Transfer in (out)	-	26,688,266	17,492,418	7,986,708	-	589,434	-	(56,256,826)
Transfer to investment property (Note 16)	(31,156,750)	-	-	-	-	-	-	(14,199,127)
Write-off, net	-	-	-	(71,961)	-	(511)	-	-
Depreciation charge	-	(53,850,295)	(27,803,590)	(16,466,050)	(141,710,524)	(4,612,563)	(29,785,828)	-
Closing net book amount	303,651,016	357,037,766	268,717,448	85,094,361	1,267,698,313	8,513,346	108,724,564	351,348,412
At 31 December 2019								
Cost	337,498,966	1,174,423,909	991,117,398	257,722,612	4,024,462,093	81,165,551	498,326,348	351,348,412
Less Accumulated depreciation	-	(501,415,067)	(667,754,494)	(172,628,251)	(2,508,918,274)	(72,417,476)	(389,601,784)	-
Provision for impairment	(33,847,950)	(315,971,076)	(54,645,456)	-	-	(234,729)	-	-
Provision for lost assets	-	-	-	-	(247,845,506)	-	-	-
Net book amount	303,651,016	357,037,766	268,717,448	85,094,361	1,267,698,313	8,513,346	108,724,564	351,348,412
								2,750,785,226
								2,750,785,226

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17 Property, plant and equipment (Cont'd)

	Consolidated financial statements								
	Land Baht	Building and infrastructures Baht	Terminals and gas storage tank Baht	Machinery and equipment Baht	Small-sized gas cylinders Baht	Furniture, fixtures and equipment Baht	Motor vehicle Baht	Construction in progress Baht	Total Baht
For the year ended 31 December 2020									
Opening net book amount	303,651,016	357,037,766	268,717,448	85,094,361	1,267,698,313	8,513,346	108,724,564	351,348,412	2,750,785,226
Additions	-	38,490,416	6,283,000	7,216,498	132,867,509	6,573,757	6,449,423	274,860,195	472,740,798
Disposals, net	-	(61,494)	(210,505)	(128,880)	(93)	(963)	(1,172,668)	-	(1,574,603)
Disposal from financial lease, net	-	(16,720,065)	(3,043,273)	(1,926,683)	-	(98)	(1,776,131)	-	(23,466,250)
Transfer in (out)	12,740,667	223,331,827	314,515,638	30,210,025	-	3,233,024	-	(584,031,181)	-
Write-off, net	-	-	-	-	-	(17,716)	(33,600)	(10,284,240)	(10,335,556)
Depreciation charge	-	(55,068,047)	(26,175,479)	(14,548,315)	(146,617,594)	(3,953,563)	(16,087,854)	-	(262,450,852)
Closing net book amount	316,391,683	547,010,403	560,086,829	105,917,006	1,253,948,135	14,347,787	96,103,734	31,893,186	2,925,698,763
At 31 December 2020									
Cost	350,239,633	1,419,464,593	1,308,662,258	293,093,572	4,157,329,509	90,953,555	501,793,372	31,893,186	8,153,429,678
Less Accumulated depreciation	-	(556,483,114)	(693,929,973)	(187,176,566)	(2,655,535,868)	(76,371,039)	(405,689,638)	-	(4,575,186,198)
Provision for impairment	(33,847,950)	(315,971,076)	(54,645,456)	-	-	(234,729)	-	-	(404,699,211)
Provision for lost assets	-	-	-	-	(247,845,506)	-	-	-	(247,845,506)
Net book amount	316,391,683	547,010,403	560,086,829	105,917,006	1,253,948,135	14,347,787	96,103,734	31,893,186	2,925,698,763

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17 Property, plant and equipment (Cont'd)

	Separate financial statements								
	Land Baht	Building and infrastructures Baht	Terminals and gas storage tank Baht	Machinery and equipment Baht	Small-sized gas cylinders Baht	Furniture, fixtures and equipment Baht	Motor vehicle Baht	Construction in progress Baht	Total Baht
At 1 January 2019									
Cost	342,555,983	1,096,099,417	872,088,905	243,135,400	3,960,740,792	57,892,202	8,763,354	128,147,427	6,709,423,480
Less Accumulated depreciation	-	(412,912,971)	(637,197,721)	(155,837,358)	(2,391,881,872)	(52,167,676)	(8,164,143)	-	(3,658,161,741)
Provision for impairment	(33,847,950)	(315,971,076)	(54,645,456)	-	-	(234,729)	-	-	(404,699,211)
Provision for lost assets	-	-	-	-	(247,845,506)	-	-	-	(247,845,506)
Closing net book amount	308,708,033	367,215,370	180,245,728	87,298,042	1,321,013,414	5,489,797	599,211	128,147,427	2,398,717,022
For the year ended 31 December 2019									
Opening net book amount	308,708,033	367,215,370	180,245,728	87,298,042	1,321,013,414	5,489,797	599,211	128,147,427	2,398,717,022
Additions	-	1,920,737	1,369,000	6,158,125	87,547,383	3,517,236	130,000	280,080,388	380,722,869
Disposals, net	-	-	(11)	-	(50)	(67)	-	-	(128)
Disposal from financial lease, net	-	(6,465,009)	-	-	-	-	-	-	(6,465,009)
Transfer in (out)	-	26,688,266	17,492,418	7,986,708	-	589,434	-	(56,256,826)	(3,500,000)
Transfer to investment property (Note 16)	(12,000,000)	-	-	-	-	-	-	-	(12,000,000)
Write-off, net	-	-	-	(71,961)	-	-	-	(2,377,361)	(2,449,322)
Depreciation charge	-	(52,259,337)	(23,759,495)	(14,352,032)	(141,702,696)	(3,452,581)	(146,926)	-	(235,673,067)
Closing net book amount	296,708,033	337,100,027	175,347,640	87,018,882	1,266,858,051	6,143,819	582,285	349,593,628	2,519,352,365
At 31 December 2019									
Cost	330,555,983	1,115,474,521	884,342,430	257,208,232	4,023,614,003	61,064,776	8,893,354	349,593,628	7,030,746,927
Less Accumulated depreciation	-	(462,403,418)	(654,349,334)	(170,189,350)	(2,508,910,446)	(54,686,228)	(8,311,069)	-	(3,858,849,845)
Provision for impairment	(33,847,950)	(315,971,076)	(54,645,456)	-	-	(234,729)	-	-	(404,699,211)
Provision for lost assets	-	-	-	-	(247,845,506)	-	-	-	(247,845,506)
Net book amount	296,708,033	337,100,027	175,347,640	87,018,882	1,266,858,051	6,143,819	582,285	349,593,628	2,519,352,365

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17 Property, plant and equipment (Cont'd)

	Separate financial statements								
	Land Baht	Building and infrastructures Baht	Terminals and gas storage tank Baht	Machinery and equipment Baht	Small-sized gas cylinders Baht	Furniture, fixtures and equipment Baht	Motor vehicle Baht	Construction in progress Baht	Total Baht
For the year ended 31 December 2020									
Opening net book amount	296,708,033	337,100,027	175,347,640	87,018,882	1,266,858,051	6,143,819	582,285	349,593,628	2,519,352,365
Additions	-	37,702,416	6,283,000	7,216,498	131,295,409	743,952	4,325,000	258,318,967	445,885,242
Disposals, net	-	(61,494)	(210,505)	(128,880)	(93)	(374)	(906,634)	-	(1,307,980)
Disposal from financial lease, net	-	(16,720,065)	(3,043,273)	(1,926,683)	-	(98)	(1,776,131)	-	(23,466,250)
Transfer in (out)	12,740,667	223,331,827	314,515,638	30,210,025	-	3,233,024	-	(584,031,181)	-
Write-off, net	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(53,052,694)	(23,994,522)	(14,548,315)	(146,530,061)	(2,505,923)	(443,486)	-	(241,075,001)
Closing net book amount	309,448,700	528,300,017	468,897,978	107,841,527	1,251,623,306	7,614,400	1,781,034	23,881,414	2,699,388,376
At 31 December 2020									
Cost	343,296,650	1,359,727,205	1,201,887,290	292,579,192	4,154,909,319	65,041,280	10,535,589	23,881,414	7,451,857,939
Less Accumulated depreciation	-	(515,456,112)	(678,343,856)	(184,737,665)	(2,655,440,507)	(57,192,151)	(8,754,555)	-	(4,099,924,846)
Provision for impairment	(33,847,950)	(315,971,076)	(54,645,456)	-	-	(234,729)	-	-	(404,699,211)
Provision for lost assets	-	-	-	-	(247,845,506)	-	-	-	(247,845,506)
Net book amount	309,448,700	528,300,017	468,897,978	107,841,527	1,251,623,306	7,614,400	1,781,034	23,881,414	2,699,388,376

17 Property, plant and equipment (Cont'd)

The Group is a lessor of machine, gas tank and equipment to third parties under operating leases. The carrying amount of the leased assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost	30,882,624	10,493,961	30,882,624	10,493,961
<u>Less</u> Accumulated depreciation	<u>(10,715,658)</u>	<u>(9,434,690)</u>	<u>(10,715,658)</u>	<u>(9,434,690)</u>
Net book amount	<u>20,166,966</u>	<u>1,059,271</u>	<u>20,166,966</u>	<u>1,059,271</u>

Rental income amounting to Baht 2.41 million (2019: Baht 2.11 million) are included in profit or loss.

Depreciation has been charged into the following categories of expenses:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of sale	246,892,836	240,057,552	233,060,668	225,869,165
Selling expenses	5,999,217	22,975,204	-	-
Administrative expenses	9,558,799	11,196,094	8,014,333	9,803,902
	<u>262,450,852</u>	<u>274,228,850</u>	<u>241,075,001</u>	<u>235,673,067</u>

Borrowing cost of Baht 7.07 million (2019: Baht 9.49 million), arising from financing for the construction of a new warehouse, was capitalised during the year and is included in 'additions'. A capitalisation rate of 4.96% (2019: 6.13%) was used representing the actual borrowing cost of the loan used to finance the project.

Land, machine and equipment of Baht 516.84 million and Baht 323.60 million have been pledged as security for borrowings (Note 23.3) and bank guarantee (Note 36), respectively (2019: Baht 400.43 million and Baht 323.60 million, respectively).

18 Right-of-use assets

	Consolidated financial statements				
	Land Baht	Lease improvement Baht	Equipment Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2020 (Note 5)	387,370,085	59,804,187	17,068,873	10,856,933	475,100,078
Additions	1,447,368	7,721,844	-	13,558,194	22,727,406
Lease termination	(5,834,736)	-	-	-	(5,834,736)
Amortisation	<u>(38,674,368)</u>	<u>(12,879,150)</u>	<u>(2,927,548)</u>	<u>(3,953,664)</u>	<u>(58,434,730)</u>
Balance as at 31 December 2020	<u>344,308,349</u>	<u>54,646,881</u>	<u>14,141,325</u>	<u>20,461,463</u>	<u>433,558,018</u>

18 Right-of-use assets (Cont'd)

	Separate financial statements				
	Land Baht	Lease improvement Baht	Equipment Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2020 (Note 5)	379,670,119	40,094,550	14,143,871	18,634,291	452,542,831
Additions	1,447,368	-	-	6,034,842	7,482,210
Lease termination	(5,834,736)	-	-	-	(5,834,736)
Amortisation	(37,789,240)	(7,561,527)	(2,161,739)	(10,925,067)	(58,437,573)
Balance as at 31 December 2020	337,493,511	32,533,023	11,982,132	13,744,066	395,752,732

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	Consolidated financial statements	Separate financial statements
	2020 Baht	2020 Baht
Expense relating to variable lease payments	402,028	-

19 Goodwill

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
As 1 January				
Cost	121,857,198	33,494,192	6,106,502	9,189,600
Less Provision for impairment	-	-	-	-
Net book amount	121,857,198	33,494,192	6,106,502	9,189,600
For the year ended 31 December				
Opening net book amount	121,857,198	33,494,192	6,106,502	9,189,600
Acquisition of filling plant	-	317,602	-	317,602
Acquisition of subsidiary (Note 33)	-	91,446,104	-	-
Impairment charge	(1,000,000)	(3,400,700)	(1,000,000)	(3,400,700)
Closing net book amount	120,857,198	121,857,198	5,106,502	6,106,502
At 31 December				
Cost	121,857,198	121,857,198	6,106,502	6,106,502
Less Provision for impairment	(1,000,000)	-	(1,000,000)	-
Net book amount	120,857,198	121,857,198	5,106,502	6,106,502

The carrying amount of the gas station segment has been reduced to its recoverable amount through recognition of an impairment loss against goodwill in profit or loss.

19 Goodwill (Cont'd)

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

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

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Goodwill allocation to;				
Transportation	24,304,592	24,304,592	-	-
Trading of LPG	91,446,104	91,446,104	-	-
Gas station	4,788,900	5,788,900	4,788,900	5,788,900
Filling Plant	317,602	317,602	317,602	317,602
Total	120,857,198	121,857,198	5,106,502	6,106,502

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 3-5 year period. Cash flows beyond the 3-5 year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

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

	Transportation	Trading of LPG	Gas Station	Filling Plant
Gross margin ¹	20.74%	5.60%	100.00%	100.00%
Growth rate ²	3.00%	0.00%	0.00%	0.00%
Discount rate ³	12.18%	10.90%	8.52%	10.90%

¹ Budgeted gross margin.

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

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

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

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

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20 Intangible assets

	Consolidated financial statements						
	Trademarks Baht	Computer software Baht	Computer software under installation Baht	License Baht	Gas storage contract Baht	Butane contract Baht	Total Baht
At 1 January 2019							
Cost	300,000,000	81,928,671	-	-	-	-	381,928,671
Less Accumulated amortisation	(71,277,544)	(48,433,087)	-	-	-	-	(119,710,631)
Provision for impairment	(228,722,456)	-	-	-	-	-	(228,722,456)
Net book amount	-	33,495,584	-	-	-	-	33,495,584
For the year ended 31 December 2019							
Opening net book amount	-	33,495,584	-	-	-	-	33,495,584
Acquisition of subsidiary (Note 33)	-	719,481	-	-	13,271,000	2,013,453	16,003,934
Additions	-	3,601,991	15,000	6,941,176	-	-	10,558,167
Disposal from finance lease, net	-	(187,453)	-	-	-	-	(187,453)
Amortisation charge	-	(4,982,462)	-	(127,730)	(2,225,165)	(2,013,453)	(9,348,810)
Closing net book amount	-	32,647,141	15,000	6,813,446	11,045,835	-	50,521,422
At 31 December 2019							
Cost	300,000,000	86,073,923	15,000	6,941,176	13,271,000	2,013,453	408,314,552
Less Accumulated amortisation	(71,277,544)	(53,426,782)	-	(127,730)	(2,225,165)	(2,013,453)	(129,070,674)
Provision for impairment	(228,722,456)	-	-	-	-	-	(228,722,456)
Net book amount	-	32,647,141	15,000	6,813,446	11,045,835	-	50,521,422
For the year ended 31 December 2020							
Opening net book amount	-	32,647,141	15,000	6,813,446	11,045,835	-	50,521,422
Additions	18,750,000	271,419	2,812,500	197,014,791	-	-	218,848,710
Transfer, net	-	2,602,500	(2,602,500)	-	-	-	-
Amortisation charge	(933,743)	(5,501,885)	-	(1,759,028)	(2,654,200)	-	(10,848,856)
Closing net book amount	17,816,257	30,019,175	225,000	202,069,209	8,391,635	-	258,521,276
At 31 December 2020							
Cost	318,750,000	88,947,842	225,000	203,955,967	13,271,000	2,013,453	627,163,262
Less Accumulated amortisation	(72,211,287)	(58,928,667)	-	(1,886,758)	(4,879,365)	(2,013,453)	(139,919,530)
Provision for impairment	(228,722,456)	-	-	-	-	-	(228,722,456)
Net book amount	17,816,257	30,019,175	225,000	202,069,209	8,391,635	-	258,521,276

20 Intangible assets (Cont'd)

Separate financial statements					
	Trademarks Baht	License Baht	Computer software Baht	Computer software under installation Baht	Total Baht
At 1 January 2019					
Cost	300,000,000	-	76,569,475	-	376,569,475
<u>Less</u> Accumulated amortisation	(71,277,544)	-	(46,081,840)	-	(117,359,384)
Provision for impairment	(228,722,456)	-	-	-	(228,722,456)
Net book amount	-	-	30,487,635	-	30,487,635
For the year ended 31 December 2019					
Opening net book amount	-	-	30,487,635	-	30,487,635
Additions	-	-	3,500,000	-	3,500,000
Amortisation charge	-	-	(4,353,592)	-	(4,353,592)
Closing net book amount	-	-	29,634,043	-	29,634,043
At 31 December 2019					
Cost	300,000,000	-	80,069,475	-	380,069,475
<u>Less</u> Accumulated amortisation	(71,277,544)	-	(50,435,432)	-	(121,712,976)
Provision for impairment	(228,722,456)	-	-	-	(228,722,456)
Net book amount	-	-	29,634,043	-	29,634,043
For the year ended 31 December 2020					
Opening net book amount	-	-	29,634,043	-	29,634,043
Additions	-	176,241,241	-	2,812,500	179,053,741
Transfer, net	-	-	2,587,500	(2,587,500)	-
Amortisation charge	-	-	(4,770,065)	-	(4,770,065)
Closing net book amount	-	176,241,241	27,451,478	225,000	203,917,719
At 31 December 2020					
Cost	300,000,000	176,241,241	82,656,975	225,000	559,123,216
<u>Less</u> Accumulated amortisation	(71,277,544)	-	(55,205,497)	-	(126,483,041)
Provision for impairment	(228,722,456)	-	-	-	(228,722,456)
Net book amount	-	176,241,241	27,451,478	225,000	203,917,719

Amortisation charge recognised in profit and loss that are related to intangible assets are included in administrative expense.

Intangible assets include trademarks in respect of assets acquired from purchase of Liquefied Petroleum Gas (LPG) trading business in 2003. The Company has made full allowance for impairment as it has incurred operating losses for many years.

The Group has chosen to early adopt the amendment to TFRS 3, Business combination that is effective for accounting period beginning or after 1 January 2021 (Note 4.2). As a result of the early adoption, purchases of a filling plant during the year has been reassessed as an asset acquisitions and license costs were recognised in the consolidated and separate financial statement.

21 Deferred income tax

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

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	633,249	277,863	154,641	154,641
Deferred tax assets to be recovered after 12 months	10,758,683	11,529,700	9,078,308	9,998,486
	11,391,932	11,807,563	9,232,949	10,153,127
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(2,063,848)	(2,448,343)	(343,816)	(914,542)
Deferred tax liabilities to be settled after 12 months	(15,297,766)	(16,036,169)	(126,291)	(104,968)
	(17,361,614)	(18,484,512)	(470,107)	(1,019,510)
Deferred tax, net	(5,969,682)	(6,676,949)	8,762,842	9,133,617

The movements of the deferred income tax account are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	(6,676,949)	4,692,003	9,133,617	7,170,806
Acquisition of subsidiaries (Note 33)	-	(17,419,644)	-	-
Charged (credited) to profit or loss	707,267	4,564,069	(370,775)	814,450
Charged to other comprehensive income	-	1,486,623	-	1,148,361
At 31 December	(5,969,682)	(6,676,949)	8,762,842	9,133,617

The movements in deferred tax assets and liabilities during the year are as follows:

	Consolidated financial statements		
	At 1 January 2020 Baht	Charged (credited) to profit or loss Baht	At 31 December 2020 Baht
Deferred tax assets			
Provision for employee benefit obligations	7,837,559	499,524	8,337,083
Loss allowance	2,986,922	(909,682)	2,077,240
Finance leases	983,082	(235,868)	747,214
Tax losses	-	230,395	230,395
	11,807,563	(415,631)	11,391,932
Deferred tax liabilities			
Revaluation of assets	(15,574,955)	1,720,032	(13,854,923)
Depreciation	(1,995,015)	(1,167,860)	(3,162,875)
Gain on investment in financial assets measured at fair value through profit or loss	(914,542)	570,726	(343,816)
	(18,484,512)	1,122,898	(17,361,614)

21 Deferred income tax (Cont'd)

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

Consolidated financial statements					
	At 1 January 2019 Baht	Increase from acquisition of subsidiaries Baht	Charged (credited) to profit or loss Baht	Charged to other comprehensive income Baht	At 31 December 2019 Baht
Deferred tax assets					
Provision for employee benefit obligations	4,666,481	-	1,684,455	1,486,623	7,837,559
Allowance for doubtful account	4,162,318	-	(1,175,396)	-	2,986,922
Finance leases	-	-	983,082	-	983,082
	<u>8,828,799</u>	<u>-</u>	<u>1,492,141</u>	<u>1,486,623</u>	<u>11,807,563</u>
Deferred tax liabilities					
Revaluation of assets	(3,598,075)	(17,419,644)	5,442,764	-	(15,574,955)
Depreciation	(71,662)	-	(1,923,353)	-	(1,995,015)
Gain on investment in trading securities	(467,059)	-	(447,483)	-	(914,542)
	<u>(4,136,796)</u>	<u>(17,419,644)</u>	<u>3,071,928</u>	<u>-</u>	<u>(18,484,512)</u>
Separate financial statements					
	At 1 January 2020 Baht		Charged (credited) to profit or loss Baht		At 31 December 2020 Baht
Deferred tax assets					
Provision for employee benefit obligations	6,270,800		225,372		6,496,172
Loss allowance	2,899,245		(909,682)		1,989,563
Finance leases	983,082		(235,868)		747,214
	<u>10,153,127</u>		<u>(920,178)</u>		<u>9,232,949</u>
Deferred tax liabilities					
Depreciation	(104,968)		(21,323)		(126,291)
Gain on investment in financial assets measured at fair value through profit or loss	(914,542)		570,726		(343,816)
	<u>(1,019,510)</u>		<u>549,403</u>		<u>(470,107)</u>

21 Deferred income tax (Cont'd)

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

	Separate financial statements		
	At 1 January 2019 Baht	Charged (credited) to profit or loss Baht	Charged to other comprehensive income Baht
			At 31 December 2019 Baht
Deferred tax assets			
Provision for employee benefit obligations	3,634,886	1,487,553	1,148,361
Allowance for doubtful account	4,074,641	(1,175,396)	-
Finance leases	-	983,082	-
	<u>7,709,527</u>	<u>1,295,239</u>	<u>1,148,361</u>
			<u>10,153,127</u>
Deferred tax liabilities			
Depreciation	(71,662)	(33,306)	-
Gain on investment in trading securities	(467,059)	(447,483)	-
	<u>(538,721)</u>	<u>(480,789)</u>	<u>-</u>
			<u>(1,019,510)</u>

Presentation in the statements of financial position is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deferred income tax assets	10,921,825	10,788,052	8,762,842	9,133,617
Deferred income tax liabilities	(16,891,507)	(17,465,001)	-	-
Deferred income tax, net	<u>(5,969,682)</u>	<u>(6,676,949)</u>	<u>8,762,842</u>	<u>9,133,617</u>

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority. Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each entity.

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has not recognised deferred tax asset from tax losses of Baht 17.68 million (2019: Baht 19.84 million). These tax losses will expire in 2025.

22 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts payables - third parties	549,201,901	729,921,673	538,094,001	719,739,807
Amount due to related parties (Note 34.2)	-	-	15,583,579	22,935,978
Other payables	123,949,187	170,183,346	109,231,120	168,815,288
Accrued expenses	46,489,082	60,892,026	37,021,746	53,015,746
Advances received	26,453,666	28,587,795	25,301,268	26,991,391
	<u>746,093,836</u>	<u>989,584,840</u>	<u>725,231,714</u>	<u>991,498,210</u>

23 Borrowings

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current				
Short-term borrowing from financial institutions	20,000,000	20,000,000	-	-
Current portion of long-term borrowings	54,860,658	46,512,000	54,860,658	46,512,000
Current portion of lease liabilities	43,866,499	-	37,290,652	-
Total current borrowings	118,727,157	66,512,000	92,151,310	46,512,000
Non-current				
Long-term borrowings	88,924,091	116,896,500	88,924,091	116,896,500
Lease liabilities	368,080,680	-	337,471,583	-
Total non-current borrowings	457,004,771	116,896,500	426,395,674	116,896,500
Total borrowings	575,731,928	183,408,500	518,546,984	163,408,500

23.1 Lease liabilities

The movement in finance lease liabilities can be analysed as follows:

	Consolidated financial statements		
	Lease payables Baht	Deferred interest Baht	Lease liabilities Baht
At 1 January 2019	-	-	-
Liabilities acquired in a business combinations (Note 33)	6,366,497	(558,097)	5,808,400
Cash outflows:			
Repayment - Lease liabilities	(5,808,400)	-	(5,808,400)
Repayment - Interest	(558,097)	-	(558,097)
Non-cash changes:			
Amortised deferred interest	-	558,097	558,097
At 31 December 2019	-	-	-
At 1 January 2020	-	-	-
TFRS 16 Reclassifications and adjustments (Note 5)	557,456,567	(127,811,578)	429,644,989
Cash outflows:			
Repayment - Lease liabilities	(38,977,846)	-	(38,977,846)
Repayment - Interest	(19,079,783)	-	(19,079,783)
Non-cash changes:			
Addition	22,540,319	(1,260,283)	21,280,036
Amortised deferred interest	-	19,079,783	19,079,783
At 31 December 2020	521,939,257	(109,992,078)	411,947,179

23 Borrowings (Cont'd)

23.1 Lease liabilities (Cont'd)

	Separate financial statements		
	Lease payables Baht	Deferred interest Baht	Lease liabilities Baht
At 1 January 2020	-	-	-
TFRS 16 Reclassifications and adjustments (Note 5)	528,929,415	(121,841,673)	407,087,742
Cash outflows:			
Repayment - Lease liabilities	(38,360,348)	-	(38,360,348)
Repayment - Interest	(17,020,345)	-	(17,020,345)
Non-cash changes:			
Addition	6,480,000	(445,159)	6,034,841
Amortised deferred interest	-	17,020,345	17,020,345
At 31 December 2020	480,028,722	(105,266,487)	374,762,235

23.2 Short-term borrowings

Movements in short-term borrowings are analysed as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening net book amount	20,000,000	-	-	-
Liabilities acquired in a business combinations (Note 33)	-	19,992,573	-	-
Cash in (out) flows:				
Additions	120,000,000	96,928,152	-	-
Repayment	(120,000,000)	(96,920,725)	-	-
Closing net book amount	20,000,000	20,000,000	-	-

23.3 Long-term borrowings

Movements in long-term borrowings are analysed as follows:

For the year ended 31 December	Consolidated and separate financial statements	
	2020 Baht	2019 Baht
Opening net book amount	163,408,500	209,920,500
Cash outflows:		
Additions	27,656,484	-
Repayments	(47,280,235)	(46,512,000)
Closing net book amount	143,784,749	163,408,500

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. Long-term borrowings carry interest rate at floating rate. The management of the Group believes that the fair values of the Group's financial liabilities do not materially differ from their carrying amounts.

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate of 4.25 - 4.75% (2019: 5.53%) and are within level 2 of the fair value hierarchy.

Long-term borrowings are collateralised by pledge of land and equipment amounting to Baht 516.84 million (2019: Baht 400.43 million) (Note 17).

23 Borrowings (Cont'd)

23.4 Interest rate

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

	Consolidated financial statements		Separate financial statements	
	2020 %	2019 %	2020 %	2019 %
Short-term borrowings	MLR-1.95	MLR - 1.95	-	-
Long-term borrowings	MLR - 0.75, MLR - 0.50	MLR - 0.50	MLR - 0.75, MLR - 0.50	MLR - 0.50
Lease liabilities	MLR - 0.50	7.27	MLR - 0.50	-

24 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Statement of financial position:				
Retirement benefits	42,556,569	41,363,046	32,480,863	31,354,001
Profit or loss charge included in operating profit for:				
Retirement benefits	6,625,880	11,545,937	3,578,259	9,113,940
Remeasurement for:				
Retirement benefits	-	7,433,113	-	5,741,807

Retirement benefits are based on final salary retirement plan. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movement in the defined benefit obligation over the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	41,363,046	23,332,413	31,354,001	18,174,430
Liabilities acquired in a business combinations (Note 33)	-	2,416,764	-	-
Current service cost	5,445,658	4,206,987	2,718,572	3,280,664
Past service cost	-	6,265,577	-	5,061,565
Interest expense	1,180,222	1,073,373	859,687	771,711
	47,988,926	37,295,114	34,932,260	27,288,370
Remeasurements:				
Loss from change in demographic assumptions	-	1,875,765	-	1,336,294
Loss from change in financial assumptions	-	5,343,242	-	5,187,184
Experience loss (gain)	-	214,106	-	(781,671)
	-	7,433,113	-	5,741,807
Benefits payments	(5,432,357)	(3,365,181)	(2,451,397)	(1,676,176)
At 31 December	42,556,569	41,363,046	32,480,863	31,354,001

24 Employee benefit obligations (Cont'd)

The significant actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2020 %	2019 %	2020 %	2019 %
Discount rate	1.71 - 3.16	1.71 - 3.16	1.71	1.71
Salary growth rate	3.00 - 5.00	3.00 - 5.00	4.50	4.50

Sensitivity analysis for each significant assumption used is as follows:

Change in assumption		Consolidated financial statements Impact on defined benefit obligation			
		Increase in assumption		Decrease in assumption	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Discount rate	1%	1%	Decrease by 9%	Decrease by 10%	Increase by 11%
Salary growth rate	1%	1%	Increase by 12%	Increase by 13%	Decrease by 10%

Change in assumption		Separate financial statements Impact on defined benefit obligation			
		Increase in assumption		Decrease in assumption	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Discount rate	1%	1%	Decrease by 9%	Decrease by 11%	Increase by 13%
Salary growth rate	1%	1%	Increase by 11%	Increase by 13%	Decrease by 11%

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 has been applied as when calculating the retirement benefits 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.

Through its defined benefit retirement benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings

The weighted average duration of the defined benefit obligation is 14.23 years (2019: 14.23 years).

Expected maturity analysis of undiscounted retirement benefits is as follows :

	Consolidated financial statements				
	Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2020					
Retirement benefits	848,063	2,087,849	7,204,134	38,319,513	48,459,559

	Consolidated financial statements				
	Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2019					
Retirement benefits	721,753	848,063	8,048,240	46,071,875	55,689,931

24 Employee benefit obligations (Cont'd)

Expected maturity analysis of undiscounted retirement benefits is as follows : (Cont'd)

	Separate financial statements				Total Baht
	Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	
At 31 December 2020					
Retirement benefits	662,975	1,300,067	5,456,961	28,207,926	35,627,929

	Separate financial statements				Total Baht
	Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	
At 31 December 2019					
Retirement benefits	151,609	662,975	5,120,659	29,844,294	35,779,537

25 Deposits received

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deposits received for small-sized gas cylinders	2,220,838,851	2,145,011,331	2,219,724,788	2,144,932,686
Provision for deposits received for small-sized gas cylinders	1,271,277,565	1,271,277,565	1,271,277,565	1,271,277,565
	3,492,116,416	3,416,288,896	3,491,002,353	3,416,210,251

Deposit received for small-sized gas cylinders

Deposits received for small-sized gas cylinders represents the deposit for small-sized gas cylinders received from the customer supporting by copies of deposit slips. The deposits received account increases according to the actual amount of deposits received from customers. It will be reversed when the customer returns the gas cylinders together with the deposit slips to the Company and the Company refunds the deposit.

Provision for deposits received for small-sized gas cylinders

Provision for deposits received for small-sized gas cylinders is recognised in corresponding to the number of gas cylinders circulating in the market as appraised by an independent appraiser. The provision is purposed to reflect the full amount of liabilities of deposits including those without supporting slips. The management believes that such provision is recognised based on conservative and prudent principle.

26 Share capital

	Number of Shares Shares	Ordinary Shares Baht	Total Baht
At 1 January 2019	518,500,000	518,500,000	518,500,000
Issue of shares	-	-	-
At 31 December 2019	518,500,000	518,500,000	518,500,000
Issue of shares	-	-	-
<u>Less</u> Treasury shares	<u>(10,370,000)</u>	<u>(47,781,874)</u>	<u>(47,781,874)</u>
At 31 December 2020	<u>508,130,000</u>	<u>470,718,126</u>	<u>470,718,126</u>

The total number of authorised ordinary shares is 518,500,000 shares (2019: 518,500,000 shares) with a par value of Baht 1 per share (2019: Baht 1 per share). All issued shares are fully paid.

During the second and the third quarter of 2020, the Company acquired its own shares through purchases on the Stock Exchange of Thailand in accordance with the share buy-back plan. The shares are held as 'treasury shares'. The total amount paid to acquire the treasury shares of Baht 47,781,874 for 10,370,000 shares has been deducted from equity.

27 Legal reserve

	Consolidated and separate financial statements	
	2020 Baht	2019 Baht
At January 1	15,042,919	-
Appropriation during the year	8,509,126	15,042,919
At 31 December	<u>23,552,045</u>	<u>15,042,919</u>

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% of the registered capital. The legal reserve is non-distributable.

28 Other income

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Transportation income	94,011,373	125,054,760	94,001,954	122,256,348
Interest income	6,358,170	8,427,208	6,833,830	9,928,722
Rental income	14,991,487	11,662,860	17,203,989	13,272,666
Cylinder maintenance income	30,662,413	21,170,280	30,662,413	21,170,280
Gain on disposal of investment property classified as held for sale	-	103,374,431	-	103,374,431
Gain on disposals of equipment	14,071,068	12,074,634	10,559,002	8,594,019
Others	34,264,630	29,544,812	38,415,639	32,644,091
	<u>194,359,141</u>	<u>311,308,985</u>	<u>197,676,827</u>	<u>311,240,557</u>

29 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of finished goods purchased	10,878,701,845	13,872,667,295	10,880,583,147	13,108,968,959
Depreciation	263,030,794	274,249,505	241,654,943	235,693,722
Employee benefit expenses	204,053,403	209,713,391	107,074,389	112,382,243
Cylinders repairing costs	58,077,160	57,842,869	57,689,698	57,840,410
Transportation expenses	42,020,128	57,204,035	116,415,223	153,324,986
Sales promotion and advertising expenses	115,503,626	105,523,620	103,875,154	87,764,155
Service fee for LPG reserve	4,824,000	11,970,000	11,544,000	16,030,000
Rental and service fees	7,453,791	54,669,725	7,919,490	58,211,098
Amortisation	69,283,586	9,348,810	63,207,638	4,353,592
Reversal of loss allowance	(4,211,699)	(5,845,480)	(4,594,849)	(5,377,562)
Financial advisor fee	-	2,911,757	-	2,879,657

30 Income tax

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current tax:				
Current tax on profits for the year	47,255,277	73,237,043	45,530,626	72,650,144
Adjustments in respect of prior year	-	69,440	-	-
Total current tax	47,255,277	73,306,483	45,530,626	72,650,144
Deferred income tax:				
Decrease (increase) in deferred tax assets (Note 21)	415,631	(1,492,141)	920,178	(1,295,239)
(Decrease) increase in deferred tax liabilities (Note 21)	(1,122,898)	(3,071,928)	(549,403)	480,789
Total deferred income tax	(707,267)	(4,564,069)	370,775	(814,450)
Income tax	46,548,010	68,742,414	45,901,401	71,835,694

30 Income tax (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit before tax	213,284,772	357,806,305	216,083,917	391,017,126
Tax calculated at a tax rate of 20% (2019: 20%)	42,656,955	71,561,261	43,416,783	78,203,425
Tax effect of:				
Income subject to tax	1,210,021	263,627	750,318	23,266
Income not subject to tax	(974,541)	(1,949,194)	(914,541)	(1,889,194)
Expense not deducted for tax purpose	7,395,365	513,689	6,658,139	376,973
Expense deducted at greater amount	(4,393,192)	(4,974,756)	(4,009,298)	(4,878,776)
Adjustment in respect of prior period	-	69,440	-	-
Difference in tax rates of a SME subsidiary	(135,000)	(135,000)	-	-
Temporary difference for which no deferred income tax recognised	159,348	214,406	-	-
Tax losses for which no deferred tax asset was recognised	1,673,475	3,178,941	-	-
Utilisation of previously unrecognised tax losses	(1,044,421)	-	-	-
Tax charge	46,548,010	68,742,414	45,901,401	71,835,694

The weighted average applicable tax rate was 21.82% (2019: 19.21%).

31 Earnings per share

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net profit attributable to ordinary shareholders of the Company (Baht)	170,054,218	290,494,480	170,182,516	319,181,432
Weighted average number of ordinary shares outstanding (Shares)	518,500,000	518,500,000	518,500,000	518,500,000
Decrease in number of ordinary shares during the year (Shares)	(6,388,364)	-	(6,388,364)	-
Weighted average number of ordinary shares outstanding (Shares)	512,111,636	518,500,000	512,111,636	518,500,000
Basic earnings per share (Baht per share)	0.33	0.56	0.33	0.62

There are no potential dilutive ordinary shares in issue for the year ended 2020.

32 Dividends per share

At the Board of Directors held on 22 January 2020, the Board of Directors approved the payment of interim dividend from net profit for the nine-month period ended 30 September 2019 at Baht 0.20 per share, totaling Baht 103.70 million. The dividends were distributed to the shareholders on 20 February 2020.

At the Board of Directors held on 23 April 2020, the Board of Directors approved the payment of interim dividend from net profit for the year ended 31 December 2019 at Baht 0.05 per share, totaling Baht 25.72 million. The dividends were distributed to the shareholders on 20 May 2020.

33 Business combination

On 27 February 2019, WP Gas Company Limited, a subsidiary of the Company, has acquired 1,094,400 shares of Thai Gas Corporation Company Limited, for a total consideration of Baht 168.80 million. The investment represents 80.00% of its interests.

The consideration paid for Thai Gas Corporation Company Limited, and the amounts of the assets acquired and liabilities assumed recognised on 27 February 2019, an acquisition date are as follows:

	Baht
Cash	168,800,256
Total consideration	168,800,256

The assets and liabilities recognised as a result of the acquisition are as follows:

Cash and cash equivalents	10,526,256
Trade and other receivables	57,266,906
Inventories	25,673,528
Other current assets	2,196,756
Restricted cash	21,283,489
Property, plant and equipment	176,381,000
Intangible assets	719,481
Butane contract	2,013,453
Gas storage contract	13,271,000
Other non-current assets	1,288,750
Trade and other payables	(166,295,960)
Short-term borrowings from financial institutions	(19,992,573)
Current portion of finance lease liabilities	(5,808,400)
Other current liabilities	(1,994,588)
Employee benefit obligations	(2,416,764)
Deferred tax liabilities	(17,419,644)
Total identifiable net assets	96,692,690
<u>Less</u> Non-controlling interest	<u>(19,338,538)</u>
Total identifiable net assets of the Group	77,354,152
Goodwill (Note 19)	91,446,104

a) *Non-controlling interest*

The Group has chosen to recognise the non-controlling interest at its net identifiable assets of subsidiary for this acquisition according to the proportion of ownership interest.

b) *Expenses related to the acquisition of subsidiary*

Expenses related to the acquisition of subsidiary amount of Baht 0.51 million are recognised as administrative expenses in profit or loss in the consolidated financial statements for the year ending 2019.

34 Related-party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

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

The Company's major shareholders are Poompanmoung family, Mr. Aiyawatt Srivaddhanaprabha, Mr. Chatchaval Jiaravanon and Mr. Paisal Panichavong which own 33.48%, 16.39%, 7.20% and 4.67% of the Company's paid-up share capital, respectively.

Relationships with related parties:

Name of entities	Country of nationality / incorporation	Nature of relationships
Eagle Intertrans Co., Ltd.	Thailand	Subsidiary of the Company, 99.99% shareholding
WP Gas Co., Ltd.	Thailand	Subsidiary of the Company, 99.99% shareholding
WP Solutions Co., Ltd.	Thailand	Subsidiary of the Company, 99.99% shareholding
Logistic Enterprise Co., Ltd.	Thailand	Subsidiary of Eagle Intertrans, 99.98% shareholding
WP Sollar Co., Ltd.	Thailand	Subsidiary of WP Solutions, 99.99% shareholding
Wonderfood Holding Co., Ltd.	Thailand	Subsidiary of WP Solutions, 49.99% shareholding
Thai Gas corporation Co., Ltd.	Thailand	Subsidiary of WP Gas, 79.99% shareholding
Premier Carrier Co., Ltd.	Thailand	Subsidiary of Thai Gas Corporation, 99.99% shareholding
Key management personnel		Person having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group

34 Related-party transactions (Cont'd)

34.1 Transactions with related parties

Transactions with related parties for the year ended 31 December 2020 and 2019 are as follows:

	Separate financial statement	
	2020 Baht	2019 Baht
Sales of goods and services		
Subsidiaries	768,063,102	811,436,389
Other income		
Subsidiaries	7,954,826	7,056,735
Interest income		
Subsidiaries	1,234,127	2,160,855
Purchases of goods and services		
Subsidiaries	211,836,738	239,448,216
Rental expense		
Subsidiaries	9,476,819	9,559,368

34.2 Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the period ended in relation to transactions with related parties are as follows:

	Separate financial statement	
	2020 Baht	2019 Baht
Trade receivables - related parties		
Subsidiaries	119,067,207	166,558,169
Other non-current assets		
Subsidiaries	1,261,600	1,261,600
Amount due to related parties		
Subsidiaries	15,583,579	22,935,978
Accrued expenses		
Subsidiaries	444,476	46,830
Other current liabilities		
Subsidiaries	572,289	572,289

34.3 Short-term loans to related parties

	Separate financial statement	
	2020 Baht	2019 Baht
Short-term loans to related parties:		
Opening net book amount	35,000,000	35,000,000
Payment	(35,000,000)	-
Closing net book amount	-	35,000,000

Short-term loans to related parties are promissory notes denominated in Thai Baht issued by WP Gas Company Limited. The promissory notes are due within one year and bear interest rate of MLR per annum.

34 Related-party transactions (Cont'd)

34.4 Long-term loans to related parties

	Separate financial statement	
	2020 Baht	2019 Baht
Long-term loans to related parties:		
Opening net book amount	-	-
Addition	47,700,000	-
Closing net book amount	47,700,000	-

Long-term loans to related parties are denominated in Thai Baht amounting to Baht 22.70 million, Baht 16.00 million and Baht 9.00 million to Thai Gas Corporation Company Limited, Wonderfood Holding Company Limited and WP Gas Company Limited, respectively. The loans will be due in 6.5 years, 4 years and 5 years and bear interest rate of 5.25%, 5.25% and MLR per annum, respectively.

The loans to subsidiaries were made on commercial terms and conditions. No allowance has been required in 2020 and 2019 for the loans made to subsidiaries.

The fair value of loans to related parties is Baht 46.79 million calculated from future cash flows that is discounted at market interest rates at the rate of MLR per annum and are within the level 2 of the fair value hierarchy.

Loans are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant.

34.5 Key management compensation

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Salaries and other short-term employee benefits	28,962,942	28,662,501	20,634,850	20,328,109
Retirement benefits	583,972	678,202	367,655	473,780
	29,546,914	29,340,703	21,002,505	20,801,889

35 Commitments

35.1 Capital commitments

As at 31 December 2020, the Company has capital commitments contracted for constructing gas storage tank amounting to Baht 14.00 million (2019: Baht 246.78 million).

35.2 Non-cancellable operating leases - where a Group is the lessee

The Group has non-cancellable operating leases, which are service agreements relating to storage tank areas for Liquefied Petroleum Gas (LPG) to reserve LPG according to the Department of Energy Business, land, office buildings, office equipment and vehicles.

The future aggregate minimum lease payments under non-cancellable operating leases (excluding Value Added Tax) are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Not later than 1 year	-	57,447,967	-	53,546,083
Later than 1 year but not later than 5 years	-	182,210,073	-	170,863,974
Over 5 years	-	274,924,005	-	266,201,992
	-	514,582,045	-	490,612,049

36 Bank guarantees

As at 31 December 2020, there are outstanding bank guarantees given on behalf of the Group and the Company to the third parties in respect of purchases of gas and use of electricity amounting to Baht 875.32 million and Baht 873.82 million, respectively (2019: Baht 1,201.42 million for the Group and the Company). Bank deposits amounting to Baht 288.54 million and Baht 287.04 million for the Group and the Company (2019: Baht 647.39 million and 645.89 million) are pledged as collateral for the bank guarantees. Land and machinery amounting to Baht 193.60 million and Baht 130.00 million, respectively (2019: Baht 193.60 million and Baht 130.00 million, respectively) are also pledged as collateral for the bank guarantees. (Note 17)

There are also outstanding bank guarantees given on behalf of the Group to the third parties in respect of the normal course of business amounting to Baht 1.86 million (2019: Baht 0.66 million). Bank deposits amounting to Baht 1.86 million (2019: Baht 0.66 million) is pledged as collateral for the bank guarantees.

In addition, the Group and the Company pledge bank deposits amounting to Baht 25.72 million and Baht 15.73 million, respectively (2019: Baht 19.33 million and 9.33 million for the Group and the Company) as collateral for borrowing from financial institutions.

37 Litigations

Litigations of World Gas (Thailand) Co., Ltd.

- 37.1 In 2010, World Gas (Thailand) Co., Ltd was a defendant in a case whereby it had mortgaged its land with a securities company as collateral for credit facilities obtained by a third party with the claimed amount of Baht 27.02 million. The Court ordered to temporarily dismiss the case awaiting verdict of the primary debt. Subsequently, on 15 December 2020, the plaintiff and the defendant entered into a compromise agreement in court to agree that the defendant repays the plaintiff in the amount of Baht 18.00 million. The Company has recognised this claim as administrative expense in the statement of the comprehensive income for the year ended 31 December 2020, and has made the payment on 20 January 2021. Therefore, this case is closed.

Litigations of WP Energy Public Company Limited

- 37.2 In 2018, a construction company who constructs gas storage and distribution at Nakhornsawan province has sued the Company as defendants in a Civil Court to claim for compensation and damages amounting to Baht 9.92 million for construction work performed by the contractor and the Company has ordered to postpone the construction temporarily and is reviewing the construction works performed. In June 2019, the Primary Court ordered the Company to pay the compensation with interest amounting to Baht 9.92 million. Subsequently, the Company filed an appeal to the Appeal Court. In March 2020, the Appeal Court ordered the Company to pay the compensation with interest amounting to Baht 9.89 million and the Company entered into negotiations to reduce the compensation down to Baht 9.50 million and made a payment for such compensation on 31 March 2020. Therefore, this case is closed.
- 37.3 In 2018, the Company has been sued and claimed for damages by an individual for lack of reasonable care as a professional LPG distributors. This caused the plaintiff severe burns. The plaintiff has requested the Civil Court to order the Company to pay the compensation for damages amounting to Baht 1.18 million. In June 2019, prosecutor dismissed the related criminal case. Therefore, the Company filed a pleading to the Court to dismiss the civil case the Company being sued. In September 2020, the Court completed a hearing from the plaintiff and the defendant and dismissed the case. Therefore, this case is closed.
- 37.4 In 2018, the Company has been sued and claimed for damages by a customer in case of breach of an agent agreement, LPG filling fee and transportation fee including sales discounts amounting to Baht 46.50 million. In November 2019, the Primary Court ordered the Company to pay the sales discounts amounting to Baht 0.61 million including interest at the rate of 7.5% per annum from the date of filing. In September 2020, the Appeal Court upheld judgement of the Civil Court. In November 2020, the plaintiff file a petition and the defendant file an objection to the petition. Currently, this case is on process of Court's proceedings. However, the management of the Company anticipate uncertainty because the case is not ended, hence the contingent liability has not yet been provided.
- 37.5 In January 2020, the Company has been sued in Labor case and claimed for damages by the plaintiff who is the former director of World Gas (Thailand) Company Limited in case of the fault under labor law and agreement on employment conditions amounting to Baht 211.50 million. Subsequently, in November 2020 the Court ordered to dismiss the plaintiff's complaint causing the Company to not have any obligation to pay for such compensation for the damages, but the plaintiff is still be able to appeal to the Appeal Court. As a result, the case is not yet closed. The management of the Company does not anticipate for any loss in respect of such litigation case. Therefore, the Company did not provide for contingent liability.
- 37.6 In March 2020, the Company has been sued and claimed for damages by a customer in case of breach an agent agreement and claim the deposit of gas LPG cylinders amounting to Baht 2.94 million. Currently, this case is on process of Court's proceedings. However, the management of the Company does not anticipate for any loss in respect of such litigation case. Therefore, the Company did not provide for contingent liability.

38 Events occurring after the reporting date

In February 2021, the Company has resold its treasury shares of 3,370,000 shares amounting to Baht 15,809,200.



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