

ACE

ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

ANNUAL REPORT 2020



The image features a large, bold, white 'ACE' logo on a dark green background. Below the logo, the full name 'ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED' is written in a smaller, white, sans-serif font. The background is composed of several geometric shapes: a large dark green triangle on the left, a smaller light green triangle on the right, and a white triangle at the bottom right. The overall design is modern and minimalist.

ACE

ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED



ปลอดภัยไว้ก่อน



CONTENT

ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED

01	Vision Missions and Long – Term Goal
05	Message from the Chairman of Executive Committee
07	General Information
14	Business Policy and Overview
34	Important Financial Information
44	Core Business
79	Securities and Shareholders Information
82	Company and Subsidiaries' Dividend Payment Policy
83	Management Discussion and Analysis
214	Corporate Social Responsibility
241	Board of Directors
273	Executive Structure
286	Corporate Governance
328	Report of The Board of Directors' Responsibilities for The Financial Statements
329	Audit Committee Report
332	Connected Transaction
356	The Risk Factors
375	The Legal Dispute
377	Internal Control
385	Definition and abbreviation



Vision

To be the practical model of clean energy power plants, which is responsible
for environment, society, communities and shareholders

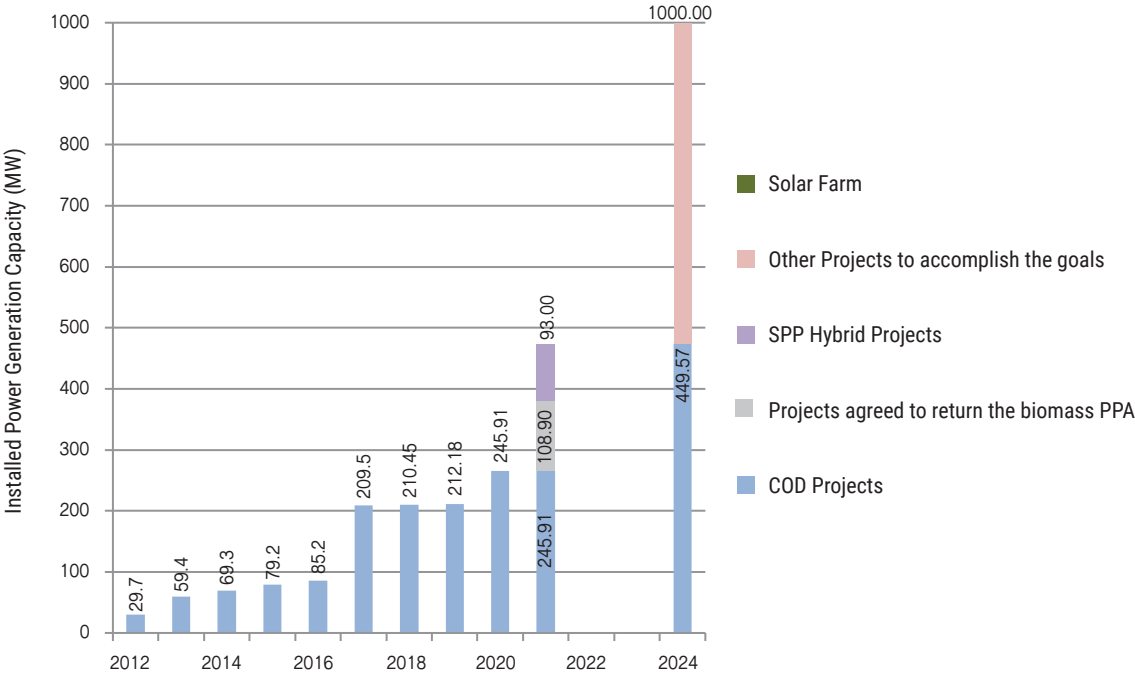
Missions

1. To be one of the world's leading power plants with the most effective electricity generating system.
2. To expand our business both domestically and internationally.
3. To achieve business stability while being responsible to the environment, communities, and shareholders.





- Diagram showing the installed capacity of ACE Group’s power plants, now, and by 2024



¹ Equity Installed Power Generation Capacity (Equity MW)



Objectives

The Company aim to expand the investments in clean energy power plants which are responsible for the environment and community both domestically and internationally. The Company operates biomass power plant, solid waste power plant, solar energy power plant, and natural gas power plant. The Company utilizes its expertise, experiences and advantages in this field, to improve the quality of life of farmers, who are our business partners; and communities surrounding the Group's power plants. The company also aims to increase the total installed capacity of the power plants to exceed 1,000 megawatts by 2024.

On December 31, 2020, the Group has the total installed capacity for power generation of 245.91 megawatts. The group aims to increase the total installed capacity for power generation to 1,000 megawatts by 2024. The goal is challenging but feasible. The Company has plan to invent in many projects, including both public and private sectors projects, new and existing projects, inside and outside the country. The 1,000 megawatts goal covers installed capacity of both the power plants that commences commercial operations and the power plants under development but have signed power purchase agreement.

Message from the Chairman of Executive Committee

Dear Shareholders,

The year 2020 was a tough year for the world as well as Thailand as we had been faced with the spread of COVID-19. Despite the better situation in Thailand compared to those in other countries, Thailand's economy was affected so negatively that its GDP dropped by 6.1% from 2019, considered the worst recession in 22 years since Tom Yam Kung Crisis in 1998 when the GDP slumped by 7.6%. However, with the remarkably collaborative efforts of all the executives and staff members to overcome obstacles, Absolute Clean Energy Public Company Limited still managed to increase revenues from its core businesses from 4,951 million Baht in 2019 to 4,988 million Baht in 2020. The Company's net profit also surged 85% from 815 million Baht in 2019 to 1,508 million baht in 2020, mainly because its power plants projects had been operating smoothly and effectively, and its magnificent cost control and management throughout the year contributed to the increase of Gross Profit Margin of all types of power plants. The year 2020 was the fourth consecutive year that the net profit had risen drastically since 2017.

In addition to such excellent performance, in 2020 the Company also succeeded in buying 3 more biomass power plants with the total installed capacity of 26.90 megawatts from UA Withya Public Company Limited on 21st August 2020 and started to commercially operate the municipal waste power plant with the installed capacity of 6.0 megawatts in Krabi Province on 28th December 2020, which was completed earlier than it had been scheduled. In the same year, the Company's Corporate Governance had also been assessed and rated 4 stars (Very Good) by the Thai Institute of Directors (IOD) and Stock Exchange of Thailand, and the Company was listed for the calculation of SET100 Index, FTSE SET Mid Cap Index, and FTSE SET Shariah Index.

For 2021, the Company will still focus on enhancing the efficiency and controlling the cost of the 19 commercially operated power plants with the total installed capacity of 245.91 megawatts (data as of 31st Dec 2020). It will also proceed with the signing of the power purchase agreement and commencement of construction work of 17 power plants with the total installed capacity of 203.66 megawatts (data as of 31st Dec 2020) that are currently in the development process, while seeking more power plants to add into the portfolio, in order to increase the total installed capacity to over 1,000 megawatts by 2024. The new power plants the Company expect to acquire are those from new clean-energy power plants projects likely to be open for bidding by the government. They can be community power plant of 150 megawatts (a pilot project) and a municipal solid waste power plant of 400 megawatts. The Company may also acquire new power plants by way of Mergers and Acquisitions (M&A) both domestically and internationally, and the power plants may have already started their commercial operation or still be in the development phase. The Company will take into great consideration expected return on investment and investment risks before buying the business.

On behalf of the Company, I would like to thank the shareholders, customers, business and trading partners, agriculturalists, financial institutions, communities, related government and private agencies, and all ACE Group's Directors, Executives, and staff for having continuously supported the Company. I sincerely hope that all of us can continue to move forward in this journey to meet great objectives in the near future, in accordance with the Company's principles to be one of the world's models for clean-energy power plants and in line with the Environmental, Society, Governance (ESG) and Total Societal Impact (TSI) criteria. Under Good Corporate Governance, we will also continue to operate our businesses with the aim of earning substantial revenues for Sustainability Growth.



จิรฐา ทรงเมตตา

(Ms. Jiratha Songmetta)

Chairman of Executive Committee

General Information

General Information (For the year ended December 31, 2020)

Company Information	
Company Name	Absolute Clean Energy Co., Ltd. ("The Company")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Holding Company of businesses that generate and sells electricity and steam
Fax	-
Website	http://www.ace-energy.co.th
Registered Capital	5,487,999,980 baht / 10,975,999,960 shares (0.50 baht/share)
Paid-up Capital	5,087,999,980 baht / 10,175,999,960 shares (0.50 baht/share)

Information regarding the juristic persons that The Company directly hold at least 10% of the total registered shares	
Company Name	Asia Clean Energy Co., Ltd. ("ASCE")
Former Name	Asia Eco Energy Co., Ltd.
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Holding Company for businesses that produce and distribute electricity and steam
The Company Share Holding	100%
Fax	-
Paid-up Capital	9,000,000,000 baht / 900,000,000 shares (par value of 10 baht/share, and fully paid-up)

Information regarding the juristic persons that the Company indirectly hold at least 10% of the total registered shares via ASCE	
Company Name	Advance Clean Power Co., Ltd. ("ACP")
Head Office Location	665 Village No.6, Nong Irun Sub-district, Ban Bueng, Chonburi 20220
Branch Office Location	(1) 38 Village No.11, Wang Samakki sub-district, Phon Thong, Roi Et 45110 (2) 224 Village No.6, Bo Ploy sub-district, Bo Ploy, Kanchanaburi 71160
Business Type	Biomass Power Plant
ASCE Share Holding	100%
Paid-up Capital	1,690,300,000 baht / 200,000,000 shares (105,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 95,000,000 shares are paid-up capital at 6.74baht/share)
Company Name	Alliance Clean Power Co., Ltd. ("ALCP")
Head Office Location	665 Village No.6, Nong Irun sub-district, Ban Bueng, Chonburi 20220
Branch Office Location	(1) 131 Village No.1, Phra Phutthabat sub-district, Sri Chiang Mai, Nong Khai 43130 (2) 190 Village No.4, Fang Kham sub-district, Sirindhorn, Ubon Ratchathani 34350 (3) 370 Village No.7, Non Thon sub-district, Muang, Khonkaen 40000
Business Type	Biomass and municipal waste power plant
ASCE Share Holding	100%
Paid-up Capital	1,970,000,000 baht / 197,000,000 shares (par value of 10 baht/share, and fully paid-up)
Company Name	Advance Agro Power Plant Co., Ltd. ("AAPP")
Head Office Location	231 Village No.1, Tani sub-district, Prasat, Surin 32140
Branch Office Location	(1) 19 Village No.14, Chokchai sub-district, Chokchai, Nakhon Ratchasima 30190
Business Type	Biomass power plant
ASCE Share Holding	100%
Paid-up Capital	1,000,000,000 baht / 100,000,000 shares (par value of 10 baht/share, and fully paid-up)

Company Name	Advance Asia Power Plant Co., Ltd. ("AAP")
Head Office Location	385 Village No.12, Muang Whan sub-district, Nam Phong, Khon Kaen 40310
Business Type	Biomass power plant
ASCE Share Holding	100%
Paid-up Capital	567,200,000 baht / 57,500,000 shares (50,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 7,500,000 shares are paid-up capital at 8.96 baht/share)

Company Name	Advance Bio Asia Co., Ltd. ("ABA")
Head Office Location	88 Village No.8, Mae Thot sub-district, Thoen, Lam Pang 52160
Business Type	Biomass power plant
ASCE Share Holding	100%
Paid-up Capital	690,500,000 baht / 75,000,000 shares (50,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 25,000,000 shares are paid-up capital at 7.62 baht/share)

Company Name	Advance Farm Tree Co., Ltd. ("AFT")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Biomass power plant
ASCE Share Holding	100%
Paid-up Capital	7,000,000 baht / 1,000,000 shares (400,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 600,000 shares are paid-up capital at 5.00 baht/share)

Company Name	Bio Power Plant Co., Ltd. ("BPP")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Biomass power plant
ASCE Share Holding	100%
Paid-up Capital	175,000,000 baht / 25,000,000 shares (15,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 10,000,000 shares are paid-up capital at 2.50 baht/share)

Company Name	ACE SOLAR Co., Ltd,
Former Name	Sri Jao Phraya Co., Ltd. ("SCP")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Biomass and Solar Power Plant
ASCE Share Holding	100%
Paid-up Capital	305,360,000 baht / 32,000,000 shares (20,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 12,000,000 shares are paid-up capital at 4.23 baht/share)

Company Name	Absolute Clean Water Co., Ltd. (ACW). (Formally Prasatporn Rungrueng Co., Ltd. (PSPR))
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Biomass power plant
ASCE Share Holding	100%
Paid-up Capital	128,559,000 baht / 20,000,000 shares (100,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 19,900,000 shares are paid-up capital at 6.41 baht/share)

Company Name	Advance Agro Asia Co., Ltd. ("AAA")
Head Office Location	224 Village No.7, Ko Khanun sub-district, Phanomsarakham, Chachoeng-sao 24120
Branch Office Location	(1) 140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Biomass power plant
ASCE Share Holding	100%
Paid-up Capital	1,500,000,000 baht / 150,000,000 shares (par value of 10 baht/share, and fully paid-up)

Company Name	Power Supply and Maintenance Co., Ltd. ("PSMS")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Consult, manage, install, maintenance, repair, and sell all kinds of materials, equipments and parts related to power plant
ASCE Share Holding	100%
Paid-up Capital	30,000,000 baht / 3,000,000 shares (par value of 10 baht/share, and fully paid-up)

Company Name	Advance Asia Energy Co., Ltd. ("AAE")
Head Office Location	386 Moo 8, Mittraphap Rd., Ban Poe sub-district, Maung Nakorn Ratchasima 30310
Business Type	Biomass Power Plant
ASCE Share Holding	100%
Paid-up Capital	540,120,000 baht / 65,000,000 shares (24,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 41,000,000,000 shares are paid-up capital at 7.32 baht/share)

Company Name	Advance Bio Energy Co., Ltd. ("ABE")
Head Office Location	100 Moo 6, Don Mon Sub-district, Satuek, Buriram 31150
Business Type	Biomass Power Plant
ASCE Share Holding	100%
Paid-up Capital	159,375,000 baht / 1,593,750 shares (par value of 100 baht/share, and fully paid-up)

Company Name	Satuek Biomass Co., Ltd. ("SBM")
Head Office Location	100 Moo 6, Don Mon Sub-district, Satuek, Buriram 31150
Business Type	Biomass Power Plant
ASCE Share Holding	100%
Paid-up Capital	166,250,000 baht / 1,666,250 shares (par value of 100 baht/share, and fully paid-up)

Company Name	Provincial Renewable Energy (Thailand) Co., Ltd. ("PRE")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Generate and distribute electricity
ASCE Share Holding	100%
Paid-up Capital	20,250,000 baht / 3,000,000 shares (par value of 10 baht/share, and other 3,000,000 shares are paid-up capital at 6.75 baht/share) (par value of 100 baht/share, and fully paid-up)

Company Name	Renewable Energy (Central) Co., Ltd. ("REC")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Generate and distribute electricity
ASCE Share Holding	100%
Paid-up Capital	25,424,000 baht / 2,800,000 shares (par value of 10 baht/share, and other 2,800,000 shares are paid-up capital at 9.08 baht/share)

Company Name	Renewable Energy (North) Co., Ltd. ("REN")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Generate and distribute electricity
ASCE Share Holding	100%
Paid-up Capital	18,000,000 baht / 2,000,000 shares (par value of 10 baht/share, and other 2,000,000 shares are paid-up capital at 9.00 baht/share)

Company Name	Renewable Energy (Northeast) Co., Ltd. ("RENE")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Generate and distribute electricity
ASCE Share Holding	100%
Paid-up Capital	22,000,000 baht / 4,400,000 shares (par value of 10 baht/share, and other 4,400,000 shares are paid-up capital at 5.00 baht/share)

Company Name	Renewable Energy Siam Co., Ltd. ("RESM")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Generate and distribute electricity
ASCE Share Holding	100%
Paid-up Capital	25,100,000 baht / 4,400,000 shares (1,400,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 3,000,000 shares are paid-up capital at 3.70 baht/share)

Securities Registrar	
Company Name	Thailand Securities Depository Co., Ltd.
Head Office Location	93 SET Tower Ratchadaphisek Road, Din Daeng sub-district, Din Daeng, Bangkok 10400
Phone	0 2229 2800
Fax	0 2359 1259

Auditor	
Company Name	PricewaterhouseCoopers ABAS Ltd.
Head Office Location	15 th Floor Bangkok City Tower, 179/74-80 South Sathorn Rd.,
Phone	0 2344 1000
Fax	0 2286 5050

Other Important Information	
- None -	

Business Policy & Overview

Absolute Clean Energy Public Company Limited (ACE) operates mainly as a holding company which invests in companies that either generate and sell electricity and steam both domestically and internationally or support the generation of electricity and steam.

For the year ended December 31, 2020, the Company holds shares in 20 subsidiary companies, consisting of 1 direct and 19 indirect subsidiary companies. (Company and subsidiary companies combined are called “The Group”) The details are as follows.

Subsidiary Company	Initials	Share-holding proportion	Business Type
Direct Subsidiary Company			
1) Asia Clean Energy Co., Ltd.	ASCE	100.0	Operate mainly as a holding company for companies that generate and sell, or support the generation of electricity and steam both domestically and internationally.
Indirect Subsidiary Company			
1) Advance Clean Power Co., Ltd.	ACP	100.0	Generate and sell electricity and steam
2) Alliance Clean Power Co., Ltd.	ALCP	100.0	
3) Advance Agro Power Plant Co., Ltd.	AAPP	100.0	
4) Advance Asia Power Plant Co., Ltd.	AAP	100.0	
5) Advance Bio Asia Co., Ltd.	ABA	100.0	
6) Advance Farm Tree Co., Ltd.	AFT	100.0	
7) Bio Power Plant Co., Ltd.	BPP	100.0	
8) ACE SOLAR Co., Ltd.	ACE SOLAR	100.0	
9) Absolute Clean Water Co., Ltd. (Former name: Prasatporn Rungrueng Co., Ltd.)	ACW	100.0	
10) Advance Agro Asia Co., Ltd.	AAA	100.0	
11) Advance Asia Energy Co., Ltd. (Former name: UWC Komen Biomass Co., Ltd.)	AAE	100.0	
12) Advance Bio Energy Co., Ltd. (Former name: Amphan Komen Biomass Co., Ltd.)	ABE	100.0	
13) Satuek Biomass Co., Ltd.	SBM	100.0	
14) Provincial Renewable Energy (Thailand) Co., Ltd.	PRE	100.0	Support business expansion
15) Renewable Energy (Central) Co., Ltd.	REC	100.0	
16) Renewable Energy (North) Co., Ltd.	REN	100.0	
17) Renewable Energy (Northeast) Co., Ltd.	RENE	100.0	
18) Renewable Energy Siam Co., Ltd.	RESM	100.0	Maintenance renewable energy power plants, focusing on maintaining the power plants of ACE Group
19) Power Supply and Maintenance Service Co., Ltd.	PSMS	100.0	

1. History, Significant Changes and Developments

Initially, the Songmetta group, the largest shareholder of the group, conducted a business of researching and developing energy crops, growing fast-growing trees, and producing, selling and exporting plant-based products like hardboards and wood chips. Songmetta group was one of the world's largest players in this field. As a result, the Group has to deal with a good number of unused wood and agricultural wastes as production leftover. Tasked with the need to dispose these wastes in an environmentally friendly way at high cost, the Group aims to develop a new business that creates economic use of them. The Group found a solution to recycle and transform these unused woods and other agricultural wastes into other usable agricultural products. Moreover, as the Energy Policy and Planning Office (EPPO) had released a 15 year renewable energy policy from 2008-2023. The policy is to make Thailand use more renewable energy and import less oil and natural gas, and support research and development of renewable energy in the country. The policy is also aware of the measures to promote the use of biomass fuels by providing benefits for taxes and subsidizing the electricity price (Adder) for very small power producers (VSPP) and small power producers (SPP). Songmetta group saw the business opportunity in the biomass energy power plant industry. Therefore, the Group founded Advance Clean Power Co., Ltd. (ACP) in 2008. ACP submitted the proposal for selling electricity to the Provincial Electricity Authority of Thailand (PEA) and was awarded the Power Purchase Agreement (PPA) of 8.0 megawatts on 21 July 2009.

Later, on 5 August 2009, ACP increased the registered capital from the initial registered capital of 5 million baht, with 500,000 common shares at 10 baht par value to 500 million baht, with 50 million common shares at 10 baht par value. The 125 million baht paid-up capital was utilized for developing the biomass power plant in Nong-eroon sub-district, Baan Bueng district, Chonburi, as well as acquiring various licenses as required by law. The power plant was constructed and commenced Commercial Operation (COD) on April 24, 2012, being the Group's first power plant project.

In the middle of 2015, Songmetta group had bought shares of Asia Clean Energy Co., Ltd. (ASCE), founded at the beginning of 2008 by another shareholder group. The Group changed ASCE's business objectives from transporting business to be a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam in Thailand. Afterwards, ASCE had bought shares of the subsidiary companies of Songmetta group, consisting of ALCP, AAP, ABA, BPP, ACE, SOLAR, and AAA. Combined with AAPP, ACP, AFT that ASCE already owned, ASCE had become the owner of the power plants for Songmetta group, as the group restructured its business operations.

At the end of 2015, Absolute Clean Energy Co., Ltd. (ACE) was founded with the objective to operate as a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam for the Group. ACE also became a 100% shareholder of ASCE, under a new the group structure.

In 2018, PSMS was founded by the group to provide a maintenance service for the group's power plants. The group also bought shares of ACW, as part of reconstruction plan. Moreover, the company had also converted ACE from a limited company to a public company.

At the end of 2019, the company had issued the Initial Public Offering (IPO) for the first time. The common share of the company was listed and began trading in SET for the first time on November 13, 2019.

In August 2020, ASCE has acquired all common shares. 100% of the 3 biomass power plant operator companies, AAE, ABE and SBM, with a total installed capacity of 26.9 MW, with a total power purchase agreement with the Provincial Electricity Authority of 22.5 MW by acquisition of shares. As a result, AAE, ABE and SBM are indirect subsidiaries of the Company on August 21, 2020.

Summary of the history and important development of the company and subsidiary companies.

• **Absolute Clean Energy Public Co., Ltd. (ACE)**

Year	Events
2015	- On 1 December, ACE was established by Songmetta group with the objective to be a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam. - On December 21, the extraordinary general meeting of the company resolved that ACE invested in ASCE, which operates as a holding company for companies that generate and sell electricity and steam, by buying the common share of ASCE for a total of 649,999,998 shares to reconstruct the shareholding of the companies that sell and generate electricity in the Songmetta group to prepare to be listed on the SET, making the company held the proportion of 100 percent of the registered capital of ASCE.
2016	- On June 6, the 1/2016 extraordinary general meeting resolved to increase the registered capital from 300,500,000 baht to 4,502,499,980 baht by offering new common share to the existing shareholders of the company. - On August 30, Song-Metta group sold a total of 34,500,000 shares of the common share, or as a proportion of 7.66% of total registered capital of the company to non-related new shareholder groups, consisting of Siam Commercial Bank Public Company Limited, Brooker Group Public Company Limited, Chirathivat group, and Mrs. Wallaya Damnoencharnvanich, making the proportion of shares of Songmetta group reduced to 92.34% of the total registered capital.
2017	- On June 29, ACE increased the registered capital from 4,502,499,980 baht to 4,578,999,980 baht. The company offered a total of 7,650,000 new common share of 10.00 baht to the existing shareholders of the company. As a result, the proportion of shareholding of Songmetta group was increased to 92.47% of the total registered capital. - On June 29, the 1/2017 extraordinary general meeting resolved to appoint Ms. Chonticha Chitrarporn, Mrs. Patchanee Sutheewitanan, and Mr. Nuekrak Baingern to become 3 new directors and independent directors. All of them were assigned to become members of the audit committee to prepare for becoming a listed company in SET. - From October to December, Songmetta group sold a total of 6,719,126 shares of the common share, or as a proportion of 1.47% of total registered capital of the company to 19 retail investors, making the proportion of shares of Song-Metta group reduced to 91.00% of the total registered capital.

• **Absolute Clean Energy Pub Co., Ltd. (ACE) (Cont.)**

Year	Events
2018	- In March, Song-Metta group sold a total of 20,043,374 shares of the common share, or as a proportion of 4.37% of total registered capital of the company to a new shareholder group. Songmetta group also bought back 12,500,000 shares, or as a proportion of 2.73% of total registered capital of the company from one shareholder, making the proportion of shareholding of Songmetta group reduced to 89.35% of the total registered capital. - On May 3, ACE established PSMS with an objective to maintenance renewable energy power plants with a registered capital of 20 million baht. - On July 14, ACE's 1/2018 extraordinary general meeting resolved to - Convert the company to a public company - Change the par value of ACE common share to be 0.50 baht per share - Increase the registered capital from 4,578,999,980 baht to 5,487,999,980 baht by offering a total of 1,818,000,000 new common share to the public for the first time. - On July 16, ACE completed converting into a public company. - In October, Songmetta group transferred a total of 227,222,920 shares of common share, or as a proportion of 2.48% of total registered capital of the company to one non-related current shareholder group, making the proportion of shares of Songmetta group reduced to 86.87% of the total registered capital. - On November 9, ACE's 2/2018 extraordinary general meeting (after converting) resolved that ACE can issue and offer debentures in an amount not exceeding 5,000 million baht - On December 20, ACE issued and offered debentures that have specified name, insurance, shareholder's representative which the debenture issuer has the right to redeem the debentures before the maturity date. The offered price was 1,500 million baht with a fixed interest rate of 6.80% per annum, and the redemption date was 20 June 2020.
2019	- On October 9, the 9/2019 board of directors meeting resolved to sell a total of new 1,018 million shares via the Initial Public Offering (IPO) to the public. - On October 28, the 1/2019 extraordinary general meeting approve the company to buy shares of Advance Power Plant Co., Ltd. from a Songmetta group, a related party, with the budget between 394 million baht and 472 million baht, with the payment and transfer of shares scheduled on the same day, which was within 120 days after the signing date of the purchase of Advance Power Plant Co., Ltd., with a contract to purchase the shares within 6 months from August 28, 2019 or within 15 days after Advance Power Plant Co., Ltd. and EGAT had signed a FiT power purchase contract from PEA, whichever event came first. - On November 13, the common share of the company was listed and started trading in SET for the first time. - On December 20, the Company had redeemed all of the debentures before the maturity date. As of December 31, the company was in the process of releasing the collateral for the debentures.
2020	- On May 15, the Board of Directors' Meeting No. 4/2020 approved an interim dividend payment from unappropriated retained earnings as of March 31, 2020 at the rate of 0.03 baht per share and paid to the shareholder on 15 June.

• **Asia Clean Energy Co., Ltd. (“ASCE”)**

Year	Events
2008	- On August 7, ASCE (formerly known as Asia Eco Energy Co., Ltd.) was founded by a group that was not related to Songmetta group). ASCE did not conduct any business at that time.
2009	- In June, ASCE bought all of the shares from AAPP, ACP, and AFT from Songmetta group. As a result, ASCE held 100% of the proportion of the paid registered capital of AAPP, ACP, and AFT. None of the 4 companies conduct any business at that time. - On August 24, Songmetta group acquired a 50% share of ASCE, from the existing shareholders. - ASCE increased the registered capital by offering shares to the shareholders in the Songmetta group. As a result, the proportion of share of Songmetta group was increased to 99.88% of the total registered capital.
2010	- On December 23, Songmetta group bought a total of 0.12% share of the total registered capital from non-related existing shareholders, increasing the Songmetta group shareholding to 100% of the paid registered capital.
2015	- On March 21, the meeting of the board of directors resolved to allow ASCE to invest in companies, namely, ALCP, AAP, ABA, BPP, ACE SOLAR, AAA, that operates in the production and selling of electricity and steam by buying the shares from Songmetta group to adjust the shareholding structure of Songmetta group to make companies that operates in the production and selling of electricity and steam all came under ASCE. making ASCE held the proportion of 100 percent of the registered capital of the mentioned companies. The price was determined from the net assets of the internal financial statements of the companies invested by ASCE. The contract and the purchases of shares were completed on March 25, 2015. - On April 3, ASCE entered a credit agreement with a local commercial bank with a credit line of 1,600 million baht to fund the development of power plant projects of subsidiary companies under ASCE. The creditors instructed the company to use money received from the IPO to repay the loan in the whole amount. - On May 15, ASCE changed its name from Asia Eco Energy Co., Ltd. to Asia Clean Energy Co., Ltd. - On December 30, ACE, a new company established by Songmetta group, invested in ASCE for a proportion of 100%, ACE bought the shares of ASCE from Songmetta group. The value is based on the net asset value of ASCE in order to reconstruct the group to prepare to be listed in the SET.
2018	- On October 16, the meeting of the board of directors resolved to allow ASCE to invest in PSPR with the objective to generate and sell electricity and steam by buying the shares from Songmetta group to adjust the shareholding structure of Songmetta group to make companies that operates in the production and selling of electricity and steam all came under ASCE.
2020	- On August 21, ASCE has acquired all ordinary shares. 100% of the 3 biomass power plant project operators, AAE, ABE and SBM - On March, ASCE established 5 indirect subsidiaries, consisted of PRE, REC, RENE and RESM to support the business expansion. In addition, these indirect subsidiary companies have registered 157 subsidiaries to support future projects.

• **Advance Clean Power Co., Ltd. (“ACP”)**

Year	Events
2008	- On August 7, ACP was established by Songmetta group with the objective to generate and sell electricity.
2009	- In the third quarter, ACP signed 10 PPA contracts with PEA, which the SCODs were scheduled to be from 2011-2013. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract had a period of 5 years and continuous renewal for 5 years at a time.
2012	- On April 24, Ban Bueng power plant (ACP1), PPA number VSPP-PEA-184/2009, had started a commercial operation (COD), meeting the specified SCOD of no later than April 30, 2012.
2013	- On June 4, Ponthong power plant (ACP2), PPA number VSPP-PEA-108/2009, had started a commercial operation, meeting the specified SCOD of no later than December 31, 2013.

• **Advance Clean Power Co., Ltd. (“ACP”) (Cont.)**

Year	Events
2014	- On December 30, PEA had cancelled 6 PPA contracts, effective from December 1, 2014.
2015	- On February 6, ACP appealed to the court against PEA for 4 PPA contract terminations.
2016	- On February 25, PEA returned the PPA contract of the Bo Ploy power plant (ACP3), PPA number VSPP-PEA-186/2009 because PEA had considered that the reason ACP3 could not distribute electricity as scheduled was force majeure. The new SCOD was August 31, 2017. - On July 7, PEA announced the appeal of Klong Khlung power plant (ACP4), PPA number VSPP-PEA-189/2009, that the delay was really caused by a force majeure. However, PEA could not return the PPA contract immediately because of the failure in the grid capacity of PEA that could not support the power supply of the power plant yet. - In September, ACP signed an amendment agreement of PPA contract to change from the Adder system to the Feed-in Tariff (FiT) system for Ban Bueng, Ponthong, and Bo Ploy power plants, with retroactive effect from March 11, 2016.
2017	- On March 14, ACP propose the dispute to arbitration for PEA to return 3 PPA contracts: - Song Pee Nong power plant, PPA number VSPP-PEA-188/2009 - Bang Len power plant, PPA number VSPP-PEA-190/2009 - Khanuworalukburi power plant, PPA number VSPP-PEA-185/2009 - On August 1, PEA informed that they had now supplied the grid capacity for Klong Khlung power plant (ACP4) in 2020. - On August 16, Bo Ploy power plant (ACP3), PPA number VSPP-PEA-186/2009, had commenced a commercial operation (COD).
2019	- On June 21, Thai Arbitrator Institute made a final verdict on the clear dispute no. 76/2019 so that PEA must return the PPA contract number VSPP-PEA-188/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Song Pi Nong power plant and Dispute number 77/2019 so that PEA must return the PPA contract number VSPP-PEA-185/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Khanuworalukburi power plant to ACP. ACP is currently in talks with PEA about the details regarding the ruling. - On July 19, The arbitrator made a final verdict on the clear dispute no. 94/2019 so that PEA must return the PPA contract number VSPP-PEA-188/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Song Pi Nong power plant to ACP. ACP is currently in talks with PEA about the details regarding the ruling. - On August 7, PEA notified ACP to confirm that the Klong Khlung power plant (ACP4) returning to ACP was a 2015 Feed-in Tariff (Fit) type contract, with the details according to the agreement between PEA and ACP.
2020	- On 6 October PEA has returned the Power Purchase Agreement (PPA) of Klong Khlung Power Plant Project (ACP4) in the form of Feed-in Tariff (“FiT”) to ACP.

• **Alliance Clean Power Co., Ltd. (“ALCP”)**

Year	Events
2008	- On August 8, ALCP was established by Songmetta group with the objective to generate and sell electricity and steam.
2009	- In July, ALCP signed 10 PPA contracts with PEA, which the SCODs were scheduled to be from 2011-2015. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuous renewal for 5 years at a time.

• **Alliance Clean Power Co., Ltd. (“ALCP”) (Cont.)**

Year	Events
2013	- On October 24, ALCP signed a PPA contract with PEA to generate electricity from renewable energy, contract number VSPP-PEA-029/2013. PEA agreed to purchase electricity at a maximum power of 4.5 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuously for 5 years at a time. The electricity distribution station is at Non Ton sub-district in Khon Kaen. - On December 26, Sri Chiang Mai power plant (ALCP1), PPA number VSPP-PEA-075/2009, had commenced a commercial operation (COD).
2014	- On December 30, PEA terminated 7 PPA contracts, effective from December 1, 2014.
2015	- On February 6, ALCP appealed to the court against PEA for 1 PPA contract termination. - On March 25, ASCE bought a proportion of 100% of the registered capitals of ALCP from Songmetta group to adjust the shareholding structure of the electricity-business group to be under ASCE. - On July 14, ALCP signed an amendment agreement of PPA contract to change from the Adder system to the Feed-in Tariff (FiT) system for Srisaket power plant. - On August 14, Sirinthorn power plant (ALCP2), PPA number VSPP-PEA-130/2009, had started a commercial operation (COD), meeting the specified SCOD of no later than June 30, 2014.
2016	- On September 6, ALCP signed an amendment agreement of PPA contract to change from the Adder system to the Feed-in Tariff (FiT) system for Sri Chiang Mai and Sirinthorn power plants, effective from March 11, 2016. - On November 29, MSW power plant (ALCP3), PPA number VSPP-PEA-029/2013, had started a commercial operation, meeting the specified SCOD of no later than December 26, 2016.
2017	- On March 27, PEA announced the cancellation of Srisaket PPA, PPA number VSPP-PEA-134/2009, effective from January 1, 2017. - On March 14, ALCP propose the dispute to arbitration so that EGAT must return the PPA contract number VSPP-PEA-135/2009 of the Ban Bueng 2 power plant. - On May 5, ALCP appealed the cancellation of Srisaket PPA, PPA number VSPP-PEA-134/2009 by PEA to the Energy Regulatory Commission (ERC).
2018	- On March 22, ACLP filed a lawsuit against PEA and ERC to the Central Administrative Court. The lawsuit's purpose is to request a judgment or order for PEA to cancel the PPA contract termination for PPA number VSPP-PEA-134/2009 of Srisaket power plant and for PEA to return the mentioned purchase agreement and extend the SCOD for ALCP. - On August 16, Krabi municipality announced that ALCP was the winner of the bidding for investing in the construction and management of the Krabi's solid waste factory in Muang district, Krabi.
2019	- On January 17, ERC approved and announced that ALCP was considered and selected to participate in the electricity production project from community waste in the form of FiT in coordination with Krabi municipality. The installed power was 5.0 megawatts. ERC also announced that ACLP must sign the contract within 120 days. - On May 17, ALCP signed a PPA contract with PEA for the MSW power plant project in Krabi. The maximum amount of electricity purchased was 4.4 megawatts. The contract has a period of 20 years, but not after December 31, 2039.

• **Alliance Clean Power Co., Ltd. (“ALCP”) (Cont.)**

Year	Events
	- On April 3, ALCP sent a letter to PEA to negotiate the lawsuit between ALCP, and ERC and PEA to the Central Administrative Court to cancel the PPA contract termination for PPA number VSPP-PEA-134/2009 of Srisaket power plant and for PEA to return the mentioned purchase agreement and extend the SCOD for ALCP. PEA had already sent in a response letter informing the conditions and regulations. Currently, it is in the process of negotiation between ALCP and PEA. - On June 25, ALCP increased the registered capital from 1,650,000,000 baht to 1,850,000,000 baht by offering new common share to the existing shareholders of ALCP. - On July 19, The arbitrator made a final verdict on the clear dispute no. 91/2019 so that PEA must return the PPA contract number VSPP-PEA-135/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Ban Bueng 2 power plant to ACP. ACP is currently in talks with PEA about the details regarding the ruling.
2020	- On December 28, MSW Krabi Waste Power Plant Project (ALCP6) opens for commercial operation (COD).

• **Advance Agro Power Plant Co., Ltd. (“AAPP”)**

Year	Events
2006	- On July 1, AAPP (formerly known as Sritawan Burapha Co., Ltd.) was established by Songmetta group.
2008	- On June 26, AAPP had changed the name from Sritawan Burapha Co., Ltd. to Advance Agro Power Plant Co., Ltd.
2009	- In June, ASCE bought a proportion of 100% of the registered capital of AAPP from Songmetta group to adjust the shareholding structure of the electricity-business group to be under ASCE. - In July, AAPP signed 7 PPA contracts with PEA, which the SCODs were scheduled to be from 2012-2013. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuous renewal for 5 years at a time.
2012	- On October 30, Pattani power plant (AAPP1), PPA number VSPP-PEA-094/2009, had commenced a commercial operation (COD), meeting the specified SCOD of no later than September 30, 2012.
2013	- On January 16, Chok Chai power plant (AAPP2), PPA number VSPP-PEA-109/2009, had started a commercial operation (COD), meeting the specified SCOD of no later than December 31, 2012.
2014	- On December 30, PEA had cancelled 5 PPA contracts, effective from December 1, 2014.
2015	- On February 6, AAPP appealed to the court against PEA for 1 PPA contract termination.
2016	- On September 6, AAPP signed an amendment agreement of PPA contract to change from the Adder system to the Feed-in Tariff (FiT) system for Pattani and Chok Chai power plants, effective from March 11, 2016.
2017	- On March 14, AAPP propose the dispute to arbitration so that PEA must return the PPA contract number VSPP-PEA-111/2009 of the Chok Chai 2 power plant.
2019	- On June 21, Thai Arbitrator Institute made a final verdict on the clear dispute no. 75/2019 so that EGAT must return the PPA contract number VSPP-PEA-111/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Chok Chai 2 power plant to AAPP. AAPP is currently in talks with PEA about the details regarding the ruling.

• **Advance Asia Power Plant Co., Ltd. (“AAP”)**

Year	Events
2006	- On June 27, AAP (formerly known as Sri Fah Pratarn Co., Ltd.) was established by Songmetta group.
2008	- On June 26, AAP had changed the name from Sri Fah Pratarn Co., Ltd. to Advance Asia Power Plant Co., Ltd.
2009	- On July 28, AAP signed 8 PPA contracts with PEA, which the SCODs were scheduled to be from 2012-2013. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuous renewal for 5 years at a time.
2012	- On May 2, Nam Pong power plant (AAP1), PPA number VSPP-PEA-119/2009, had commenced a commercial operation (COD).
2016	- On September 6, AAP signed an amendment agreement of PPA contract to change from the Adder system to the Feed-in Tariff (FiT) system for Nam Pong power plant, effective from March 11, 2016.

• **Advance Bio Asia Co., Ltd. (“ABA”)**

Year	Events
2006	- On June 27, ABA (formerly known as Sri Udon Rung Ruang Co., Ltd.) was established by Songmetta group.
2008	- On June 30, ABA had changed the name from Sri Udon Rung Ruang Co., Ltd. to Advance Bio Asia Co., Ltd.
2009	- On July 16, ABA signed 7 PPA contracts with PEA, which the SCODs were scheduled to be in 2013. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuous renewal for 5 years at a time.
2013	- On December 23, a group of people from Lampang province (the complainant) filed a lawsuit against ABA to Chiang Mai Administrative Court to request the court to revoke the license to operate the power plant business (Plant License) of the ABA1 project. The complainant stated that the approval process for the ABA1 project was unlawful.
2014	- On July 9, Thern power plant (ABA1), PPA number VSPP-PEA-156/2009, had commenced a commercial operation (COD).
2016	- On March 30, the Chiang Mai Administrative Court had a verdict that the approval process for the ABA1 project was lawful, and therefore dismissed the lawsuit. - On April 29, a group of people from Lampang province (the complainant) appealed against the verdict of the Chiang Mai Administrative Court to the Supreme Administrative Court. ABA had already submitted an appeal refusal, accordingly. - On September 6, ABA signed an amendment agreement of PPA contract to change from the Adder system to the Feed-in Tariff (FiT) system for Thern power plant, effective from March 11, 2016.

• **Advance Farm Tree Co., Ltd. ("AFT")**

Year	Events
2006	- On June 30, AFT (formerly known as Sri Dork Coon Co., Ltd.) was established by Songmetta group.
2008	- On June 30, AFT had changed the name from Sri Dork Coon Co., Ltd. to Advance Farm Tree Co., Ltd.
2009	- On June 12, AFT signed 10 PPA contracts with PEA, which the SCODs were scheduled to be in 2013. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuous renewal for 5 years at a time.
2014	- On December 30, PEA had cancelled 10 PPA contracts, effective from December 1, 2014.
2015	- On February 6, AFT appealed to the court against PEA for 1 PPA contract termination.
2017	- On March 14, AFT propose the dispute to arbitration so that PEA must return the PPA contract number VSPP-PEA-128/2009 of the Senangkanikom power plant.
2019	- On June 21, The arbitrator made a final verdict on the clear dispute no. 74/2019 so that PEA must return the PPA contract number VSPP-PEA-128/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Senangkanikom power plant to AFT. AFT is currently in talks with PEA about the details regarding the ruling.

• **Bio Power Plant Co., Ltd. ("BPP")**

Year	Events
2006	- On July 1, BPP (formerly known as Sri Song Kwae Co., Ltd.) was established by Songmetta group.
2009	- On July 16, BPP signed 8 PPA contracts with PEA, which the SCODs were scheduled to be in 2013. EGAT agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuous renewal for 5 years at a time. - On October 14, BPP had changed the name from Sri Song Kwae Co., Ltd. to Bio Power Plant Co., Ltd.
2014	- On December 30, PEA had cancelled 8 PPA contracts, effective from December 1, 2014.
2015	- On February 6, BPP appealed to the court against PEA for 1 PPA contract termination. - On March 25, ASCE bought a proportion of 100% of the registered capitals of BPP from Songmetta group to adjust the shareholding structure of the electricity-business group to be under ASCE.
2017	- On March 14, BPP propose the dispute to Thai Arbitration Institute that PEA return the PPA contract number VSPP-PEA-159/2009 of the Khok Kra Thiam power plant. - On December 14, ERC announced the list of companies that were selected for the SPP Hybrid Firm renewable-energy-generated electricity projects. BPP was selected for 2 projects, Na Bon 2 and Klong Khlung project. The total amount of electricity offered was 34.81 megawatts. BPP had to sign a PPA for both projects with PEA before December 13, 2019.
2019	- On July 19, The arbitrator made a final verdict on the clear dispute no. 92/2019 so that PEA must return the PPA contract number VSPP-PEA-159/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Khok Kra Thiam power plant to BPP. BPP is currently in talks with PEA about the details regarding the ruling. - On September 25, BPP submitted a request to ERC to extend the contract signing date and SCOD for the SPP Hybrid Firm renewable-energy-generated electricity projects for Na Bon 2 and Klong Khlung project. - On November 20, BPP submitted a request to ERC and PEA to extend the contract signing date and SCOD for the SPP Hybrid Firm renewable-energy-generated electricity projects for Na Bon 2 and Klong Khlung project. ERC is currently considering the request.

• **AEC Solar Co., Ltd. (“ACE SOLAR”)**

Year	Events
2006	- On July 1, ACE SOLAR was established by Songmetta group.
2009	- On July 30, ACE SOLAR signed 10 PPA contracts with PEA, which the SCODs were scheduled to be in 2013. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuously renewal for 5 years at a time.
2014	- On December 30, PEA had cancelled all PPA contracts, effective from December 1, 2014.
2017	- On December 14, ERC announced the list of companies that were selected for the SPP Hybrid Firm renewable-energy-generated electricity projects. ACE SOLAR was selected for 2 projects, Na Bon 1 and Ranong project. The total amount of electricity offered was 41.5 megawatts. ACE SOLAR had to sign a PPA for both projects with PEA before December 13, 2019.
2018	- On November 6, ACE SOLAR had changed the name from Sri Jao Phrayae Co., Ltd. to AEC Solar Co., Ltd. - On November 20, Solar Rooftop 1 (“ACE SOLAR 3”) had commenced a commercial operation (COD).
2019	- On February 22, Solar Rooftop 2 (“ACE SOLAR 4”) had commenced a commercial operation (COD). - On September 28, the extension of Solar Rooftop 1 (“ACE SOLAR 3”) had commenced a commercial operation (COD). - On August 22 and September 25, ACE SOLAR submitted a request to ERC to extend the contract signing date and SCOD for the SPP Hybrid Firm renewable-energy-generated electricity project for the Ranong and the Na Bon 1 project. projects. - On November 20, ACE SOLAR submitted a request to ERC and EGAT to extend the contract signing date and SCOD for the SPP Hybrid Firm renewable-energy-generated electricity projects for Na Bon 1 and Ranong project. ERC is currently considering the request.
2020	- On May 22, Solar Rooftop 3 (“ACE SOLAR 3”) project opens for commercial operation (COD).

• **Absolute Clean Water Co., Ltd. (ACW) (Formerly Prasatporn Rungrueng Co., Ltd. (“PSPR”))**

Year	Events
2006	- On July 3, PSPR was established by Songmetta group.
2009	- In July, PSPR signed 6 PPA contracts with PEA, which the SCODs were scheduled to be from 2012-2013. PEA agreed to purchase electricity at a maximum power of 8 megawatts at a voltage of 22 kilovolts. The contract has a period of 5 years and continuous renewal for 5 years at a time.
2010	- On March 23, PSPR increased the registered capital from 1,000,000 baht to 200,000,000 baht by offering new common share to the existing shareholders of PSPR.
2014	- On December 30, PEA had cancelled 6 PPA contracts, effective from December 1, 2014.
2015	- On February 6, PSPR appealed to the court against PEA for 1 PPA contract termination.
2017	- On March 14, PSPR propose the dispute to Thai Arbitration Institute that PEA must return the PPA contract number VSPP-PEA-169/2009 of the Na Dee power plant.
2019	- On July 19, Thai Arbitrator Institute made a final verdict on the clear dispute no. 93/2019 so that EGAT must return the PPA contract number VSPP-PEA-169/2009 in the form of Feed-in Tariff (Fit) and extend the SCOD of the Na Dee power plant to PSPR. PSPR is currently in talks with EGAT about the details regarding the ruling.
2020	- On 2 November PSPR changed its name from Prasat Pornrungruang Company Limited to Absolute Clean Water Company Limited (“ACW”).

• **Advance Agro Asia Co., Ltd. (“AAA”)**

Year	Events
2009	- On December 12, AAA was established by Songmetta group. The initial registered capital is 2,000,000,000 baht, divided into 200,000,000 common share of 10 baht. Songmetta group held the proportion of 100 percent of the total share. AAA had a paid registered capital of 500,000,000 baht.
2014	- On July 4, AAA signed a PPA contract number PPA-SPP/F-2011-038 with PEA. PEA agreed to purchase electricity from natural gas power plants with a maximum electricity of 90.0 megawatts at a voltage of 115.0 kilovolts. The contract has a period of 25 years from the date of COD.
2015	- On December 14, a group of people from Koh Kanun sub-district (the complainant) filed a lawsuit against AAA to the Rayong Administrative Court to request the court to revoke the license to operate the power plant business (Plant License) and revoke the notification of construction of the AAA1 project. The complainant stated that the approval process for the AAA1 project was unlawful. The complainant also requested the court to suspend the plant license and the notification of construction of the AAA1 project, and suspend any construction or action according to the suspension request of the AAA1.
2016	- On March 31, the Rayong Administrative Court had a verdict that the approval process of plant license and notification of construction of the AAA1 project was lawful, and therefore dismissed the suspension request.
2017	- On February 10, Koh Kanun SPP power plant (AAA1), PPA number PPA-SPP/F-2011-038, had commenced a commercial operation (COD).
2019	- On December 6, the Rayong Administrative Court announced that January 2, 2020 was the last day for the fact seeking. The case is now being considered by the Rayong Administrative Court.

• **Power Supply and Maintenance Service Co., Ltd. (“PSMS”)**

Year	Events
2018	- On May 3, ACE arranged for ASCE to establish PSMS with the objective to provide maintenance service to the renewable energy power plants.

• **Advance Asia Energy Company Limited (“AAE”) (Formerly UWC Komen Biomass Company Limited (“UKB”))**

Year	Events
2020	- On 21st August, ACE and ASCE purchased and acquired all shares of UKB from other companies that operated biomass power plants in order to increase the Company’s profitability and return on investment. UKB’s installed capacity was 9.0 megawatts and had Power Purchase Agreement (PPA) with PEA who agreed to purchase its electricity at a maximum power of 8 megawatts at voltage of 22.0 kilovolts. UKB achieved Commercial Operation Date on 11 October 2011. - On 4th November, UKB changed its registered name from UWC Komen Biomass Company Limited (“UKB”) to Advance Asia Energy Company Limited (“AAE”).

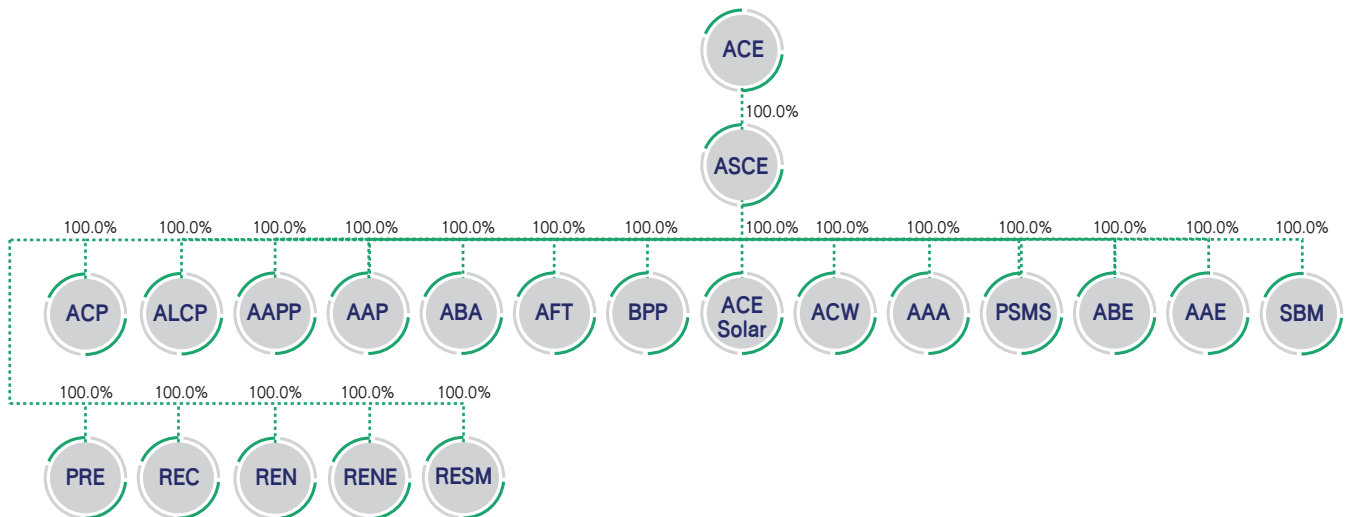
- **Advance Bio Energy Company Limited (“ABE”) (Formerly UWC Amphan Biomass Company Limited (“UAB”))**

Year	Events
2020	- On 21st August, ACE and ASCE purchased and acquired all shares of UAB from other companies that operated biomass power plants in order to increase the Company’s profitability and return on investment. UAB’s installed capacity was 9.5 megawatts and had Power Purchase Agreement (PPA) with PEA who agreed to purchase its electricity at a maximum power of 8 megawatts at voltage of 22.0 kilovolts. UAB achieved Commercial Operation Date on 6 February 2008. - On 6th November, UAB changed its registered name from UWC Amphan Biomass Company Limited (“UAB”) to Advance Bio Energy Company Limited (“ABE”).

- **Satuek Biomass Company Limited (“SBM”)**

Year	Events
2018	- On 21st August, ACE and ASCE purchased and acquired all shares of SBM from other companies that operated biomass power plants in order to increase the Company’s profitability and return on investment. SBM’s installed capacity was 7.5 megawatts and had Power Purchase Agreement (PPA) with PEA who agreed to purchase its electricity at a maximum power of 6.5 megawatts at voltage of 22.0 kilovolts. SBM achieved Commercial Operation Date on 20 June 2017.

Company Group Structures as of December 31, 2020



The company holds 100% shares in ASCE, the direct subsidiary which operates as a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam in Thailand. As a result, the company has a 100% shareholding in all 19 indirect subsidiary companies, as follows.

Overview of the Business Operation of the Subsidiary Company

As of December 31, 2020, the company invests in a total of 20 subsidiary companies, as follows.

1. Direct subsidiary company that operates as a holding company 1 company

Name	Business Overview	Paid Registered Capital (Million baht)
ASCE	Operate as a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam in Thailand.	9,000.0

2. Indirect subsidiary companies that generate and distribute electricity and steam 18 companies

Name	Business Overview	Paid Registered Capital (Million baht)
ACP	Generate and distribute electricity and steam from biomass energy	1,660.3
ALCP	Generate and distribute electricity and steam from biomass energy	1,970.0
AAPP	Generate and distribute electricity and steam from biomass energy	1,000.0
AAP	Generate and distribute electricity and steam from biomass energy for a number of 1 project, AAP1 which has already started a commercial operation (COD). The installed capacity is 9.9 megawatts.	567.2
ABA	Generate and distribute electricity and steam from biomass energy	690.5
AFT	Generate and distribute electricity and steam from biomass energy	7.0
BPP	Generate and distribute electricity and steam from biomass energy	175.0
ACE SOLAR	Generate and distribute electricity and steam from biomass and solar energy	305.4
ACW	Generate and distribute electricity and steam from biomass energy	128.6
AAA	Generate and distribute electricity and steam from natural gas	1,500.0
AAE	Generate and distribute electricity and steam from biomass energy	540.1
ABE	Generate and distribute electricity and steam from biomass energy	159.4
SBM	Generate and distribute electricity and steam from biomass energy	166.3
PRE	Generate and distribute electricity	20.3
REC	Generate and distribute electricity	25.4
REN	Generate and distribute electricity	18.0
RENE	Generate and distribute electricity	22.0
RESM	Generate and distribute electricity	25.1

3. Indirect subsidiary company that operates as a power plant maintenance 1 company

Name	Business Overview	Paid Registered Capital (Million baht)
PSMS	Maintenance renewable energy power plants, focusing on maintaining the power plants of the group.	30.0

Because the company's main business is a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam in Thailand, the company need to meet the qualification set in the announcement of the capital market supervisory board regarding the requesting and granting permission to sell a newly issued share (Torjor. 39/2016) and the announcement of the Securities & Exchange Commission (SEC) regarding the size of the company in order to operate as a holding company to sell a newly issued share (Sorjor. 50/2018). When considering the qualifications, the company has met all of the qualifications, which are as follows.

Criteria for Size Comparison for the Company	Regulation requirements	Company qualification ¹
Size of the subsidiary company that run the main business compared to the size of the company <u>Calculations:</u> (Total assets of the company - Investments in associated and other companies) / Total assets of the company	25.0%	100.0%
Size of the company that run the main business compared to the size of the company <u>Calculations:</u> (Total assets of the company - Investments in other companies) / Total assets of the company	75.0%	100.0%
Size of other companies compared to the size of the company <u>Calculations:</u> Investments in other companies / Total assets of the company	25.0%	0.0%

Note: ¹ Calculated from the Company's consolidated financial statements for the six months ended December 31, 2020.

2. Relationships with the Group 's Major Shareholders

As of December 31, 2020, Songmetta group, the major shareholder of the company, holds a proportion of 78.18% of the total registered capital of the company. Members of Songmetta group are also the directors and the management of the company. The company also runs other businesses like growing fast-growing trees, producing plant-based products. They are one of the world's largest selling and exporting wood chips groups. Their other businesses also support the Company's business especially in creating a secure long-term biomass fuel material supply, from their wood chip business. However, Songmetta group might have a conflict of interest within the group, which can be classified by type of business as follows,

Apart from the agricultural businesses, the company also owns other businesses like real estates and construction business.

2.1 Fuel Material Supply Business Group

Songmetta group has the power to control other fuel supply businesses outside the group as follows,

Name	Business Type
Global Wood Chip Co., Ltd. ("GWC")	Generate and distribute chopped woods, log, and bark
Shaiyo Supply Chain Co., Ltd. ("SSC")	Generate and distribute chopped woods, log, and bark
Sri Ban Phai Co., Ltd. ("SBP")	Generate and distribute chopped woods, log, and bark
Global Wood Chip Trading Co., Ltd. ("GWT")	Generate and distribute chopped woods, log, and bark
Siam Agro Industry Product Trading Co., Ltd. ("SAIPT")	Buy and sell chopped woods, log, and bark
Advance Asean Co., Ltd. ("AAS")	Research and generate agricultural seedlings

The group has made the fuel material purchase agreements which clearly specifies the method of calculating the price. The price is comparable to the market. The terms of the contract are according to the general trading principles to maintain the highest benefits of the shareholders which are according to the regulations of SET and SEC.

2.2 Power Plant Construction Business Group

Songmetta group has the power to control other power plant construction businesses outside the group, which are as follows,

Name	Business Type
Advance Energy Development Co., Ltd. ("AED")	Engineering services, improve, repair, and maintenance buildings, factories, and machineries
Goodwill Innovation and Engineering Co., Ltd. ("GIE")	Construction
AED Fabrication Co., Ltd. ("AEDF")	Generate metal structure for the construction, industrial, machinery and parts.
Ascender Limited ("ASD")	Buy and sell machinery and tools

The companies mentioned have knowledge to build and improve power plants, as well as procurement and maintenance of the machines. Previously, the group had hired the mentioned companies to improve and build biomass and MSW power plants. As the group is already aware of the potential conflicts that can arise, the group has established policies and measures to prevent the potential conflicts.

2.3 Electricity Production and Distribution Business Group

Songmetta group has the power to control other businesses that generate and distribute electricity outside the group. These businesses have not operated yet because the PPA contracts with EGAT had been canceled. The maximum amount of electricity offered was 8.0 megawatts and the expected installation capacity is 9.90 megawatts, as follows,

Name	Name
Advance Power Plant Co., Ltd. ("APP")	Generate and distribute electricity from biomass

The reason that the group had not included APP as a part of the group during the restructuring before being listed in the SET was because APP was in the process of requesting PEA to return the PPA. Afterwards, on June 21, 2019, The arbitrator made a final verdict on the clear dispute no. 73/2019 so that PEA must return the PPA contract number VSPP-PEA-159/2009 to APP. On August 28, 2019, the shareholders of APP sent a letter stating the purpose to sell the common share of APP to the company. On October 28, the 1/2019 extraordinary general meeting approved the company to buy shares of Advance Power Plant Co., Ltd. from a connected Songmetta group with a limit between 394 million baht and 472 million baht, with the payment and transfer of shares scheduled on the same day, which was within 120 days after the signing date of the purchase of Advance Power Plant Co., Ltd., with a contract to purchase the shares within 6 months from August 28, 2019 or within 15 days from when Advance Power Plant Co., Ltd. and PEA had signed a FiT

Apart from the relationship between the mentioned business groups, the group also has relationships with other businesses related to electricity generation. For example, for the ALCP3 project, the amount of area was not enough to dig the wells; therefore, the company had to buy raw water from Nam Pong Samai Co., Ltd. (NPS) to generate electricity, which ALCP 3 has a long-term agreement with NPS about purchasing raw water.

Moreover, to prevent the possible conflicts of interest, especially businesses that are competitive or businesses that operate to compete with the main business of the group, Songmetta group, who is the director and/or the major shareholder of the company, submit a letter to the group to certify that they will not operate any power plant business to compete with the group, dated November 29, 2018. The 5/2019 board of directors meeting on May 13, 2019, also approved the measure regarding the response of the investment offers from Songmetta group and agreed to let Songmetta group invest in businesses that might compete with ACE's main business if the company had declined the investment offer.





Important Financial Information

1. Summary of the Auditor's Report

1.1 Auditor

Financial Statements	Certified Public Accountant
Consolidated financial statements of the company and subsidiaries, and separate financial statements of the company For the fiscal year ending December 31, 2018	Mr. Sudwin Panyawongkhanti Certified Public Accountant No. 3534 Pricewaterhouse Coopers ABAS Ltd.
Consolidated financial statements of the company and subsidiaries, and separate financial statements of the company For the fiscal year ending December 31, 2019	
Consolidated financial statements of the company and subsidiaries, and separate financial statements of the company For the fiscal year ending December 31, 2020	Mr. Krit Chatchawalwong Certified Public Accountant No. 5016 Pricewaterhouse Coopers ABAS Ltd.

1.2 Summary of Auditor Report

Financial Statements	Report of Auditor's Comments
Consolidated financial statements of the company and subsidiaries, and separate financial statements of the company For the fiscal year ending December 31, 2018	- The auditor commented that the consolidated financial statements of the Company and subsidiaries, and the separate financial statements of the company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at December 31, 2018, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended on the same day, in accordance with Thai Financial Reporting Standards (TFRSs). - The auditor wanted to refer to the Notes to financial statement, No. 13: investments in subsidiaries, establishment of indirect subsidiaries and business combinations under common control. The Group applied accounting practices with the combination of the businesses under common control to use with the situation when the Group undertake the power plant operating and maintenance business and the group could not change the retroactive transactions under common control for the power plant operating and maintenance business due to insufficient data. The group had to comply with the accounting specified exemption No. 8 (Revised 2017) accounting policy regarding the changes in accounting estimates and errors. The Group had promptly adjusted the list by using the forward adjustment method.

Financial Statements	Report of Auditor's Comments
Consolidated financial statements of the company and subsidiary companies, and separate financial statements of the company For the fiscal year ending December 31, 2019	• The auditor commented that the consolidated financial statements of the Company and subsidiaries, and the separate financial statements of the company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at December 31, 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended on the same day, in accordance with Thai Financial Reporting Standards (TFRSs). • The auditor noted that it was important to consider the impairment of construction work and machines under installation for the power plant projects whose PPAs were in the cancelling process. They had already taken this issue into consideration in auditing the Company consolidated and separate financial statements. However, the auditor did not provide separate opinions on this matter.
Consolidated financial statements of the company and subsidiary companies, and separate financial statements of the company For the fiscal year ending December 31, 2020	• The auditor commented that the consolidated financial statements of the Company and subsidiaries, and the separate financial statements of the company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at December 31, 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended on the same day, in accordance with Thai Financial Reporting Standards (TFRSs). • The auditor noted that the acquisition of Advance Asia Energy Company Limited (formerly UWC Komen Biomass Company Limited), Advance Bio Energy Company Limited (formerly UWC Amphan Biomass Company Limited) and Satuek Biomass Co., Ltd. is important to the audit and this matter is taken into account in the context of the overall audit of the consolidated and separate financial statements and in the auditor's opinion separately for this.

2. Summary of Financial Statements for the years ended December 31 of 2018, 2019, and 2020

• Statements of Financial Position

List	Consolidated financial statements as at December 31					
	2018		2019		2020	
	Millions	%	Millions	%	Millions	%
Current assets						
Cash and cash equivalents	104.50	0.75	71.92	0.51	482.89	2.94
Current Portion of Deposits at financial institutions used as collateral	-	-	250.26	1.77	-	-
Trade account receivables and other receivables	829.13	5.97	819.99	5.80	829.02	5.04
Current Portion of Financial Lease receivable (net)	97.94	0.71	96.17	0.68	93.31	0.57
Spare parts	95.51	0.69	185.21	1.31	402.08	2.45
Value added tax (net)	4.54	0.03	11.06	0.07	33.94	0.21
Total current assets	1,131.62	8.15	1,434.61	10.14	1,841.24	11.21
Non-current assets						
Deposits at financial institutions used as collateral	324.98	2.34	248.38	1.76	277.60	1.69
Financial Lease payable (net)	3,324.32	23.94	3,197.15	22.60	3,163.02	19.25
Investment in real estate (net)	100.67	0.72	124.19	0.88	144.85	0.88
Property, plant, and equipments (net)	8,129.43	58.54	8,059.37	56.98	9,095.28	55.36
Advance payment for fixed assets	19.69	0.14	153.18	1.08	53.51	0.33
Right of service from the concession arrangement (net)	760.98	5.48	811.67	5.74	1,639.54	9.98
Right of use Assets (Net)	-	-	-	-	37.41	0.23
Intangible assets (net)	50.72	0.37	48.28	0.34	49.54	0.30
Deferred income tax assets (net)	43.81	0.32	56.06	0.40	85.91	0.52
Other non-current assets	0.52	-	12.29	0.08	41.79	0.25
Total non-current assets	12,755.12	91.85	12,710.57	89.86	14,588.45	88.79
Total assets	13,886.74	100.00	14,145.18	100.00	16,429.69	100.00
Current liabilities						
Short-term loans from financial institutions	369.05	2.66	227.40	1.61	265.30	1.61
Trade and other account payable	412.14	2.97	249.42	1.76	268.97	1.64
Current Portion of liabilities under finance lease agreements (net)	0.38	-	0.39	-	1.33	0.01
Current Portion of long-term loans from financial institutions (net)	747.06	5.38	856.18	6.05	575.29	3.50
Current Portion of loans (net)	49.21	0.36	-	-	-	-
Estimate the maintenance cost of the power plant according to the concession agreement.	-	-	-	-	32.33	0.20
Value added tax (net)	41.41	0.30	30.73	0.22	36.34	0.22
Income tax payable	0.62	-	1.20	0.01	11.21	0.07
Short-term financial derivative liabilities	-	-	-	-	12.09	0.07
Other current liabilities	4.35	0.03	7.89	0.06	9.87	0.06
Total current liabilities	1,624.22	11.70	1,373.21	9.71	1,212.73	7.38

• **Statements of Financial Position (Cont.)**

List	Consolidated financial statements as at December 31					
	2018		2019		2020	
	Millions	%	Millions	%	Millions	%
Non-current liabilities						
Estimated power plants maintenance cost in accordance with the concession arrangement	17.29	0.12	25.22	0.18	0.09	-
Liabilities under finance lease agreements (net)	0.56	-	0.17	-	24.47	0.15
Long-term loans from financial institutions	5,204.39	37.48	1,911.32	13.51	3,081.86	18.76
Loans (net)	1,427.29	10.28	-	-	-	-
Deferred income tax liabilities (net)	37.48	0.27	38.54	0.27	109.89	0.67
Employee benefits obligation	3.87	0.03	3.68	0.03	7.81	0.05
Total non-current liabilities	6,690.88	48.18	1,978.93	13.99	3,224.12	19.63
Total liabilities	8,315.10	59.88	3,352.14	23.70	4,436.85	27.01
Owner's equity						
Registered capital	5,488.00		5,488.00		5,488.00	
Issued and paid-up share capital	4,579.00	32.97	5,088.00	35.97	5,088.00	30.97
Share Premium	-	-	3,896.01	27.54	3,896.01	23.71
Retained Earnings - Allocated Legal Reserves					26.03	0.16
Retained earnings - Unappropriated	1,015.53	7.31	1,831.92	12.95	3,005.69	18.29
Surplus (deficit) from business combinations under common control	(22.89)	(0.16)	(22.89)	(0.16)	(22.89)	(0.14)
Total owner's equity	5,571.64	40.12	10,793.04	76.30	11,992.84	72.99
Total liabilities and owner's equity	13,886.74	100.00	14,145.18	100.00	16,429.69	100.00

• **Statements of Comprehensive Income**

Statements of comprehensive income	Consolidated financial statements for the year ended December 31					
	2018		2019		2020	
	Millions	%	Millions	%	Millions	%
Income statement						
Revenue from sales and services	4,416.19	91.37	4,540.25	89.81	4,586.36	78.29
Income from finance lease agreements under Power Purchase Agreements	417.02	8.63	410.38	8.12	401.23	6.85
Revenue from construction under the concession arrangement	-	-	104.64	2.07	870.55	14.86
Total Revenues	4,833.21	100.00	5,055.27	100.00	5,858.14	100.00
Cost of sales and services	(3,415.75)	(70.67)	(3,324.70)	(65.77)	(3,196.27)	(54.56)
Cost of construction under the concession arrangement	-	-	(104.64)	(2.07)	(870.54)	(14.86)
Gross profit	1,417.46	29.33	1,625.93	32.16	1,791.33	30.58
Gain (loss) on exchange rate (net)	(10.04)	(0.21)	(103.51)	(2.05)	18.77	0.32
Profit from Acquisitions	-	-	-	-	2.18	0.04
Net loss on foreign currency forward contracts	-	-	-	-	(12.09)	(0.21)
Other income	15.73	0.33	32.90	0.65	178.63	3.05
Profit before expenses	1,423.15	29.45	1,555.32	30.77	1,978.82	33.78
Expenses						
Administrative expenses	(378.53)	(7.83)	(330.36)	(6.53)	(322.25)	(5.50)
Financial costs	(482.52)	(9.99)	(412.57)	(8.17)	(106.32)	(1.82)
Total expenses	(861.05)	(17.82)	(742.93)	(14.70)	(428.57)	(7.32)
Profit before income tax	562.10	11.63	812.39	16.07	1,550.25	26.46
Income (expense) of income tax	(15.53)	(0.32)	2.91	0.06	(42.61)	(0.73)
Profit for the year	546.57	11.31	815.30	16.13	1,507.64	25.73
Other comprehensive profit (loss) for the year	5.45	0.11	1.09	0.02	(2.57)	(0.04)
Total comprehensive profit (loss) for the year	552.02	11.42	816.39	16.15	1,505.07	25.69
Profit (Loss) sharing					1,507.64	
Attributable to owners of the parent	546.57		815.30		-	
Attributable to Non-controlling interests	-		-			
Total profit (loss) sharing					1,505.07	
Attributable to owners of the parent	552.02		816.39		-	
Attributable to non-controlling interests	-		-		0.15	
Basic profit (loss) per share (baht)	0.06 ¹		0.091		1,507.64	

¹ Calculated for the purpose of comparing financial information by using the total number of weighted common stocks as if the number of issued and paid-up common stock has changed, in accordance with the number of issued and paid-up ordinary shares changed from the par value, from the par value of 10 baht per share to the par value of 0.50 baht, which was registered with the Ministry of Commerce on July 16, 2018.

• **Statements of Cash Flows**

Statements of Cash Flows	Consolidated financial statements for the year ended December 31		
	2018	2019	2020
	Millions	Millions	Millions
Cash Flows from operating activities			
Profit before income tax	562.10	812.39	1,550.25
Adjustment to reconcile Profit for Cash generated from Operations			
Profit from Acquisitions	-	-	(2.18)
Unrealized loss on foreign exchange contracts	-	-	12.09
Depreciation of real estates invested (reversal)	(0.08)	(4.18)	-
Depreciation	467.57	469.34	494.53
Amortisation of fixed assets	7.34	13.59	14.43
Amortisation of fixed assets from conflagration	-	2.60	-
Depreciation of fixed assets (reversal)	28.86	(11.99)	-
Depreciation of fixed assets from conflagration (reversal)	-	0.80	(0.80)
Amortisation	63.97	57.79	46.86
Amortisation of advance prepaid litigation fees	9.72	-	-
Foreign Exchange Loss from Financial Lease Receivable	10.27	102.34	4.80
Amortisation loss of remaining goods from conflagration	-	7.99	-
Estimated power plants maintenance cost in accordance with the concession agreement	9.55	7.93	7.19
Employee benefits obligation	2.05	1.17	0.93
Interest income	(3.23)	(6.35)	(1.53)
Profit from selling fixed assets	(5.40)	-	(0.08)
Profit from selling short-term investments	-	(1.13)	(0.30)
Finance costs - loans interest expense	-	95.67	-
Finance costs - loans interest expense	464.27	281.60	93.96
Finance costs - amortisation of direct costs for deferred loans	-	23.49	-
Finance costs - direct amortisation in deferred loans	18.20	11.78	7.29
Finance costs - liabilities under financial lease agreements interest expense	0.06	0.03	0.88
Loan obligation fee	-	-	4.19
Profits from operating activities before changes in operating assets and liabilities	1,635.25	1,864.86	2,232.51
Changes in working capital			
Trade account receivables and other receivables	(57.32)	9.22	100.21
Finance lease receivables	21.01	26.60	32.18
Spare parts	25.76	(97.70)	(205.15)
Value added taxes	33.26	(17.20)	(17.27)
Other non-current assets	(0.28)	(11.77)	(3.08)
Trade account payables and other	39.99	(157.26)	(222.02)
Other current liabilities	1.22	3.54	1.97
Cash generated from operating activities before interest income and income tax	1,698.89	1,620.29	1,919.35
Interest income	3.22	6.31	1.61
Cash paid for income tax	(4.96)	(8.00)	(26.44)
Net cash generated from operating activities	1,697.15	1,618.60	1,894.52

• **Statements of Cash Flows (Cont.)**

Statements of Cash Flows	Consolidated financial statements for the year ended December 31		
	2018	2019	2020
	Millions	Millions	Millions
Cash flows from investing activities			
Proceeds from short-term investments	-	1.13	0.30
Deposits at commercial banks used as collateral (increased) decreased	(45.22)	(173.66)	251.25
Cash received from disposal of fixed assets	-	-	5.34
Payments for business combinations under the same control	(6.30)	-	-
Payments for buying assets from subsidiaries	(31.77)	-	-
Proceeds from fixed assets	10.73	-	-
Cash paid for buying a business			(83.87)
Cash paid for debt transfer			(265.56)
Payments for investments in real estate	-	(19.33)	(20.66)
Payments for fixed assets	(333.20)	(531.55)	(655.36)
Payments for intangible assets	(1.01)	(1.41)	(2.45)
Payments for assets under concession projects	-	(101.30)	(866.53)
Payments for capitalized interest of fixed assets and assets under concession projects	-	-	(6.92)
Proceeds from short term loans from related person	6.12	-	-
Net cash used in investing activities	(400.65)	(826.12)	(1,644.46)
Cash flows from financing activities			
Proceeds from short-term loans from financial institutions	75.14	-	-
Payments for short-term loans from financial institutions	-	(141.65)	(2.08)
Payments for liabilities under financial lease agreements	(1.64)	(0.40)	(3.80)
Interest paid for the liability under the lease	-	-	(0.88)
Proceeds from long-term loans from financial institutions	307.29	124.36	1,854.24
Payments for long-term loans from financial institutions	(2,595.18)	(3,310.98)	(1,274.58)
Direct payments for loans	(5.00)	(2.14)	(15.38)
Proceeds from debentures	1,500.00	-	-
Payments for redemption of debentures before maturity date	-	(1,500.00)	-
Direct payments for selling debentures	(23.73)	-	-
Payments for financial costs - interest expense	(454.15)	(399.25)	(91.57)
Payments for maintaining fees for unused loans	-	-	-
Proceeds from increase in share capital and additional paid-up capital	-	4,405.01	-
Dividends paid to the shareholders of the company.	-	-	(305.04)
Net cash (used in) financing activities	(1,197.27)	(825.05)	160.91
Net Increase (decrease) in cash and cash equivalents	99.23	(32.57)	410.97
Cash and cash equivalents at the beginning of the year	5.26	104.49	71.92
Cash and cash equivalents at the end of the year	104.49	71.92	482.89

3. Significant Liquidity Ratio

Liquidity Ratio	Unit	Consolidated financial statements		
		for the year ended December 31		
		2018	2019	2020
Liquidity Ratio				
Liquidity ratio	Times	0.70	1.04	1.52
Quick ratio	Times	0.56	0.81	1.04
Cash flow liquidity ratio	Times	0.64	1.08	1.47
Account receivable turnover ¹	Times	6.24	6.22	6.33
Day receive	Day	57.68	57.88	56.83
Inventory turnover	Times	N/A	N/A	N/A
Average inventory period	Day	N/A	N/A	N/A
Account payable turnover ²	Times	12.48	15.43	25.57
Average payment period	Day	28.84	23.33	14.08
Cash Cycle	Day	28.84	34.55	42.75
Profitability Ratio				
Gross profit margin from sales and services ³	%	29.33	32.84	35.92
Gross operating profit ⁴	%	21.61	24.74	33.21
Other gross profit	%	0.00	0.00	0.00
Cash conversion ratio	%	162.47	132.13	114.36
Net profit margin ⁵	%	11.27	16.36	30.23
Return on equity	%	10.32	9.96	13.23
Efficiency Ratio				
Return on assets	%	3.89	5.82	9.86
Return on fixed assets	%	12.36	15.87	23.34
Asset turnover	Times	0.35	0.36	0.33
Financial Policy Ratio				
Debt-to-equity	Times	1.49	0.31	0.37
Interest-bearing debt to equity	Times	1.39	0.28	0.33
Net cash interest-bearing debt-to-equity ⁶	Times	1.06	0.25	0.29
Debt service coverage ratio (in cash)	Times	0.58	0.41	0.61
Interest coverage ratio	Times	3.71	4.07	20.98

¹ Calculated from revenue from sales and services / average trade receivables (excluding the income from construction under the concession agreement)

² Calculated from cost of sales and services / average trade receivables (excluding the cost of construction under the concession agreement)

³ Calculated from (revenue from sales and services - cost of sales and services) / revenue from sales and services

⁴ Calculated from operating profit / revenue from sales and services

⁵ Calculated from period profit (loss) / (revenue from sales and services + income from construction under the concession agreement + other income)

⁶ Calculated from (interest-bearing liabilities - cash and cash equivalents - deposits at financial institutions used as collateral) / shareholder's equity

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Core Business

1. Revenue Structure of the Company

The core business of ACE Group is electricity and steam generation and sale together with other supporting or related businesses. The main sources of revenue of ACE Group are selling electricity to PEA, EGAT and industrial users, providing waste disposal service by converting waste to energy, and selling steam to industrial users, etc.

Revenue Structure for the year ended 31 December 2018, 2019 and 2020 presented below.

Revenue for the consolidated financial statements	For year ended 31 December					
	2018		2019		2020	
	MB	Percent	MB	Percent	MB	Percent
Revenue from electricity sale						
Biomass powerplant ¹	2,614.81	53.93	2,603.31	51.16	2,887.7	51.16
Natural gas power plant	4.99	0.10	8.93	0.17	5.1	0.17
Waste-to-energy power plant	225.14	4.64	234.97	4.62	233.8	4.62
Solar power plant	0.41	0.01	7.12	0.14	11.4	0.14
Revenue from Power Purchase Agreement²						
Revenue from financial Lease	417.02	8.60	410.38	8.07	401.2	8.07
Service Revenue	1,523.77	31.42	1,628.02	32.00	1,394.90	32.00
Revenue from waste disposal	37.54	0.77	37.36	0.73	40.26	0.73
service Revenue from steam sale	9.53	0.20	20.54	0.40	13.24	0.40
Revenue from construction Concession Agreement ³	-	-	104.64	2.06	870.5	2.06
Other revenues ⁴	15.73	0.33	32.90	0.65	178.6	0.65
Total Revenue	4,848.94	100.00	5,088.17	100.00	6,036.70	100.00

¹ Revenue from selling electricity to PEA from the Company's Biomass Power Plant Projects such as ACP1 Project, ACP2 Project, ACP3 Project, ALCP1 Project, ALCP2 Project, AAPP1 Project, AAPP2 Project, AAP1 Project and ABA1 Project, ALCP2 Project and ACP3 Project which commenced commercial operations (COD) in August 2015 and August 2017, respectively.

This excluded Revenues that ACE Group may receive from requesting to change the Power Purchase Agreement (PPA) from the original ("Adder") basis with lower tariff to 'Feed-in Tariff' basis ("FIT") with higher rate since January 24, 2015. ACE Group believed that they were qualified to receive the rights that the National Energy Commission (NEC) announced in 2015. However, PEA did not change the PPA until March 10, 2016 when NEC made a new announcement. Therefore, ACE Group filed a legal case against NEC, NCE and PEA for compensation of 622,150,282.54 baht and for damages of 3,901,248,000 baht if those parties could not amend the PPA to the "FIT" tariff. The case is still under consideration of the Central Administration Court.

² Revenue under Power Purchase Agreement (PPA) with EGAT from ACE Group Natural Gas Power Plant, AAA1, which commenced commercial operation in February 2017. Revenues under the PPA is the Revenues recognized under Thai Financial Reporting Standard #4, whether the agreement had financial lease (TFRIC4). Some part of revenues are recognized as Revenue from finance lease while the remaining are service revenues.

³ Revenue recognition under ACE Group's Municipality Solid Waste Power Plant Project indicated that ACE Group, as an operator, constructed the infrastructure under a service concession. ACE Group would realize the revenue and construction costs on a percentage of completion basis under a fair value of the financial and intangible assets.

⁴ Revenue included interest income, insurance claim income, rental income, salvage sales income, profit from land sales and Fuel surcharge income from Fuel Purchase Agreement in 2017

2. Overview of business and production line

For the year ended December 31, 2020 the Company indirectly owns 19 projects which have already commenced commercial operation, its owned subsidiaries. The total installed capacity is 245.91 MW and they can be categorized into 4 types by the fuel used for generation, which are:

- 1) Biomass Power Plant:** using the agricultural waste in the area nearby, such as bark, fuelwood, husk, etc., as the fuel for electricity generation. There are 12 projects with total installed capacity of 166.00 MW, selling the electricity to PEA under the Power Purchase Agreement (PPA) of 15 – 16 years. (At the end of contract, the agreement may be considered for extension to 20 years.)
- 2) Natural Gas Power Plant:** using the gas turbine cogeneration technology to generate electricity. There is 1 project with total installed capacity of 114.35 MW, selling the electricity to EGAT under the Power Purchase Agreement (PPA) with the term of 25 years.
- 3) Municipality Waste-to-Energy Power Plant:** using the community's wastes collected from the municipalities surrounding the power plant to dispose by turning waste to fuel for electricity generation. There is 2 projects with total installed capacity of 12.0 MW, selling the electricity to PEA under the Power Purchase Agreement (PPA) with the term of 5 years, starting from the commercial operation date and automatically renewed for 5 years at a time and according to the Power Purchase Agreement (PPA), term of 20 years.
- 4) Solar Energy Power Plant:** using the solar power to generate electricity. There are 4 projects with total installed capacity of 3.56 MW, selling the electricity to private customers under the Private Power Purchase Agreement (Private PPA) with the term of 25 years.

Apart from that ACE Group has 8 power projects under development, with total installed capacity of 104.66 MW, divided into 4 types of fuel, which are:

- 1) Power plant project under the SPP Hybrid Firm 2017 renewable power plant projects** which will use biomass as the main fuel. There are 4 power plant projects under the SPP Hybrid Firm 2017 Renewable Power Plant Projects which will use biomass as the main fuel, and their total installed capacity amounts to 93.0 MW. Currently, the power purchase agreement for all 4 projects has been extended from ERC which has been extended until March 22, 2021.
However, the SPP Khlong Khlung project has been approved for Environmental Impact Assessment Report (EIA) as the power purchase agreement is expected to be signed with EGAT in January 2021, and three more projects are still under consideration and approval of the EPPO's Environmental Impact Assessment (EIA) Report and related agencies
- 2) Biomass power plant project** which ACE group has signed a Power Purchase Agreement (PPA) for 1 project with an installed capacity of 9.9 MW.

3) **Solar Energy power plant project**

3.1) Solar Rooftop Project, 1 project with total installed capacity of 0.24 MW.

3.2) Solar Farm Project, 1 project with total installed capacity of 1.52 MW.

Apart from that, the Group has the projects that are pending the reactivation of power purchase agreement, 9 projects with total installed capacity of 89.10 MW, consisted of:

- 1) **Biomass power plant project** that has already received approval from Thai Arbitration Institute that PEA shall return the Power Purchase Agreement (PPA) in the form of Feed-in Tariff ("FiT") and extend the SCOD for the project owner that PEA agrees to comply with the Arbitration approval. Currently, the discussion with PEA about the details of arbitration approval compliance is on-going, 8 projects with installed capacity of 79.2 MW.
- 2) **Biomass power plant project** that is pending the reactivation of the Power Purchase Agreement (PPA). The current status is the under the consideration by central administrative board, 1 project with installed capacity of 9.9 MW.

Apart from electricity generation and sale, the Group also sells the steam which is the byproduct from the production process to industrial users in the same area as the power plant through the pipe connecting directly to the customers. Currently, there are steam selling agreements with industrial users up to 127,800 tons per year.

• Table for the summary of ACE Group's power plants that are already achieved the COD

Power plant	Operate by	Fuel type	Installed capacity (MW)	Contracted capacity ¹ (MW)	Tariff	COD	Power Purchase Agreement (PPA) termination date ²
Ban Bueng Power Plant Project ("ACP1")	ACP	Biomass	9.90	PEA: 8.00 IU: 0.46	FIT + FIT Premium	24 April 2012	23 July 2028
Phon Thong Power Plant Project ("ACP2")	ACP	Biomass	9.90	PEA: 8.00 IU: 0.54	FIT + FIT Premium	4 June 2013	3 June 2029
Bo Play Power Plant Project Power Plant Project ("ACP3")	ACP	Biomass	9.90	PEA: 8.00	FIT + FIT Premium	16 August 2017	15 December 2031
Si Chiang Mai Power Plant Project ("ALCP1")	ALCP	Biomass	9.90	PEA: 8.00	FIT + FIT Premium	26 December 2013	25 December 2029
Sirindhorn Power Plant Project ("ALCP2")	ALCP	Biomass	9.90	PEA: 8.00	FIT + FIT Premium	14 August 2015	13 December 2030
Ta Nee Power Plant Project ("AAP1")	AAPP	Biomass	9.90	PEA: 8.00 IU: 0.46	FIT + FIT Premium	30 October 2012	29 January 2029
Chok Chai Power Plant Project ("AAP2")	AAPP	Biomass	9.90	PEA: 8.00 IU: 0.86	FIT + FIT Premium	16 January 2013	15 April 2029
Nam Phong Power Plant Project ("AAP1")	AAP	Biomass	9.90	PEA: 8.00 IU: 0.76	FIT + FIT Premium	2 May 2012	1 August 2028
Thoen Power Plant Project ("ABA1")	ABA	Biomass	9.90	PEA: 8.00	FIT + FIT Premium	9 July 2014	8 March 2030
Satuek Power Plant Project ("SBM1")	SBM	Biomass	7.50	PEA: 6.50	Ft.	24 January 2006	The term of agreement is 1 year starting from the signing date of the contract and continues for 1 year automatically.
Don Mon Power Plant Project ("ABE1")	ABE	Biomass	9.50	PEA: 8.00	FIT	6 February 2008	30 October 2025
Maung Korat Power Plant Project ("AAE1")	AAE	Biomass	9.90	PEA: 8.00	FIT	11 October 2011	10 May 2028
Koh Khanun SPP project ("AAA1")	AAA	Natural gas	114.35	EGAT: 90.00 IU: 2.00	Capacity Charge + Energy Charge + Fuel Saving	10 February 2017	9 February 2042
MSW Khon Kaen Power Plant Project ("ALCP3")	ALCP	Municipal Solid Waste	6.00	PEA: 4.50	Whole sale price of EGAT + Average Ft for whole sale + Adder	29 November 2016	The term of the agreement is 5 years from the execution date and continue
MSW Krabi Power Plant Project ("ALCP6")	ALCP	Municipal Solid Waste	6.00	PEA: 4.40	FIT + FIT Premium	28 December 2020	31 Dec 2039
Solar Rooftop 1 Project ("ACE SOLAR 3")	ACE SOLAR	Solar	1.00	IU: 1.00	Discount rate from PEA price	20 November 2018	19 November 2043
Solar Rooftop 1 Project ("ACE SOLAR 3") (Extension)	ACE SOLAR	Solar	1.00	IU: 1.00	Discount rate from PEA price	28 September 2019	27 September 2044
Solar Rooftop 2 project ("ACE SOLAR 4")	ACE SOLAR	Solar	0.73	IU: 0.73	Discount rate from PEA price	22 February 2019	21 February 2044
Total for projects that achieved COD			245.91	PEA & EGAT 193.40 IU: 8.64			

¹ The Amount of Electricity Sales under the Power Purchase Agreement with each type of customers: EGAT, PEA and Industrial Users

² The announcement of National Energy Commission (NEC) on power purchase from alternative energy during transition period from ADDER to Feed-in Tariff in 2016 indicated that after the contract expire, both parties might discuss on extending the contract period and considering new tariff for the best interest of the public. However, ACE Group has filed the legal cases requesting for an FIT benefit under FIT announcement in 2015 for 20-year period after the COD date. The case is under consideration of the Central Administration Court.

³ The Building Construction contract on August 18, 2011, indicated that the Building and Machinery will be transferred ownership on September 30, 2034.

- Table for the summary of the Group's power plants that are under development

Power plant	Operate by	Fuel type	Installed capacity (MW)	Contracted capacity (MW)	Tariff	COD	Power Purchase Agreement (PPA) termination date	Remark
Na Bon 2 SPP project ("BPP2")	BPP	Biomass	25.00	EGAT: 21.50	FIT		20 years from COD	Selected by ERC to participate in renewable power generation in the form of
Klong Klung SPP project ("BPP3")	BPP	Biomass / Solar	20.00	EGAT: 13.31	FIT		20 years from COD	SP Currently, the 4 projects
Na Bon 1 SPP project ("ACE SOLAR 1")	ACE SOLAR	Biomass	25.00	EGAT: 21.50	FIT	Within the 4 th quarter of 2021	20 years from COD	agreements have been extended from ERC which has been extended until March 22, 2021.
Ranong SPP project ("ACE SOLAR 2")	ACE SOLAR	Biomass	23.00	EGAT: 20.00	FIT		20 years from COD	
Khlung Khlung Power Plant Project ("ACP4")	ACP	Biomass	9.90	PEA: 8.00	FIT + FIT Premium	Within the 4 th quarter of 2021	20 years from COD	PPA has already been signed with PEA
Solar Rooftop ("ACE SOLAR 6")	ACE SOLAR	Solar	0.24	IU: 0.24	Discount rate from PEA price	Within the 1 st quarter of 2021	25 years from COD	Under construction
Floating Solar Rooftop ("ACE SOLAR 7")	ACE SOLAR	Solar	1.52	IU: 1.52	Discount rate from PEA price	Within the 1 st quarter of 2021	25 years from COD	Under construction
Total for projects during development			104.66	EGAT: 84.31 IU: 1.76				

• Table for the summary of the Group's power plants that are pending the reactivation of power purchase agreement

Power plant	Operate by	Fuel type	Installed capacity (MW)	Contracted capacity (MW)	Tariff ¹	COD	Power Purchase Agreement (PPA) termination date ²	Remark
Song Pheerong Power Plant Project ("ACP5")	ACP	Biomass	9.90	PEA: 8.00	FiT	N/A	15 years, 4 months from COD ²	Received arbitration award from arbitrators that PEA shall return the Power Purchase Agreement (PPA) in the form of Feed-in Tariff ("FiT") and extend the SCOD for the project owner that PEA agrees to comply with the arbitration award.
Bang Lane Power Plant Project ("ACP6")	ACP	Biomass	9.90	PEA: 8.00	FiT	N/A		
Khanu Worakabsaburi Power Plant Project ("ACP7")	ACP	Biomass	9.90	PEA: 8.00	FiT	N/A		
Ban Bueng 2 Power Plant Project ("ALCP5")	ALCP	Biomass	9.90	PEA: 8.00	FiT	N/A		
Chok Chai Power Plant Project 2 ("AAPP3")	AAPP	Biomass	9.90	PEA: 8.00	FiT	N/A		
Senangkhanikhom Power Plant Project ("AFT1")	AFT	Biomass	9.90	PEA: 8.00	FiT	N/A		
Khok Kathiam Power Plant Project ("BPP1")	BPP	Biomass	9.90	PEA: 8.00	FiT	N/A		
Nadee Power Plant Project ("PSPR1")	PSPR	Biomass	9.90	PEA: 8.00	FiT	N/A		
Sri Saket Power Plant Project ("ALCP4")	ALCP	Biomass	9.90	PEA: 8.00	FiT 6	N/A	20 years from COD	
Total for projects pending the return of power purchase agreement			89.10	PEA: 72.00				The dispute is under consideration by central administrative court.

¹ Table for the summary of the Group's power plants that are pending the reactivation of power purchase agreement.

² The power plant projects pending the request for the power purchase agreement return are the power plants that are pending the reactivation of Power Purchase Agreement (PPA) that are cancelled since the Group cannot achieved synchronization within SCOD according to the PPA due to the force majeure which is not the fault of the Group.

2.1 Business on electricity and steam generation and sale

For the year ended December 31, 2019 The Company has 14 power plant projects that has commenced commercial operation indirectly through the operation by the subsidiary, with total installed capacity of 212.18 MW. The projects can be divided into 4 categories by type of fuel, which are: Biomass power plant project, Natural gas power plant project, Waste-to-energy power plant project and Solar Energy power plant projects. The details are as follows:

2.1.1 Biomass power plant project

Initially, Biomass power plant project of ACE Group produces and sell electricity to PEA under the Non - Firm Power Purchase Agreement (PPA) at the amount stated in the PPA of each project, equal to 8 MW, with the Power Purchase Agreement (PPA) term of 5 years and continue automatically 5 years a time or until the termination or suspension of the PPA and the term termination date of the Power Purchase Agreement (PPA) is not specified.

Subsequently, ACE Group has brought all 9 Biomass power plant projects (At the moment achieved COD 8 projects, and under development 1 project) to enter into the amendment agreement of the Power Purchase Agreement (PPA) in September 2016 to restructure the tariff from Adder to Feed-in Tariff ("FiT"), effective from 11 March 2016. In this regard, the amendment of such agreement gives benefits to the electricity seller because the tariff that calculated from FiT system is higher than the tariff calculates from Adder system. At the same time, PEA has set the term termination date of the Power Purchase Agreement (PPA) for clarification by calculating the duration deducted from the duration of the project operation to deliver electricity to the system. As a result, the term of Biomass power plant project's PPA of ACE Group is about 15 –16 years¹ from the COD.

(1) Ban Bueng Power Plant Project ("ACP1")

Ban Bueng Power Plant Project ("ACP1") is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Clean Power Co., Ltd. ("ACP") which is an indirect subsidiary of the Company. ACP1 locates at Ban Bueng District, Chonburi Province on the land area 146-0-55 Rai, with installed capacity of 9.9 MW. ACP1 has achieved Commercial Operation Date (COD) on 24 April 2012.

- Table for the summary of the performance by Ban Bueng Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
Ban Bueng Power Plant Project			
Number of operation day (days)	344.00	344.00	346.00
Availability Factor (percentage)	94.22	91.41	94.82
Planned Outage Factor (percentage)	5.78	8.59	5.18
Net Energy Generation (MW-hour)	71,531.66	70,952.60	75,485.48
Capacity Utilization (percentage)	87.54	89.50	91.80
Net Energy Sale (MW-hour)	63,560.67	62,857.17	67,539.85
Total steam sold (Tons)	-	-	-

¹ The Amount of Electricity and Steam Sales under the Power Purchase Agreement with all types of customers: EGAT, PEA and Industrial Users, in megawatts.

(2) Phon Thong Power Plant Project (“ACP2”)

Phon Thong Power Plant Project (“ACP2”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of ACP which is an indirect subsidiary of the Company. ACP2 locates at Phon Thong District, Roi Et Province on the land area 81-2-55 Rai, with installed capacity of 9.9 MW. ACP2 has achieved Commercial Operation Date (COD) on 4 June 2013.

- Table for the summary of the performance by Phon Thong Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
Phon Thong Power Plant Project			
Number of operation day (days)	339.00	310.00	342.00
Availability Factor (percentage)	92.75	84.96	93.66
Planned Outage Factor (percentage)	7.25	15.047	6.34
Net Energy Generation (MW-hour)	72,036.51	64,341.49	73,184.61
Capacity Utilization (percentage)	89.55	87.33	90.10
Net Energy Sale (MW-hour)	64,680.62	57,306.06	65,565.19
Total steam sold (Tons)	-	-	-

(3) Bo Phloi Power Plant Project (“ACP3”)

Bo Ploy Power Plant Project (“ACP3”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of ACP which is an indirect subsidiary of the Company. ACP3 locates at Bo Ploy District, Kanchanaburi Province, on the land area 120-1-50 Rai, with installed capacity of 9.9 MW. ACP3 has achieved Commercial Operation Date (COD) on 16 August 2017.

- Table for the summary of the performance by Bo Phloi Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Bo Ploy Power Plant Project</u>			
Number of operation day (days)	345.00	340.00	352.00
Availability Factor (percentage)	94.50	93.23	96.48
Planned Outage Factor (percentage)	5.50	6.77	3.52
Net Energy Generation (MW-hour)	72,498.48	70,697.04	74,752.37
Capacity Utilization (percentage)	88.46	87.44	89.34
Net Energy Sale (MW-hour)	64,430.49	63,217.82	67,485.85
Total steam sold (Tons)	-	-	-

(4) Si Chiang Mai Power Plant Project (“ALCP1”)

Si Chiang Mai Power Plant Project (“ALCP1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Alliance Clean Power Co., Ltd. (“ALCP”) which is an indirect subsidiary of the Company. ALCP1 locates at Si Chiang Mai District, Nong Khai Province on the land area 301-2-86 Rai, with installed capacity 9.9 MW. ALCP1 has achieved Commercial Operation Date (COD) on 26 December 2013.

- Table for the summary of the performance by Si Chiang Mai Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Si Chiang Mai Power Plant Project</u>			
Number of operation day (days)	342.00	351.00	360.00
Availability Factor (percentage)	93.81	96.18	98.74
Planned Outage Factor (percentage)	6.19	3.82	1.26
Net Energy Generation (MW-hour)	72,792.70	74,383.95	76,812.86
Capacity Utilization (percentage)	89.48	89.18	89.70
Net Energy Sale (MW-hour)	65,472.54	66,542.07	68,511.44
Total steam sold (Tons)	-	-	-

(5) Sirindhorn Power Plant Project (“ALCP2”)

Sirindhorn Power Plant Project (“ALCP2”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of ALCP which is an indirect subsidiary of the Company. ALCP2 locates at Sirindhorn District, Ubon Ratchathani Province on the land area 114-3-48 Rai, with installed capacity of 9.9 MW. ALCP has achieved Commercial Operation Date (COD) on 14 August 2015.

- Table for the summary of the performance by Sirindhorn Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Sirindhorn Power Plant Project</u>			
Number of operation day (days)	350.00	345.00	357.00
Availability Factor (percentage)	95.86	94.63	97.83
Planned Outage Factor (percentage)	4.14	5.36	2.17
Net Energy Generation (MW-hour)	74,127.57	73,571.47	75,640.74
Capacity Utilization (percentage)	89.16	89.65	89.15
Net Energy Sale (MW-hour)	66,888.62	66,248.66	68,202.51
Total steam sold (Tons)	-	-	-

(6) Tani Power Plant Project (“AAPP1”)

Ta Nee Power Plant Project (“AAPP1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Agro Power Plant Co., Ltd. (“AAPP”) which is an indirect subsidiary of the Company. AAPP1 locates at Prasart District, Surin Province on the land area 123-0-33 Rai, with installed capacity of 9.9 MW. AAPP1 has achieved Commercial Operation Date (COD) on 30 October 2012.

- Table for the summary of the performance by Tani Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Tani Power Plant Project</u>			
Number of operation day (days)	328.00	322.00	356.00
Availability Factor (percentage)	89.93	88.34	97.41
Planned Outage Factor (percentage)	10.07	11.660	2.59
Net Energy Generation (MW-hour)	68,891.40	68,291.33	75,426.38
Capacity Utilization (percentage)	88.33	89.13	89.29
Net Energy Sale (MW-hour)	61,982.34	61,399.42	67,872.16
Total steam sold (Tons)	-	-	-

(7) Chok Chai Power Plant Project (“AAPP2”)

Chok Chai Power Plant Project (“AAPP2”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of AAPP which is an indirect subsidiary of the Company. AAPP2 locates at Chok Chai District, Nakhon Ratchasima Province, on the land area 59-0-38.4 Rai, with installed capacity of 9.9 MW. AAPP2 has achieved Commercial Operation Date (COD) on 16 January 2013.

- Table for the summary of the performance by Chok Chai Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Chok Chai Power Plant Project</u>			
Number of operation day (days)	327.00	327.00	347.00
Availability Factor (percentage)	89.50	89.59	95.10
Planned Outage Factor (percentage)	10.50	10.41	4.90
Net Energy Generation (MW-hour)	68,635.30	68,407.61	73,124.89
Capacity Utilization (percentage)	88.42	88.04	88.67
Net Energy Sale (MW-hour)	61,952.72	61,487.71	65,991.76
Total steam sold (Tons)	604.00	32.24	-

(8) Nam Phong Power Plant Project (“AAP1”)

Nam Phong Power Plant Project (“AAP1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Asia Power Plant Co., Ltd. (“AAP”) which is an indirect subsidiary of the Company. AAP1 locates at Nam Phong District, Khon Kaen Province on the land area 52-2-15 Rai, with installed capacity of 9.9 MW. AAP1 has achieved Commercial Operation Date (COD) on 2 May 2012.

- Table for the summary of the performance by Nam Phong Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Nam Phong Power Plant Project</u>			
Number of operation day (days)	354.00	364.00	352.00
Availability Factor (percentage)	96.87	99.76	96.04
Planned Outage Factor (percentage)	3.13	0.24	3.96
Net Energy Generation (MW-hour)	76,286.81	78,676.82	75,808.49
Capacity Utilization (percentage)	90.81	90.94	90.77
Net Energy Sale (MW-hour)	67,960.68	70,307.20	68,067.24
Total steam sold (Tons)	-	-	-

(9) Thoen Power Plant Project ("ABA1")

Thoen Power Plant Project ("ABA1") is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Bio Asia Co., Ltd. ("ABA") which is an indirect subsidiary of the Company. ABA1 locates at Thoen District, Lampang Province on the land area 69-1-47.6 Rai, with installed capacity of 9.9 MW. ABA1 has achieved Commercial Operation Date (COD) on 9 July 2014.

- Table for the summary of the performance by Thoen Power Plant Project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Thoen Power Plant Project</u>			
Number of operation day (days)	317.00	335.00	356.00
Availability Factor (percentage)	86.89	91.80	97.53
Planned Outage Factor (percentage)	13.11	8.20	2.47
Net Energy Generation (MW-hour)	64,704.06	68,687.69	75,020.90
Capacity Utilization (percentage)	85.86	86.27	88.69
Net Energy Sale (MW-hour)	57,937.75	61,602.60	66,774.93
Total steam sold (Tons)	-	-	-

(10) Satuek Power Plant Project ("SBM1")

Satuek Power Plant Project ("SBM1") is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Satuek Biomass Co., Ltd. ("SBM") which is an indirect subsidiary of the Company. SBM1 is located at Satuek District, Buri Ram Province, on land of 75-2-72 Rai, with installed capacity of 7.5 MW. SBM1 has achieved Commercial Operation Date (COD) on 24 January 2006.

- Table for the summary of the performance by Satuek Power Plant Project

Summary of Performance	For the period from 15 to 31 December 2020
	2020
<u>Satuek Power Plant Project</u>	
Number of operation day (days)	19.00
Availability Factor (percentage)	9.24
Planned Outage Factor (percentage)	90.76
Net Energy Generation (MW-hour)	1,996.22
Capacity Utilization (percentage)	68.35
Net Energy Sale (MW-hour)	1,791.53
Total steam sold (Tons)	-

(11) Don Mon Power Plant Project (“ABE1”)

Don Mon Power Plant Project (“ABE1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Bio Energy Co., Ltd. (“ABE1”) which is an indirect subsidiary of the Company. ABE1 is located at Don Mon Sub-District, Buri Ram Province, on land of 62-0-30 Rai, with installed capacity of 9.5 MW. ABE1 has achieved Commercial Operation Date (COD) on 6 February 2008.

- Table for the summary of the performance by Don Mon Power Plant Project

Summary of Performance	For the period from 27 to 31 December 2020
	2020
<u>Don Mon Power Plant Project</u>	
Number of operation day (days)	4.00
Availability Factor (percentage)	2.67
Planned Outage Factor (percentage)	97.33
Net Energy Generation (MW-hour)	638.33
Capacity Utilization (percentage)	75.68
Net Energy Sale (MW-hour)	555.04
Total steam sold (Tons)	-

(12) Maung Korat Power Plant Project (“AAE1”)

Muang Khorat Power Plant Project (“AAE1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Asia Energy Co., Ltd. (“AAE1”) which is an indirect subsidiary of the Company. AAE1 is located at Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province, on land of 54-3-4 Rai, with installed capacity of 9.9 MW. AAE1 has achieved Commercial Operation Date (COD) on 11 October 2011.

- Table for the summary of the performance by Maung Korat Power Plant Project

Summary of Performance	For the period from 21 to 31 December 2020
	2020
<u>Maung Korat Power Plant Project</u>	
Number of operation day (days)	19.00
Availability Factor (percentage)	9.24
Planned Outage Factor (percentage)	90.76
Net Energy Generation (MW-hour)	1,996.22
Capacity Utilization (percentage)	68.35
Net Energy Sale (MW-hour)	1,791.53
Total steam sold (Tons)	-

- **Table for the summary of the performance by Ban Bueng Power Plant Project**



Ban Bueng Biomass power plant (Ban Bueng District Chon Buri Province)
with installed capacity of 9.9 MW



Si Chiang Mai Biomass power plant
(Si Chiang Mai District, Nong Khai Province)
with installed capacity of 9.9 MW



Phon Thong Biomass power plant (Phon Thong District, Roi Et Province)
with installed capacity of 9.9 MW



Bo Ploy Biomass power plant (Bo Ploy District, Kanchanaburi Province) with installed capacity of 9.9 MW with installed capacity of 9.9 MW



Sirindhorn Biomass power plant
(Sirindhorn Province, UbonRatchathani Province)
with installed capacity of 9.9 MW



Nam Phong Biomass power plant (Nam Phong District, Khon Kaen Province)
with installed capacity of 9.9 MW



Nam Phong Biomass power plant (Nam Phong District, Khon Kaen Province) with installed capacity of 9.9 MW



Chok Chai Biomass power plant (Chok Chai District, Nakhon Ratchasima Province)
with installed capacity of 9.9 MW



Tanee Biomass power plant (Prasat District, Surin Province)
with installed capacity of 9.9 MW



Satuek Biomass power plant (Saruek District, Buriram Province) with installed capacity of 7.5 MW



Don Mon Biomass power plant (Don Mon District, Buriram Province) with installed capacity of 9.5 MW



Maung Korat Biomass power plant (Maung District, Nakorn Ratchasima Province) with installed capacity of 9.9 MW

2.1.2 Natural gas power plant project

(1) Ko Khanun SPP project (“AAA1”)

Koh Khanun SPP project (“AAA1”) is the natural gas SPP project using cogeneration system for power generation under the operation of Advance Agro Asia Co., Ltd. (“AAA”) which is an indirect subsidiary of the Company. AAA1 locates at Phanom Sarakhram District, Chachoengsao Province, on the land area 194-2-77 Rai, with installed capacity of 114.35 MW. AAA1 has achieved Commercial Operation Date (COD) on 10 February 2017.

For the operation and management of AAA1 project, AAA as the project owner has entered into the natural gas agreement with PTT Public Company Limited (“PTT”) dated 1 October 2012. The term of commercial gas usage is 25 years from the Commercial Operation Date (COD) which will end on 9 February 2042.

- **Sample picture of the Natural gas power plant project of ACE Group**



Koh Khanun SPP project (Phanom Sarakhram District, Chachoengsao Province) with installed capacity of 114.35 MW

- Table for the summary of the performance by Ko Khanun SPP project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>Koh Khanun SPP Project</u>			
Number of operation day (days)	365.50	365.00	359.00
Availability Factor (percentage)	97.90	99.45	96.53
Planned Outage Factor (percentage)	2.10	0.55	3.42
Net Energy Generation (MW-hour)	660,714.85	674,885.92	634,231.38
Capacity Utilization (percentage)	83.80	85.61	82.35
Net Energy Sale (MW-hour)	632,954.25	646,099.04	605,792.21
Total steam sold (Tons)	12,905.90	28,746.37	18,372.98
Amount of the fuel used (million BTU)	4,834,640.00	4,971,340.00	4,749,232.00
Average heat rate (BTU per unit)	7,317.29	7,366.19	7990.10

2.1.3 Municipality Waste-to-Energy power plant Project

(1) MSW Khon Kaen Power Plant Project (“ALCP3”)

MSW Khon Kaen Power Plant Project (“ALCP3”) is the Waste-to energy power plant project using Municipal Solid Waste (MSW) as fuel under the operation of ALCP which is an indirect subsidiary of the Company. ALCP3 locates at Non Thon Sub-district, Mueang District, Khon Kaen Province in the area of Non Thon Sub-district Municipality with installed capacity of 6.0 MW. ALCP has an obligation to construct the power plant according to the building construction contract, giving the ownership to Khon Kaen City Municipality dated 18 August 2011. The term is 20 years from the commencement date. After the contract is terminated, the building and machine of the project will become under the ownership of Khon Kaen Municipality.

ALCP3 sells electricity according to the proposed amount in the contract which is 4.5 MW to PEA under the Non-Firm Power Purchase Agreement (PPA), dated 24 October 2013. The term of the PPA is 5 years from the Commercial Operation Date (COD) and automatically renewed for 5 years a time until the termination by a party. ALCP3 will receive the “Adder” of 3.5 baht per unit for 7 years from the Commercial Operation Date (COD).

Apart from that, ALCP3 has revenue from providing the municipal solid waste disposal service for Local Administration and private customers in the area. The Municipal Solid Wastes are used as the main fuel for electricity generation



MSW Khon Kaen Power Plant Project (Mueang District, Khon Kaen Province) (Mueang District, Khon Kaen Province) with installed capacity of 6.0 MW



Bringing waste into waste incinerator which is a closed system of MSW Khon Kaen Power Plant

- Table for the summary of the performance by Ko Khanun SPP project

Summary of Performance	For year ended 31 December		
	2018	2019	2020
<u>MSW Khon Kaen Power Plant Project</u>			
Number of operation day (days)	336.00	346.00	344.00
Availability Factor (percentage)	91.98	94.93	94.22
Planned Outage Factor (percentage)	8.02	5.07	5.78
Net Energy Generation (MW - hour)	45,589.37	47,689.96	47,902.64
Capacity Utilization (percentage)	94.29	95.58	96.73
Net Energy Sale (MW - hour)	36,216.83	37,165.32	37,030.46
Waste disposal amount (Tons)	135,944.60	130,067.44	130,340.56

(2) MSW Krabi Power Plant Project (“ALCP6”)

Krabi MSW Power Plant Project (“ALCP6”) is fueled by Municipal Solid Waste (MSW). The project is under the operation of ALCP which is an indirect subsidiary of the Company. ALCP6 is situated at Sai Thai Sub-District, Mueng Krabi District, Krabi Province, in the area of Krabi Town Municipality. The total installed capacity amounts to 6.0 MW. ALCP is obliged to construct the power plant as per the building construction contract. ALCP transferred the project’s ownership to Krabi Municipality on 22 February 2019, with 25 years term from the ownership transfer date. After the contract expires, the project’s buildings and machinery will become under the ownership of Krabi Municipality.

ALCP6 sells electricity to PEA under the Non-Firm Power Purchase Agreement (PPA), signed on 17 May 2019, at the amount of 4.4 MW. The term of the agreement runs for no longer than 20 years starting from the date ALCP6 achieves Commercial Operation Date (COD) after 31 December 2019 and expires on 31 December 2039. The FiT Premium ALCP6 will receive is THB 0.7 per unit for 8 years from the date ALCP6 achieves Commercial Operation Date (COD). ALCP6 also gains additional income from managing community waste, using it as the main fuel for the plant, for the local administrative organizations and several private clients in the area.



MSW Krabi Power Plant Project (Mueang District, Krabi Province) with installed capacity of 6.0 MW

- Table for the summary of the performance by MSW Krabi Power Plant Project

Summary of Performance	For the period from 28 to 31 December 2020
	2020
MSW Krabi Power Plant Project	
Number of operation day (days)	4.00
Availability Factor (percentage)	88.91
Planned Outage Factor (percentage)	11.09
Net Energy Generation (MW - hour)	464.32
Capacity Utilization (percentage)	90.67
Net Energy Sale (MW - hour)	373.07
Waste disposal amount (Tons)	-

- **Example picture of Solar Rooftop plant Project of ACEGroup**



2.1.4 Solar power plant project

(1) Solar Rooftop Project

Solar Rooftop Project is the project under the operation of ACE Solar Co., Ltd. ("ACE SOLAR"). ACE Group has 3 Solar Rooftop Projects that has already commenced Commercial Operation, with contracted capacity of 2.73 MW. The Company has installed the power generating devices at the location of the purchaser to sell electricity throughout the term of the PPA. The details are as follows

- Details of the Solar Rooftop Project are as follows:

Power Plant Project	ACE SOLAR 3	ACE SOLAR 3 (extension)	ACE SOLAR 4	ACE SOLAR 5
Project Name	Solar Rooftop 1	Solar Rooftop 1	Solar Rooftop 2	Solar Rooftop 3
Company that operates the project	ACE SOLAR	ACE SOLAR	ACE SOLAR	ACE SOLAR
Type of fuel	Solar	Solar	Solar	Solar
Project location • District • Province	Sri Racha Chonburi	Sri Racha Chonburi	Chok Chai Nakhon Ratchasima	Maung Samut Sakorn
Commercial Operation Date (COD) / Scheduled Commercial Operation Date (SCOD)	20 November 2018	28 September 2019	22 February 2019	22 May 2020
Installed Capacity (MW)	1.00	1.00	0.73	0.83
Contracted Capacity (MW)	1.00	1.00	0.73	0.83
Duration of power purchase from Commercial Operation Date	25 years	25 years	25 years	25 years
Discount from tariff (percentage)	10.00	10.00	10.00	15.00

2.2 Permit for business operation and Investment Promotion

ACE Group is responsible for applying for the permit related to the development, construction and operation of the power plant of ACE Group. Previously, ACE Group has obtained all important permits for power plant operation, which are:

- 1) Approval of Environmental Impact Assessment Report (EIA) (not required for the case of the purchase from renewable energy VSPP)
- 2) Permit for Energy Industry Operation
- 3) Factory permit (Ror.Ngor.4)
- 4) Construction Permit (Aor.1) or Building construction notification form (Mor.39 Bi)
- 5) Permit for controlled power generation (PorKor. 2)
- 6) Building Certificate (Aor.6)
- 7) Investment Promotion Certificate

In this regard, all power plant projects that commenced Commercial Operation D (COD) of ACE Group are granted investment promotion from the Board of Investment of Thailand. Such Investment Promotion Certificate gives key benefits to ACE Group as follows: Exemption from Corporate revenue tax for net profit obtained from the promoted business starting from the day that the project has revenue for 8 years.

- 1) Exemption from Corporate revenue tax for net profit obtained from the promoted business starting from the day that the project has revenue for 8 years.
- 2) Deduction of the loss of the year during the BOI period from the net profit occurred after corporate revenue tax exemption period, up to 5 years from the end of exemption period.
- 3) Reducing corporate revenue tax for net profit obtained from the promoted business at the rate of 50 percent of the normal rate for 5 years from the end of 8-year period.
- 4) Exemption from import duty for importing machine for production as approved by the Committee.
- 5) Exemption from including the dividend from the promoted business that is granted Corporate revenue tax exemption to calculate the revenue tax, throughout the period of Corporate revenue tax exemption.

Apart from that, all Biomass power plant project and Waste-to-energy power plant Project is granted the additional privileges, which are:

- 1) Permission to deduct the cost of transportation, electricity and water supply 2 times of the cost for the period of 10 years starting from the day that the project has revenue.
- 2) Right to deduct investment in the installation or construction of facilities at the rate of 25 of the investment apart from the normal depreciation.
- 3) Reducing corporate revenue tax for net profit obtained from the promoted business at the rate of 50 percent of the normal rate for 5 years from the end of 8-year period.

In this regard, ACE Group must comply with the conditions stated in the Investment Promotion Certificate. For example, there must be Environmental Impact Measure and shall be implemented and the project must take action to obtain ISO 9000 or 14000 or other equivalent standard within 2 years from the business operation, etc. to get all the rights and benefits above.

2.2 Other business of the Group

2.3.1 Administrative Services

In 2017 the Company has entered into the management service agreement servicing contract with the indirect subsidiaries. Under such contract, the Company provides administrative services under the policy, order and conditions set in the scope of work to support the operation of the indirect subsidiaries, such as accounting and financial management, human resources management, information technology management and legal management, etc. The Company is responsible for providing advices, coordinate and negotiate for the subsidiaries in the scope of work mentioned above.

2.3.2 Maintenance Services

As of December 31, 2019 the Company has the indirect investment of 100% of the share issued and paid up of PSMS which is a business established under ASCE on 3 May 2018 to operate the maintenance service providing for the power plant in ACE Group. In this regard, PSMS started to gain revenue from the business operation in the 2ndquarter of 2018.

3. Market and competition

3.1 Target group

The main power purchasers of the power plant project of ACE Group are PEA and EGAT. Under the current regulations and rules of business on power generation and sale, the entrepreneur must be obtained the right to sell electricity by entering into the Power Purchase Agreement (PPA) with related organization according to the structure of Thai power industry, which is PEA or MEA who is the electricity distributor of the country or EGAT who is the sole owner and controller of transmission system in the country.

With regard to seeking the industrial users, although nowadays such group of customers is not a big portion of revenue, ACE Group has a policy to expand the industrial users' base in the surrounding area of the power plant project of ACE Group by investing and developing network and power transmission line system in the area required by the customer, in order to generate power and transmit to such industrial users.

For the year ended December 31, 2020, all power plant projects that commenced commercial operation (not include Solar Rooftop Project) have the power/steam purchase agreement with the target groups, which are PEA, EGAT and industrial users, totaling to 179.40 MW. After deducting the power consumption inside the power plant project of about 13.74 MW, ACE Group will have surplus capacity of power/steam about 22.23 MW left for selling to the customer in additional. The details are shown in the table below:

Power Plant Project	Installed capacity (MW)	Contracted capacity for power/steam (MW) ¹	Power consumption of the project (MW) ²	Surplus capacity (MW)
Ban Bueng Power Plant Project ("ACP1")	9.90	8.46	0.95	0.49
Phon Thong Power Plant Project ("ACP2")	9.90	8.54	0.89	0.47
Bo Ploy Power Plant Project ("ACP3")	9.90	8.00	0.98	0.92
Si Chiang Mai Power Plant Project ("ALCP1")	9.90	8.00	0.89	1.01
Sirindhorn Power Plant Project ("ALCP2")	9.90	8.00	0.82	1.08
Ta Nee Power Plant Project ("AAPP1")	9.90	8.46	0.94	0.50
Chok Chai Power Plant Project ("AAPP2")	9.90	8.86	0.87	0.17
Nam Phong Power Plant Project ("AAP1")	9.90	8.76	0.97	0.17
Thoen Power Plant Project ("ABA1")	9.90	8.00	0.93	0.97
Koh Khanun SPP project ("AAA1")	114.35	95.50	3.30	15.55
MSW Khon Kaen Power Plant Project ("ALCP3")	6.00	4.50	1.10	0.40
Total	215.45	179.48	13.74	22.23

¹ The Amount of Electricity and Steam Sales under the Power Purchase Agreement with all types of customers: EGAT, PEA and Industrial Users, in megawatts.

² Calculated from actual usage amount in 2019.

3.2 Setting the selling price

ACE Group has considered to set the electricity selling price separated by the type of power purchaser, which are: 1) The proposal to sell electricity to PEA and EGAT will be in accordance with the tariff structure set in the Power Purchase Agreement (PPA). If ACE Group proposes the price by oneself, for example in case of the bidding for the right to sell electricity, ACE Group will consider the selling price by analyzing the relevant factors and risks to assess the feasibility of the project and the expected return to correspond with the investment policy set out by the Board of Directors; and 2) For the proposal to sell electricity to industrial users, ACE Group will set the price by referring the tariff or setting the discount rate from the tariff of PEA or MEA as the case may be.

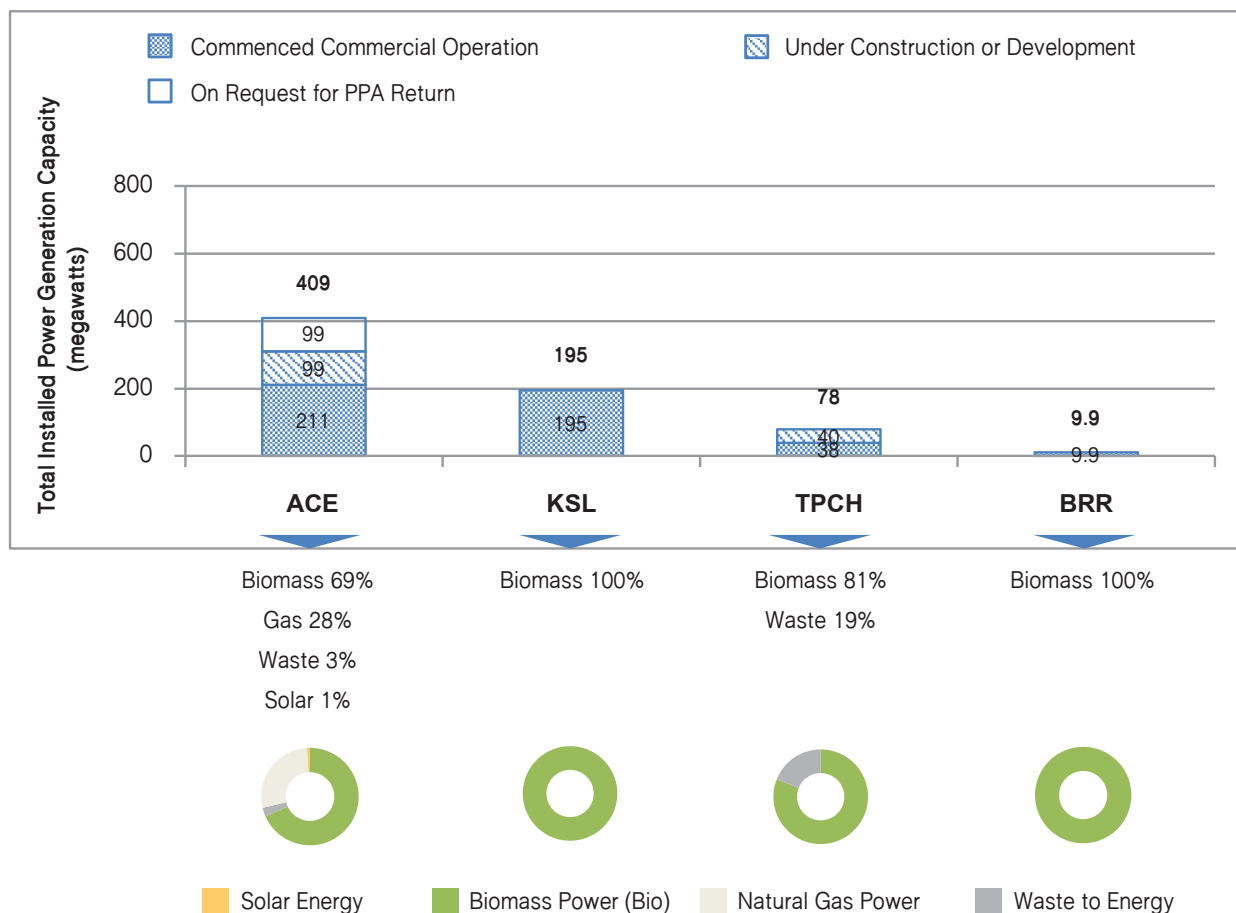
3.3 Market Conditions and competitions

3.3.1 Competition in renewable energy generation industry

Renewable energy generation industry under the type of Biomass power plant in the past is the persons who want to invest in such power plant business, especially VSPP Biomass power plant with installed capacity up to 9.9 MW can submit the document and project proposal to enter into the power purchase agreement with the electricity distribution authorities, which are PEA and MEA directly. PEA and MEA will consider the proposal of the project by considering from the readiness in various aspects, especially the qualification of the applicant which is the main factor of the consideration. In the past, there are many entrepreneurs who get the power purchase agreement from PEA and EGAT. The entrepreneurs are registered company and other juristic persons, including in many cases that the registered company has purchased the power plant project from other juristic person.

In this regard, the registered company that runs the renewable power production and distribution business with the Biomass power plant as the main type of power plant of the business can be summarized as follows:

• Chart showing the capacity of the renewable power producer and distributor



Source : Data from Annual report 2018 of each company

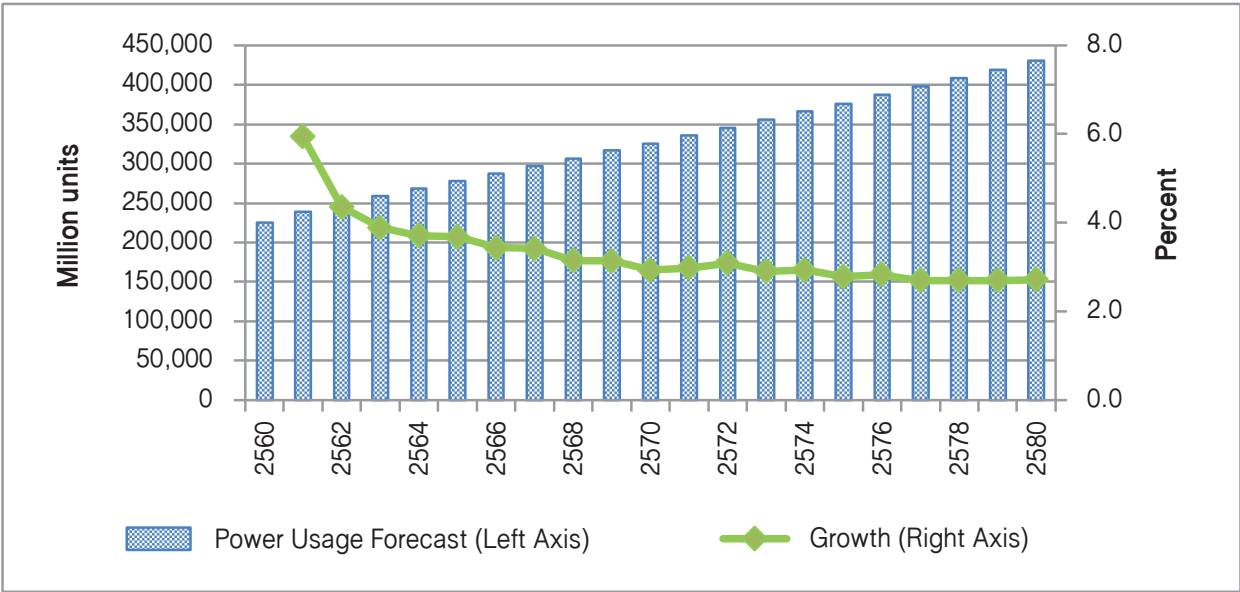
From the chart above, the Biomass power plant entrepreneurs can be divided into 2 main groups, which are: 1) The entrepreneurs who use fuel that is the remaining from the main production process of oneself (Waste or By-Product), which are ACE Group of power plant of the sugar factory entrepreneurs, such as KSL or BRR, etc. who use one own raw material as the main fuel to generate electricity. The power generated will be mainly used in the factory of the main product. The remaining power will be sold to the factory under PEA and/or EGAT as the case may be; and 2) ACE Group of entrepreneurs that provides the agricultural waste from outside to be biomass fuel. The almost all produced power will be sold to PEA and EGAT. The entrepreneurs in this group are the Company and TPCH, etc

3.3.2 Trend of the power generation industry in Thailand

PDP 2018 forecasts the power demand of the country under the assumption from the estimation of the expansion of GDP average 3.8 percent per year and forecast the population birth rate -0.02% per year during 2017 – 2037 by Office of the National Economic and Social Development Council (“NESDC”).

In PDP2018 mentioned above, it states that between 2018 - 2037 the maximum power usage demand of the country and the amount of power usage of the country will increase at the accumulated average growth rate per year at 3.03 percent and 3.3 percent, respectively, from 34,102.0 MW and 225,114.0 million units in 2017 to 61,965.0 MW and 430,693.0 million units in 2037 respectively. The forecast is reduced in 2017 - 2027 as compared to PDP2015 and the forecast is increased as compared to the original plan in 2027 - 2036.

- **Chart showing the forecast of Thailand's power usage amount**



Source: PDP 2018 Plan

Apart from PDP2018, Ministry of Energy also adjust the Alternative Energy Development Plan 2018 - 2037 or "AEDP2018" to support the power generation from the alternative raw materials available in the country. The development of potential to produce alternative energy using suitable technology to create the growth on good quality of life and environmentally friendly. The target of the energy purchase from renewable energy in 2037 is 18,696.0 MW.

The renewable power purchase plan according to AEDP2018 will correspond with the remaining potential of the country, which are solar energy, Biomass, biogas, hydro-floating solar, wind, and other renewable energy. The target of the purchase price is set at not more than Grid Parity to maintain the retail power price. The contracted capacity is as follows:

Renewable energy	Unit	As of the end of 2037
1. Solar	MW	10,000
2. Biomass	MW	3,376
3. Hydro-floating solar	MW	2,725
4. Wind	MW	1,485
5. Biogas	MW	546
6. Industrial Waste	MW	44
7. Other according to supporting policy of the government	MW	520
Total	MW	18,696

Source: Performance of Department of Alternative Energy Development and Efficiency and AEDP2018

Apart from that, AEDP 2018 also support renewable power generation by the government by focusing social problems, which is Municipal Solid Waste issues, and the support on power generation from Biomass and biogas to use the agricultural waste, responding to the target to achieve local growth, resulting on stability, revenue distribution and provide job opportunity in the local area and maximize the benefit from local resources.

4. Product or service supply

4.1 Power plant project development before operation

ACE Group runs the business by investing in the power plant project which have to take action to obtain the right to sell electricity by participating in the bidding for electricity sale or by submitting the proposal to sell electricity according to the process of the relevant organization. Before taking action to obtain the right to sell electricity, ACE Group has carefully and cautiously get ready by preparing information and assert the readiness in various aspects of the project to be invested. For example, the feasibility of the project, the readiness in terms of source of capital, technology, raw material, land and the permit obtained, etc. When the power plant project that has potential and meet the criteria of the Company is granted the right to sell electricity from the related organization, ACE Group will proceed with the development of power plant project further. The Power plant project development process can be summarized as follows:

4.1.1 Application for permit for power plant project

ACE Group must take action to obtain important permits for the energy company according to ERC notification on Categorization and duration of the permit and approval for energy business operation B.E. 2551 and regulations/notifications of ERC and/or the Government Agency in charge, which are:

Approval/Permit/Certificate	Related law	Government Agency in charge
Approval of Environmental Impact Assessment Report (EIA) (not required for the case of the purchase from renewable energy VSPP)	The Enhancement and Conservation of the. National Environmental Quality Act, B.E. 2535	Office Of Natural Resources and Environmental Policy and Planning ("ONEP")
Permit for Energy Industry Operation	Energy Industry Operation Act B.E. 2550	The Office of the Energy Regulatory Commission ("ERC")
Factory permit (Ror.Ngor.4)	Factory Act B.E. 2535	ERC / Department of Industrial Works ("DIW")
Construction Permit (Aor.1) or Building construction notification form (Mor.39 Bi)	Building Control B.E. 2522 Industrial Estate Authority of Thailand Act B.E. 2522	ERC / Local Administrative Organization Industrial Estate Authority of Thailand ("IEAT")
Permit for controlled power generation (PorKor. 2)	Energy Development and Promotion Act B.E. 2535	ERC / Department of the Energy Development and Promotion (DEDE)
Building Certificate (Aor.6)	Building Control B.E. 2522 Industrial Estate Authority of Thailand Act B.E. 2522	ERC / Local Administrative Organization IEAT
Investment Promotion Certificate	Investment Promotion Act B.E. 2520	The Office of the Board of Investment of Thailand

4.1.2 Power plant project construction

(1) Engagement of contractor for power plant construction

For the construction of the biomass power plant and Waste-to-energy power plant of ACE Group previously, ACE Group employed Advance Energy Development Co., Ltd. ("AED") which is the Company that related to the major shareholder to be the contractor for power plant construction of ACE Group for all the time. The procurement will be done mainly by price negotiation, however, to conduct the power plant construction in the future in organized and reduce the possibility of the conflict of interest, ACE Group has set the policy for engagement of the EPC Contractor. ACE Group will try to avoid employing the related person which shall include AED to be the EPC Contractor at all cases, except when it is necessary and cannot be avoided and ACE Group has considered that it is reasonable and maximizes the benefits for the Company and the shareholders in overall. In this regard, it must comply with the criteria of the bidding process or EPC Contractor selection process as ACE Group use with the external parties and such item must be in accordance with the policy for transaction related to the Company and related laws. The beneficiary of such item cannot approve or vote for such matter.

(2) Technology selection

The power plant projects of ACE Group select the machine and equipment for production as sorted by type of project as follows:

1) Biomass power plant project

The Company has set the details for the standard and qualification of machine and equipment that meet the standard, efficient and has prolonged usage period, such as using the high-quality steel from Germany in all Boiler tube system or designing the machine in the factory by German engineer who is expertise and professional in designing machine to support various types of biomass fuel and support fuel with high humidity. In this regard, for biomass power plant of ACE Group that will be newly constructed in the future, regardless of being SPP Hybrid or VSPP, the Company has a plan to develop machine and production process that will increase the efficiency of the biomass power plant. For example, using the machine that can use steam at higher temperature and pressure in order to increase the efficiency according to the steam cycle, resulting in a higher electricity with less fuel use. At the same time, such production process has a higher investment value due to the requirement of material that is durable for higher pressure and temperature too

2) Natural gas power plant project

Natural gas power plants of ACE Group mainly use the technology from the USA and Japan.

3) Waste-to-energy power plant Project

The Municipal Solid Waste in Thailand is not categorized from household. Therefore, there are various types of wastes mixed together, such as remaining from vegetables and fruits, or solid waste that are waste with high humidity and low heat rate, making them hard to burn. ACE Group, therefore, use the suitable technology together with the engineering design that is able to support the waste incineration with such qualification. The technology that the Company uses can deal with waste with humidity of 80 percent without being separated or dried, so the it saves the cost of waste management before bringing to the power plant.

4) Solar energy power plant project

Each Solar Rooftop project consists of solar panel installed on the roof, power inverter and transformer. The solar panel generates direct current power with low voltage when getting the sunlight at daytime and use Inverter to invert the direct current power with low voltage into the alternate current power with low voltage. Then the power generated by solar panel will be transformed by the transformer to increase the voltage to 22.0 kV. After that the power will be sold to the customers.

4.2 Power plant project during operation

4.2.1 Fuel material Procurement

(1) Biomass fuel

The Biomass fuel is a main fuel material for the production process of biomass power plant project. The biomass fuel refers to the remaining or waste from agriculture, such as the energy crops, barks, chopped fuelwood, husk, palm bunch, corn cob / corn husk, and wood chips, etc. They can be categorized from the source into 3 types, which are:

- 1) The biomass fuel collected from the agricultural product plant, such as husk from rice mill, bark from chopped wood plant, slab, wood chips and sawdust from sawmill and palm bunch from palm oil plant, etc.
- 2) The biomass fuel collected from the garden, farm, and rice field, such as rice straw, wood tip, root in the garden and corn husk from corn farm, etc.
- 3) The biomass fuel that is the energy crop that the agriculturists plant and deliver to the project, such as eucalyptus, plant in Acacia family, Napier Grass and energy crop in reed grass family such as Orlando, etc.

ACE Group has a policy to procure biomass fuel from various sources, which can be divided into 2 method as follows:

- 1) Announcement to purchase the Biomass fuel widely given to the retail agriculturists. The fuel purchase division will negotiate for the price and condition according to the type of fuel, heat rate and humidity as specified by the company.
- 2) Contacting the agricultural product plant directly to negotiate to purchase the agricultural remains from the production process from the plant owner.

In this regard, as of the year ended December 31, 2019 the Group mainly uses 4 types of biomass fuel, which are:

- 1) Bark which is the remaining from the production process of chopped wood from fast growing plants, such as eucalyptus which is the bark obtained from peeling the bark from the wood piece.
- 2) Fuelwood which are various kinds of wood that are left from tree cutting from farm, garden or field. The fuelwood can be generally found.
- 3) Palm bunch which is remaining from palm oil extraction in the form of empty palm bunch, fiber and palm shell that can be used as fuel.
- 4) Rice husk which is the hard cover of rice grain remained from the production process of rice mill. The Group uses rice husk as fuel in Biomass power plant project.
- 5) Other fuels consist of corn husk/cob, sugar cane leaf/ bagasse, potato rhizome, sawdust, wood chips, etc.

• Picture of bark and fuelwood



- Picture of energy crop and sugar crane leaf



- Picture of corn cob and corn husk



- Picture of rice straw and husk



- Picture of palm bunch and potato rhizome



(2) Natural gas

Natural Gas power plant project of ACE Group has entered into the long-term natural gas purchase agreement with PTT Public Company Limited ("PTT") who is the sole entrepreneur who can supply natural gas to the natural gas power plant project in the country. The contract term is equal to the term of the Power Purchase Agreement (PPA) with EGAT.

(3) Municipality Solid Waste

Municipal Solid Waste is the main raw material for power generation of Waste-to-energy plant Project of ACE Group. The Waste-to-energy plant Project of ACE Group has entered into the waste disposal service agreement with various organizations in the relevant area nearby. They can be categorized according to source of the waste as follows:

1) Aged waste disposal contract

At waste disposal site of Khon Kaen Municipality which is the place where the project is located with no revenue, the deadline is 28 September 2023

1.1) At the landfill of the Khon Kaen Municipality where the project is situated. No servicing fee received. The project is expected to be completed by 28 September 2023.

1.2) At the solid waste landfill of Krabi Town Municipality where the project is situated. No servicing fee received. The project is expected to be completed by 21 February 2029.

2) which the Waste-to-energy plant Project of the Group has entered into with the municipality nearby and the private company, which the project receive the return in the form of servicing fee, for the period from 1 to 25 years as the case may be.

Apart from that, ACE Group also entered into the construction agreement and the solid waste management system with Krabi Municipality according to the agreement dated 22 February 2019, with the condition that the waste disposal must be done not less than the amount specified in the agreement. ACE Group is granted the right to operate the system management for 25 years from the contract signing date.

(4) Raw water

ACE Group needs to use raw water in the power generation process to produce steam for power generation and to cool down the temperature of the machine and equipment. When procuring the raw water, ACE Group will manage to prepare the storage area of all power plant project of ACE Group adequately for the water use of each project throughout the year, in order to reduce the risk of raw water shortage for power generation and reduce the cost for purchasing raw water or industrial water. Most of the raw water will be stored from natural rainfall or pumping from the source of water nearby in rainy season, as permitted by the related organization.

However, 1) the project has limitation in terms of the area that cannot store water in the project are, which is the waste-to-energy plant project of ACE Group in Khon Kaen. The project has to enter into raw water purchase contract with a seller who is the relevant person of the Company with the period of 10 years from the Commercial Operation Date (COD). Not less than 30 days before the contract termination date, if one of the party does not send a letter to notify the termination to another party, it shall be considered that the parties agree that the contract shall be renewed for 1 year at a time. The waste-to-energy plant project shall pay the servicing fee to

the seller on monthly basis at the rate specified in the contract and 2) Krabi Municipality Solid Waste Power Plant Project. ACE Group has entered into raw water Purchase Agreement with 1 vendor which is related to the Company. The agreement has an expiry date. The monthly service fee the project pays to the vendor is as specified in the agreement.

5. Environmental Impact

ACE Group has environmental impact controlling measure to be in accordance with the Notification of the Ministry of Natural Resources or Notification of the Ministry of Industry or the relevant notifications / laws. All power plant projects of ACE Group has completely prepared the Environmental Safety Assessment (ESA) report and the Code of Practice (CoP) or the Environmental Impact Assessment (EIA) report, as the case may be. ACE Group has employed the external company that is permitted by Department of Industrial Works to examine the environmental quality of in the power plant and the community nearby as specified by law. The result of the examination meets the standard set by the regulator.

In this regard, the details of the environmental impact, preventive and corrective measure of environmental impact and the environmental quality monitoring measure of the power plant projects of ACE Group can be summarized as follows:

5.1 Reducing Air pollution

The source of air pollution is from the combustion chamber of boiler. The main pollutes that usually caused by the combustion are dust, sulfur dioxide ("SO₂") and nitrogen oxide ("NO_x") etc. However, the Group designs and installed the dust collector and exhaust gas treatment system for controlling the emission of dust, SO₂ and NO_x before letting them out of the funnel. Each power plant will measure the air quality from the funnel 1 - 2 times a year. The measured values will be compared with the standards according to the criteria of the regulator. In this regard, to control and to reduce the air pollution to be in the standard. The Group has the measure to reduce the impact as follows:

- 1) Control the condition in the combustion chamber by using the appropriate measuring tools, so that they can adjust the feeding rate to create a complete combustion process.
- 2) Increase capacity of the dust collector and exhaust gas treatment system in some cases to be able to collect the dust more.
- 3) In the case that the plant cannot decrease the air pollution emission value, the company will decrease the generation of the steam generator, so that the combustion decreases, and the concentration of the pollution emitted to be not over the controlling value of the pollution emission from the funnel of the project.
- 4) In case the generation of the steam generator is decreased but the concentration of the pollution emitted is still higher than the controlled value of the project, the project will stop the operation for repairing further.
- 5) In the controlling technology or the treatment of air pollution from the solid waste fuel combustion, the operation is Semi-Dry method using lime spray and Activated Carbon to eliminate sulfur dioxide (SO₂), hydrogen chloride (HCl), Dioxin and heavy metal and use air filter bag system to eliminate tiny dust which is the system widely used in the waste-to-energy plant.

- 6) Use Selective Non-Catalytic Reduction (SNCR) system or adding ammonia into the combustion chamber to eliminate nitrogen oxide (NO_x).
- 7) Install the Continuous Emission Monitoring System or OPMS system to monitor the air quality before letting in out of the plant and also connect to the system of Department of Industrial Works and Department of Pollution control too.

5.2 Reducing noise pollution

The main source of noise are steam generator, steam turbine power generator, and gas turbine power generator. The level of noise from the machine that may impact the community nearby based on the 2 main factors, which are the distance between community and the source of noise; and noise controlling tools. The project has the measure to reduce the impact as follows:

- 1) Arrange the noise level monitoring in the area around the project regularly at least once a year.
- 2) Check and maintain the equipment/machine to be in a good condition regularly to prevent the noise that may occur.
- 3) Grow the plant with opaque leaves along the project fencing to prevent the noise
- 4) Refrain from construction activities that may cause noise during 18.00 - 07.00 hrs.

5.3 Reducing smell pollution

The main sources of smell are the solid waste storage area of the Waste-to-energy plant project which locates at the existing solid waste landfill of Non Thon Sub-district Municipality, Khon Kaen Province. In this regard, the Group is aware of the impact to the surrounding community. The project has the measure to manage the smell pollution of the new wastes to reduce the impact, as follows:

- 1) Design the solid waste chamber to be a closed system with the door between the solid waste storage and the field for the garbage truck to put the solid waste in the storage. The door will open only for the garbage truck to enter and put the solid waste in the storage in the chamber and go out.
- 2) Install the fan to pull the air inside the waste chamber above the storage and above the waste feeder to use as the air for combustion in the combustion chamber. Such measure will make the air pressure inside and above the area lower than the pressure in the atmosphere and prevent the smell and dust from spreading outside in order to reduce the problems about the smell inside the waste storage chamber and the smell that will go out to from the waste storage chamber outside.
- 3) Garbage truck that will enter into the project area must be designed to be free from the leachate leaking to the ground. In case the leachate leaks from the garbage truck to the road or the area inside the project, it must be cleaned /washed immediately to prevent the smell.

5.4 Reducing water pollution

The activity that may cause impact to the quality of surface water are 1) waste water from the office; 2) Waste water from boiler 3) Waste water from cooling tower; and 4) water with sediment from the demineralize water production. Each project will collect the waste water from various sources into the water treatment pool and treat the water with water treatment system to improve the water quality to meet the standard before utilization in the project area, such as watering the green area of the project, etc. without letting the water out to public water source or Zero Discharge.

5.5 Waste management

The waste in the project can be divided into 2 types, which are waste from the office building/canteen and waste from production process. The details are as follows:

5.5.1 Waste from office building / canteen

The project will prepare the tank to store the waste in 3 types, which are general waste, recycle waste and dangerous waste. The container for each type of waste will be placed at various places inside the project area adequately. The project has the policy to sort the solid waste to maximize the benefit of solid waste usage. The waste remained from the sorting will be collected to send to the organization permitted by the government agency for further elimination.

5.5.2 Waste from production process

Waste from the production of the project will be managed according to the law related to all types of waste management. The waste will be collected on the container with the characteristic and size appropriate to each type of waste before contacting the organization approved by Department of Industrial Works for appropriate elimination. In this regard, the project will give the details about types, amount and the name of the treatment company and show the elimination method to seek approval to bring the waste or used material outside the plant or the Sor Gor.2 Permit. There must be approval from Department of Industrial Works before bringing the waste out from the project area.

(1) Ash from Boiler's fuel combustion

The ash is divided into 2 portions, which are Bottom Ash and Fly Ash. The company will send the ash for analysis the component in order to categorize the waste, so that the elimination of the ash is done according to Notification of Ministry of Industrial, concerning waste or used material elimination B.E. 2548.

If the result of the component analysis of the ash is better than the standard, the project will collect it to use as soil improvement or soil replacement or use as the raw material in cement production and other replacement materials. But if the result of the ash analysis has lower quality than standard of the company, the project will send to the organization permitted by Department of Industrial Works for further elimination.

(2) Used Lubricants

Most of them are used in machine maintenance which require lubricating oil replacing according to the period of time. The oil will be collected in a tank and leaving in the building with roof and contact the organization permitted by Department of Industrial Works for further elimination.

6. The work that has not been delivered

- None -

Securities and Shareholders Information

1. Number of Registered and Paid-up Capital

1.1 Absolute Clean Energy Public Co., Ltd. ("The Company")

As of 31 December 2020, the Company has a registered capital of 5,487,999,980 baht and a paid-up capital of 5,087,999,980 baht. This consists of 10,975,999,960 common shares at a par value of 0.50 baht per share.

1.2 Subsidiary Company

As of 31 December 2020, the Company has 20 subsidiary companies, consisting of 1 direct subsidiary and 19 indirect subsidiaries, with the details of registered capital, issued and paid-up capital of each subsidiary company as follows,

Company	Registered Capital As of 31 December, 2020 (baht)	Issued and Paid-up Capital As of December 31, 2020 (baht)
1. ASCE	9,000,000,000	9,000,000,000
2. ACP	2,000,000,000	1,690,300,000
3. ALCP	1,970,000,000	1,970,000,000
4. AAPP	1,000,000,000	1,000,000,000
5. AAP	575,000,000	567,200,000
6. ABA	750,000,000	690,500,000
7. AFT	10,000,000	7,000,000
8. BPP	250,000,000	175,000,000
9. ACE SOLAR	320,000,000	305,360,000
10. ACW	200,000,000	128,559,000
11. AAA	1,500,000,000	1,500,000,000
12. PSMS	30,000,000	30,000,000
13. AAE	650,000,000	540,120,000
14. ABE	159,375,000	159,375,000
15. SBM	166,250,000	166,250,000
16. PRE	30,000,000	20,250,000
17. REC	28,000,000	25,424,000
18. REN	20,000,000	18,000,000
19. RENE	44,000,000	22,000,000
20. RESM	44,000,000	25,100,000

2. Shareholders

2.1 List of the Company's Top 10 Shareholders

The structure of the Company's shareholders as of 31 December 2020, as follows

Shareholder Name	Number of Shares (Shares)	Percentage
Songmetta Group¹		
1. Mr. Wirachai Songmetta	2,282,528,920	22.4
2. Mr. Pornmett Songmetta	2,088,884,200	20.5
3. Mr. Teerawut Songmetta	1,820,563,120	17.9
4. Mr. Natt Songmetta	1,763,606,280	17.3
- Mr. Tanavijit Ankapipatchai	20	0.0
Total	7,955,582,540	78.2
5. Siam Commercial Bank Public Co, Ltd. ³	363,451,540	3.6
6. SCB SECURITIES CO., LTD. SPECIAL S_INVEST SET01	215,555,500	2.1
7. Thai NVDR Company Limited	167,814,530	1.6
8. Brooker Group Public Co., Ltd. ³	120,481,560	1.2
9. Ms. Chamaimart Chartmethakul	107,578,500	1.1
10. THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	102,970,000	1.0
Total of Top 10 Shareholders	9,033,434,170	88.8
11. Other Shareholders	1,142,565,790	11.2
Total	10,175,999,960	100.0

¹ Grouped according to the definition of related parties or persons with possible conflicts, in accordance with the Kor Jor.17/2008 announcement of SEC and SET, dated 15 December, 2008, not (Group Classification) grouped under section 258 or acting in consent and compliance with section 246 and 247.

² Shareholding of Mr. Tanavijit Ankapipatchai is included in the total shareholding of the Songmetta group according to the definition of related parties or persons with possible conflicts, in accordance with the Kor Jor.17/2008 announcement of SEC and SET, dated 15 December 2008. The number of shares held as of 15 December 2019, is not included in the top 10 shareholder of the company.

³ Siam Commercial Bank Public Co, Ltd. and Brooker Group Public Co., Ltd. are independent shareholders with the usual voting right which does not participate in management and does not have any representative in the board of directors.

2.2 Shareholders of Subsidiary Companies

Asia Clean Energy Co., Ltd. (“ASCE”) is a direct subsidiary company of the Company. As of 31 December 2020, the Company held 947,356,196 shares of ASCE (100% of issued and paid-up capital) together with Mr. Teerawut Songmetta and Mr. Pornmett Songmetta who held 1 share each. ASCE has acquired shares in 18 power plant companies (subsidiary company that operates main business) and 1 other supporting company, PSMS. All these 11 companies are 100% owned by ASCE, making them indirect subsidiary of the Company, with the details of shareholding structure of each company as follows:

Indirect Subsidiary Company Name	ASCE		Mr. Teerawut Songmetta		Mr. Pornmett Songmetta		Other Shareholders ¹	
	Number of Shares (Shares)	Percentage	Number of Shares (Shares)	Percentage	Number of Shares (Shares)	Percentage	Number of Shares (Shares)	Percentage
1. ACP	199,999,998	100.0	1	0.0	1	0.0	-	-
2. ALCP	196,999,998	100.0	1	0.0	1	0.0	-	-
3. AAPP	99,999,997	100.0	2	0.0	1	0.0	-	-
4. AAP	57,499,998	100.0	1	0.0	1	0.0	-	-
5. ABA	74,999,998	100.0	1	0.0	1	0.0	-	-
6. AFT	999,993	100.0	2	0.0	-	-	5	0.0
7. BPP	24,999,998	100.0	1	0.0	-	-	1	0.0
8. ACE SOLAR	31,999,998	100.0	1	0.0	-	-	1	0.0
9. ACW	19,999,998	100.0	1	0.0	1	0.0	-	-
10. AAA	149,999,997	100.0	1	0.0	1	0.0	1	0.0
11. PSMS	4,999,994	100.0	1	0.0	1	0.0	1	0.0
12. AAE	64,999,998	100.0	1	0.0	1	0.0	-	-
13. ABE	1,593,748	100.0	1	0.0	1	0.0	-	-
14. SBM	1,662,498	100.0	1	0.0	1	0.0	-	-
15. PRE	2,999,997	100.0	1	0.0	1	0.0	-	-
16. REC	2,799,997	100.0	1	0.0	1	0.0	1	0.0
17. REN	1,999,997	100.0	1	0.0	1	0.0	1	0.0
18. RENE	4,399,997	100.0	1	0.0	1	0.0	1	0.0
19. RESM	4,399,997	100.0	1	0.0	1	0.0	1	0.0

Note: ¹ Other shareholders are

1. Mr. Natt Songmetta holds 1 share of AAA

2. Mr. Tanavijit Ankapipatchai hold 5 shares of AFT and 1 share of BPP, ACE, ACE SOLAR, PSMS, REC, REN, RENE and RESM

Shareholder's Agreement

The company does not have any shareholder's agreement in matters that affects the securities issuance or offering; or the company management in which the Company is the co-signer of the agreement.

3. Issuance of other securities

3.1 Debenture

As of 31 December 2020, the Company had not issued any other securities.

Company and Subsidiaries' Dividend Payment Policy

Dividend Payment Policy of the Company

The Company has a policy to pay the dividend to the shareholders at the rate not less than 30% of the net profit, according to the separate financial statements after deducting the corporate income tax and other reserves as specified by the law and company regulations. The dividend payment rate might be different from the specified rate, depending on the performance, financial status, cash flow, liquidity rate, investment plans, conditions and contractual terms which the Company is bound to, as well as the economic conditions, necessity, and other suitability as the Board of Directors deems appropriate. The annual dividend payment must be approved at the shareholders' meeting except for the interim dividend payment which the board of directors may approve from time to time when it deems that the Company has made enough profit to do so and report the payment of interim dividend to the next shareholders' meeting.

Dividend Payment Policy of the Subsidiary Companies

The subsidiary companies have a policy to pay the dividend to the shareholders at the rate not less than 40% of the net profit according to the separate financial statements after deducting the corporate income tax and other reserves as specified by the law and company regulations. The dividend payment rate might be different from the specified rate, depending on the performance, financial status, cash flow, liquidity rate, investment plans, conditions and contractual terms which the Company is bound to, as well as the economic conditions, necessity, and other suitability as the Board of Directors deems appropriate. The annual dividend payment must be approved at the shareholders' meeting except for the interim dividend payment which the board of directors may approve from time to time when it deems that the Company has made enough profit to do so, and report the payment of interim dividend to the next shareholders' meeting.

Furthermore, for the consideration and approval of the payment of the annual dividends and interim dividends, the subsidiary companies need to request an approval from the meeting of the board of directors of the Company first, which must be in accordance with the supervision policy of the subsidiaries and associates companies.



ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED

Independent Auditor's Report

To the shareholders and the Board of Directors of Absolute Clean 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 and separate financial position of Absolute Clean Energy Public Company Limited ("the Company") and its subsidiaries ("the Group") 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. I determined one key audit matter: Acquisition of Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited), Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited) and Satuek Biomass Company Limited. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
Acquisition of Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited), Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited) and Satuek Biomass Company Limited Referring to Note 8 'Critical accounting estimates, and judgements', Note 17 'Investments in subsidiaries'. On 21 August 2020, the Group acquired common shares of 3 biomass power plants which are Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited), Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited) and Satuek Biomass Company Limited in the proportion of 100 percent with the consideration paid of Baht 464.55 million. The investment is considered as a business combination under TFRS 3 - Business Combinations. The management engaged an independent valuer to prepare a purchase price allocation to evaluate fair value of net assets acquired. I focused on this matter because the nature of transaction is complex and the significant amounts of right in power purchase agreements as well as gain from business acquisition which is below fair value were recognised upon the purchase price allocation exercise which involves management judgement on the inputs and assumptions in the valuation model as well as discount rates applied.	I assessed the management's consideration of whether the acquisition should be accounted for as a business combination under TFRS 3. I assessed the appropriateness of the identification of assets acquired and liabilities assumed at the acquisition date. I also evaluated the valuer's competency, independence and objectivity. In testing the fair valuation method, I engaged an auditor's expert to review the appropriateness and reasonableness of the methodology used in the valuation, the estimation of the discount rate and discount factor, and the model's logic and calculations, comparing with market practice in a comparable industry. I evaluated the reasonableness of key assumptions applied in purchase price allocation by comparing to the relative contracts, the subsidiaries' historical data, market data in a comparable industry and the business plan of the subsidiaries. I tested the calculation of the gain from business acquisition arisen from the acquisition being the difference between the total purchase consideration and the fair value of the net identifiable assets. I evaluated the appropriateness of the accounting treatment and the adequacy of the disclosures made in notes to the financial statements. From the above procedures performed, I noted that the acquisition was a business combination in accordance with TFRS 3 and management's key assumptions used in assessing the fair value of the net assets acquired were reasonable based on available evidence.

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

As part of an audit in accordance with TSAs, I exercise professional 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 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.

Krit Chatchavalwong

Certified Public Accountant (Thailand) No. 5016

Bangkok

25 February 2021

Statement of Financial Position

As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	11	482,892,545	71,920,411	13,569,645	13,881,505
Current portion of restricted deposits at a financial institution	12	-	250,265,060	-	-
Trade and other receivables	13	829,014,273	819,986,032	1,895,435	1,217,120
Current portion of receivable under finance lease (net)	14	93,311,714	96,169,495	-	-
Inventories	15	402,075,975	185,213,817	-	-
Value added tax (net)	16	33,941,900	11,058,924	1,155,466	4,744,431
Short-term loan to an indirect subsidiary	42 b)	-	-	120,000,000	-
Total current assets		1,841,236,407	1,434,613,739	136,620,546	19,843,056
Non-current assets					
Restricted deposits at financial institutions	12	277,601,630	248,378,851	-	-
Receivable under finance lease (net)	14	3,163,021,714	3,197,149,598	-	-
Investments in subsidiaries	17	-	-	8,999,999,980	8,839,999,980
Investment property (net)	18	144,851,100	124,188,475	-	-
Property, plant and equipment (net)	19	9,095,282,011	8,059,367,762	70,438,512	1,241,660
Advance payments for constructions and purchases of fixed assets		53,506,627	153,178,428	14,580	-
Rights to service under concession arrangement (net)	20	1,639,536,935	811,668,380	-	-
Right-of-use assets (net)	21	37,406,032	-	5,380,021	-
Intangible assets (net)	22	49,545,486	48,284,366	1,996,820	2,179,000
Deferred tax assets (net)	23	85,906,170	56,055,686	699,179	203,383
Other non-current assets	24	41,794,136	12,291,714	2,099,860	257,005
Total non-current assets		14,588,451,841	12,710,563,260	9,080,628,952	8,843,881,028
Total assets		16,429,688,248	14,145,176,999	9,217,249,498	8,863,724,084

Director _____ Director _____

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement of Financial Position

As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	25	265,300,000	227,400,011	-	-
Trade and other payables	26	268,963,404	249,419,046	10,380,568	9,712,733
Current portion of					
- Liabilities under finance lease agreements (net)	29	1,330,493	390,720	816,379	-
- Long-term loans from financial institutions (net)	30	575,293,722	856,178,343	-	-
Provision for power plant maintenance under concession arrangement	28	32,326,916	-	-	-
Value added tax (net)	16	36,343,079	30,729,209	-	-
Accrued income tax		11,213,900	1,199,203	-	-
Short-term derivative liabilities	43.3	12,093,276	-	-	-
Other current liabilities	27	9,865,383	7,895,600	643,832	4,002,778
Total current liabilities		1,212,730,173	1,373,212,132	11,840,779	13,715,511
Non-current liabilities					
Provision for power plant maintenance under concession arrangement	28	86,685	25,220,655	-	-
Liabilities under finance lease agreements (net)	29	24,467,539	166,684	4,596,269	-
Long-term loans from financial institutions (net)	30	3,081,863,600	1,911,321,338	-	-
Deferred tax liabilities (net)	23	109,893,444	38,538,366	-	-
Employee benefit obligations	32	7,813,701	3,678,205	3,495,896	1,016,915
Total non-current liabilities		3,224,124,969	1,978,925,248	8,092,165	1,016,915
Total liabilities		4,436,855,142	3,352,137,380	19,932,944	14,732,426

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement of Financial Position

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	33				
Authorised share capital					
10,975,999,960 ordinary shares					
of Baht 0.50 per share		5,487,999,980	5,487,999,980	5,487,999,980	5,487,999,980
Issued and fully paid-up share capital					
10,175,999,960 ordinary shares					
of Baht 0.50 each		5,087,999,980	5,087,999,980	5,087,999,980	5,087,999,980
Share premium		3,896,006,978	3,896,006,978	3,896,006,978	3,896,006,978
Retained earnings (deficit)					
- Appropriated - legal reserve		26,025,834	-	26,025,834	-
- Unappropriated		3,005,687,275	1,831,919,622	187,283,762	(135,015,300)
Deficit from business combination					
under common control		(22,886,961)	(22,886,961)	-	-
Equity attributable to owners of the parent		11,992,833,106	10,793,039,619	9,197,316,554	8,848,991,658
Total equity		11,992,833,106	10,793,039,619	9,197,316,554	8,848,991,658
Total liabilities and equity		16,429,688,248	14,145,176,999	9,217,249,498	8,863,724,084

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement 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
Sales of goods and services	36	4,586,364,478	4,540,252,115	75,280,000	72,483,000
Revenue from finance lease under Power Purchase Agreement		401,233,134	410,384,524	-	-
Revenue from construction under a concession arrangement		870,545,684	104,636,084	-	-
Cost of sales and services	36	(3,196,266,562)	(3,324,700,552)	(55,173,748)	(55,615,848)
Cost of construction under a concession arrangement		(870,545,684)	(104,636,084)	-	-
Gross profit		1,791,331,050	1,625,936,087	20,106,252	16,867,152
Net gain (loss) on exchange rate		18,768,243	(103,507,119)	-	14,387
Dividend income from a subsidiary		-	-	671,034,998	-
Gain from business acquisition		2,178,074	-	-	-
Net loss on forward contract		(12,093,276)	-	-	-
Other income	37	178,637,026	32,899,176	2,401,254	2,957,728
Profit before expenses		1,978,821,117	1,555,328,144	693,542,504	19,839,267
Administrative expenses		(322,254,790)	(330,364,776)	(37,951,235)	(25,695,321)
Finance costs	39	(106,319,758)	(412,570,690)	(73,274)	(120,816,784)
Profit (loss) before income tax		1,550,246,569	812,392,678	655,517,995	(126,672,838)
Tax income (expense)	40	(42,605,837)	2,913,009	13,978	2,396,070
Profit (loss) for the year		1,507,640,732	815,305,687	655,531,973	(124,276,768)
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
- Remeasurements of post-employment benefit obligations	32	(3,209,298)	1,360,891	(2,409,088)	(245,449)
- Income tax on item that will not be reclassified to profit or loss	23	641,860	(272,178)	481,818	49,090
Total item that will not be reclassified to profit or loss		(2,567,438)	1,088,713	(1,927,270)	(196,359)
Other comprehensive income (expense) for the year net of tax		(2,567,438)	1,088,713	(1,927,270)	(196,359)
Total comprehensive income (expense) for the year		1,505,073,294	816,394,400	653,604,703	(124,473,127)

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement of Comprehensive Income

For the year ended 31 December 2020

	Note	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit (loss) attributable to:					
Owners of the parent		1,507,640,732	815,305,687	655,531,973	(124,276,768)
Non-controlling interests		-	-	-	-
		<u>1,507,640,732</u>	<u>815,305,687</u>	<u>655,531,973</u>	<u>(124,276,768)</u>
Total comprehensive income (expenses)					
attributable to:					
Owners of the parent		1,505,073,294	816,394,400	653,604,703	(124,473,127)
Non-controlling interests		-	-	-	-
		<u>1,505,073,294</u>	<u>816,394,400</u>	<u>653,604,703</u>	<u>(124,473,127)</u>
Earnings (loss) per share					
- owners of the parent					
Basic earnings (loss) per share (Baht per share)	41	<u>0.15</u>	<u>0.09</u>	<u>0.06</u>	<u>(0.01)</u>

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement of Changes in Equity

For the year ended 31 December 2020

Consolidated financial statements (Baht)						
Note	Attributable to owners of the parent					
	Issued and fully paid-up share capital	Share premium	Retained earnings		Deficit from business combination under common control	Total owners of the parent
			Appropriate - Legal reserve	Unappropriated		
	4,578,999,980	-	-	1,015,525,222	(22,886,961)	5,571,638,241
Opening balance as at 1 January 2019						
Change in equity for the year 2019						
Increase in ordinary share capital	509,000,000	3,896,006,978	-	-	-	4,405,006,978
Total comprehensive income (expense) for the year	-	-	-	816,394,400	-	816,394,400
Closing balance as at 31 December 2019	5,087,999,980	3,896,006,978	-	1,831,919,622	(22,886,961)	10,793,039,619
Consolidated financial statements (Baht)						
Note	Attributable to owners of the parent					
	Issued and fully paid-up share capital	Share premium	Retained earnings		Deficit from business combination under common control	Total owners of the parent
			Appropriate - Legal reserve	Unappropriated		
	5,087,999,980	3,896,006,978	-	1,831,919,622	(22,886,961)	10,793,039,619
Opening balance as at 1 January 2020						
Change in equity for the year 2020						
Dividend paid	-	-	-	(305,279,807)	-	(305,279,807)
Legal reserve	-	-	26,025,834	(26,025,834)	-	-
Total comprehensive income (expense) for the year	-	-	-	1,505,073,294	-	1,505,073,294
Closing balance as at 31 December 2020	5,087,999,980	3,896,006,978	26,025,834	3,005,687,275	(22,886,961)	11,992,833,106

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement of Changes in Equity

For the year ended 31 December 2020

	Separate financial statements (Baht)					
	Note	Issued and fully paid-up share capital	Share premium	Retained earnings (deficits)		
				Appropriated - legal reserve	Unappropriated	
Opening balance as at 1 January 2019		4,578,999,980	-	-	(10,542,173)	4,568,457,807
Change in equity for the year 2019						
Increase in share capital	33	509,000,000	3,896,006,978	-	-	4,405,006,978
Total comprehensive income (expense) for the year		-	-	-	(124,473,127)	(124,473,127)
Closing balance as at 31 December 2019		5,087,999,980	3,896,006,978	-	(135,015,300)	8,848,991,658

	Separate financial statements (Baht)					
		Issued and fully paid-up share capital	Share premium	Appropriated - legal reserve	Unappropriated	Total equity
	Note					
Opening balance as at 1 January 2020		5,087,999,980	3,896,006,978	-	(135,015,300)	8,848,991,658
Change in equity for the year 2020						
Dividend paid	34	-	-	-	(305,279,807)	(305,279,807)
Legal reserve		-	-	26,025,834	(26,025,834)	-
Total comprehensive income (expense) for the year		-	-	-	653,604,703	653,604,703
Closing balance as at 31 December 2020		5,087,999,980	3,896,006,978	26,025,834	187,283,762	9,197,316,554

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement 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 (loss) before income tax		1,550,246,569	812,392,678	655,517,995	(126,672,838)
Adjustments					
Gain from business acquisition	17.1	(2,178,074)	-	-	-
Unrealised loss on exchange rate of receivable under finance lease agreement	14	4,804,658	102,341,647	-	-
Unrealised loss on forward contracts		12,093,276	-	-	-
Loss on write-off of inventory on fire	15	-	7,995,257	-	-
(Reversal of) loss from impairment					
- Investment property	18	-	(4,185,600)	-	-
- Fixed assets	19	-	(11,992,250)	-	-
- Damaged fixed assets on fire	19	(804,388)	804,388	-	-
Depreciation	19, 21	494,530,318	469,337,891	3,754,528	618,763
Loss on write-off - fixed assets	19	14,428,816	13,585,774	-	-
- fixed assets on fire	19	-	2,601,629	-	-
Amortisation	20, 22	46,860,116	57,788,904	182,180	-
Provision for power plant maintenance under concession arrangement	28	7,192,946	7,928,655	-	-
Employee benefit obligations	32	926,198	1,169,207	69,893	233,961
Dividend income from a subsidiary	42 c)	-	-	(671,034,998)	-
Interest income	37	(1,530,609)	(6,354,152)	(102,852)	(2,957,728)
Gain on fix assets disposal	37	(81,237)	-	-	-
Gain on sales of short-term investments	37	(298,648)	(1,128,221)	-	-
Finance costs	39				
- Interest expense from debentures		-	95,665,755	-	95,665,755
- Interest expense from loans		93,955,147	281,603,650	-	1,657,164
- Interest expense from liabilities under finance lease agreements		882,632	25,461	73,274	-
- Amortisation of prepaid transaction cost for debentures		-	23,493,865	-	23,493,865
- Amortisation of prepaid transaction cost for borrowing		7,289,431	11,781,959	-	-
- Commitment fee		4,192,548	-	-	-
		2,232,509,699	1,864,856,497	(11,539,980)	(7,961,058)
Changes in working capital					
- Trade and other receivables		100,211,522	9,222,804	(678,807)	6,847,546
- Receivable under finance lease		32,181,007	26,602,814	-	-
- Inventories		(205,149,648)	(97,699,799)	-	-
- Value added tax		(17,269,106)	(17,199,835)	3,588,965	(3,719,489)
- Other non-current assets		(3,083,016)	(11,772,862)	(142,172)	(257,005)
- Trade and other payables		(222,023,697)	(157,265,268)	427,364	(5,778,401)
- Other current liabilities		1,969,783	3,542,999	(3,358,946)	2,714,792
Cash generated from (used in) operating activities before interest income received and income tax paid		1,919,346,544	1,620,287,350	(11,703,576)	(8,153,615)
Interest income received		1,612,942	6,307,514	103,344	2,964,803
Income tax paid		(26,438,435)	(7,997,933)	(1,700,683)	(2,380,718)
Net cash generated from (used in) operating activities		1,894,521,051	1,618,596,931	(13,300,915)	(7,569,530)

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Absolute Clean Energy Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Restricted deposits at financial institutions (increase) decrease	12	251,248,036	(173,660,552)	-	-
Net cash received from sales of short-term investments		298,648	1,128,221	-	-
Net cash received from fixed asset disposal		5,342,863	-	-	-
Cash received for short-term loans to an indirect subsidiary	42 b)	-	-	-	700,000
Payments for addition investment in a direct subsidiary	17	-	-	(160,000,000)	(2,772,000,000)
Payments for business acquisition		(83,870,087)	-	-	-
Payments on debt transfer	17	(265,555,320)	-	(120,000,000)	-
Cash received from dividend income from a subsidiary	42 c)	-	-	671,034,998	-
Payments for purchases of					
- Investment property	18	(20,662,625)	(19,331,000)	-	-
- Fixed assets		(655,362,781)	(531,547,249)	(72,593,592)	(458,836)
- Rights to service under a concession arrangement		(866,531,556)	(101,302,928)	-	-
- Intangible assets	22	(2,444,107)	(1,403,950)	-	(1,283,950)
Payment for borrowing cost of rights to service under a concession arrangement		(6,921,849)	-	-	-
Net cash generated from (used in) investing activities		(1,644,458,778)	(826,117,458)	318,441,406	(2,773,042,786)
Cash flows from financing activities					
Payments on short-term loans from financial institutions	25	(2,080,961)	(141,647,009)	-	-
Cash received from short-term loans from an indirect subsidiary	42 c)	-	-	-	133,100,000
Payments for short-term loans to an indirect subsidiary	42 c)	-	-	-	(147,100,000)
Payments on liabilities under lease liabilities	29	(3,800,147)	(403,392)	(339,741)	-
Interest expense from lease liabilities	39	(882,632)	-	(73,274)	-
Cash received from long-term loans from financial institutions	30	1,854,238,757	124,360,577	-	-
Payments on long-term loans from financial institutions	30	(1,274,577,838)	(3,310,984,335)	-	-
Payments on direct borrowing cost	30	(15,383,682)	(2,140,000)	-	-
Payments on early redemption of debentures	31	-	(1,500,000,000)	-	(1,500,000,000)
Payments on finance costs - interest paid		(91,564,300)	(399,248,105)	-	(100,670,265)
Dividend paid to the Company's shareholders	26, 34	(305,039,336)	-	(305,039,336)	-
Cash received from the capital increase and call for paid up share capital	33	-	4,405,006,978	-	4,405,006,978
Net cash generated from (used in) financing activities		160,909,861	(825,055,286)	(305,452,351)	2,790,336,713
Net increase (decrease) in cash and cash equivalents		410,972,134	(32,575,813)	(311,860)	9,724,397
Cash and cash equivalents at the beginning of the year		71,920,411	104,496,224	13,881,505	4,157,108
Cash and cash equivalents at the end of the year	11	482,892,545	71,920,411	13,569,645	13,881,505

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Statement of Cash Flows

For the year ended 31 December 2020

		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Notes		Baht	Baht	Baht	Baht
Non-cash transactions					
Payables from the purchases of fixed assets	26	48,597,617	11,204,571	-	-
Retentions	26				
- Rights to service under a concession arrangement		-	3,333,156	-	-
- Fixed assets		2,239,827	834,006	-	-
		2,239,827	4,167,162	-	-
Change in lease liabilities from financing activities					
Lease liabilities (net)					
- As of 1 January		557,404	935,335	-	-
- Adjusting items upon adoption of TFRS 16 as of 1 January 2020	4	18,241,980	-	1,487,616	-
- Additions during the period		10,187,621	-	4,264,773	-
- Interest paid on liabilities under finance lease agreements		882,632	-	73,274	-
- Cash flows paid		(4,071,605)	(377,931)	(413,015)	-
- As of 31 December	29	25,798,032	557,404	5,412,648	-

The accompanying notes on pages 98 to 194 are an integral part of these consolidated and separate financial statements

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

1 General information

Absolute Clean Energy Public Company Limited ("the Company") is a public limited company under Public Limited Company Act on 16 July 2018.

The address of the Company's registered office is 140/6 ITF Tower 7th floor, Silom Road, Suriyawong, Bangrak, Bangkok.

According to the letter of the Stock Exchange of Thailand dated 13 November 2019, the Board of the Stock Exchange of Thailand has accepted the ordinary shares of Absolute Clean Energy Public Company Limited as listed securities on the Stock Exchange of Thailand which is classified as resources/energy and utilities stocks and using the abbreviation for trading securities as "ACE".

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

The Group's principal business operations are operating biomass, municipal solid waste, natural gas, and solar energy power plants.

The Company's principal business operation is investing in Asia Clean Energy Company Limited at 100%. Asia Clean Energy Company Limited has invested in 19 subsidiaries as described in Note 17.

The consolidated and separate financial statements were approved by the Company's authorised directors on 25 February 2021.

2 Basis of 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 as otherwise disclosed in the accounting policies.

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 8.

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.

3 New and amended financial reporting

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

a) Financial instruments

The group of financial instruments reporting standards consist of the following standards:

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.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The new classification requirements of financial assets require the Group to assess both a) business model for holding the financial assets; and b) 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 4.

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 4.

3.2 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and are relevant 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, and
- 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 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.

c) 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 IBORs. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

d) 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 does not adopt new and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 before the effective date. The Group's management is currently assessing the impact of initial adoption of these standards.

4 Impacts from initial application of the new and revised financial reporting standards

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 5.

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.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 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 statements			
	As at 31 December 2019 Previously reported Baht	TAS 32 and TFRS 9 Adjustments and reclassifications Baht	TFRS 16 Adjustments and reclassifications Baht	As at 1 January 2020 Restated Baht
Assets				
Non-current assets				
Right-of-use assets (net)	-	-	29,121,737	29,121,737
Trade and other receivables	819,986,032	-	(515,552)	819,470,480
Other non-current assets	12,291,714	-	(11,027,857)	1,263,857
Liabilities and equity				
Current liability				
Trade and other payables	249,419,046	-	(663,652)	248,755,394
Non-current liabilities				
Liabilities under finance lease agreements (net)	557,404	-	(557,404)	-
Lease liabilities (net)	-	-	18,799,384	18,799,384
Equity				
Retained earnings - Unappropriated	1,831,919,622	-	-	1,831,919,622

	Separate financial statements			
	As at 31 December 2019 Previously reported Baht	TAS 32 and TFRS 9 Adjustments and reclassifications Baht	TFRS 16 Adjustments and reclassifications Baht	As at 1 January 2020 Restated Baht
Assets				
Non-current asset				
Right-of-use assets (net)	-	-	1,487,616	1,487,616
Liabilities and equity				
Non-current liability				
Lease liabilities (net)	-	-	1,487,616	1,487,616
Equity				
Retained earnings - Unappropriated	(135,015,300)	-	-	(135,015,300)

4.1 Financial instruments

The Group has adopted the new financial reporting standards relating to financial instruments from 1 January 2020 by applying the modified retrospective approach.

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatment as follows:

Classification and measurement

As at 1 January 2020 (the date of initial application), the Group's management assessed the business model using in managing assets and liabilities of the Group and classified the financial assets and liabilities as financial assets and liabilities measured at amortised cost, except derivatives which were measured at fair value.

Financial assets and liabilities measured at amortised cost approximate fair value, except long-term loans from financial institutions, which have fair values close to those previously disclosed in the annual financial statements for the year ended 31 December 2019.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently measured to their fair value at the end of each reporting period. The changes in the fair value is recognised to other gains (losses).

As at 1 January 2020, the Group did not recognise changes in fair value of derivatives because the adoption of the financial reporting standard did not have a significant impact to the consolidated and separate financial statements.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Impairment

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. As of 1 January 2020, the Group applies the simplified approach to assess expected credit loss for trade receivables in the consolidated and separate financial statements. The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings (modified retrospective) which the adoption of the financial reporting standard does not have a significant impact to the Group.

4.2 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 and machineries with lease terms more than 12 months. 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 on 1 January 2020 was 4.525%.

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied in which the incremental borrowing rate for the whole lease term as of 1 January 2020 is applied. Other right-of-use assets were measured at the amount equal to the lease liability in which the incremental borrowing rate for the whole lease terms as of 1 January 2020 is applied, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. 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.

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 (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment)
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- 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.

The following tables show differences between operating lease commitments disclosed applying TAS 17 as at 31 December 2019 and lease liabilities recognised in the statement of financial position as at 1 January 2020.

	Consolidated financial Statements	Separate financial statements
	Baht	Baht
Operating lease commitments disclosed as at 31 December 2019	68,329,718	14,157,350
<u>Less</u> Contracts reassessed as service agreements	(34,072,705)	(7,162,225)
<u>Less</u> Adjustments as a result of a different treatment of extension and termination options	(5,264,636)	(5,345,125)
	28,992,377	1,650,000
<u>Less</u> Deferred interest expense	(10,750,397)	(162,384)
Additional lease liabilities from TFRS 16 adoption	18,241,980	1,487,616
Finance lease liabilities (net) as at 31 December 2019	557,404	-
Lease liabilities (net) recognised as at 1 January 2020	18,799,384	1,487,616
Of which are:		
Current portion of lease liabilities (net)	1,352,293	298,869
Long-term lease liabilities (net)	17,447,091	1,188,747
	18,799,384	1,487,616

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

- Liabilities under lease agreements in consolidated and separate financial statements in the amount of Baht 18,799,384 and Baht 1,487,616, respectively, are recognised in accordance with the obligations and discounting to present values with incremental borrowing rates of the lessees as of 1 January 2020 in the amount of Baht 18,241,980 adjusted by liabilities under finance lease agreements which was previously recognised in consolidated financial statement as at 31 December 2019 amounting to Baht 557,404. The incremental borrowing rates used in calculation of liabilities under lease agreements of consolidated and separate financial statements are at 4.525%.
- Right-of-use assets in consolidated and separate financial statements in the amount of Baht 29,121,737 and Baht 1,487,616, respectively, are recognised equal to the present value of liabilities under the lease agreements as of 1 January 2020 adjusted by prepaid rent and accrued rental expenses in the amount of Baht 11,543,409 and Baht 663,652 respectively, which was previously recognised in consolidated financial statements as at 31 December 2019.

As at 1 January 2020, right-of-use assets are categorised as follows:

	Consolidated financial Statements	Separate financial statements
	Baht	Baht
Land for rent	24,007,254	-
Buildings	5,114,483	1,487,616
	29,121,737	1,487,616

5 Accounting policies

5.1 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) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

5.2 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 in consolidated financial statements

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.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Changes in fair value of contingent consideration paid/received

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

Business combination under common control

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

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

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

5.3 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.

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

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

5.4 Cash and cash equivalents

In the consolidated and separate statements of cash flows, cash and cash equivalents includes cash on hand, cheque on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from date of acquisition and are not used as collated.

In the consolidated and separate statements of financial position, bank overdrafts are shown in current liabilities.

5.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold 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 5.7 g).

5.6 Inventories

Inventories comprise of fuel raw materials, consumable materials and spare parts which are stated at cost less allowance for slow-moving and obsolete inventories.

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 inventory, such as import duties and transportation charges, less all attributable discounts. Allowance is made, where necessary for slow-moving and obsolete inventories which recognised as cost of sales.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

5.7 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 a) business model for managing the asset and b) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI) as follows.

- 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 (SPPI).

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 a) collection of contractual cash flows which comprises of only principal and interest; and b) 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 a) for the recognition of impairment gains or losses b) interest income using the effective interest method, and c) 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.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

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 dividend 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) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently measured to their fair value at the end of each reporting period. The changes in the fair value is recognised to other gains (losses).

g) **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 which the adoption of this financial reporting standard does not have a significant impact to the Group.

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.

Held-to-maturity investments

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

General investments

General investments are carried at cost less impairment.

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.

Derivatives

The Group is party to derivative financial instruments, foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates. The Group enters into contract establishing the rate at which a foreign currency asset will be realised or a foreign currency liability will be settled in the future. The Group does not recognise foreign currency forward contracts transaction in the financial statements until the contracts are settled. The realised gain (loss) from the settlement of foreign currency forward contracts will be included in gain (loss) on exchange rate in profit or loss. The fee incurred in establishing each contract is amortised over the contract period.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

5.8 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

The Group's investment property is land held for rental yield and land which is currently undetermined future use.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated.

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.

5.9 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and provision for impairment of assets. Initial cost included purchase price, both cash and cash equivalent cash price, and other direct cost related to assets acquisition to be located or get ready of their intended use.

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.

Land and land not used in operation has not been depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost of each asset to their residual value over the estimate useful lives as follows:

Land improvement	5 - 25 years
Building and building improvement - Power plant	5 - 25 years
Building and building improvement - Office	5 - 20 years
Machinery and equipment	4 - 25 years
Tool and equipment	3 - 10 years
Office equipment, furniture and fixture	3 - 5 years
Vehicle	5 years

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 5.12).

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within 'other (losses)/gains - net' in profit or loss.

5.10 Service concession arrangements

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it, operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates that services that the operator must provide with the infrastructure, to whom it must provide them, and service fee and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognised at its fair value of a financial asset or an intangible asset.

The Group shall recognise financial assets to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

on the extent that the public uses the service. If the operator is paid for the construction services partly by a financial asset and partly by an intangible asset it is necessary to account separately for each component of the operator's consideration. Revenue and costs relating to operation services shall be recognised when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element shall be recognised and measured at the best estimate of expenditure that would be required to settle the present obligation at the end of the reporting period.

Currently, the Group has recognised service concession arrangements as intangible assets (Note 5.11 and Note 20).

5.11 Intangible assets

Rights to service under concession arrangements

Rights to service under concession arrangements is the rights obtained from the concession arrangement to provide waste management service and to convert solid waste into electrical energy. According to accounting policy no. 5.10, rights to service under concession arrangements is amortised as expense in statement of comprehensive income using straight-line method throughout the period of 20 - 25 years specified in the contract.

Rights to use transmission line

Rights to use transmission line is cost paid to acquire the rights to use transmissions.

Rights to use transmission line is stated at historical cost less accumulated amortisation. Amortisation is calculated using straight-line method over contract period of 20 to 25 years.

Rights to use gas pipe

Rights to use gas pipe are expenses paid in order to acquire the rights to use gas pipe.

Rights to use gas pipe is stated at historical cost less accumulated amortisation. Amortisation is calculated using straight-line method over contract period of 25 years.

Computer software

Computer software is recognised as intangible asset and is amortised over their estimated useful lives, which does not exceed 3 to 10 years.

5.12 Impairment of assets

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

5.13 Accounting for long-term 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:

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

- 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.

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 and leases of low-value assets are 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. Low-value assets comprise IT-equipment and small items of office furniture.

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.

For the year ended 31 December 2019

Finance leases - where the Group is the lessee

Leases of property, plant and equipment where the lessee has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or lease term.

Operating leases - where the Group is the lessee

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

Finance 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 using the net investment method, 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.

Operating leases - where the Group is the lessor

Assets leased out under operating leases are included in investment property in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with the Group's investment property. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

5.14 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.

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 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.

Derivatives

The Group is party to derivative financial instruments, foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates. The Group enters into contract establishing the rate at which a foreign currency asset will be realised or a foreign currency liability will be settled in the future. The Group does not recognise foreign currency forward contracts transaction in the financial statements until the contracts are settled. The realised gain (loss) from the settlement of foreign currency forward contracts will be included in gain (loss) on exchange rate in profit or loss. The fee incurred in establishing each contract is amortised over the contract period.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

5.15 Borrowing costs

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

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

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

The capitalisation rate used to determine the amount of borrowing cost to be capitalised is a weighted average interest rate applicable to the outstanding borrowings during the year. Where funds are borrowed specifically for the acquisition, construction or production of assets, the amount of borrowing costs eligible for capitalisation on the asset is determined at the actual borrowing cost incurred on the borrowing during the period less any investment income on the temporary investments of those borrowings.

5.16 Current and deferred income taxes

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

Current tax

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

Deferred income tax

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

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

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

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

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

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

5.17 Employee benefits

a) Post-employment

The Group's employee benefits are in a form of defined benefit plans.

Retirement benefits

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

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

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

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

b) Contribution - provident fund

The Group has set up a provident fund in accordance with the Provident Fund Act B.E. 2530, and registered its membership with a mutual fund. The Ministry of Finance approved the registration of the provident fund on 19 July 2018. The fund's assets are separate from the Group's assets and are managed by a fund manager.

According to the provident fund policy, employees contribute 2% of their salaries and the Group will contribute another 2% of employees' salaries to the provident fund. The Group appointed the licensed fund manager to manage the provident fund in accordance with the Ministerial Regulation No. 2 issued under the Provident Fund Act B.E. 2530.

The Group's contributions to the provident fund are recorded as expenses in the statement of comprehensive income for the period.

c) Short-term employee benefits

Liabilities for short-term employee benefits such as [wages, salaries, paid annual leave and paid sick leave, profit-sharing and 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.

5.18 Provisions

Provision for power plant maintenance under concession arrangement and other 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.

Provisions exclude the provisions for employee benefits. The accounting policy for employee benefit is mentioned in Note 5.17.

5.19 Share capital

Ordinary shares with discretionary dividends are classified as equity.

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

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

5.20 Revenue recognition

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 as details below.

Revenue from sales of electricity

- (a) Revenue under the PPA which are not classified as lease
 - Energy Payments are recognised at a point in time when the controls over the products are transferred to the customers at destinations as stated in the agreements. The revenue from Energy Payments are recognised based on transaction price net of output tax, rebates and discounts.
- (b) Revenue under the Power Purchase Agreements which are classified as lease
 - Finance lease income under the Power Purchase Agreements is recognized on an effective interest method over the period of the agreements, adjusted with change in accounting estimate from a reduction in cash flow which fluctuates with other factors such as production units.
 - Service income under the finance lease agreements related to the Power Purchase Agreements is recognized when the service has been rendered. Service income comprises of Energy Payments received from receivables under finance lease related to the Power Purchase Agreements.

Revenue from sales of steam

Revenue from sales of steam is recognised at a point in time when the controls over the products are transferred to customers at destinations as stated in the agreements. The revenue are recognised based on transaction price net of output tax, rebates and discounts.

Revenue from rendering of services

- The Group recognises revenue from rendering services at a point in time when services are performed for a customer that satisfy a performance obligation. This includes revenue from waste management services.
- The Group recognises revenue from rendering services over time when services are performed for a customer that satisfy a performance obligation. This includes revenue from construction under concession arrangement.

Other income recognised in accordance with the criteria as follows:

- Management income is recognised based on accrual basis under the relevant contracts
- Interest income is recognised using the effective interest rate method
- Rental income is recognised on a straight-line basis over the rental contract period
- Dividend income is recognised when the right to receive payment is established
- Other income is recognised as risk and reward is transferred

5.21 Finance costs

Finance costs comprise interest expense from loan from financial institutions, loans from related parties, amortisation of direct cost related to loans, interest expense from liabilities under lease liabilities and commitment fee.

5.22 Dividend distribution

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

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

5.23 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- The amount determined in accordance with the expected credit loss model under TFRS 9; and
- The amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

5.24 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 Board of Directors that makes strategic decisions.

The Group carried out the operation only in Thailand, information is only presented according the operating segment.

6 Financial risk management

Financial risk factors

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group. 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 uses as the key communication and control tools for the Group.

6.1 Market risk

a) Foreign exchange risk

The operation of the Group is subject to foreign exchange risk from various currencies since the Group purchased and imported most of the machines from overseas. Most transactions are carried in US dollars. The Group protects this foreign exchange risk by entering into foreign currency forward contracts (Note 43.3). However, as at 31 December 2020, the Group has no account payables in foreign currency. For local sales, most transactions are in Thai Baht and are not subject to foreign exchange rate risk except the foreign exchange risk from receivable under finance lease agreement from EGAT (Note 14). A component of this agreement is denominated in foreign currency. This foreign exchange risk arises from a change in foreign exchange rate used to calculate the monthly capacity payment due from EGAT. As at 31 December 2020, The Group had receivable under finance lease agreement of US Dollars 43.9 million, equivalent to Baht 1,312.9 million (2019 : US Dollars 44.3 million, equivalent to Baht 1,329.2 million) which if the exchange rate has increased or decreased by 3%, it will affect to receivable under finance lease agreement in amount of Baht 39.4 million.

b) Interest rate risk

Since the Group has no interest bearing assets with significant value, income and cash flow from operating activities of the Group are not affected by interest rate fluctuation.

However, the Group has a risk of interest rate fluctuation that may happen in the future, since the Group mostly has long-term loans from financial institution which directors estimate that the interest rate risk will not affect the Group. Plus, the Group has a plan to change the term of loan agreement or find new source of financing that provides low interest burden to compensate for existing loan.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

6.2 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.

b) 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
- Short-term loan to indirect subsidiaries

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables and other 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 and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets

Short-term loans to indirect subsidiaries

Short-term loans to indirect subsidiaries 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.

Financial asset measured at fair value through profit or loss (FVPL)

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss (FVPL). The maximum exposure at the end of the reporting period is the carrying amount of these investments.

6.3 Liquidity risk

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

Liquidity risk might increase if the customer has not repaid the debt to the Group on time. To control the level of liquidity risk, the Group has assessed the customer credit ability intermittently.

For the year ended 31 December 2020

	Carrying amounts of assets/liabilities				Consolidated financial statements				Contractual undiscounted amounts of financial liabilities			
	Within 1 year	1-5 years	Over 5 years	Total	Fixed	Floating	Non-interest	Interest rate	Within 1 year	1-5 years	Over 5 years	Totals
	Baht	Baht	Baht	Baht	interest rate	interest rate	bearing rate	%	Baht	Baht	Baht	Baht
As at 1 January 2020												
Financial assets												
Cash and cash equivalents	71,920,411	-	-	71,920,411	-	69,643,956	2,276,455	0.38 to 0.70				
Restricted deposits at financial institutions	498,643,911	-	-	498,643,911	-	498,643,911	-	0.38 to 0.70				
Trade and other receivables	794,242,167	-	-	794,242,167	-	-	794,242,167	-				
Receivable under finance lease (net)	96,169,495	121,607,888	3,075,541,710	3,293,319,093	3,293,319,093	-	-	12.60				
Total financial assets	1,460,975,984	121,607,888	3,075,541,710	4,658,125,582	3,293,319,093	568,287,867	796,518,622		4,658,125,582			
Financial liabilities												
Bank overdrafts	11	-	-	11	-	11	-	MOR	11	-	-	11
Short-term loans from financial institutions	227,400,000	-	-	227,400,000	-	227,400,000	-	MLR - 1.00	227,400,000	-	-	227,400,000
Trade and other payables	249,348,655	-	-	249,348,655	-	249,348,655	-	-	249,348,655	-	-	249,348,655
Lease liabilities (net)	390,720	166,684	-	557,404	557,404	-	-	7.52 to 8.36	403,392	168,080	-	571,472
Long-term loans from financial institutions	856,178,343	1,691,504,953	219,816,385	2,767,499,681	-	2,767,499,681	-	MLR - 2.00 to 2.50				
Long-term loans from financial institutions									895,461,900	1,702,801,083	219,913,188	2,818,176,171
Cash outflows of loans principal									85,094,806	160,747,571	7,743,695	253,586,072
Cash outflows of interest												
Total financial liabilities that are not derivatives	1,333,317,729	1,691,671,637	219,816,385	3,244,805,751	557,404	2,994,899,692	249,348,655		3,244,805,751	1,863,716,734	227,656,883	3,549,082,381

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Carrying amounts of assets/liabilities					Consolidated financial statements					Contractual undiscounted amounts of financial liabilities				
	Carrying amounts of assets/liabilities					Carrying amounts of assets/liabilities					Contractual undiscounted amounts of financial liabilities				
	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht		Fixed interest rate Baht	Floating interest rate Baht	Non-interest bearing rate Baht	Total Baht	Interest rate %	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Totals Baht	
As at 31 December 2020															
Financial assets															
Cash and cash equivalents	482,892,545	-	-	482,892,545		-	482,416,690	475,855	482,892,545	0.05 to 0.30					
Restricted deposits at financial institutions	277,601,630	-	-	277,601,630		-	277,601,630	-	277,601,630	0.05 to 0.50					
Trade and other receivables	806,120,909	-	-	806,120,909		-	-	806,120,909	806,120,909	-					
Receivable under finance lease (net)	93,311,714	160,696,884	3,002,324,830	3,256,333,428		3,256,333,428	-	-	3,256,333,428	12.60					
Total financial assets	1,659,926,798	160,696,884	3,002,324,830	4,822,948,512		3,256,333,428	760,018,320	806,596,764	4,822,948,512						
Financial liabilities															
Short-term loans from financial institutions	265,300,000	-	-	265,300,000		-	265,300,000	-	265,300,000	MLR - 2.50	265,300,000	-	-	265,300,000	
Trade and other payables	268,893,092	-	-	268,893,092		-	-	268,893,092	268,893,092	-	268,893,092	-	-	268,893,092	
Lease liabilities (net)	1,330,493	24,467,539	-	25,798,032		25,798,032	-	-	25,798,032	4.25 - 4.53	2,329,630	10,461,105	25,049,469	37,840,204	
Long-term loans from financial institutions	575,293,722	2,614,468,358	467,395,242	3,657,157,322		-	3,657,157,322	-	3,657,157,322	MLR - 1.25 to 2.50	588,138,800	2,633,546,840	467,767,388	3,689,453,028	
- Cash outflows of loans principal											99,257,785	256,547,050	47,239,080	403,043,915	
- Cash outflows of interest															
Total financial liabilities that are not derivatives	1,110,817,307	2,638,935,897	467,395,242	4,217,148,446		25,798,032	3,922,457,322	268,893,092	4,217,148,446		1,223,919,307	2,900,554,995	540,055,937	4,664,530,239	
Derivative financial instruments															
(Cash inflows)/from forward contract	(268,836,436)	-	-	(268,836,436)		-	-	-	-		(268,836,436)	-	-	(268,836,436)	
Cash outflows from forward contract	280,929,712	-	-	280,929,712		-	-	-	-		280,929,712	-	-	280,929,712	
Total derivatives	12,093,276	-	-	12,093,276		-	-	-	-		12,093,276	-	-	12,093,276	
Total financial liabilities	1,122,910,583	2,638,935,897	467,395,242	4,229,241,722		25,798,032	3,922,457,322	268,893,092	4,217,148,446		1,236,012,583	2,900,554,995	540,055,937	4,676,623,515	

The Group is considering early repayment of long-term loans from financial institutions of an indirect subsidiary totalling Baht 14,962,693 in time band 'between 1 and 5 years' of contractual undiscounted amounts of financial liabilities in the year 2021.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Carrying amounts of assets/liabilities					Separate financial statements					Contractual undiscounted amounts of financial liabilities				
	Carrying amounts of assets/liabilities					Carrying amounts of assets/liabilities					Contractual undiscounted amounts of financial liabilities				
	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht		Fixed interest rate Baht	Floating interest rate Baht	Non-interest bearing rate Baht	Total Baht	Interest rate %	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Totals Baht	
As at 1 January 2020															
Financial assets															
Cash and cash equivalents	13,881,505	-	-	13,881,505		-	13,881,505	-	13,881,505	0.38					
Trade and other receivables	364,481	-	-	364,481		-	-	364,481	364,481	-					
Total financial assets	14,245,986	-	-	14,245,986		-	13,881,505	364,481	14,245,986						
Financial liabilities															
Trade and other payables	9,712,733	-	-	9,712,733		-	-	9,712,733	9,712,733	-	9,712,733	-	-	9,712,733	
Total financial liabilities that are not derivatives	9,712,733	-	-	9,712,733		-	-	9,712,733	9,712,733		9,712,733	-	-	9,712,733	
As at 31 December 2020															
Financial assets															
Cash and cash equivalents	13,569,645	-	-	13,569,645		-	13,328,097	241,548	13,569,645	0.10					
Trade and other receivables	189	-	-	189		-	-	189	189	-					
Short-term loan to an indirect subsidiary	120,000,000	-	-	120,000,000		-	-	120,000,000	120,000,000	-					
Total financial assets	133,569,834	-	-	133,569,834		-	13,328,097	120,241,737	133,569,834						
Financial liabilities															
Trade and other payables	10,380,568	-	-	10,380,568		-	-	10,380,568	10,380,568	-	10,380,568	-	-	10,380,568	
Lease liabilities (net)	816,379	4,596,269	-	5,412,648		5,412,648	-	-	5,412,648	4.25	1,011,178	4,128,710	979,162	6,119,050	
Total financial liabilities that are not derivatives	11,196,947	4,596,269	-	15,793,216		5,412,648	-	10,380,568	15,793,216		11,391,746	4,128,710	979,162	16,499,618	

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

7 Fair value

The Group presents financial assets and liabilities that are measured at fair value in each level including fair value of financial assets and financial liabilities, excluding financial assets and liabilities measured at amortised cost where their carrying value approximated fair value, as follows:

Consolidated financial statement	Separate financial statement
Financial assets	Financial assets
- Cash and cash equivalents	- Cash and cash equivalents
- Restricted deposits at financial institutions	- Trade and other receivables
- Trade and other receivables	- Short-term loan to an indirect subsidiary
- Receivable under finance lease	
Financial liabilities	Financial liabilities
- Short-term loans from financial institutions	- Trade and other payables
- Trade and other payables	- Lease liabilities
- Lease liabilities	
- Long-term loans from financial institutions	

The analysis of financial instruments carried and disclosed at fair value, by valuation method. The different levels have been defined as follows:

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

The fair values of long-term loans from financial institutions (net) and forward contracts are disclosed in Note 30 and 43.3.

			Fair value disclosure	
			Consolidated	
			financial statements	
	Notes	Level	2020 Baht	2019 Baht
Statement of financial positon as at 31 December				
Investment property	18	2	150,741,000	128,261,000
Long-term loans from financial institutions	30	2	3,531,678,844	2,686,782,611
Forward contracts	43.3	2	(12,093,276)	(6,193,305)

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as the date end of the report.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

8 Critical accounting estimates, assumptions and judgements

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

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The result of accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Fair value of certain financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in note 43.3.

b) Impairment of investment property

The Group has assessed the impairment of land for rent when there is any indicator that book amount of the property would not be realized or when book amount of the property exceeded recoverable amount the management carried out the assessment by considering rental income and fluctuation in value of land in located area (Note 18).

c) Property, plant and equipment

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the plant and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment loss in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenue and expenses relating to the assets subject to the review (Note 19).

d) Useful life of intangible asset

The Group estimates the useful life of power purchase agreements to be at least 7 years based on the remaining power purchase agreement period. However, the actual useful life may be shorter or longer than the determined life, depending on the indirect subsidiaries' readiness in extension of the power purchase agreements.

e) Deferred Income tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

f) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers a) the underlying asset condition and/or b) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

g) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

h) Employee benefit obligations

The present value of employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate.

The Group considers the market yield of 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 employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 32.

i) Provisions

The Group has liabilities that may arise from being sued for damages. The management uses judgment of assess the outcome of the case in which the Group has been charged. If the management considers that there may be damaged occurred, the Group recorded a provision for losses that might arise in such circumstances. If management determines and believes that the Group will not be damaged, the Group does not record contingent liabilities as at the end of accounting period.

j) Fair value provisions for business combination

The Group assessed the fair value of net asset from business combination by appointing the independent valuer with a recognised relevant professional qualification to estimates the fair value of net asset using the most appropriate valuation approaches. The calculation depends on management's judgement in providing information and determining relevant assumptions.

9 Capital risk management

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

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

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

10 Segment information

The Group operates in Thailand in four business segments: biomass power plants, solid waste power plant, natural gas power plant and solar energy power plant. Also the Group operates in one geographical segment, i.e., in Thailand. So, the Board of Directors is the highest decision-making authority for the business operations and it considers the Group's segment information for the years ended 31 December 2020 and 2019 to be as follows:

	Certain part of consolidated statement of comprehensive income for the years ended 31 December 2020 and 2019 (Baht)							
	Biomass power plants		Solid waste power plants		Natural gas power plant		Solar energy power plant	
	2020	2019	2020	2019	2020	2019	2020	2019
Sales of goods and services								
- Timing of revenue recognition								
- point in time	2,887,714,442	2,603,337,988	274,025,459	272,329,165	1,413,236,170	1,657,464,725	11,388,407	7,120,237
Revenue from finance lease under a Power Purchase Agreement	-	-	-	-	401,233,134	410,384,524	-	-
Revenue from construction under a concession arrangement	-	-	-	-	-	-	-	-
- Timing of revenue recognition								
- over time	(1,792,924,407)	(1,690,841,561)	870,545,684	104,636,084	(1,267,212,413)	(1,491,040,419)	(5,694,473)	(6,622,229)
Cost of sales and services								
Cost of construction under a concession arrangement	-	-	(870,545,684)	(104,636,084)	-	-	-	-
Gross segment profit	1,094,790,035	912,496,427	143,590,190	136,132,822	547,256,891	576,808,830	5,693,934	498,008
Net gain (loss) on exchange rate							18,768,243	1,625,936,087
Gain from business acquisition (Note 17)							2,178,074	(103,507,119)
Other income							178,637,026	32,899,176
Net loss on forward contracts							(12,093,276)	-
Administrative expenses							(322,254,790)	(330,364,776)
Finance costs							(106,319,758)	(412,570,690)
Tax income (expenses)							(42,605,837)	2,913,009
Net profit for the year							1,507,640,732	815,305,687
Depreciation (Note 19 and 21)	459,772,154	440,730,030	6,576,050	4,699,323	23,800,387	21,063,429	4,381,727	2,845,109
Amortisation (Note 20 and 22)	3,685,229	3,352,380	42,678,290	53,950,508	358,201	358,199	138,396	127,817
							46,860,116	57,788,904

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Certain part of consolidated statement of financial position as at 31 December 2020 and 2019 (Baht)									
	Biomass power plants		Solid waste power plants		Natural gas power plant		Solar energy power plant		Total
	2020	2019	2020	2019	2020	2019	2020	2019	2020
Segment assets	9,536,734,685	8,485,804,431	1,768,190,324	952,235,342	4,277,506,962	4,346,486,273	278,457,562	220,383,142	15,860,889,533
Unallocated assets									568,798,715
Consolidated total assets									16,429,688,248
Segment liabilities	2,065,828,796	2,273,689,607	963,940,010	400,363,006	1,227,180,681	623,311,168	3,227,919	2,904,821	4,260,177,406
Unallocated liabilities									176,677,736
Consolidated total liabilities									4,436,855,142
									3,352,137,380

The Group has two main customers whose combine revenue for the year ended 31 December 2020 is 97.17% of total revenues (2019 : 98.26%). These customers are the Provincial Electricity Authority, purchasing from the biomass power plants and the solid waste power plants, and the Electricity Generating Authority of Thailand, purchasing from the natural gas power plant.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

11 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash on hand	228,409	473,635	-	-
Cash at banks - current accounts	247,446	-	241,548	-
- savings accounts	482,416,690	69,643,956	13,328,097	13,881,505
Cheque on hand	-	1,802,820	-	-
	482,892,545	71,920,411	13,569,645	13,881,505

Cash at banks - savings accounts as at 31 December 2020 carries interest at the rates of 0.05% to 0.30% per annum (2019 : 0.38% to 0.70% per annum).

12 Restricted deposits at financial institutions

Restricted deposits at financial institutions which are savings accounts as at 31 December 2020 and 2019 as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Restricted deposits at financial institutions	277,601,630	498,643,911	-	-
<u>Less</u> Current portion				
Guarantee for compliance with Power Purchase Agreements before the commercial operation date				
- Cash at bank	-	(250,265,060)	-	-
Non-current portion				
Guarantee for long-term loans from financial institutions (Note 30)				
- Cash at bank	276,801,630	247,578,851	-	-
Guarantee for electricity usage (Note 44.1)				
- Cash at bank	800,000	800,000	-	-
	277,601,630	248,378,851	-	-

On 6 March 2020, the Company entered into a Collateral Deposit Agreement for the issuance of letters of guarantee for compliance with the Power Purchase Agreements before the commercial operation date of Bio Power Plant Company Limited and ACE Solar Company Limited on behalf of a direct subsidiary and releasing restricted deposits at a financial institution of a direct subsidiary amounting to Baht 250,265,060.

Non-current portion of restricted deposits at financial institutions

The Group's restricted deposits at financial institutions as at 31 December 2020 amounting to Baht 276,801,630 (2019 : Baht 247,578,851) are savings accounts reserved with financial institutions for receiving payment under the Power Purchase Agreements, which have been pledged as securities for loans from financial institutions with sufficient reserves for the repayment of principal, interest and repair and major maintenance reserve accounts. These reserves are retained from revenue received from the sales of electricity. However, withdrawals of cash from each deposit must be made with the financial institutions' approval.

Restricted deposits at financial institutions as at 31 December 2020 and 2019 have interest rates as follows:

	Interest rate (% per annum)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash at bank - savings accounts	0.05 to 0.50	0.38 to 0.70	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

13 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts receivable				
- Billed				
- Provincial Electricity Authority	288,269,148	247,390,698	-	-
- Electricity Generating Authority of Thailand	107,280,109	142,461,205	-	-
- third party	7,921,377	5,661,416	-	-
- related party (Note 42 a))	7,917,744	7,598,611	-	363,800
	411,388,378	403,111,930	-	363,800
- Unbilled				
- Provincial Electricity Authority	290,135,821	257,500,774	-	-
- Electricity Generating Authority of Thailand	77,979,608	125,374,466	-	-
- third party	899,273	708,701	-	-
- related party (Note 42 a))	3,390,121	4,128,767	-	-
	372,404,823	387,712,708	-	-
Total trade accounts receivable	783,793,201	790,824,638	-	363,800
Other accounts receivable				
- third party	492,362	2,725,390	-	-
- related party (Note 42 a))	5,882,170	-	-	-
Accrued interest income				
- third party	15,751	98,084	189	681
Accrued land rental income				
- related party (Note 42 a))	54,925	54,925	-	-
Advance payment				
- employees	207,466	235,779	-	-
Advance payment for repair and maintenance of machinery				
- third party	4,326,077	4,958,505	-	-
- related party (Note 42 a))	3,086,107	1,548,391	-	-
Prepaid insurance expenses	9,546,099	12,858,570	266,046	266,992
Advance payment for land rental due within 1 year				
- related person and related party (Note 42 a))	-	515,552	-	-
Prepaid expenses	5,727,615	5,627,068	1,629,200	585,647
Deposits received within 1 year	15,882,500	539,130	-	-
Total	829,014,273	819,986,032	1,895,435	1,217,120

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Outstanding trade accounts receivable as at 31 December 2020 and 2019 can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts receivable				
- Provincial Electricity Authority				
- Billed				
Not yet due	288,269,148	247,390,698	-	-
- Unbilled	290,135,821	257,500,774	-	-
	578,404,969	504,891,472	-	-
- Third party				
- Billed				
Not yet due	7,921,377	3,277,668	-	-
Over due less than 3 months	-	2,383,748	-	-
- Unbilled	899,273	708,701	-	-
	8,820,650	6,370,117	-	-
- Related party (Note 42 a))				
- Billed				
Not yet due	3,703,457	4,219,998	-	149,800
Over due less than 3 months	4,214,287	3,378,613	-	214,000
- Unbilled	3,390,121	4,128,767	-	-
	11,307,865	11,727,378	-	363,800
Receivable from service under Power Purchase Agreement				
- Electricity Generating Authority of Thailand				
- Billed				
Not yet due	107,280,109	142,461,205	-	-
- Unbilled	77,979,608	125,374,466	-	-
	185,259,717	267,835,671	-	-
Total	783,793,201	790,824,638	-	363,800

The Group's credit term for trade accounts receivable - not yet due is 30 days.

14 Receivable under finance lease (net)

During the year ended 31 December 2017, Advance Agro Asia Company Limited, an indirect subsidiary, completed the construction of a natural gas power plant in Chachoengsao and started selling electricity to the Electricity Generating Authority of Thailand. The Group's management assessed the Power Purchase Agreement in accordance with TFRIC 4 "Determining whether an arrangement contains a lease" and found that the agreements are finance lease. Therefore, the Group's management derecognised building and equipment and recognised to receivables under finance lease net of unearned financial income. Revenue from sales of electricity under Power Purchase Agreement will be recognised as revenue from finance lease agreement under Power Purchase Agreement and revenue from service under Power Purchase Agreement and are included in sales of goods and services.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Receivable under finance lease	9,408,527,198	9,858,315,960	-	-
<u>Less</u> Unearned financial income	(6,152,193,770)	(6,564,996,867)	-	-
	3,256,333,428	3,293,319,093	-	-
<u>Less</u> Current portion (net)	(93,311,714)	(96,169,495)	-	-
	3,163,021,714	3,197,149,598	-	-
<u>Less</u> Due over 1 year but not over 5 years	(160,696,884)	(121,607,888)	-	-
Over 5 years but not over 25 years	3,002,324,830	3,075,541,710	-	-

As at 31 December 2020, the Group had receivable under finance lease which had not yet received the payments for 2 months amounting to Baht 63,988,488 (2019 : not yet received the payment for 2 months amounting to Baht 71,337,604).

Minimum receivables under finance lease as at 31 December 2020 and 2019 are as follow:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Due for payment				
Due within 1 year	490,550,107	498,617,213	-	-
Due over 1 year but not over 5 years	1,706,246,479	1,495,478,630	-	-
Due over 5 years but not over 25 years	7,211,730,612	7,864,220,117	-	-
	9,408,527,198	9,858,315,960	-	-

15 Inventories

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Fuel raw materials	292,624,559	118,883,148	-	-
Consumable materials	10,638,617	13,030,446	-	-
Spare parts	98,812,799	53,300,223	-	-
	402,075,975	185,213,817	-	-

The cost of inventories recognised as expenses and included in cost of sales amounting to Baht 2,084,668,904 (2019 : Baht 2,211,493,779).

16 Value added tax (net)

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Value added tax receivables	29,287,709	15,630,230	945,149	4,487,832
Value added tax payables	(7,676,513)	(9,274,264)	-	-
Undue input tax	10,102,775	2,853,393	210,317	280,399
Undue output tax	(34,115,150)	(28,879,644)	-	(23,800)
	(2,401,179)	(19,670,285)	1,155,466	4,744,431
Presented as assets (net)	33,941,900	11,058,924	1,155,466	4,744,431
Presented as liabilities (net)	(36,343,079)	(30,729,209)	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

17 Investment in subsidiaries

Investment in subsidiaries as at 31 December 2020 and 2019 comprise the following:

Direct subsidiary	Located in/ Incorporated in	Nature of business	Registered share capital		Paid-up share capital		Percentage of shareholding		Separate financial statements			
			2020		2019		2020		2019		Cost method	
			Baht	Baht	Baht	Baht	%	%	Baht	Baht	2020	2019
Asia Clean Energy Company Limited	Thailand	Hold investments	9,000,000,000	9,000,000,000	9,000,000,000	8,840,000,000	100.00	100.00	8,999,999,980	8,839,999,980	937,933,942	814,172,448
									8,999,999,980	8,839,999,980	937,933,942	814,172,448

The movement of investment in subsidiaries for the year ended 31 December 2020 and 2019 are as follows:

	Separate financial statements	
	2020	2019
	Baht	Baht
Opening book amount	8,839,999,980	6,067,999,980
Addition	160,000,000	2,772,000,000
Closing book amount	8,999,999,980	8,839,999,980

Additional investment in a direct subsidiary

During the year ended 31 December 2020, the Board of Directors of Asia Clean Energy Company Limited called for paid-up share capital which was held by the shareholders totalling 250,000,000 shares (at par value of Baht 10 per share), from the paid-up of Baht 9.36 per share to the paid-up of Baht 10 per share, totalling Baht 160,000,000.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

All indirect subsidiaries owned by Asia Clean Energy Company Limited are as follows:

Indirect subsidiaries	Located in/ Incorporated in	Nature of business	Registered share capital		Paid-up share capital		Percentage of shareholding		Cost method		Dividend income - Asia Clean Energy Company Limited	
			2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 %	2019 %	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Advance Clean Power Company Limited	Thailand	Electricity generation at Chonburi, Roi - Et and Kanchanaburi	2,000,000,000	2,000,000,000	1,690,300,000	1,654,200,000	100.00	100.00	1,690,299,980	1,654,199,980	151,955,998	252,657,617
Advance Agro Power Plant Company Limited	Thailand	Electricity generation at Surin and Nakhon Ratchasima	1,000,000,000	1,000,000,000	1,000,000,000	955,045,000	100.00	100.00	999,999,970	955,044,970	40,291,709	134,661,341
Advance Farm Tree Company Limited	Thailand	Hold the Power Purchase Agreement at Amnat Charoen	10,000,000	10,000,000	7,000,000	5,500,000	100.00	100.00	6,999,950	5,499,960	-	-
Alliance Clean Power Company Limited	Thailand	Electricity generation at Nong Khai, Ubon Ratchathani, Khon Kaen, and Krabi	1,970,000,000	1,970,000,000	1,970,000,000	1,887,080,000	100.00	100.00	1,971,700,000	1,888,780,000	235,406,398	205,849,998
Advance Agro Asia Company Limited	Thailand	Electricity generation at Chachoengsao	1,500,000,000	1,500,000,000	1,500,000,000	1,463,500,000	100.00	100.00	1,500,000,000	1,463,500,000	323,061,493	60,003,499
Advance Asia Power Plant Company Limited	Thailand	Electricity generation at Khon Kaen	575,000,000	500,000,000	567,200,000	500,000,000	100.00	100.00	568,570,000	501,370,000	53,951,848	160,999,993
Advance Bio Asia Company Limited	Thailand	Electricity generation at Lampang	750,000,000	750,000,000	690,500,000	690,500,000	100.00	100.00	652,500,000	652,500,000	133,266,496	-
ACE Solar Company Limited	Thailand	Solar energy generation at Chonburi, Nakhon Ratchasima and Samut Sakorn	320,000,000	320,000,000	305,360,000	250,760,000	100.00	100.00	304,060,000	249,460,000	-	-
Bio Power Plant Company Limited	Thailand	Hold the land and Power Purchase Agreement at Lopburi and Kamphaeng Phet	250,000,000	150,000,000	175,000,000	130,779,000	100.00	100.00	173,200,000	128,979,000	-	-
Power Supply and Maintenance Service Company Limited	Thailand	Power plant maintenance Service	310,000,000	30,000,000	30,000,000	22,500,000	100.00	100.00	29,999,970	22,499,970	-	-
Absolute Clean Water Company Limited (Formerly named Prasatbom Rungrueng Company Limited)	Thailand	Hold the land and Power Purchase Agreement at Prachinburi	200,000,000	200,000,000	128,559,000	95,923,000	100.00	100.00	124,590,980	91,954,980	-	-
Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited)	Thailand	Electricity generation at Nakhon Ratchasima	650,000,000	240,000,000	540,120,000	240,000,000	100.00	-	499,079,983	-	-	-
Advance Bio Energy Company Limited (Formerly named UWC Amphian Biomass Company Limited)	Thailand	Electricity generation at Buriram	159,375,000	159,375,000	159,375,000	159,375,000	100.00	-	15,938	-	-	-
Satuek Biomass Company Limited	Thailand	Electricity generation at Buriram	166,250,000	166,250,000	166,250,000	166,250,000	100.00	-	16,625	-	-	-
Provincial Renewable Energy (Thailand) Company Limited	Thailand	Investment in community power plant	30,000,000	-	20,250,000	-	100.00	-	20,249,980	-	-	-
Renewable Energy (Central) Company Limited	Thailand	Investment in community power plant	28,000,000	-	25,424,000	-	100.00	-	25,423,973	-	-	-
Renewable Energy (North) Company Limited	Thailand	Investment in community power plant	20,000,000	-	18,000,000	-	100.00	-	17,999,973	-	-	-
Renewable Energy (Northeast) Company Limited	Thailand	Investment in community power plant	44,000,000	-	22,000,000	-	100.00	-	21,999,985	-	-	-
Renewable Energy Siam Company Limited	Thailand	Investment in community power plant	44,000,000	-	25,100,000	-	100.00	-	25,099,970	-	-	-
									8,631,807,277	7,613,788,860	937,933,942	814,172,448

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The Group's management has reviewed the allowance for impairment of investment in subsidiaries. The allowance for impairment of such investment is based on the past and prospective future performance of subsidiaries, including other factors (if any).

All shares of a subsidiary and indirect subsidiaries, totalling 6 companies have been pledged as collateral for loans from financial institutions (Note 25 and 30).

17.1 Business acquisition

On 21 August 2020, Asia Clean Energy Company Limited acquired common shares of 3 biomass power plants which are Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited), Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited) and Satuek Biomass Company Limited in the proportion of 100 percent.

According to the share purchase agreement, the consideration paid of Baht 464.55 million included a transfer of rights to receive the debts of Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited) (borrower) and Satuek Biomass Company Limited (borrower) from the seller (lender) in the value per contract amounting to Baht 456.07 million and Baht 305.23 million, respectively, totalling Baht 761.30 million. Asia Clean Energy Company Limited paid Baht 145.55 million and received a transfer of debt of Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited) in the value per such contract amounting to Baht 456.07 million. Absolute Clean Energy Public Company Limited paid Baht 120 million and received a transfer of debt of Satuek Biomass Company Limited in the value per such contract amounting to Baht 305.23 million.

The following table summarises the amounts of identifiable assets acquired, and liabilities assumed, and the consideration paid for 3 biomass power plants, on 21 August 2020, an acquisition date.

	Notes	Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited) Baht	Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited) Baht	Satuek Biomass Company Limited Baht	Total Baht
Assets					
Cash and cash equivalents		103,369,639	6,823,667	4,929,153	115,122,459
Trade and other receivables		63,085,598	32,656,968	14,095,082	109,837,648
Inventories		1,560,656	6,808,694	3,343,160	11,712,510
Restricted deposits at financial institutions		30,205,755	-	-	30,205,755
Property, plant and equipment	19	314,135,277	246,691,971	192,766,598	753,593,846
Power Purchase Agreement	22	3,000,000	-	-	3,000,000
Deferred tax assets		30,009,301	-	-	30,009,301
Other non-current assets		3,105,977	1,603,136	1,554,524	6,263,637
					<u>1,059,745,156</u>
Liabilities					
Short-term loan from financial institutions	25	39,980,950	-	-	39,980,950
Trade and other payables		19,702,365	112,600,261	74,313,128	206,615,754
Long-term loans from financial institutions	30	291,615,938	-	-	291,615,938
Leases liabilities (net)		325,455	140,165	145,554	611,174
Deferred tax liabilities		-	45,906,684	8,288,716	54,195,400
					<u>593,019,216</u>
Total identifiable net assets					466,725,940
Non-controlling interest					-
					<u>466,725,940</u>
Consideration paid					
- acquired common shares		198,959,983	15,938	16,625	198,992,546
- debt transfer payment by the Company		-	-	120,000,000	120,000,000
- debt transfer payment by a direct subsidiary		-	145,555,320	-	145,555,320
					<u>464,547,866</u>
Gain from business acquisition					<u>(2,178,074)</u>

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

a) Acquired identifiable intangible asset

The direct subsidiary acquired identifiable intangible asset which is Power Purchase Agreement amounting to Baht 3,000,000 and deferred tax of Baht 600,000 provided in relation to this fair value adjustment.

b) Revenues and profit contribution

The revenues included in the consolidated income statement from 21 August 2020 to 31 December 2020 contributed by Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited), Advance Bio Energy Company Limited (Formerly named UWC Amphan Biomass Company Limited), and Satuek Biomass Company Limited were Baht 103,125,381. The companies also contributed profit of Baht 14,157,554 over the same period.

Had the companies been consolidated from 1 January 2020, the consolidated income statement for the year ended 31 December 2020 would have presented total revenue and total loss of Baht 444,080,577 and Baht 265,788,337 respectively.

Acquisition-related costs included in administrative expenses in the profit or loss for the year ended 31 December 2020 are Baht 1,942,500.

17.2 Establishment of indirect subsidiaries

During March 2020, Asia Clean Energy Company Limited had established 5 indirect subsidiaries for the business expansion. Moreover, such indirect subsidiaries have established 157 subsidiaries to support future projects.

On 23 December 2020, Alliance Clean Power Company Limited entered into a share purchase agreement of 3 companies with Renewable Energy (North) Company Limited, an indirect subsidiary. Alliance Clean Power Company Limited had already paid in full on the agreement date.

17.3 Dividend payment

During the year ended 31 December 2020, the Board of Directors of Asia Clean Energy Company Limited paid dividends to shareholders according to the portion of share paid-up, totalling Baht 671,035,000 (and has allocated a net profit as a legal reserve in the amount of Baht 137,993,000).

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

18 Investment property (net)

The Group's investment property (net) is land for rent and land held for a currently undetermined future use which has movements for the years ended 31 December 2020 and 2019 as follows:

	Consolidated financial statements		
	Land for rent Baht	Land held for a currently undetermined future use Baht	Total Baht
As at 1 January 2019			
Cost	40,416,137	70,558,425	110,974,562
<u>Less</u> Provision for impairment	(10,302,687)	-	(10,302,687)
Net book amount	30,113,450	70,558,425	100,671,875
For the year ended 31 December 2019			
Opening net book amount	30,113,450	70,558,425	100,671,875
Addition	-	19,331,000	19,331,000
Reversal of provision for impairment	4,185,600	-	4,185,600
Closing net book amount	34,299,050	89,889,425	124,188,475
As at 31 December 2019			
Cost	40,416,137	89,889,425	130,305,562
<u>Less</u> Provision for impairment	(6,117,087)	-	(6,117,087)
Net book amount	34,299,050	89,889,425	124,188,475
For the year ended 31 December 2020			
Opening net book amount	34,299,050	89,889,425	124,188,475
Addition	-	20,662,625	20,662,625
Closing net book amount	34,299,050	110,552,050	144,851,100
As at 31 December 2020			
Cost	40,416,137	110,552,050	150,968,187
<u>Less</u> Provision for impairment	(6,117,087)	-	(6,117,087)
Net book amount	34,299,050	110,552,050	144,851,100
Fair value as at 31 December 2020	36,160,000	114,581,000	150,741,000
Fair value as at 31 December 2019	34,340,000	93,921,000	128,261,000

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The Group assessed the provision for impairment of land for rent by comparing the net book value with the recoverable amount (the higher of the value in use or fair value less cost of disposal) calculated at the cash-generating unit level, which is each plot of land for rent. The recoverable amount determined based on the fair value less cost of disposal was appraised by Landmark Consultant Company Limited (2019: Landmark Consultant Company Limited), an independent valuer with a recognised relevant professional qualification and adequate experience in appraising land value with the same nature and in the same vicinity as the appraised land using the market approach (2019: using market approach).

The provision for impairment of land for rent for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements
	Impairment of land for rent of indirect subsidiaries Baht
- Advance Clean Power Company Limited	(5,172,087)
- Advance Asia Power Plant Company Limited	(945,000)
	(6,117,087)

As at 31 December 2020 and 2019, the Group's investment property at cost of Baht 30,891,137 have been mortgaged and pledged to secure long-term loans from financial institutions (Note 30).

The fair value of the Group's investment property as at 31 December 2020 was assessed by an independent valuer, with a recognised relevant professional qualification and adequate experience in appraising land with the same nature and in the same vicinity as appraised land, using the market approach (2019 : using market approach). The fair value of Baht 150,741,000 (2019: Baht 128,261,000), has been defined as level 2 in the fair value hierarchy for investment property.

The amount recognised in profit and loss from investment property for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements	
	2020	2019
	Baht	Baht
Rental income - a related party	133,282	133,125

The Group has no direct cost from investment property for the years ended 31 December 2020 and 2019.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

19 Property, plant and equipment (net)

	Consolidated financial statements									
	Land Baht	Land improvement Baht	Building and improvement - power plant Baht	Building and improvement - office Baht	Machinery and equipment Baht	Tool and equipment Baht	Office equipment and fixture Baht	Vehicle Baht	Construction in progress and machines under installation Baht	Total Baht
As at 1 January 2019										
Cost	1,786,015,278	542,518,785	788,429,695	159,400,664	6,154,904,933	33,166,838	23,997,148	9,629,831	551,469,960	10,049,533,132
Less: Accumulated depreciation	-	(81,935,791)	(192,996,540)	(30,705,449)	(1,530,936,662)	(12,004,333)	(13,187,937)	(1,186,208)	-	(1,862,952,920)
Allowance for impairment	(28,479,320)	-	-	-	-	-	-	-	(28,676,715)	(57,156,035)
Net book amount	1,757,535,958	460,582,994	595,433,155	128,695,215	4,623,968,271	21,162,505	10,809,211	8,443,623	522,793,245	8,129,424,177
For the year ended 31 December 2019										
Opening net book amount	1,757,535,958	460,582,994	595,433,155	128,695,215	4,623,968,271	21,162,505	10,809,211	8,443,623	522,793,245	8,129,424,177
Additions	130,674,327	611,605	3,423,066	919,593	142,611,915	6,246,782	2,879,136	-	116,914,593	404,281,017
Transfer in (out)	-	-	396,193	491,884	39,374,937	589,683	-	-	(40,852,697)	-
Write-off - Cost	-	-	-	-	(25,005,001)	(678,044)	(279,827)	-	-	(25,962,872)
- Accumulated depreciation	-	-	-	-	11,599,565	573,086	204,447	-	-	12,377,098
Write-off of damaged fixed assets on fire	-	-	-	-	(4,118,526)	(46,300)	-	-	-	(4,164,826)
- Cost	-	-	-	-	1,554,319	8,878	-	-	-	1,563,197
- Accumulated depreciation	-	-	-	-	(378,949,093)	(6,131,853)	(3,701,166)	(1,147,064)	-	(469,337,891)
Depreciation charges	-	(31,236,937)	(40,347,538)	(7,824,240)	-	-	-	-	-	11,992,250
Reversal of loss from impairment of fixed assets	11,992,250	-	-	-	-	-	-	-	-	-
Loss on impairment of damaged fixed assets on fire	-	(664,211)	-	-	(140,177)	-	-	-	-	(804,388)
Closing net book amount	1,900,202,535	429,293,451	558,904,876	122,282,452	4,410,896,210	21,724,737	9,911,801	7,296,559	598,855,141	8,059,367,762
As at 31 December 2019										
Cost	1,916,689,605	543,130,390	792,248,954	160,812,141	6,307,768,258	39,278,959	26,659,457	9,629,831	627,531,856	10,423,686,451
Less: Accumulated depreciation	-	(113,172,728)	(233,344,078)	(38,329,689)	(1,896,731,871)	(17,554,222)	(16,684,656)	(2,333,272)	-	(2,318,350,516)
Allowance for impairment	(16,487,070)	(664,211)	-	-	(140,177)	-	-	-	(28,676,715)	(45,968,173)
Net book amount	1,900,202,535	429,293,451	558,904,876	122,282,452	4,410,896,210	21,724,737	9,911,801	7,296,559	598,855,141	8,059,367,762

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Consolidated financial statements									
	Land Baht	Land improvement Baht	Building and improvement - Power plant Baht	Building and improvement - Office Baht	Machinery and equipment Baht	Tool and equipment Baht	Office equipment and furniture Baht	Vehicle Baht	Construction in progress and machines under installation Baht	Total Baht
For the year ended 31 December 2020										
Opening net book amount	1,900,202,535	429,293,451	558,904,876	122,282,452	4,410,896,210	21,724,737	9,911,801	7,296,559	598,855,141	8,059,367,762
Additions	27,074,707	71,647,005	3,465,432	73,277,866	273,943,046	8,528,543	6,418,317	3,969,000	325,509,533	793,833,449
Transfer in from business acquisition (Note 17.1)	116,386,888	10,175,599	163,339,930	688,507	450,287,956	2,743,604	903,616	4,397,666	4,670,080	753,593,846
Transfer in (out)	-	2,077,500	497,512	-	21,517,190	380,912	-	-	(24,473,114)	-
Disposals - Cost	(5,261,625)	-	-	-	(420,000)	-	-	-	-	(5,681,625)
- Accumulated depreciation	-	-	-	-	419,999	-	-	-	-	419,999
Write-offs - Cost	-	-	-	-	(61,487,182)	-	-	-	-	(61,487,182)
- Accumulated depreciation	-	-	-	-	47,058,366	-	-	-	-	47,058,366
Depreciation charges	-	(31,603,571)	(43,908,598)	(9,503,647)	(393,089,488)	(8,022,470)	(4,535,428)	(1,963,790)	-	(492,626,992)
Reversal of loss from impairment of damaged fixed assets on fire	-	664,211	-	-	140,177	-	-	-	-	804,388
Closing net book amount	2,038,402,505	482,254,195	682,299,152	186,745,178	4,749,266,274	25,355,326	12,698,306	13,699,435	904,561,640	9,095,282,011
As at 31 December 2020										
Cost	2,054,889,575	627,030,494	959,551,828	234,778,514	6,991,609,268	50,932,018	33,918,390	17,996,497	933,238,355	11,903,944,939
Less Accumulated depreciation	-	(144,776,299)	(277,252,676)	(48,033,336)	(2,242,342,994)	(25,576,692)	(21,220,084)	(4,297,062)	-	(2,763,499,143)
Allowance for impairment	(16,487,070)	-	-	-	-	-	-	-	(28,676,715)	(45,163,785)
Net book amount	2,038,402,505	482,254,195	682,299,152	186,745,178	4,749,266,274	25,355,326	12,698,306	13,699,435	904,561,640	9,095,282,011

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Separate financial statement		
	Building and building improvement - Office Baht	Office equipment and furniture and fixture Baht	Total Baht
As at 1 January 2019			
Cost	-	1,713,037	1,713,037
<u>Less</u> Accumulated depreciation	-	(311,450)	(311,450)
Net book amount	-	1,401,587	1,401,587
For the year ended 31 December 2019			
Opening net book amount	-	1,401,587	1,401,587
Additions	-	458,836	458,836
Depreciation charge	-	(618,763)	(618,763)
Closing net book amount	-	1,241,660	1,241,660
As at 31 December 2019			
Cost	-	2,171,873	2,171,873
<u>Less</u> Accumulated depreciation	-	(930,213)	(930,213)
Net book amount	-	1,241,660	1,241,660
For the year ended 31 December 2020			
Opening net book amount	-	1,241,660	1,241,660
Additions	70,528,201	2,050,811	72,579,012
Depreciation charge	(2,481,233)	(900,927)	(3,382,160)
Closing net book amount	68,046,968	2,391,544	70,438,512
As at 31 December 2020			
Cost	70,528,201	4,222,684	74,750,885
<u>Less</u> Accumulated depreciation	(2,481,233)	(1,831,140)	(4,312,373)
Net book amount	68,046,968	2,391,544	70,438,512

On 14 February 2020, the Company entered into an agreement to purchase an office with furniture, office equipment and facilities from Advance Energy Development Company Limited, a related party, to be the Company's head office at a price of Baht 71,592,800 (Note 42 d)) (excluding VAT for furniture) as assessed by the Treasury Department. Advance Energy Development Company Limited was responsible for the transfer fee, taxes and all related expenses. After completing the sale and purchase transaction, the Company entered into a memorandum of agreement to cancel the office rental and service agreement. The agreement was to be effective on the same day. The termination of the above office rental and service agreement did not cause a penalty or damage from the cancellation of the agreement to the Company.

As at 31 December 2020, the Group pledged property, plant and equipment (including land, buildings and machineries which are under Power Purchase Agreements classified as receivable under finance lease and the right to service under concession arrangement) at the cost of Baht 13,048,451,722 (31 December 2019 : Baht 13,431,245,610) as collaterals against loans from financial institutions (Note 25 and 30). Under the term of the loan agreements, the Group is required to mortgage and pledge land, building, and machineries as collaterals with the financial institutions.

As at 31 December 2020, the cost of fully depreciated buildings and equipment that are still in used as included in the financial statements were Baht 333,932,956 (2019 : Baht 131,678,120).

Impairment of land not used in operation

In 2020 and 2019, the Group's management assessed the progress of the proposal to cancel the termination of the Power Purchase Agreements and to reinstate the Power Purchase Agreements and extend the scheduled commercial operation date of indirect subsidiaries (Note 46.13) and plan to grow energy crops to be used as fuel materials for power plant. The Group's management also considered indicators of provision for impairment of land not used in operation that has purpose for constructing a power plant construction under the mentioned dispute. The Group assessed the impairment of land not used in operation by comparing the net book value with the recoverable amount (the higher of the value in use or fair value less cost of disposal) calculated at the cash-generating unit level, which is each plot of land upon management decision. The recoverable amount is determined based on the fair value less cost of disposal as appraised by Landmark Consultant Company Limited, (2019: Landmark Consultant Company Limited) an independent valuer holding a recognised relevant professional qualification with adequate experience in appraising the value of land with the same nature and in the same vicinity, using the market approach (2019 : market approach). The fair value has been defined as level 2 in the fair value hierarchy.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

As at 31 December 2020, the Group owned land not used in operation, with a net book value of Baht 692,397,436 (Cost of Baht 708,884,506 less provision for impairment of Baht 16,487,070). The land is intended to be used for the construction of power plants. The Group is in the process of submitting a proposal for the cancellation of terminated power purchase agreements and the return of power purchase agreements, together with an extension of commercial operation date (Note 46.13) and a plan to grow energy crops to be used as fuel materials for power plant in the future. Therefore, the land is not considered as investment property and is included in property, plant and equipment in the consolidated financial statements.

Impairment of design cost for power plant construction - Alliance Clean Power Company Limited

In 2020 and 2019, the Group's management assessed the progress of the proposal to cancel the termination of the Power Purchase Agreement and to return of Power Purchase Agreement, together with an extension of the commercial operation date of an indirect subsidiary (Note 46.13) and the Group's management also considered indicators of provision for impairment of construction in progress of Alliance Clean Power Company Limited which is the owner of the project. As at 31 December 2020, an indirect subsidiary invested in this project amounting of Baht 270,906,860 including machinery and equipment under the installation agreement amounting of Baht 242,230,145 and design cost for power plant construction under subcontractor agreement amounting of Baht 28,676,715. (2019 : invested in this project amounting of Baht 217,247,272 including machinery and equipment under the installation agreement amounting of Baht 188,570,557 and design cost for power plant construction under subcontractor agreement amounting of Baht 28,676,715.)

For the part of machines and equipment under installation, the Group engaged Panns Integrated Property Company Limited, an independent valuer holding a recognised relevant professional qualification with adequate experience in appraising the value of asset. There is no indicator that the progress of machines and equipment under installation is not in line with the Group's payments. There is also no indicator of obsolescence or physical defect. However, if the project owner could not retrieve the Power Purchase Agreement, the Group considers that the assets could be used for other projects which is currently in the process of negotiating the return for the Power Purchase Agreements with the arbitration committee (Note 46.13) which is expected to be completed in April 2019. Thus, the Group did not recognise provision for impairment.

For the part of construction design of the power plant, if the indirect company which is a project owner could not retrieve the Power Purchase Agreement, the Group considered that adapting the design plan to other projects is highly not probable because the design plan is specific to the project and is not highly probable to apply to other projects. Thus, the Group recognised provision for impairment amounting of Baht 28,676,715 (2019 : Baht 28,676,715).

The movement of impairment of land and fixed assets for the year ended 31 December 2020 is as follows:

	Consolidated financial statements		
	2019 Baht	Reversal (Additions) Baht	2020 Baht
Loss on impairment of land not used in operation held by indirect subsidiaries			
- Alliance Clean Power Company Limited	(7,635,000)	-	(7,635,000)
- Advance Bio Asia Company Limited	(7,376,800)	-	(7,376,800)
- Bio Power Plant Company Limited	(1,475,270)	-	(1,475,270)
	(16,487,070)	-	(16,487,070)
Loss on impairment of design cost for power plant construction by an indirect subsidiary			
- Alliance Clean Power Company Limited	(28,676,715)	-	(28,676,715)
	(28,676,715)	-	(28,676,715)
Loss on impairment of damaged fixed asset on fire by an indirect subsidiary			
- Advance Bio Asia Company Limited	(804,388)	804,388	-
	(804,388)	804,388	-
Total	(45,968,173)	804,388	(45,163,785)

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

20 Rights to service under concession arrangement (net)

The first contract : Waste management services agreement with Khon Kaen municipality

On 18 August 2011, Alliance Clean Power Company Limited, an indirect subsidiary, entered into a contract with Khon Kaen municipality to provide waste management services to convert solid waste into electrical energy for a 20-year period starting from the date of contract signing. As specified in the contract, the indirect subsidiary must construct a plant and install a waste disposal system on the leased area in Khon Kaen municipality. When the contract ends, building, machines and equipment will be transferred to Khon Kaen municipality without any charges. The indirect subsidiary has to comply with any relevant conditions specified in the agreement.

The Group's management assessed the agreement in accordance with TFRIC 12 'Service Concession Arrangements'. As a result, the Group's management recognised the right to service under the concession arrangement as an intangible asset amounting to Baht 886,850,976. This was considered to be compensation for the construction of assets under the concession arrangement. The Group's management has amortised the rights throughout the concession period.

The second contract : Waste management services agreement with Krabi municipality

On 22 February 2019, Alliance Clean Power Company Limited, an indirect subsidiary, entered into contract with Krabi municipality to provide waste management services to convert solid waste into electrical energy for a 25-year period started from the date of contract signing. As specified in the contract, the indirect subsidiary must construct a plant and install a waste disposal system on the leased area in Krabi municipality. When the contract ends, building, machines and equipment will be transferred to Krabi municipality without any charges. The indirect subsidiary has to comply with any relevant conditions as specified in the agreements.

The Group's management assessed the agreement in accordance with TFRIC 12 'Service Concession Arrangements'. As a result, in 2020, the Group's management recognised the right to service under the concession arrangement as an intangible asset amounting to Baht 870,545,684, resulting to accumulated amount of Baht 975,181,768 (2019 : Baht 104,636,084). This was considered to be compensation for the construction of assets under the concession arrangement and will be amortized throughout the contract period. The company started its commercial operation on 28 December 2020.

Also, the indirect subsidiary is required to recognise provision for power plant maintenance under the concession arrangements in order to maintain the assets and to provide the service as specified in the concession arrangement (Note 28).

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The movements of rights to service under concession arrangement of the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements
	Rights to service under concession arrangements
	Baht
As at 1 January 2019	
Cost	886,850,976
<u>Less</u> Accumulated amortisation	(125,868,172)
Net book amount	760,982,804
For the year ended 31 December 2019	
Opening net book amount	760,982,804
Addition during the year	104,636,084
Amortisation during the year	(53,950,508)
Closing net book amount	811,668,380
As at 31 December 2019	
Cost	991,487,060
<u>Less</u> Accumulated amortisation	(179,818,680)
Net book amount	811,668,380
For the year ended 31 December 2020	
Opening net book amount	811,668,380
Addition during the year	863,198,400
Borrowing cost	7,347,284
Amortisation during the year	(42,677,129)
Closing net book amount	1,639,536,935
As at 31 December 2020	
Cost	1,862,032,744
<u>Less</u> Accumulated amortisation	(222,495,809)
Net book amount	1,639,536,935

During the year ended 31 December 2020, the borrowing cost of Baht 7,347,284 comprising of interest paid on loan amounting to Baht 6,311,694, commitment fee amounting to Baht 610,155 and amortisation of prepaid transaction cost from borrowings amounting to Baht 425,435. The borrowing cost is from long-term loan from a financial institution for constructing Municipal Solid Waste power plant in Krabi Municipality and is recognised as cost of rights to service under concession arrangement.

For the year ended 31 December 2020

For the year ended 31 December 2020

Closing net book amount

As at 31 December 2020

Cost	
Less Accumulated depreciation	

Net book amount

For the year ended 31 December 2020, depreciation expense is presented as an administrative expense for the consolidated financial statements amounting to Baht 1,903,326 and the separate financial statements of Baht 372,368.

Payments associated with short-term leases and leases of low-value assets are recognised as an expense in profit or loss on a straight-line basis. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture. The rental expenses for years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements			Separate financial statements		
	Land leasehold Baht	Building Baht	Total Baht	Building Baht	Total Baht	Total Baht
For the year ended 31 December 2020						
Opening net book amount	-	-	-	-	-	-
Adjusting items upon adoption of TFRS 16 as of 1 January 2020 (Note 4)	24,007,254	5,114,483	29,121,737	1,487,616	1,487,616	1,487,616
Addition during the period	4,768,795	3,825,840	8,594,635	3,364,103	3,364,103	3,364,103
Change and obligation under finance leases	692,316	900,670	1,592,986	900,670	900,670	900,670
Depreciation charge	(1,211,867)	(691,459)	(1,903,326)	(372,368)	(372,368)	(372,368)
Closing net book amount	28,256,498	9,149,534	37,406,032	5,380,021	5,380,021	5,380,021
As at 31 December 2020						
Cost	29,468,365	9,840,993	39,309,358	5,752,389	5,752,389	5,752,389
Less Accumulated depreciation	(1,211,867)	(691,459)	(1,903,326)	(372,368)	(372,368)	(372,368)
Net book amount	28,256,498	9,149,534	37,406,032	5,380,021	5,380,021	5,380,021
For the year ended 31 December 2020, depreciation expense is presented as an administrative expense for the consolidated financial statements amounting to Baht 1,903,326 and the separate financial statements of Baht 372,368.						
Payments associated with short-term leases and leases of low-value assets are recognised as an expense in profit or loss on a straight-line basis. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture. The rental expenses for years ended 31 December 2020 and 2019 are as follows:						
	For the years ended 31 December			Separate		
	Consolidated financial statements			financial statements		
	2020 Baht	2019 Baht		2020 Baht	2019 Baht	
Rental expenses	2,184,814	5,830,240		372,214	3,269,140	

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

22 Intangible assets (net)

	Consolidated financial statements					
	Rights to use gas pipe	Rights to use transmission line	Power Purchase Agreement	Computer software	Computer software under installation	Total
	Baht	Baht	Baht	Baht	Baht	Baht
As at 1 January 2019						
Cost	1,240,000	60,235,783	-	295,185	895,050	62,666,018
Less: Accumulated amortisation	(84,387)	(11,819,420)	-	(43,399)	-	(11,947,206)
Net book amount	1,155,613	48,416,363	-	251,786	895,050	50,718,812
For the year ended 31 December 2019						
Opening net book amount	1,155,613	48,416,363	-	251,786	895,050	50,718,812
Additions during the year	-	-	-	120,000	1,283,950	1,403,950
Amortisation during the year	(44,640)	(3,665,939)	-	(127,817)	-	(3,838,396)
Closing net book amount	1,110,973	44,750,424	-	243,969	2,179,000	48,284,366
As at 31 December 2019						
Cost	1,240,000	60,235,783	-	415,185	2,179,000	64,069,968
Less: Accumulated amortisation	(129,027)	(15,485,359)	-	(171,216)	-	(15,785,602)
Net book amount	1,110,973	44,750,424	-	243,969	2,179,000	48,284,366
For the year ended 31 December 2020						
Opening net book amount	1,110,973	44,750,424	-	243,969	2,179,000	48,284,366
Additions during the year	-	2,444,107	-	-	-	2,444,107
Transfer in (out)	-	-	-	2,179,000	(2,179,000)	-
Transfer in from business acquisition (Note 17.1)	-	-	3,000,000	-	-	3,000,000
Amortisation during the year	(44,640)	(3,676,281)	(141,490)	(320,576)	-	(4,182,987)
Closing net book amount	1,066,333	43,518,250	2,858,510	2,102,393	-	49,545,486
As at 31 December 2020						
Cost	1,240,000	62,679,890	3,000,000	2,594,185	-	69,514,075
Less: Accumulated amortisation	(173,667)	(19,161,640)	(141,490)	(491,792)	-	(19,968,589)
Net book amount	1,066,333	43,518,250	2,858,510	2,102,393	-	49,545,486

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Separate financial statements		
	Computer software Baht	Computer software under installation Baht	Total Baht
As at 1 January 2019			
Cost	-	895,050	895,050
<u>Less</u> Accumulated amortisation	-	-	-
Net book amount	-	895,050	895,050
For the year ended 31 December 2019			
Opening net book amount	-	895,050	895,050
Additions	-	1,283,950	1,283,950
Closing net book amount	-	2,179,000	2,179,000
As at 31 December 2019			
Cost	-	2,179,000	2,179,000
<u>Less</u> Accumulated amortisation	-	-	-
Net book amount	-	2,179,000	2,179,000
For the year ended 31 December 2020			
Opening net book amount	-	2,179,000	2,179,000
Transfer in (out)	2,179,000	(2,179,000)	-
Amortisation during the year	(182,180)	-	(182,180)
Closing net book amount	1,996,820	-	1,996,820
As at 31 December 2020			
Cost	2,179,000	-	2,179,000
<u>Less</u> Accumulated amortisation	(182,180)	-	(182,180)
Net book amount	1,996,820	-	1,996,820

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

23 Deferred tax assets/(liabilities) (net)

Deferred tax assets/(liabilities) (net) as at 31 December 2020 and 2019 comprise the following:

	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	-	5,785,225	-	-
Deferred tax assets to be recovered after more than 12 months	109,510,085	62,068,889	699,179	203,383
	109,510,085	67,854,114	699,179	203,383
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(1,145,062)	(841,275)	-	-
Deferred tax liabilities to be settled after more than 12 months	(132,352,297)	(49,495,519)	-	-
	(133,497,359)	(50,336,794)	-	-
Deferred tax assets/(liabilities) (net)	(23,987,274)	17,517,320	699,179	203,383
Deferred tax assets/(liabilities) (net) which presented in statement of financial position				
- Deferred tax assets (net)	85,906,170	56,055,686	699,179	203,383
- Deferred tax liabilities (net)	(109,893,444)	(38,538,366)	-	-
	(23,987,274)	17,517,320	699,179	203,383

Deferred tax assets/(liabilities) as at 31 December 2020 and 2019 calculated from the temporary differences using tax rate of 20%.

The movements of deferred tax assets/(liabilities) (net) for the years ended 31 December 2020 and 2019 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year	17,517,320	6,329,563	203,383	(4,591,272)
Charged/(credited) to profit or loss (Note 40)	(17,960,356)	11,459,935	13,978	4,745,565
Transfer in from business acquisition (Note 17.1)	(24,186,098)	-	-	-
Charged/(credited) to other comprehensive income	641,860	(272,178)	481,818	49,090
Closing balance for the year	(23,987,274)	17,517,320	699,179	203,383

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The Group recognises deferred tax assets for tax loss and carry forward to the extent that realisation of the related tax benefit through the future taxable profit is probable.

	Consolidated financial statements				
	1 January 2020 Baht	Addition from Business acquisition Bah	Increase/ (decrease) in		31 December 2020 Baht
			Profit or loss Baht	Other comprehensive income Baht	
Deferred tax assets					
Allowance for impairment of investment property	1,223,418	-	-	-	1,223,418
Allowance for impairment of fixed assets on fire	160,878	-	(160,878)	-	-
Allowance for impairment of land not used in operation	3,297,414	-	-	-	3,297,414
Difference between book value and fair value from business acquisition	-	16,930,134	(969,095)	-	15,961,039
Provision for impairment of construction in progress	5,735,343	-	-	-	5,735,343
Difference in depreciation charge between accounting base and tax base of plant and equipment	36,110,365	-	10,880,426	-	46,990,791
Difference in amortisation charge between accounting base and tax base of rights to use transmission line	349,470	-	122,998	-	472,468
Provision for service under concession arrangements	5,044,131	-	1,438,589	-	6,482,720
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	326,217	-	1,092,068	-	1,418,285
Derivative liabilities	-	-	2,418,655	-	2,418,655
Employee benefit obligations	735,641	-	166,629	641,860	1,544,130
Elimination	374,478	-	(75,599)	-	298,879
Taxable loss carried forward	14,496,759	18,424,090	(9,253,906)	-	23,666,943
	67,854,114	35,354,224	5,659,887	641,860	109,510,085
Deferred tax liabilities					
Receivables under finance lease (net)	(31,989,509)	-	(25,166,140)	-	(57,155,649)
Difference book value of rights to service under concession arrangement between accounting base and tax base	(8,482,639)	-	(5,123,194)	-	(13,605,833)
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	(96,073)	-	73,788	-	(22,285)
Difference in finance costs of transaction cost for borrowing between accounting base and tax base	(9,768,573)	-	(3,395,851)	-	(13,164,424)
Difference between book value and fair value from business acquisition	-	(59,540,322)	9,991,154	-	(49,549,168)
	(50,336,794)	(59,540,322)	(23,620,243)	-	(133,497,359)
Deferred tax assets (net)	17,517,320	(24,186,098)	(17,960,356)	641,860	(23,987,274)

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Consolidated financial statements		
	Increase/ (decrease) in		
	1 January 2019 Baht	Profit or loss Baht	Other comprehensive income Baht
			31 December 2019 Baht
Deferred tax assets			
Allowance for impairment of investment property	2,060,538	(837,120)	-
Allowance for impairment of fixed assets on fire	-	160,878	-
Allowance for impairment of land not used in operation	5,695,864	(2,398,450)	-
Allowance for impairment of construction in progress	5,735,343	-	-
Difference in depreciation charge between accounting base and tax base of plant and equipment	21,761,025	14,349,340	-
Difference in amortisation charge between accounting base and tax base of rights to use transmission line	226,807	122,663	-
Provision for service under concession arrangements	2,970,443	2,073,688	-
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	1,726,730	(1,400,513)	-
Employee benefit obligations	716,158	291,661	(272,178)
Elimination	-	374,478	-
Taxable loss carried forward	13,813,380	683,379	-
	54,706,288	13,420,004	(272,178)
			67,854,114
Deferred tax liabilities			
Receivables under finance lease (net)	(26,125,101)	(5,864,408)	-
Difference book value of rights to service under concession arrangement between accounting base and tax base	(5,158,321)	(3,324,318)	-
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	(269,565)	173,492	-
Difference in finance costs of transaction cost for borrowing between accounting base and tax base	(16,823,738)	7,055,165	-
	(48,376,725)	(1,960,069)	-
			(50,336,794)
Deferred tax assets (net)	6,329,563	11,459,935	(272,178)
			17,517,320
	Separate financial statements		
	Increase/ (decrease) in		
	1 January 2020 Baht	Profit or loss Baht	Other comprehensive income Baht
			31 December 2020 Baht
Deferred tax asset			
Employee benefit obligations	203,383	13,978	481,818
	203,383	13,978	481,818
Deferred tax liability			
Debenture underwriting fee	-	-	-
	-	-	-
Deferred tax assets/(liabilities) (net)	203,383	13,978	481,818
			699,179

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Separate financial statements		
	Increase/ (decrease) in		
	1 January 2019 Baht	Profit or loss Baht	Other comprehensive income Baht
			31 December 2019 Baht
Deferred tax asset			
Employee benefit obligations	107,501	46,792	49,090
	107,501	46,792	203,383
Deferred tax liability			
Debenture underwriting fee	(4,698,773)	4,698,773	-
	(4,698,773)	4,698,773	-
Deferred tax assets/(liabilities) (net)	(4,591,272)	4,745,565	49,090
			203,383

As at 31 December 2020 and 2019, the Group does not recognise deferred tax assets from taxes loss carried forward to offset with future taxable profit as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Taxes loss due to expire				
- 2019	-	14,614,666	-	-
- 2020	156,971,301	99,856,431	-	-
- 2021	270,905,443	228,285,729	-	-
- 2022	281,295,084	153,066,089	-	-
- 2023	332,573,884	200,766,243	26,990,575	30,148,460
- 2024	396,576,816	236,567,876	176,932,613	176,932,613
- 2025	165,328,386	-	13,757,297	-
	1,603,650,914	933,157,034	217,680,485	207,081,073
Deferred tax asset (if record)	320,730,183	186,631,407	43,536,097	41,416,215

The Group recognises deferred tax assets for tax loss and carry forward to the extent that realisation of the related tax benefit through the future taxable profit is probable.

24 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Prepaid withholding tax	11,807,651	-	1,700,683	-
Advance payment for land rental due later than 1 year				
- related party (Note 42 a))	-	11,027,857	-	-
Prepaid transaction cost for borrowing	26,546,414	-	-	-
Advance payment for leasehold registration fee	202,389	-	-	-
Deposits				
- third party	3,237,682	1,006,852	399,177	-
- related party (Note 42 a))	-	257,005	-	257,005
	41,794,136	12,291,714	2,099,860	257,005

During the year ended 31 December 2020, an indirect subsidiary prepaid long-term loans and entered into loan agreement amendment. The indirect subsidiary has a prepaid transaction cost for borrowings as at 31 December 2020 in the amount of Baht 26,546,414.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

25 Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2020 and 2019 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Bank overdrafts	-	11	-	-
Promissory notes	265,300,000	227,400,000	-	-
	265,300,000	227,400,011	-	-

As at 31 December 2019, bank overdrafts have an interest rate of MOR% per annum and are secured by the same collateral as the long-term loans from financial institutions (Note 30).

Outstanding promissory notes as at 31 December 2020 are promissory notes denominated in Thai Baht and are secured by the same collateral as the long-term loans from financial institutions (Note 30). The promissory notes have an interest rate at MLR% minus 2.50% per annum and are due for repayment within 90 days (31 December 2019: interest rates of MLR% minus 1.00% to MLR% per annum and are due for repayment within 90 days).

The movements of promissory notes for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year	227,400,000	337,613,000	-	-
Transfer in from business acquisition (Note 17.1)	39,980,950	-	-	-
Additions during the year	1,856,400,000	1,724,039,000	-	-
Repayments during the year	(1,858,480,950)	(1,834,252,000)	-	-
Closing balance for the year	265,300,000	227,400,000	-	-

26 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts payable				
- third party	86,450,675	127,841,837	-	-
- related party (Note 42 a))	18,388,791	17,351,746	-	-
Other accounts payable				
- third party	32,540,746	31,460,124	734,390	4,073,018
- related party (Note 42 a))	6,140,549	3,298,039	-	-
Accounts payable from purchases of fixed assets				
- third party	14,695,554	8,976,961	-	-
- related party (Note 42 a))	33,902,063	2,227,610	-	-
Accrued expenses	32,965,726	27,115,380	3,905,707	2,009,715
Accrued bonus	15,000,000	10,100,000	5,500,000	3,630,000
Accrued compensation for collateral shares (Note 42 a) and 44.2)	-	825,738	-	-
Accrued director remuneration (Note 42 a))	17,000	-	-	-
Accrued rental expense				
- third party	-	1,374,914	-	-
Accrued repair and maintenance expense				
- third party	25,806,314	13,958,518	-	-
Accrued interest expense				
- financial institutions	432,896	523,126	-	-
Dividend payable	240,471	-	240,471	-
Advance received				
- space rental - third party	13,158	13,158	-	-
- land rental - a related party (Note 42 a))	57,154	57,233	-	-
Retention				
- third party	2,012,788	606,967	-	-
- related party (Note 42 a))	227,039	3,560,195	-	-
Employee guarantee	72,480	127,500	-	-
	268,963,404	249,419,046	10,380,568	9,712,733

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

27 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Accrued withholding tax	5,731,810	6,941,350	603,732	3,952,988
Accrued social security fund	1,103,573	894,464	40,100	49,790
Accrued specific business tax	-	59,786	-	-
Accrued guarantee expense	3,030,000	-	-	-
	9,865,383	7,895,600	643,832	4,002,778

28 Provision for power plant maintenance under concession arrangement

The movements of provision for power plant maintenance under concession arrangement for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year	25,220,655	17,292,000	-	-
Additional provision	7,192,946	7,928,655	-	-
Closing balance for the year	32,413,601	25,220,655	-	-
<u>Less</u> Current portion	(32,326,916)	-	-	-
Closing balance for the year	86,685	25,220,655	-	-

29 Leases liabilities (net)

Lease liabilities (net) as at 31 December 2020 and 2019 are from assets rental agreements as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Lease liabilities	37,840,204	571,472	6,119,050	-
<u>Less</u> Deferred interest expense	(12,042,172)	(14,068)	(706,402)	-
Present value of lease liabilities	25,798,032	557,404	5,412,648	-
<u>Less</u> Current portion (net)	(1,330,493)	(390,720)	(816,379)	-
	24,467,539	166,684	4,596,269	-

As at 31 December 2020 and 2019, minimum payments to be made in subsequent years are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<u>Due of lease liabilities</u>				
Within 1 year	2,329,630	403,392	1,011,178	-
Later than 1 year but not later than 5 years	10,461,105	168,080	4,128,709	-
Later than 5 years	25,049,469	-	979,163	-
	37,840,204	571,472	6,119,050	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

30 Long-term loans from financial institutions (net)

Outstanding balances of long-term loans from financial institutions (net) as at 31 December 2020 and 2019 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Long-term loans from financial institutions	3,689,453,028	2,818,176,171	-	-
Effect from effective interest rate method calculation	6,980,003	306,378	-	-
<u>Less</u> Prepaid transaction cost for borrowings	(39,275,709)	(50,982,868)	-	-
Long-term loans from financial institutions (net)	3,657,157,322	2,767,499,681	-	-
<u>Less</u> Current portion (net)	(575,293,722)	(856,178,343)	-	-
	3,081,863,600	1,911,321,338	-	-

The movements of long-term loans from financial institutions (net) for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year	2,767,499,681	5,951,453,726	-	-
Cashflow:				
Additions during the year	1,854,238,757	124,360,577	-	-
Transfer-in from business acquisition (Note 17.1)	291,615,938	-	-	-
Repayments during the year	(546,592,543)	(871,704,335)	-	-
Prepayments	(727,985,295)	(2,439,280,000)	-	-
Transaction cost from borrowings	(15,383,682)	(2,140,000)	-	-
Change in non-cash transactions:				
Amortisation of prepaid transaction cost from borrowings	7,714,866	11,781,959	-	-
Reclassify prepaid transaction cost from borrowings	19,375,975	-	-	-
Effect from effective interest rate method calculation	6,673,625	(6,972,246)	-	-
Closing balance for the year	3,657,157,322	2,767,499,681	-	-

During the year 2019, Advance Agro Asia Company Limited, an indirect subsidiary, made a loan payment before the due date at some portion to a financial institution under the condition that the indirect subsidiary must amend the loan agreement made with the financial institution, so that the Group do not have a risk of readiness of a source of funds to be used in investing new projects. On 17 February 2020, the indirect subsidiary entered into the loan amendment agreement and made a payment to the rest of the loan, totalling Baht 388,720,000. Later, the indirect subsidiary drew down loan totalling Baht 1,050,000,000 during the year.

On 28 January 2020, a direct subsidiary entered into a long-term loan agreement with a financial institution in the amount of Baht 180,000,000. A repayment is guaranteed by the Company and shares, land and building and machines of the biomass power plant of Advance Bio Asia Company Limited, an indirect subsidiary. The Group can comply with all debt covenants and other conditions specified in each loan agreement.

On 2 June 2020, Alliance Clean Power Company Limited, an indirect subsidiary, entered into long-term loan agreement and short-term credit facilities with a financial institution in the total amount of Baht 807,400,000 for developing and operating the Municipal Solid Waste power plant in Krabi Municipality. During 2020, an indirect subsidiary has withdrawn loan amounting to Baht 624,238,757.

During 2020, Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited) and Asia Clean Energy Company Limited, subsidiaries paid outstanding long-term loan from financial institutions before the due date in the full amount of Baht 289,265,295 and Baht 50,000,000 respectively.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The minimum payment under long-term loan agreements from financial institutions as at 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Due within 1 year	588,138,800	895,461,900	-	-
Due later than 1 year but not later than 5 years	2,633,546,840	1,702,801,083	-	-
Due later than 5 years	467,767,388	219,913,188	-	-
	<u>3,689,453,028</u>	<u>2,818,176,171</u>	<u>-</u>	<u>-</u>

Outstanding balances of long-term loans from financial institutions as at 31 December 2020 and 2019 comprise the following:

	2020 Baht	2019 Baht
Subsidiaries		
Asia Clean Energy Company Limited	92,500,000	-
Advance Clean Power Company Limited	812,018,388	950,505,188
Advance Agro Power Plant Company Limited	174,078,184	294,078,184
Alliance Clean Power Company Limited	1,368,933,256	952,553,999
Advance Agro Asia Company Limited	1,050,000,000	388,720,000
Advance Asia Power Plant Company Limited	191,923,200	232,318,800
	<u>3,689,453,028</u>	<u>2,818,176,171</u>

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The requirements and conditions for long-term loans from local financial institutions as at 31 December 2020 and 2019 comprise the following:

Direct subsidiary – Asia Clean Energy Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
1	92.5	-	Payment for paid-up share capital of Advance Bio Asia Company Limited and company's financial support	180.0	Prime rate minus 2.50% per annum from 14 February 2020 which is the day the loan first withdrawn to maturity date	Agreement dated 28 January 2020, monthly repayment for principal and interests at the last business day after the first drawdown, totally 48 installments.	Loans contract no. 1 is secured: 1) by the Advance Bio Asia Company Limited's land, buildings, and machines (Note 9) 2) by business collateral registration of Advance Bio Asia Company Limited's machines and savings account 3) by all of the Advance Bio Asia Company Limited's registered share capital (Note 17) 4) by transfer the rights on Power Purchase Agreement ("PPA") of Advance Bio Asia Company Limited 5) by Absolute Clean Energy Public Company Limited
Total	92.5	-					

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Clean Power Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
1	374.8	460.1	To refinance from existing loan	874.0	MLR minus 0.50% to 1.00% per annum Then, there was the 5 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 25 February 2015, monthly repayment for principal and interests at the last business day after the first drawdown, totally 120 installments.	Loans contract no. 1 and no. 2 are secured: 1) by the company's land, buildings, and machines (Note 18 and 19) 2) by the company's and Shaiyo AA Company Limited's, a related party, directors. However, the agreement dated 11 April 2018, the guarantee by the company's and the related party's directors have been cancelled. 3) by all of the company's registered share capital (Note 17) 4) by the company's bank account's original books (Note 12) 5) by transfer the rights on Power Purchase Agreement ("PPA") 6) by the power of attorney to receive payments from PPA 7) by transfer the rights on the agreements of power plants at Ban Bueng, Chonburi, Pon Thong, Roi-et and Bo Phloi, Kanchanaburi. 8) by prepare the insurance policy 9) by the company's permitted investments (if any) 10) by transfer rights on land rental only for loan contract no. 2 11) by bank guarantee's claim only for loan contract no. 2 12) by Collateral Deposit Agreement
2	437.3	490.4	To pay for the biomass power plant construction, Bo Phloi	659.0	Credit facility for biomass power plant construction bears an interest rate at MLR minus 0.50% to 0.75% per annum. Then, there was the 2 nd amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 6 September 2016, monthly repayment for principal and interests at the last business day after the first drawdown, totally 120 installments.	

Total 812.1 950.5

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Agro Power Plant Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
1	99.1	159.1	Payment for power plant construction in Chokchai, Chokchai, Nakhon Ratchasima	520.0	MLR to MLR minus 1.00% per annum Then, there was the 8 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 11 October 2011, repayments for interest is based on monthly basis since next month end after first loans agreement withdrawn. The 2 nd amendment agreement dated 28 March 2013, repayment for principal in every 3 months since June 2013 to September 2022. The 4 th amendment to agreement dated 22 April 2015, repayments for interest is based on monthly basis since April 2015 to September 2022.	Loans contract no. 1 and no. 2 are secured: 1) by the company's land, buildings and machines (Note 19) 2) by the company's director. However, the agreement dated 11 April 2018, the guarantee by the company's director was cancelled. 3) by all of the company's registered share capital (Note 17) 4) by the company's bank account's original books (Note 12) 5) by transfer the rights claiming to external parties to the financial institution 6) by prepare the insurance policy 7) by Collateral Deposit Agreement
2	75.0	135.0	Payment for power plant construction in Tanee, Prasat, Surin	540.0	MLR to MLR minus 1.00% per annum Then, there was the 8 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 11 October 2011, repayments for interest is based on monthly basis since next month end after first loans agreement withdrawn. The 2 nd amendment agreement dated 28 March 2013, repayment for principal in every 3 months since March 2013 to March 2022. The 4 th amendment to agreement dated 22 April 2015, repayments for interest is based on monthly basis since April 2015 to March 2022.	
Total	174.1	294.1					

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
1 a)	196.4	253.4	Repayment of loan and interest for power plant construction in Si Chiang Mai, Nong Khai	480.0	MLR minus 1.00% per annum Then, there was the 4 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 15 January 2015, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made in total 120 monthly installment from January 2015 to December 2024.	Loans contract no. 1 a) and 1 b) are secured: 1) by the company's land, buildings and machine (Note 19) 2) by all of the company's registered share capital (Note 17) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the rights on supply and installation power plant equipment agreement 6) by transfer the rights on insurance contracts 7) by the company's director and Shaiyo AA Company Limited, which is a related party. However, the agreement dated 11 April 2018, the guarantee by the company's and related party's directors have been cancelled. 8) by the company's bank accounts original books (Note 12) 9) by the company's permitted investments (if any). 10) by Collateral Deposit Agreement
1 b)	279.6	341.1	For power plant construction in Sirindhorn, Ubon Ratchathani	545.0	MLR minus 1.00% per annum Then, there was the 4 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 15 January 2015, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made in total 120 monthly installments since July 2015 and repaid total withdrawn amount within August 2025.	

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
2	268.7	358.1	For municipal solid waste power plant construction in Nonthon, Mueang, Khon Kaen	615.0	MLR minus 1.00% per annum Then, there was the 2 nd amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 4 December 2015, repayment for interest is on monthly basis since the loan first withdrawn. The principal repayment is made in total 84 monthly installments since 3 months after COD or October 2016 whichever comes first and repaid total withdrawn amount within 87 months after COD or 98 months after first repayment or October 2023 whichever comes first.	Loans contract no. 2 are secured : 1) by the company's machines and equipment (Note 19) 2) by all of the company's registered share capital (Note 17) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the leasehold right under buildings and property rental, land rental and waste management service by generating electricity agreements, and power plant supply and installation equipment 6) by transfer the rights on insurance contracts 7) by the company's director and Shaiyo AA Company Limited and Global Woodchip Trading Company Limited, which are related parties. However, the agreement dated 11 April 2019, the guarantee by the Company's and the related parties directors were cancelled. 8) by transfer the company's bank account's original books (Note 12) 9) by the company's permitted investments (if any) 10) by agreement to be provided financial supports by Advance Agro Power Plant Company Limited, Advance Asia Power Plant Company Limited and Advance Clean Power Company Limited which are subsidiaries of Asia Clean Energy Company Limited (Note 44.2) 11) by Collateral Deposit Agreement

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
3 a)	605.9	-	For municipal solid waste power plant construction in Sathai, Mueang, Krabi	706.0	MLR minus 2.50% per annum from 11 September 2020, the day the loan first withdrawn to 1 year after the commercial operation date which is 28 December 2020. After that, MLR minus 1.25% per annum shall be applied	Agreement dated 2 June 2020, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made in total 115 monthly installments since 6 months after COD or February 2022 whichever comes first and repaid total withdrawn amount within 10 years after COD or 11 years 5 months from signing date whichever comes first.	Loans contract no. 3 a) and 3 b) are secured : 1) by the company's machines and equipment (Note 19) 2) by all of the company's registered share capital (Note 17) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the leasehold right under buildings and property rental, land rental and waste management service by generating electricity agreements, and power plant supply and installation equipment 6) by transfer the rights on insurance contracts 7) by Asia Clean Energy Company Limited, parent company 8) by transfer the company's bank account's original books (Note 12) 9) by the company's permitted investments (if any) 10) by agreement to be provided financial supports by Asia Clean Energy Company Limited, the parent company (Note 25.2) 11) by Collateral Deposit Agreement 12) transferred the right by of subordinated loan pledged promissory notes
3 b)	18.3	-	To pay value added tax for municipal solid waste power plant construction in Sathai, Mueang, Krabi	23.4	MLR minus 2.50% per annum from 11 September 2020, the day the loan first withdrawn onwards	Agreement dated 2 June 2020, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made within 2 years since COD or 3 years 5 months from signing date whichever comes first.	
Total	1,368.9	952.6					

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
1	1,050.0	388.7	Payment for power plant construction in Koh Khanun, Phanom Sarakham, Chachoengsao Later, there is amended credit facilities agreement dated 17 February 2020 which divided the credit facilities to additional 2 credit facilities. 1) Tranche D for repayment of loan to Asia Clean Energy Company Limited which is effective from 17 February 2020 to December 2021 2) Tranche E for repayment of Tranche D which is effective from January 2022 to December 2033	2,940.0	MLR minus 0.50% - 1.00% per annum Then, there was the waiver letter No.AAA-FA012/2019 dated 1 July 2019 specifying a new interest rate. The conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.00% per annum 2) After 2 years: MLR minus 1.50% per annum Later, there is amended credit facilities agreement dated 17 February 2020 which the interest rate is as follows: 1) Tranche D's interest rate is MLR minus 2.50% 2) Tranche E's interest rate is MLR minus 2.50% since January 2022 to December 2023 and then, MLR minus 1.50% until the end of contract	The contract dated 3 April 2015 with monthly interest payment starting from 6 months after COD date. The first repayment of principal is no later than 30 June 2017. At the Board of Directors' Meeting of Advance Agro Asia Company Limited No. 102562 on 12 December 2019, the Board of Directors had approved to prepay a loan to a financial institution which is in accordance with the loan agreement dated 3 April 2015. The prepayment was made using cash received from short-term loan from Asia Clean Energy Company Limited. However, under the condition that Advance Agro Asia Company Limited has to amend the loan agreement made with a financial institution so that the Group do not have a risk regarding the readiness of the sources of funds to be used in investing in new project according to the objectives of using the proceeds from the sale of newly issued shares offered to the public for the first time of the Company. On 26 December 2019, Advance Agro Asia Company Limited partly prepaid the long-term loan of Baht 2,240 million and on 17 February 2020, Advance Agro Asia Company Co., Ltd. had entered into the loan amendment agreement dated 3 April 2015 with the full repayment of the remaining long-term loan. From amended credit facilities agreement dated 17 February 2020, the Company must repay loan for Tranche D until the outstanding balance of the loan is equal to Tranche E by December 2021 and must draw down Tranche E totalling Baht 2,337 million on 1 January 2022. The principal repayment of Tranche E is made in total 144 monthly installment from January 2022 to December 2033.	Loans contract no. 1 and 2 are secured: 1) by the company's land, buildings and machines (Note 19) 2) by the Company's director and Shaivo AA Company Limited which is related party. However, the agreement dated 11 April 2018, the guarantees by the Company's director and the related party have been cancelled. 3) by transfer the rights on EPC contract, O&M, Leasing contract, Gas Purchase Agreement and Power Purchase Agreement with Electricity Generating Authority of Thailand (EGAT) (Note 17) 5) by the company's bank account's original books (Note 12) 6) by transfer the rights claiming from external parties to the financial institution 7) by prepare insurance contracts
Total	1,050.0	388.7					

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Asia Power Plant Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2020 (Million Baht)	2019 (Million Baht)					
1 a)	156.0	188.8	Refinance loan from existing loan	358.5	MLR minus 1.00% per annum Then, there was the 5th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 25 February 2015, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal is repaid in 120 monthly installments from March 2015 to February 2025.	Loans contracts no. 1 a) and 1 b) are secured: 1) by the company's land, buildings and machines (Note 19 and 20) 2) by all of the company's registered share capital (Note 17) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the rights on agreement related to power plant at Namphong, Khon Kaen 6) by transfer the rights in insurance contracts by the company's director and Shaiyo AA Company Limited, which is a related party. 7) However, the agreement dated 11 April 2018, the guarantee by the company's and the related party's directors were cancelled. 8) by the company's bank account's original books (Note 12) 9) by the Company's permitted investments (if any). 10) by Collateral Deposit Agreement
1 b)	35.9	43.5	Repayment of interest, bank fee and other expenses from refinance and loan to Asia Clean Energy Company Limited for financial support in other projects	82.5			
Total	191.9	232.3					
	3,689.5	2,818.2					

The Group is subject to the terms of loan agreements, which require each company to mortgage, and pledge land, buildings and machines as collaterals, and restricted deposits at the financial institutions to be reserved for the repayment of principal and interest on loans. These reserves were from revenue received from the sales of electricity (Note 12). In addition, the Group is required to transfer right in Power Purchase Agreement and insurance policy to the financial institutions. Besides, the Group can comply with debt covenant which require the Group to maintain financial ratios, proportion of shareholding of management and other conditions specified in each loan agreement.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

The carrying amount and fair value of long-term loans as at 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Long-term loans - carrying amount	3,657,157,322	2,767,499,681	-	-
Long-term loans - fair value	3,531,678,844	2,686,782,611	-	-

The fair values of long-term loans are based on discounted cash flow using a discount rate based upon the borrowing rate, referred to commercial bank rate, which the management expects that it would be available to the Group at the statement of financial position date. The fair values are within level 2 of the fair value hierarchy.

The Group's interest rates risks from loans are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Loans at floating interest rates	3,689,453,028	2,818,176,171	-	-

The effective interest rates as at 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 %	2019 %	2020 %	2019 %
Loans from financial institutions	3.02 to 4.05	3.87 to 4.42	-	-

Unused credit facilities

The Groups unused credit facilities as at 31 December 2020 and 2019 comprise the following:

	Consolidated financial statement									
	2020					2019				
	Bank overdrafts Baht	Promissory notes Baht	Letters of guarantee Baht	Long-term loans Baht	Letters of guarantee and short-term loans Baht	Bank overdrafts Baht	Promissory notes Baht	Letter of guarantees Baht	Long-term loan Baht	Letters of guarantee and short-term loans Baht
Floating interest rates	-	-	-	-	3,262,987,335	-	-	-	-	158,451,722
- Due within 1 year	50,000,000	254,547,575	20,035,131	1,536,881,243	-	49,999,988	222,447,575	19,058,084	-	-
- Due later than 1 year	50,000,000	254,547,575	20,035,131	1,536,881,243	3,262,987,335	49,999,988	222,447,575	19,058,084	-	158,451,722

Separate financial statement

As at 31 December 2020 and 2019, the Company has no loan agreement with a financial institution. Therefore, there is no unused credit facilities.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

31 Debentures (net)

The movements of debentures (net) for the years ended 31 December 2020 and 2019 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year (net)	-	1,476,506,135	-	1,476,506,135
Cashflows:				
Early redemption of debentures	-	(1,500,000,000)	-	(1,500,000,000)
Changes in non-cash transactions:				
Amortisation of underwriting fee	-	23,493,865	-	23,493,865
Closing balance for the year (net)	-	-	-	-
<u>Less</u> Current portion (net)	-	-	-	-
	-	-	-	-

During the year ended 31 December 2019, the Company has early redeemed debentures in total amount of 1,500,000 units at Baht 1,000 each, totalling Baht 1,500,000,000.

On 12 March 2020, the Company received a letter from KTB Securities (Thailand) Public Company Limited, the bond holder representative, notifying that the debentures are due and redeemed. All collateral of these debentures are completely released (Note 44.2).

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

32 Employee benefit obligations

The amounts recognised in the statements of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Present value of unfunded obligations	7,813,701	3,678,205	3,495,896	1,016,915

Movements of employee benefit obligations for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year	3,678,205	3,869,889	1,016,915	537,505
Current service cost	867,670	833,259	54,571	39,693
Past service cost in accordance with the amended Labour Protection Law	-	231,120	-	175,085
Interest cost	58,528	104,828	15,322	19,183
	4,604,403	5,039,096	1,086,808	771,466
Remeasurement of employee benefit obligations				
(Gain)/loss from change in demographic assumption	5,853,182	(5,761)	2,123,211	181
(Gain)/loss from change in financial assumption	162,375	118,401	72,442	52,400
(Gain)/loss from change in experience	(2,806,259)	(1,473,531)	213,435	192,868
	3,209,298	(1,360,891)	2,409,088	245,449
Closing balance for the year	7,813,701	3,678,205	3,495,896	1,016,915

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year 2019.

Principal actuarial assumptions used for employee benefit obligations are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate (%)	1.36	1.18 - 2.15	1.36	1.43
Expected future salary increase (%)	5.91	2.16 - 5.76	5.91	5.76
Staff turnover rate (%)	0 - 100	0 - 100	0 - 100	0 - 100

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Sensitivity analysis for principal actuarial assumptions as at 31 December 2020 and 2019 are as follows:

Consolidated financial statements			
2020			
Effect on employee benefit obligations due to			
Change in assumption	Increase from change in assumption		Decrease from change in assumption
	Baht		
Discount rate	0.50%	(209,261)	223,800
Salary increase rate	0.50%	201,329	(190,674)
Staff turnover rate	0.50%	(227,704)	142,090
Consolidated financial statements			
2019			
Effect on employee benefit obligations due to			
Change in assumption	Increase from change in assumption		Decrease from change in assumption
	Baht		
Discount rate	0.50%	(66,877)	70,384
Salary increase rate	0.50%	65,118	(62,631)
Staff turnover rate	0.50%	(78,164)	82,711

The above sensitivity analysis is based on a change in one of assumptions while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The calculation method for sensitivity analysis of the defined benefit obligation which affect the principal actuarial assumptions is the same method as the calculation of retirement benefit obligation recognised in the statement of financial position at the end of accounting period.

The methods and types of assumptions used in preparing the sensitivity analysis do not change from the previous year.

The Group has various risks related to employee retirement benefits. The significant risk is the change in the real rate of return of bond. The decrease in real rate of return from government bond resulted of increase in employee benefit obligations.

The weighted average duration of the defined benefit obligation of the Group is 10 years (2019 : 2 - 25 years).

The analysis of undiscounted retirement benefits' maturity as at 31 December 2020 and 2019 comprises the following:

	Post-employment benefit (Baht)	
	Consolidated	
	financial statements	
	2020	2019
	Baht	Baht
Due within 1 year	2,983,116	2,344,416
Due later than 1 year but not later than 5 years	3,952,469	2,215,591
Due later than 5 years	4,074,576	1,066,642
	11,010,161	5,626,649

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

33 Share capital

	Consolidated and Separate financial statements				
	Registered share capital		Issued and fully paid-up capital		Share premium
	Shares	Baht	Shares	Baht	Baht
As at 1 January 2019	10,975,999,960	5,487,999,980	9,157,999,960	4,578,999,980	-
Call for paid-up share capital	-	-	1,018,000,000	509,000,000	3,896,006,978
As at 31 December 2019	10,975,999,960	5,487,999,980	10,175,999,960	5,087,999,980	3,896,006,978
Call for paid-up share capital	-	-	-	-	-
As at 31 December 2020	10,975,999,960	5,487,999,980	10,175,999,960	5,087,999,980	3,896,006,978

On 13 November 2019, the Company issued the share capital increased following the resolution of Extraordinary General Shareholders' Meeting No. 1/2561 by issuance of 1,018,000,000 shares, par value of Baht 0.50 each. The Company set the IPO price for offering to the public at the rate of Baht 4.40 per share. The Company received the share subscription of Baht 4,479,200,000 and recorded the share premium of Baht 3,970,200,000 and offset with expenses related to issuance of share of Baht 74,193,022 in the equity which impacted to the increase in share premium in statement of financial position of Baht 3,896,006,978. The Company registered the share capital increase with the Ministry of Commerce on 8 November 2019.

As at 31 December 2020 and 2019, share premium presented in statement of financial position at Baht 3,896,006,978.

As at 31 December 2020 and 2019, the total authorised number of ordinary shares issued and fully paid-up is 10,175,999,960 shares with a par value at Baht 0.50 per share.

34 Dividend

On 15 May 2020, at the Board of Directors' Meeting No.4/2563, the Board of Directors approved a payment of interim dividend from the unappropriated retained earnings as at 31 March 2020 at a rate of Baht 0.03 per share, amounting to Baht 305,279,807. The dividend was paid to shareholders on 15 June 2020.

35 Legal Reserve

According to Public Limited Company Act, the Company must appropriate part of its annual net profits to reserve fund in an amount of not less than five percent of the annual net profits with the deduction therefrom the amount representing the accumulated loss carried forwards (if any) until this reserve fund reaches the amount of not less than ten percent of the registered capital, unless a greater amount of the reserve fund is required by the articles of association of the company or other laws. The legal reserve is non-distributable, and must be approved by the Annual General Meeting of Shareholder.

As at 31 December 2020, unappropriated retained earnings for the consolidated financial statements includes legal reserve of 8 subsidiaries amounting to Baht 515,014,269 (31 December 2019 : legal reserve of 5 subsidiaries amounting to Baht 219,572,759).

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

36 Sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Sales of electricity				
- Provincial Electricity Authority	2,771,252,491	2,526,502,154	-	-
- third party	8,821,113	4,802,843	-	-
- related party (Note 42 c))	28,586,518	23,521,649	-	-
Revenue from power plant maintenance service				
- third party	47,807,753	-	-	-
Sales of electricity - FiT Premium	152,874,824	170,328,709	-	-
Revenue from service under				
a Power Purchase Agreement	1,394,899,070	1,628,017,072	-	-
Adder	128,622,547	129,177,290	-	-
Revenue from waste management				
- third party	40,263,551	37,361,345	-	-
Sales of steam				
- related party (Note 42 c))	13,236,611	20,541,053	-	-
Management service income				
- related party (Note 42 c))	-	-	75,280,000	72,483,000
	4,586,364,478	4,540,252,115	75,280,000	72,483,000

Sales of FIT Premium electricity is support revenue from the Provincial Electricity Authority (PEA) for projects which are 1) biomass power plants entering into Power Purchase Agreements with the PEA as Very Small Power Producers (VSPP). As announced by the Energy Regulatory Commission, 'The pricing of Electricity Purchasing in Feed - in Tariff system B.E. 2559', FIT Premium is Baht 0.30 per unit and is effective for eight years from the commercial operation date (COD). 2) municipal solid waste power plant at Krabi entering into Power Purchase Agreement with the PEA as Very Small Power Producers (VSPP). As announced by the Energy Regulatory Commission, 'Power Procurement from Municipal Solid Waste Power Projects under the Feed-in Tariff (FIT) Scheme B.E. 2559 (2016)', FIT Premium is Baht 0.70 per unit and is effective for eight years from the commercial operation date (COD).

Adder is additional revenue from solid waste power plant at Khon Kaen according to a Power Purchase Agreement with Provincial Electricity Authority (PEA) as a Very Small Power Producers (VSPP). The producer will receive the adder of Baht 3.50 per unit for seven years from the commercial operation date (COD).

Cost of sales and services

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of sales	(1,929,054,149)	(1,833,660,134)	-	-
Cost of services	(1,267,212,413)	(1,491,040,418)	(55,173,748)	(55,615,848)
	(3,196,266,562)	(3,324,700,552)	(55,173,748)	(55,615,848)

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

37 Other income

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest income				
- financial institutions	1,530,609	6,354,152	102,852	2,930,197
- related party (Note 42 c))	-	-	-	27,531
Rental income				
- related party (Note 42 c))	306,817	306,660	-	-
Revenue from sales of spare parts				
- related party (Note 42 c))	496,701	-	-	-
Income from sales of scraps	783,612	153,949	-	-
Gain on fixed assets disposal	81,237	-	-	-
Net insurance claim from damage of building, machinery and equipment	171,947,538	23,949,976	-	-
Gain on sales of short-term investments	298,648	1,128,221	-	-
Others	3,191,864	1,006,218	2,298,402	-
	178,637,026	32,899,176	2,401,254	2,957,728

During the year ended 31 December 2020, an indirect subsidiary received claims from insurance companies totalling Baht 171.95 million. The claims was compensation for damaged machines in Commissioning & Test Run in 2016. The indirect subsidiary has already repaired and now can normally operate.

38 Expenses by nature

The significant expenses for the years ended 31 December 2020 and 2019 are classified by nature as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Fuel raw materials and consumable materials usage	(2,084,668,904)	(2,211,493,779)	-	-
Depreciation and amortisation charges	(541,390,434)	(527,126,795)	(3,936,708)	(618,763)
Staff cost and other benefits	(350,291,473)	(351,189,446)	(54,579,679)	(55,341,467)
Charges of engineering and other services	(188,590,986)	(220,335,222)	(17,222,811)	(9,069,738)
Rental, electricity and utilities expenses	(45,701,920)	(47,701,559)	(5,824,939)	(10,066,569)
Administrative expenses	(65,896,807)	(60,855,207)	-	-
Repair and maintenance of power plant	(166,887,898)	(149,997,582)	(58,654)	-
Loss on write-off of fixed assets	(14,428,816)	(13,585,774)	-	-
Reversal (loss) of impairment of fixed assets	804,388	16,177,850	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

39 Finance costs

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest expense from debentures	-	(95,665,755)	-	(95,665,755)
Interest expense from borrowings				
- financial institutions	(93,955,147)	(281,603,650)	-	-
- related party (Note 42 c))	-	-	-	(1,657,164)
Interest expense from liabilities under finance lease agreements	(882,632)	(25,461)	(73,274)	-
Amortisation of prepaid transaction cost from debentures	-	(23,493,865)	-	(23,493,865)
Commitment fee	(4,192,548)	-	-	-
Amortisation of prepaid transaction cost from borrowings	(7,289,431)	(11,781,959)	-	-
	(106,319,758)	(412,570,690)	(73,274)	(120,816,784)

40 Income (expense) tax

Reconciliations of income tax for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current tax on profits for the year	(24,578,729)	(3,982,658)	-	-
Write-off withholding tax	(66,752)	(4,564,268)	-	(2,349,495)
Deferred income tax (Note 23)	(17,960,356)	11,459,935	13,978	4,745,565
	(42,605,837)	2,913,009	13,978	2,396,070

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Income tax for profit before tax of the Group and the Company has difference from the calculation of the accounting profit multiplied by tax rate of a country that the parent company is settled. The details are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit (loss) before tax	1,550,246,569	812,392,678	655,517,995	(126,672,838)
Tax calculated at tax rate of 20% (2019: 20%)	(310,049,314)	(162,478,536)	(131,103,599)	25,334,568
Tax effect of:				
Expense not deductible for tax purpose	(4,189,965)	(6,290,828)	(337,963)	(2,989)
Expense deductible for tax purpose	-	-	-	14,800,509
Revenue from tax exempt business	-	-	134,207,000	-
Expense additionally deductible for tax purpose	30,119,391	25,101,953	-	-
Profit not subject to tax due to privileges from BOI	220,222,651	192,538,565	-	-
Utilisation of previously unrecognised deferred tax assets on tax losses	11,871,306	3,456,818	-	-
Temporary difference for which no deferred income tax was recognised	(396,660)	2,460,811	-	-
Tax losses of indirect subsidiaries after business acquisition	7,240,213	-	-	-
Loss utilisation during the year after business acquisition	8,427,584	-	-	-
Tax losses for which no deferred income tax asset was recognised	(5,784,291)	(47,311,506)	(2,751,460)	(35,386,523)
Written-off prepaid withholding tax	(66,752)	(4,564,268)	-	(2,349,495)
	(42,605,837)	2,913,009	13,978	2,396,070

The weighted average applicable tax rate which are used for the Group and the Company are 0.3% and 0.0% respectively (2019: 0.4% and 0.0% respectively).

41 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to common stock shareholders by the weighted average number of ordinary shares.

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit (loss) attributed to the shareholders of the parent company (Baht)	1,507,640,732	815,305,687	655,531,973	(124,276,768)
Weighted average number of ordinary shares (Shares)	10,175,999,960	9,308,608,179	10,175,999,960	9,308,608,179
Basic earnings (loss) per share (Baht per share)	0.15	0.09	0.06	(0.01)

There are no potential dilutive ordinary shares issued during the report date. Thus, The dilutive earnings (loss) per share figure is not presented.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

42 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 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.

As at 31 December 2020, most of company's shares were held by members of Songmetta family in proportion of 78.18% (2019: 78.52%). This makes the Group under Songmetta family's control.

As at 31 December 2020 and 2019, the Company's shares were held by individuals and companies as follows:

	Nationality	No. of shares		Percentage of shares	
		2020	2019	2020	2019
Members of Songmetta family	Thai	7,955,582,520	7,990,053,520	78.18	78.52
Siam Commercial Bank Public Company Limited	Thai	363,451,540	379,103,940	3.57	3.73
Individuals and others	-	1,856,965,900	1,806,842,500	18.25	17.75
		10,175,999,960	10,175,999,960	100.00	100.00

Relationships between the Company and related parties are as follows:

List of related parties	Country/ Nationality	Relationship
Mr. Wirachai Songmetta	Thai	Shareholder
Mr. Natt Songmetta	Thai	Shareholder
Mr. Tanavijit Ankapipatchai	Thai	Shareholder and director
Mr. Teerawut Songmetta	Thai	Shareholder and director
Mr. Pornmett Songmetta	Thai	Shareholder and director
Ms. Jiratha Songmetta	Thai	Director
Mr. Pranai Suwanrath	Thai	Director
Ms. Chonticha Chitraarporn	Thai	Director
Ms. Patchanee Suteevitanunt	Thai	Director
Mr. Nuekruk Baingern	Thai	Director
Mr. Charoon Intachan	Thai	Director
Mr. Tanachai Banditvorapoom	Thai	Director
Mrs. Jintana Songmetta	Thai	Close relative of director
Mr. Suthep Songmetta	Thai	Close relative of director
Asia Clean Energy Company Limited	Thai	Subsidiary of Absolute Clean Energy Public Company Limited
Advance Clean Power Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Agro Power Plant Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Farm Tree Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Alliance Clean Power Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Agro Asia Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Asia Power Plant Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
ACE Solar Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Bio Asia Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Bio Power Plant Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Power Supply and Maintenance Service Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Absolute Clean Water Company Limited (Formerly named Prasatporm Rungrueng Company Limited)	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited)	Thai	Subsidiary of Asia Clean Energy Company Limited (since 21 August 2020)
Advance Bio Energy Company Limited (Formerly named UWC Amphan Company Limited)	Thai	Subsidiary of Asia Clean Energy Company Limited (since 21 August 2020)
Satuek Biomass Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited (since 21 August 2020)
Rice For Health Company Limited	Thai	Common shareholder
Smart Community Company Limited	Thai	Common shareholder
Advance Carbon Security Venture Company Limited	Thai	Shareholder and common director

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

List of related parties	Country/ Nationality	Relationship
Shaiyo Triple A Company Limited	Thai	Shareholder and common director
Advance Power Plant Company Limited	Thai	Shareholder and common director
Laemkhao Woodchip Company Limited	Thai	Shareholders are close relatives of directors
Triple A Board Company Limited	Thai	Subsidiary of related parties and common director
SM Farm Tree Company Limited	Thai	Subsidiary of related parties and common director
Shaiyo Supply Chain Company Limited	Thai	Subsidiary of related parties and common director
Sribenjalak Company Limited	Thai	Subsidiary of related parties and common director
Advance Asia Fiber Company Limited	Thai	Subsidiary of related parties
Shaiyo Motor Service Company Limited	Thai	Subsidiary of related parties
Global Woodchips Company Limited	Thai	Subsidiary of related parties
Advance Asian Company Limited	Thai	Subsidiary of related parties
Shaiyo AA Company Limited	Thai	Subsidiary of related parties
Advance Asia Industrial Park Company Limited	Thai	Subsidiary of related parties
Sribanpai Company Limited	Thai	Subsidiary of related parties
Advance Asia Engineering Company Limited	Thai	Subsidiary of related parties
Advance Energy Development Company Limited	Thai	Subsidiary of related parties
AED Fabrication Company Limited	Thai	Subsidiary of related parties
Goodwill Innovation and Engineering Company Limited	Thai	Subsidiary of related parties
Suanmai Shaiyo Company Limited	Thai	Subsidiary of related parties
CSR and GRM Management Company Limited	Thai	Subsidiary of related parties
Advance Professional Training Company Limited	Thai	Subsidiary of related parties
Advance Alliance Logistics Company Limited	Thai	Subsidiary of related parties
Asia Boiler Company Limited	Thai	Subsidiary of related parties
(Formerly named Clean Bio Fuel Company Limited)		
Energy World Group Company Limited	Thai	Subsidiary of related parties
Namphong Smile Company Limited	Thai	Subsidiary of related parties
Global Woodchip Trading Company Limited	Thai	Subsidiary of related parties
Advance Utilities Company Limited	Thai	Subsidiary of related parties
(Formerly named as Boon Bundan Rungrueng Company Limited)		
Eco Green Tree Company Limited	Thai	Subsidiary of related parties
Siam Agro Industry Product Trading Company Limited	Thai	The Company under common control of Company's shareholder
24 Mansion Company Limited	Thai	The Company under common control of Company's shareholder
Triple A Paper Company Limited	Thai	The Company under common control of Company's shareholder
Si Nin Rice Company Limited	Thai	The Company under common control of Company's shareholder
Shaiyo Smile Company Limited	Thai	The Company under common control of Company's shareholder
Agro Energy Supply Company Limited	Thai	The Company under common control of Company's shareholder
(Formerly named Global Positioning and Information Company Limited)		
Ascender Limited	British Virgin Island	The Company under common control of Company's shareholder
Ms. Vanicha Noimanop	Thai	Shareholder of related parties
Ms. Ninnart Wattanapornpittaya	Thai	Shareholder of related parties
Mr. Chavalit Sakuldamrongpanich	Thai	Director of related parties
Mr. Chaiyant Thongsinkasem	Thai	Director of related parties
Ms. Preyaporn Suvanphob	Thai	Director of related parties
Ms. Supamas Tonta	Thai	Director of related parties
Mrs. Chanya Sangkaha	Thai	Director of Asia Clean Energy Company Limited's subsidiary
Mr. Chanachon Tubvichin	Thai	Director of Asia Clean Energy Company Limited's subsidiary (Resigned in the second quarter of 2019)
Mr. Winai Buapradit	Thai	Director of Asia Clean Energy Company Limited's subsidiary
Mr. Pasin Chokpalasin	Thai	Person under common control of Company's shareholder

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Related-party transactions are as follows:

- a) Outstanding balances as at 31 December 2020 and 2019 arising from purchases/sales of goods and services and others are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts receivable - billed (Note 13)				
related party	7,917,744	7,598,611	-	-
indirect subsidiary	-	-	-	363,800
	7,917,744	7,598,611	-	363,800
Trade accounts receivable - unbilled (Note 13)				
related party	3,390,121	4,128,767	-	-
	3,390,121	4,128,767	-	-
Other account receivable (Note 13)				
related party	5,882,170	-	-	-
	5,882,170	-	-	-
Accrued land rental income (Note 13)				
related party	54,925	54,925	-	-
	54,925	54,925	-	-
Advance payment for repair and maintenance of machinery (Note 13)				
related party	3,086,107	1,548,391	-	-
	3,086,107	1,548,391	-	-
Advance payment for land rental				
related person and related party	-	11,543,409	-	-
<u>Less</u> Due within 1 year (Note 13)	-	(515,552)	-	-
Due later than 1 year (Note 24)	-	11,027,857	-	-
Advance payment for construction and purchase of fixed assets				
related party	9,044,500	142,427,718	-	-
	9,044,500	142,427,718	-	-
Deposit (Note 24)				
related party	-	257,005	-	257,005
	-	257,005	-	257,005
Trade accounts payable (Note 26)				
related party	18,388,791	17,351,746	-	-
	18,388,791	17,351,746	-	-
Other accounts payable (Note 26)				
related party	6,140,549	3,298,039	-	-
	6,140,549	3,298,039	-	-
Accounts payable from purchases of fixed assets (Note 26)				
related party	33,902,063	2,227,610	-	-
	33,902,063	2,227,610	-	-
Accrued bonus				
directors and managements	4,217,350	4,086,500	3,548,850	3,630,000
	4,217,350	4,086,500	3,548,850	3,630,000
Accrued compensation for collateral shares (Note 26)				
related party	-	825,738	-	-
	-	825,738	-	-
Accrued director remuneration expense (Note 26)				
related person	17,000	-	-	-
	17,000	-	-	-
Advance received for land rental (Note 26)				
related party	57,154	57,233	-	-
	57,154	57,233	-	-
Retention (Note 26)				
- related party	227,039	3,560,195	-	-
	227,039	3,560,195	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

- b) Short-term loan to an indirect subsidiary as at 31 December 2020 and 2019 is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Short-term loan to indirect subsidiary	-	-	120,000,000	-
	-	-	120,000,000	-

Outstanding short-term loan to an indirect subsidiary as at 31 December 2020 is the unsecured promissory note denominated in Thai Baht, no interest and due for repayment at call. The company received a transfer of debt in accordance with share purchase agreement from a third party at fair value.

The movements of short-term loan to an indirect subsidiary for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year	-	-	-	700,000
Addition during the year	-	-	-	-
A purchase of debt (Note 17.1)	-	-	120,000,000	-
Received during the year	-	-	-	(700,000)
Closing balance for the year	-	-	120,000,000	-

- c) The significant income and expenses with related parties for the years ended 31 December 2020 and 2019 are as follows :

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Sales of electricity (Note 36)				
related party	28,586,518	23,521,649	-	-
	28,586,518	23,521,649	-	-
Sales of steam (Note 36)				
related party	13,236,611	20,541,053	-	-
	13,236,611	20,541,053	-	-
Management service income (Note 36)				
direct subsidiary	-	-	4,770,000	5,415,000
indirect subsidiary	-	-	70,510,000	67,068,000
	-	-	75,280,000	72,483,000

In 2020, the Company entered into management service agreements with 15 subsidiaries. (2019 : 12 subsidiaries). The Company provided services for corporate governance, accounting, human resources, legal affairs, licensing, information technology and consulting on business operations and other matters. Rates were based on agreed prices. The agreements ended on 31 December 2020. If the parties do not notify an intention to terminate the agreements, they will automatically be valid for one more year.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Dividend income				
direct subsidiary	-	-	671,034,998	-
	-	-	671,034,998	-
Interest income (Note 37)				
direct subsidiary	-	-	-	25,685
indirect subsidiary	-	-	-	1,846
	-	-	-	27,531
Rental income (Note 37)				
related party	306,817	306,660	-	-
	306,817	306,660	-	-
Sale of spare part income (Note 37)				
related party	496,701	-	-	-
	496,701	-	-	-
Cost of construction under Concession arrangement				
related party	834,980,424	101,135,690	-	-
	834,980,424	101,135,690	-	-
Interest expense from borrowings (Note 39)				
direct subsidiary	-	-	-	989,623
indirect subsidiary	-	-	-	667,541
	-	-	-	1,657,164
Purchases of fuel and consumable materials				
related party	556,034,229	298,380,915	-	-
	556,034,229	298,380,915	-	-
Purchases of goods and other services				
related party	14,367,557	19,672,289	-	-
	14,367,557	19,672,289	-	-
Repair and maintenance services				
related party	525,568	631,369	-	-
	525,568	631,369	-	-
Building rental and services				
related party	909,678	6,169,690	879,782	5,888,440
	909,678	6,169,690	879,782	5,888,440
Fuel management services				
related party	68,105,683	60,806,687	-	-
	68,105,683	60,806,687	-	-
Rental expenses				
related party	381,499	248,966	-	-
related person	132,369	59,980	-	-
	513,868	308,946	-	-
Directors and management remuneration				
Management remuneration				
- short-term employee benefits	63,802,822	74,032,613	34,676,350	30,420,217
- post-employment benefits	507,396	879,935	62,641	220,368
	64,310,218	74,912,548	34,738,991	30,640,585

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

- d) The significant purchases of assets with related parties for the years ended 31 December 2020 and 2019 are as follows :

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Purchases of spare parts				
related party	61,489,721	26,697,185	-	-
	61,489,721	26,697,185	-	-
Purchases / constructions of assets				
during the year				
related party	405,804,278	70,011,431	71,592,800	-
	405,804,278	70,011,431	71,592,800	-

Land sale and purchase agreements with related parties

On 11 October 2017 and 31 October 2017, two indirect subsidiaries, Bio Power Plant Company Limited and ACE Solar Company Limited, entered into five land sale and purchase agreements to purchase land in Nakhon Si Thammarat, Ranong and Kampheang Phet from related persons and related parties. The purchase prices would be equal to prices appraised by an independent valuer. The agreements were made for the purpose of bidding for Power Purchase Agreements in these provinces. However, the two indirect subsidiaries may have to cancel two of the sale and purchase agreements in Nakhon Si Thammarat because of the land's limitations. The indirect subsidiaries could have been penalised for cancelling these agreements by one of the related parties so they recorded a provision for the cancellation penalty amounting to Baht 2.12 million in the comprehensive income statement for the year ended 31 December 2019.

On 9 May 2019, the indirect subsidiary Bio Power Plant Company Limited cancelled two land sale and purchase agreements in Kamphaeng Phet and entered into 23-year land rental agreements which is effective from 9 May 2019 onwards. The cancellation of these agreements did not cause any penalty or loss to the indirect subsidiary.

On 28 June 2019, the two indirect subsidiaries made amendments to the land purchase and sale agreements with the related persons. The parties agreed to cancel the penalty for terminating the agreements amounting to Baht 2.12 million. Both indirect subsidiaries have reversed the provision for the cancellation penalty in the comprehensive income statement for the year ended 31 December 2019.

At the Board of Director's meeting of Bio Power Plant Company Limited No. 1/2563 and the Board of Director's meeting of ACE Solar Company Limited No. 1/2563 on 15 January 2020, the Board of Director approved the two indirect subsidiaries to cancel the land purchase and sale agreements with related persons. On 31 January 2020, the two indirect subsidiaries made amendments to the agreements for cancellation of such three agreements. The cancellation of these agreements did not cause any penalty or loss to the indirect subsidiary.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

43 Commitments

43.1 Commitments from non-cancellable significant agreements

The Group has entered into non-cancellable operating lease agreements in relation to service as at 31 December 2020 (31 December 2019 : non-cancellable operating lease in relation to rental expense and service) are as follows:

	Consolidated financial statements					
	2020			2019		
	Service agreements Baht	Service under concession arrangements Baht	Total Baht	Operating Commitments Baht	Service under concession arrangements Baht	Total Baht
Due within 1 year	5,120,442	1,210,000	6,330,442	10,218,846	1,210,000	11,428,846
Due later than 1 year but not later than 5 years	8,735,502	5,297,263	14,032,765	17,412,268	5,126,887	22,539,155
Due later than 5 years	1,363,500	8,680,696	10,044,196	24,300,645	10,061,072	34,361,717
	15,219,444	15,187,959	30,407,403	51,931,759	16,397,959	68,329,718
	Separate financial statements					
	2020			2019		
	Service agreements Baht	Service under concession arrangements Baht	Total Baht	Operating Commitments Baht	Service under concession arrangements Baht	Total Baht
Due within 1 year	3,423,001	-	3,423,001	7,450,728	-	7,450,728
Due later than 1 year but not later than 5 years	2,759,502	-	2,759,502	6,706,622	-	6,706,622
	6,182,503	-	6,182,503	14,157,350	-	14,157,350

43.2 Capital commitments

The Group had capital commitments that had not yet been recognised in the financial statements in relation to purchases of land, constructions of power plants and assets under the service concession arrangement as at 31 December 2020 and 2019 are as follows :

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Purchases of machines and equipment and construction of power plants	959,972,965	1,168,859,075	-	-
Assets under service concession arrangements for power plant	-	681,299,915	-	-
	959,972,965	1,850,158,990	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

43.3 Forward contracts

Advance Clean Power Company Limited, Alliance Clean Power Company Limited, Advance Agro Asia Company Limited, Advance Agro Power Plant Company Limited, Bio Power Plant Company Limited, Power Supply and Maintenance Service Company Limited and ACE Solar Company Limited, indirect subsidiaries, have entered into forward contracts to purchase and import machinery from overseas in the future. The outstanding forward contracts as at 31 December 2020 and 2019 are as follows:

Consolidated financial statement					
2020					
Foreign currency	Amount per contract Baht	Exchange rate per contract Baht	Value per contract Baht	Fair value Baht	Positive (negative) fair value Baht
US Dollar	8,838,603	30.28 - 32.08	277,551,532	265,459,358	(12,092,174)
Euro	91,500	36.92	3,378,180	3,377,078	(1,102)
Consolidated financial statement					
2019					
Foreign currency	Amount per contract Baht	Exchange rate per contract Baht	Value per contract Baht	Fair value Baht	Positive (negative) fair value Baht
US Dollar	15,747,882	30.05 - 31.40	478,672,286	472,478,981	(6,193,305)

Fair Value

Fair value of forward observable contracts is calculated by using estimated discount future cash flow of forward foreign currency exchange rate (period-ended forward currency exchange rate) and forward contract rate, which reflected counterparty credit risk. The fair values are within level 2 of the fair value hierarchy.

44 Guarantees

44.1 Letters of guarantee

The Group has outstanding letters of guarantee for the normal course of business, issued by financial institutions as at 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Letters of guarantee for electricity usage	14,430,000	13,630,000	-	-
Letters of guarantee for Compliance with Power Purchase Agreements	339,780,000	683,780,000	-	-
Letters of guarantee for bidding and sales of electricity	38,155,000	695,155,000	-	-
Letters of guarantee for compliance with building construction contract, land rental contract and waste management service contract by converting waste into electrical power	68,634,869	68,634,869	-	-
Letters of guarantee for compliance with service contract of fiber optic	152,425	152,425	-	-
	461,152,294	1,461,352,294	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

44.2 Guarantees among the Group

Absolute Clean Energy Public Company Limited

The Company issued debentures secured by ordinary shares of Asia Clean Energy Company Limited which are held by the Company, in total amount of 649,999,998 shares, at Baht 6.9083 each totalling Baht 4,490,394,986.

During the year ended 31 December 2019, the Company early redeemed debentures in total amount of 1,500,000 units at Baht 1,000 per share, totaling Baht 1,500,000,000. As at 31 December 2019, the company was in the process of releasing bond collateral of these debentures (Note 31).

On 12 March 2020, the Company received a letter from KTB Securities (Thailand) Public Company Limited, the bond holder representative, notifying that the debentures were due and redeemed. All collateral of these debentures were completely released.

Absolute Clean Energy Public Company Limited

As at 31 December 2020, the Company has outstanding letters of guarantee to an indirect subsidiary for the normal course of business, issued by a financial institution are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Letters of guarantee for compliance with Power Purchase Agreements - Advance Clean Power Company Limited	4,000,000	-	4,000,000	-
	4,000,000	-	4,000,000	-

Direct subsidiary - Asia Clean Energy Company Limited

As at 31 December 2019, Asia Clean Energy Company Limited has outstanding letters of guarantee to 4 indirect subsidiaries for the normal course of business, issued by a financial institution as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Letters of guarantee for compliance with Power Purchase Agreements - Bio Power Plant Company Limited	-	278,480,000	-	-
- ACE Solar Company Limited	-	172,000,000	-	-
- Advance Clean Power Company Limited	-	4,000,000	-	-
- Alliance Clean Power Company Limited	-	2,500,000	-	-
	-	456,980,000	-	-
Letters of guarantee for compliance with building construction contract, land rental contract and waste management service contract by converting waste into electrical power - Alliance Clean Power Company Limited	-	48,722,953	-	-
	-	48,722,953	-	-
	-	505,702,953	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Alliance Clean Power Company Limited

Alliance Clean Power Company Limited has outstanding letters of guarantee to ACE Solar Company Limited and Bio Power Plant Company Limited for the normal course of business, issued by a financial institution as at 31 December 2020 and 2019 as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Letters of guarantee for sales of electricity				
- ACE Solar Company Limited	20,750,000	20,750,000	-	-
- Bio Power Plant Company Limited	17,405,000	17,405,000	-	-
	38,155,000	38,155,000	-	-

As at 31 December 2019, the company use shares of Absolute Clean Energy Public Company Limited, which are held by a related person, as collateral for credit facilities at the rate of 0.50% per annum of the credit limit, which is 0.25% per annum of the value of the pledged shares. (Note 26 and 42 a)). Later on 28 January 2020, the company released collateral shares of a related person.

As at 31 December 2020 and 2019, the Company has entered into a guarantee agreement with a financial institution for a financial support for loan repayments of Advance Asia Power Plant Company Limited, Alliance Clean Power Company Limited and Advance Agro Power Plant Company Limited in the amount of Baht 80,000,000.

As at 31 December 2020 and 2019, Advance Agro Power Plant Company Limited, Advance Asia Power Plant Company Limited and Advance Clean Power Company Limited have entered into guarantee agreement for a financial support for long-term loan from a financial institution of Alliance Clean Power Company Limited in the amount of Baht 682,000,000.

As at 31 December 2020, Asia Clean Energy Company Limited had entered into a guarantee agreement for Alliance Clean Power Company Limited's long-term loan from a financial institution in the amount of Baht 807,400,000 and entered into a financial support agreement to support the indirect subsidiary to have sufficient fund for the construction of Municipal Solid Waste power plant in Krabi Municipality. The financial support agreement is effective from 2 June 2020 until the date on which the loan has been fully repaid or the date on which the construction has been completed and the financial supporter entered into a guarantee agreement to an indirect subsidiary with a financial institution, whichever is sooner.

As at 31 December 2020, the Company had entered into guarantee agreements with a financial institution for a financial support for loan repayments of fifteen indirect subsidiaries in the amount of Baht 100,000,000 and US Dollars 100,000,000.

As at 31 December 2020, the Company had entered into guarantee agreements with a financial institution for a financial support for loan repayments of Bio Power Plant Company Limited and ACE Solar Company Limited in the amount of Baht 279,000,000 and Baht 172,000,000 respectively.

45 Contingent liabilities

45.1 Engineering, procurement, and construction contracts

The six indirect subsidiaries entered into an engineering, procurement, and construction (EPC) contracts with sellers, and related parties to operate the nine power plants. The indirect subsidiaries have not yet completed construction due to force majeure. So, the power plants could not supply electricity by the scheduled commercial operation dates (SCOD) specified in the Power Purchase Agreements. The indirect subsidiaries are currently requesting the arbitration to request the Provincial Electricity Authority to return Power Purchase Agreements according to FiT Announcement B.E. 2558 (Note 46.13). If the indirect subsidiaries fail to get termination dismissed, the EPC contracts with the sellers could be terminated and the indirect subsidiaries could be charged a penalty fee up to 10% for the termination of the contracts. This would costs Baht 63.3 million for each project.

However, the indirect subsidiaries negotiated with the sellers to extend the contract's effective period due to the force majeure. The sellers agreed in writing to extend the effective period of the contracts.

As at 31 December 2020 and 2019, the Group had not recognised any provision for liabilities resulting from termination of the contracts.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

45.2 Lawsuit

Indirect subsidiaries

- 1) An indirect subsidiary was sued by villagers in Lampang, requesting the Administrative Court of Chiang Mai to revoke the license for the operation of the power plant business (R.Ng.4) without claiming damages in any amount and to revoke for operation and construction according to license for the operation of the power plant business (R.Ng.4) before an adjudication which the court investigated and dismissed the claim. On 30 March 2016, the case was adjudicated that the distribution of the license for the operation of the power plant business (R.Ng.4) to the indirect subsidiary was in accordance with the law and the claim was dismissed. However, on 29 April 2016, the complainants filed an appeal to the Supreme Administrative Court defending the trial court's decision. On 20 January 2017, the indirect subsidiary filed an appeal and was judged that the license for the operation of the power plant business (R.Ng.4) is in accordance with the law. The Supreme Administrative Court affirmed the judgement of the Administrative Court of Chiangmai and dismiss the claim of complainants.

As at 31 December 2020 and 2019, the case is under Supreme Administrative Court's consideration.

- 2) An indirect subsidiary was sued by villagers in Chachoengsao, requesting the Administrative Court of Rayong to revoke the license for the operation of the power plant business (R.Ng.4) and to revoke the notification of the construction, alteration or demolition removal and replacement of the building under Section 39 bis of the Building Control Act B.E. 2522, without claiming damages in any amount and asking the court to order mitigation of the enforcement of the license for the operation of the power plant business (R.Ng.4) and the notification of the building construction (39 bis). Subsequently, on 31 March 2016, the court investigated the request and considered the indirect subsidiary's explanation and found that the issuance of the license for the operation of power plant business (R.Ng.4) and the notification of the construction (39 bis) was not unlawful. As a result, the court requested for injunctive and temporary relief.

On 8 April 2020, the Administrative Court of Rayong dismissed the case. However, the claimants have the right to file an appeal to the Supreme Administrative Court as prescribed by the law. Later, on 7 May 2020, the claimants filed an appeal to the Supreme Administrative Court.

As at 31 December 2020, the case is under the Supreme Administrative Court's consideration.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

46 Significant agreements

Significant agreements for the years ended 31 December 2020 and 2019 are as follows:

46.1 Power Purchase Agreements

Indirect subsidiary - Advance Clean power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 21 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 24 April 2012 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 23 July 2028.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Ban Bueng, Chonburi.
2		A period of 5 years commencing from 29 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 4 June 2013 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 3 June 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Phon Thong, Roi-Et.
3		A period of 5 years commencing from 21 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 16 August 2017 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 15 December 2032.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Bo Phloi, Kanchanaburi.
4	Global Woodchips Company Limited - a related party	A period of 10 years commencing from 13 July 2012 to 12 July 2022 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Ban Bueng, Chonburi.
5		A period of 10 years commencing from 1 June 2013 to 31 May 2023 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Phon Thong, Roi-Et.
6	Advance Asian Company Limited - a related party	A period of 10 years commencing from 1 June 2013 to 31 May 2023 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Phon Thong, Roi-Et.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Agro Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 30 October 2012 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 29 January 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Prasat, Surin.
2		A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 16 January 2013 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 15 April 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Chokchai, Nakhon Ratchasima.
3	Global Woodchips Company Limited - a related party	A period of 10 years commencing from 1 October 2012 to 30 September 2022 and automatically renewed every 10 years, unless any party terminates the contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Prasat, Surin.
4		A period of 10 years commencing from 1 January 2013 to 31 December 2022 and automatically renewed every 10 years, unless any party terminates the contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Chokchai, Nakhon Ratchasima.
5	Advance Asia Fiber Company Limited - a related party	A period of 10 years commencing from 18 May 2018 and automatically renewed every 2 years, unless any party terminates the contract by giving a written notice at least 180 days before the contract expiration or 90 days before the extended contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Chokchai, Nakhon Ratchasima.
6	Advance Utilities Company Limited (Formerly named Boon Bundan Rungrueng Company Limited)- a related party	A period of 10 years commencing from 18 May 2018 and automatically renewed every 2 years unless any party terminates the contract by giving a written notice at least 180 days before the contract expiration or 90 days before the extended contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Chokchai, Nakhon Ratchasima.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 18 September 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 26 December 2013 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 25 December 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Si Chiang Mai, Nong Khai.
2		A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 14 August 2015 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 13 December 2030.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Sirindhorn, Ubon Ratchathani.
3		A period of 5 years commencing from 24 October 2013 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 29 November 2016.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Mueang, Khon Kaen.
4		A period of 20 years commencing from the commercial operation date. The company started its commercial operation on 28 December 2020.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Mueang Krabi, Krabi.

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Electricity Generating Authority of Thailand ("EGAT")	A 25-year agreement, effective since the commercial operation date on 10 February 2017.	Power Purchase Agreement ("PPA") under the Small Power Producer project for the power plant at Ko Khanun, Phanom Sarakham, Chachoengsao.
2	Triple A Board Company Limited - a related party	A 1-year agreement, effective since the commercial operation date and automatically renewed every 1 year, unless any party terminate the contract.	Power purchase agreement ("PPA") for the power plant at Ko Khanun, Phanom Sarakham, Chachoengsao.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Asia Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 28 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 2 May 2012 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 1 August 2028.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Nam Phong, Khon Kaen.
2	Global Woodchips Company Limited - a related party	A period of 10 years commencing from 1 October 2012 to 30 September 2022 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Nam Phong, Khon Kaen.
3	Advance Asian Company Limited - a related party	A period of 10 years commencing from 1 November 2012 to 30 October 2022 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Nam Phong, Khon Kaen.

Indirect subsidiary - Advance Bio Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 9 July 2014 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 8 March 2030.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Thoen, Lampang.

Indirect subsidiary - ACE Solar Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Unique Sea Products Company Limited	A 25-year agreement, effective since the commercial operation date on 20 November 2018 for the first project and 28 September 2019 for the second project.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop at Sri Racha, Chonburi.
2	ZIP Metal Works Factory 1993 Company Limited	A 25-year agreement, effective since the commercial operation date on 1 May 2020.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop at Mueang Samut Sakhon, Samut Sakhon.
3	Advance Asia Fiber Company Limited	A 25-year agreement, effective since the commercial operation date on 22 February 2019.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop at Chok Chai, Nakhon Ratchasima.
4	- a related party	A 25-year agreement, effective since the commercial operation date. The indirect subsidiary has not yet started its commercial operation.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop in Chok Chai, Nakhon Ratchasima. The agreement was made on 20 July 2020.
5		A 25-year agreement, effective since the commercial operation date. The indirect subsidiary has not yet started its commercial operation.	Power Purchase Agreement ("PPA") of solar power generated from floating solar farm in Chok Chai, Nakhon Ratchasima. The agreement was made on 20 July 2020.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited)

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A 20-year agreement, effective since the commercial operation date. The indirect subsidiary started its commercial operation on 11 October 2011 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 10 May 2028.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Mueang, Nakhon Ratchasima.

Indirect subsidiary - Advance Bio Energy Company Limited (Formerly named UWC Amphan Company Limited)

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A 1-year agreement, effective since 7 December 2007 and automatically renewed every year unless any party terminates contract. The company started its commercial operation on 6 February 2008 and from 19 October 2016 onward, the company requested for the amendment to Feed-in Tariff and the contract will end on 30 October 2025.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Satuek, Buriram.

Indirect subsidiary - Satuek Biomass Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A 5-year agreement, effective since 21 July 2016 and automatically renewed every 5 years unless any party terminates contract. The company started its commercial operation on 20 June 2017.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Satuek, Buriram.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

46.2 Steam Purchase Agreement

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Triple A Board Company Limited - a related party	A 1-year agreement, effective since the date of first steam purchase, and automatically renewed every 1 year unless any party terminates the contract by giving a written notice at least 180 days before the contract expiration.	Steam Purchase Agreement ("SPA") for the power plant at Ko Khanun , Phanom Sarakham, Chachoengsao.

46.3 Waste management service agreement

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Khon Kaen Municipality	A 20-year agreement, effective since 18 August 2011. Then, on 27 August 2019, the agreement was amended to be within 20 years commencing from the received date of work notification letter which is 28 September 2016.	Waste management service agreement for the power plant at Meuang, Khon Kaen.
2	Nonthon Municipality	A 25-year agreement, effective since 1 April 2017.	Waste management service agreement for the power plant at Meuang, Khon Kaen.
3	Sibsong-Sibsong-Sisibphad Limited Partnership	A 5-year agreement, effective since 1 September 2017.	Waste management service agreement for the power plant at Meuang, Khon Kaen.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

46.4 Fuel Materials Purchase Agreements

Indirect subsidiary - Advance Clean Power Company limited

Contract no.	Contract party	Contract period	Contract detail
1	Global Woodchips Company Limited - a related party	A 12-year agreement, effective since 10 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Ban Bueng, Chonburi.
2		A 12-year agreement, effective since 10 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Phon Thong, Roi-Et.
3		A 12-year agreement, effective since 1 June 2017 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Bo Phloi, Kanchanaburi.
4	Shaiyo Supply Chain Company Limited - a related party	A 12-year agreement, effective since 10 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Phon Thong, Roi-Et.

Indirect subsidiary - Advance Agro Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Shaiyo Supply Chain Company Limited - a related party	A 12-year agreement, effective since 21 September 2011 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Prasat, Surin.
2		A 12-year agreement, effective since 2 May 2013 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Chokchai, Nakhon Ratchasima.
3	Global Woodchips Company Limited - a related party	A 12-year agreement, effective since 16 September 2011 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Prasat, Surin.
4		A 12-year agreement, effective since 7 December 2011 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Chokchai, Nakhon Ratchasima.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Global Woodchips Company Limited - a related party	A 15-year agreement, effective since 26 December 2013, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Si Chiang Mai, Nong Khai.
2		A 15-year agreement, effective since 14 August 2015, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Sirindhorn, Ubon Ratchathani.
3	Sribanpai Company Limited - a related party	A 15-year agreement, effective since 15 December 2013, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Si Chiang Mai, Nong Khai.
4	Shaiyo Supply Chain Company Limited - a related party	A 15-year agreement, effective since 14 August 2015, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Sirindhorn, Ubon Ratchathani.

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	PTT Public Company Limited	A 25-year agreement, effective since 10 February 2017. Unless any party provides a written notice to renew the agreement within 1 year before the contract's expiration, the agreement will be terminated.	Natural Gas Purchase Agreement for the power plant at Ko Khanun, Phanom Sarakham, Chachoengsao to produce and sell electricity under cogeneration system.

Indirect subsidiary - Advance Asia Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Sribanpai Company Limited - a related party	A 12-year agreement, effective since 6 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Nam Phong, Khon Kaen.
2	Global Woodchips Company Limited - a related party	A 12-year agreement, effective since 1 July 2012 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Nam Phong, Khon Kaen.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

46.5 Power purchase agreements for chippers

Indirect subsidiaries	Contract party	Contract period	Contract detail
Advance Clean Power Company Limited Advance Agro Power Plant Company Limited Alliance Clean Power Company Limited Advance Asia Power Plant Company Limited Advance Bio Asia Company Limited	Agro Energy Supply Company Limited - a related party	A 10-year agreement, effective since 1 April 2020 and automatically renewed every year unless any party terminates the contract by giving a written notice.	Power Purchase Agreement for chippers of a contract party settled in indirect subsidiaries biomass power plants.

46.6 Fuel material purchase agreements

Indirect subsidiaries	Contract party	Contract period	Contract detail
Advance Clean Power Company Limited Advance Agro Power Plant Company Limited Alliance Clean Power Company Limited Advance Asia Power Plant Company Limited Advance Bio Asia Company Limited	Agro Energy Supply Company Limited - a related party	A 1-year agreement, effective since 1 April 2020 and automatically renewed every year unless any party terminates the contract by giving a written notice.	Biomass Fuel Purchase Agreement for the power plants of the indirect subsidiaries

46.7 Power plant management and maintenance agreement

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Collaboration between General Electric International Operation Company Inc. and GE Packed Power, Inc.	(1) An agreement period of 120,000 hours commencing from 10 February 2017 or the second major overhaul whichever one comes last or (2) a 16-year commencing from 23 December 2016 whichever (1) or (2) comes first.	Management and maintenance service agreement for gas turbine service of the power plant at Phanom Sarakham, Chachoengsao.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

46.8 Biomass fuel management and housekeeping services agreement

Indirect subsidiaries	Contract party	Contract period	Contract detail
Advance Clean Power Company Limited Advance Agro Power Plant Company Limited Alliance Clean Power Company Limited Advance Asia Power Plant Company Limited Advance Bio Asia Company Limited	Goodwill Innovation and Engineering Company Limited - a related party	1-year agreements, effective from 1 October 2018 to 30 September 2020. The indirect subsidiaries have entered into new agreements which is effective for 1 year and 2 months, from 1 November 2020 to 31 December 2021.	Biomass fuel management and housekeeping services for biomass power plants of indirect subsidiaries.

46.9 Land and Building rental agreements

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Khon Kaen Municipality	A 20-year agreement, effective since 18 August 2011	Land rental agreement for operation in accordance with Municipal Solid Waste project at Mueang, Khon Kaen
2		A 20-year agreement, effective since 18 August 2011	Buildings and other constructions rental agreement, including land related to the buildings at Mueang, Khon Kaen.
3		A 20-year agreement, effective since 18 August 2011	Constructions agreement in Khon Kaen Municipality area, buildings and machinery will be transferred to Khon Kaen Municipality at maturity of 20 years since commencement date.
4	Krabi Municipality	A 25-year agreement, effective since 22 February 2019	Land rental agreement for the operation in accordance with Municipal Solid Waste project at Mueang Krabi, Krabi.
5		A 25-year agreement, effective since 22 February 2019	Constructions agreement in Krabi Municipality area, buildings and machinery will be transferred to Krabi Municipality at maturity 25-years since commencement date..
6		A 25-year agreement, effective from 24 September 2020 to 23 September 2045	Land rental agreement for dredging as a water reservoir for uses in the Municipal Solid Waste project in Muang Krabi, Krabi.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Bio Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Mr. Teerawut Songmetta - a related person	A 23-year agreement, effective from 9 May 2019 to 8 May 2042	Land rental agreement for Khlong Khlung power plant project at Khlong Khlung, Kamphaeng Phet.
2	Shaiyo Smile Company Limited - a related party	A 23-year agreement, effective from 9 May 2019 to 8 May 2042	Land rental agreement for Khlong Khlung power plant project at Khlong Khlung, Kamphaeng Phet.

Indirect subsidiary - Advance Clean Power Company Limited

Contract party	Contract period	Contract detail
Shaiyo Smile Company Limited - a related party	A 23-year agreement, effective from 1 January 2020 to 31 December 2042	Land rental agreement for Khlong Khlung power plant project in Klong Klung, Kamphaeng Phet

46.10 Other construction agreement

Indirect subsidiary - Advance Asia Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Goodwill Innovation and Engineering Company Limited - a related party	Effective 1 year from the work start date	Construction contract amounted to Baht 67,700,000, for a waste separation, land fill and non-hazardous waste project for industrial factory No. 105, Nam Phong, Khon Kaen.

46.11 Machine and equipment purchase agreement

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Ascender Limited - a related party	Effective since 9 September 2019	Sale and purchase of machinery and equipment agreement for construction and management of Municipal Solid Waste project at Krabi Municipality, Krabi amounted to USD 14,951,146, which must not be over than Baht 464,053,690 when converting to Thai Baht.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

46.12 Power Purchase Agreements under submission for dismissal the termination and reinstate the agreements and extend the scheduled commercial operation date

The Group has Power Purchase Agreements under submission for dismissal to dismiss the termination and reinstate the agreements and extend the scheduled commercial operation date as at 31 December 2020 and 2019 as follows:

Government	Indirect subsidiaries	Number of agreements under submission process	
		2020 Agreement (s)	2019 Agreement (s)
The Administrative Court of First Instance	Alliance Clean Power Company Limited	1	1
		1	1
The Provincial Electricity Authority ("PEA")	Advance Clean Power Company Limited	3	4
	Advance Agro Power Plant Company Limited	1	1
	Alliance Clean Power Company Limited	1	1
	Advance Farm Tree Company Limited	1	1
	Bio Power Plant Company Limited	1	1
	Absolute Clean Water Company Limited (Formerly named Prasatporn Rungrueng Company Limited)	1	1
		8	9

The Administrative Court of First Instance

Indirect subsidiary - Alliance Clean Power Company Limited

On 5 May 2017, the Group's management considered the progress of its submission to the Provincial Electricity Authority (PEA) for dismissing the termination, reinstating a Power Purchase Agreement and extending the scheduled commercial operation date. The Group decided to file a lawsuit to the Energy Regulatory Commission (ERC), requesting the ERC dismiss the termination, reinstate the agreement and extend the scheduled commercial operation date.

On 22 March 2018, the Group's management considered the progress of its submission to the ERC. The Group decided to file a lawsuit to the Administrative Court of First Instance requesting the court dismiss the termination, reinstate the agreement and extend the scheduled commercial operation date.

In addition, on 3 April 2019, Alliance Clean Power Company Limited sent a letter to the PEA requesting a negotiation to resolve the dispute in accordance with a clause in the Power Purchase Agreement. The PEA responded to the letter with information on the conditions and rules for negotiations. The indirect subsidiary then followed these conditions and rules. The negotiation process is still ongoing.

On 9 June 2019, PEA sent a letter to the indirect subsidiary to revise the conditions and rules for negotiation. The revised conditions do not affect the judicial process.

The Provincial Electricity Authority

Indirect subsidiaries - Advance Clean Power Company Limited, Advance Agro Power Plant Company Limited, Alliance Clean Power Company Limited, Advance Farm Tree Company Limited, Bio Power Plant Company Limited, and Absolute Clean Water Company Limited (Formerly named Prasatporn Rungrueng Company Limited)

On 14 March 2017, the Group filed arbitration committee lawsuits to dismiss the termination by the PEA, reinstate 8 Power Purchase Agreements and extend the scheduled commercial operation date to the indirect subsidiaries. On 29 June 2019, the indirect subsidiaries received awards from the arbitration committee on 21 June 2019 for 4 agreements (4 cases): 2 cases for Advance Clean Power Company Limited, 1 case for Advance Agro Power Plant Company Limited and 1 case for Advance Farm Tree Company Limited. On 26 July 2019, the indirect subsidiaries also received awards from the arbitration committee on 19 July 2019 for 4 agreements (4 cases): 1 case for Advance Clean Power Company Limited, 1 case for Alliance Clean Power Company Limited, 1 case for Bio Power Plant Company Limited and 1 case for Absolute Clean Water Company Limited (Formerly named Prasatporn Rungrueng Company Limited). The arbitration committee ruled that the PEA must return 8 FIT Power Purchase Agreements to the indirect subsidiaries and extend the scheduled commercial operation date. In July 2019, the indirect subsidiaries submitted notices to the PEA to comply with the awards from the arbitration committee and PEA sent letters to the indirect subsidiaries state that PEA would comply with the awards from the arbitration.

The parties are currently in the process of making agreements to comply with the details of the awards.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Clean Power Company Limited

On 7 July 2016, PEA informed the indirect subsidiary that there is the force majeure on projects along with Power Purchase Agreement and agreed to return the Power Purchase Agreement to the indirect subsidiary.

On 8 December 2017, PEA notified that the indirect subsidiary submitted the proposal to dismiss the termination and return of the Power Purchase Agreement with extension of the commercial operation date in total of 1 agreement to the ERC.

On 31 August 2018, ERC sent a letter to the indirect subsidiary to inform that ERC had already notified to PEA that the termination of Power Purchase Agreement was a transaction between two parties. PEA directly negotiated with the indirect subsidiary about the conditions to return of the Power Purchase Agreement and the extension of the commercial operation date.

On 13 September 2018, PEA sent a letter to the indirect subsidiary to make an appointment for negotiation.

On 3 February 2019, PEA sent a letter to the indirect subsidiary to submit the notice, regarding the scheduled commercial operation date and offer price quotation for the project that the indirect subsidiary requested to change electricity rate from Adder to FIT. Then, PEA will submit the notice to ERC to make the Power Purchase Agreement.

On 15 February 2019, the indirect subsidiary submitted the notice to PEA, regarding the scheduled commercial operation date and offer price quotation for the project that the company requested to change electricity rate from Adder to FIT for further process.

On 26 March 2019, PEA sent a letter to the indirect subsidiary to submit power plant construction plan for ERC's approval before signing the agreement.

On 23 April 2019, the indirect subsidiary submitted power plant construction plan for PEA's consideration before signing the agreement.

On 2 May 2019, PEA and the indirect subsidiary had a joint session to draft the returned Power Purchase Agreement. Later, on 11 June 2019, PEA sent a drafted Power Purchase Agreement according to FIT Announcement B.E. 2558 to the indirect subsidiary for the consideration and the indirect subsidiary approved the draft agreement. On 1 July 2019, PEA resent the drafted Power Purchase Agreement to the indirect subsidiary for the reconsideration.

On 5 July 2019, the indirect subsidiary received drafted Power Purchase Agreement from PEA and already reviewed and submitted approval letter to PEA on 8 July 2019.

On 7 August 2019, PEA sent a letter to the indirect subsidiary to confirm that PEA will return drafted FIT Power Purchase Agreement according to FIT Announcement B.E. 2558. Details were according to attached draft of Power Purchase Agreement which the Company and PEA agreed together.

On 6 October 2020, PEA returned the Power Purchase Agreement to the indirect subsidiary. The Power Purchase Agreement is in accordance with the FIT Announcement B.E. 2558 notified by the Energy Regulatory Commission about the purchase of electricity from renewable energy (excluding solar energy) during the transition from Adder to Feed-in Tariff (FIT).

Currently, the dispute has been terminated.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

47 Promotional privileges

The Group received the following promotional privileges from the Board of Investment as the following :

Indirect subsidiary - Advance Clean Power Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1842(1)/2553	13 July 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Ban Bueng)	24 April 2012	23 April 2020	✓	✓	✓	✓	✓	✓	✓	-
2554(1)/2554	29 November 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Phon Thong)	4 June 2013	3 June 2021	✓	✓	✓	✓	✓	✓	✓	-
2329(1)/2555	13 March 2012	Electricity from biomass fuel type Utility 7.1 and basic services (Khlung Khlung)	Income not yet derived		✓	✓	✓	✓	✓	✓	✓	-
2330(1)/2555	29 November 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Bo Phloi)	16 August 2017	15 August 2025	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - Advance Agro Power Plant Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
2446(1)/2553	16 November 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Chokchai)	16 January 2013	15 January 2021	✓	✓	✓	✓	✓	✓	✓	-
1019(1)/2554	16 November 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Prasat)	30 October 2012	29 October 2020	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - Alliance Clean Power Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1284(1)/2554	18 January 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Si Chiang Mai)	26 December 2013	25 December 2021	✓	✓	✓	✓	✓	✓	✓	-
1448(1)/2555	13 March 2012	Electricity from biomass fuel type Utility 7.1 and basic services (Sirindhorn)	14 August 2015	13 August 2023	✓	✓	✓	✓	✓	✓	✓	-
1033(1)/2558	8 July 2014	Electricity from biomass fuel type Utility 7.1 and basic services (Ban Bueng)	Income not yet derived		✓	✓	✓	✓	✓	✓	✓	-
59-0076-0-13-2-0	29 July 2014	Electricity from solid waste type Utility 7.1 and basic services (Khon Kaen)	29 November 2016	28 November 2024	✓	✓	✓	✓	✓	✓	✓	-
63-0246-1-00-2-0	27 January 2020	Electricity from solid waste type Utility 7.1.1.1 or electricity generation and steam production from waste or fuel waste (Krabi)	28 December 2020	27 December 2028	✓	✓	✓	-	-	-	✓	-

Indirect subsidiary - Advance Agro Asia Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
58-1885-0-00-1-0	2 April 2015	Electricity and steam from gas Utility type 7.1 and basic services (Koh Khanun)	10 February 2017	9 February 2025	✓	-	✓	-	-	-	✓	✓

Indirect subsidiary - Advance Asia Power Plant Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1948(1)/2553	10 August 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Nam Phong)	2 May 2012	1 May 2020	✓	✓	✓	✓	✓	✓	✓	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

Indirect subsidiary - Advance Bio Asia Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1521(1)/2555	29 November 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Thoen)	9 July 2014	8 July 2022	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - ACE Solar Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
61-0856-1-00-1-0	2 July 2018	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	20 November 2018	19 November 2026	✓	-	✓	-	-	-	✓	✓
61-1012-1-00-1-0	23 July 2018	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	22 February 2019	21 February 2027	✓	-	✓	-	-	-	✓	✓
62-0089-1-00-1-0	7 January 2019	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	28 September 2019	27 September 2027	✓	-	✓	-	-	-	✓	✓
62-1068-1-00-1-0	12 September 2019	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	1 May 2020	30 April 2028	✓	-	✓	-	-	-	✓	✓
63-0656-1-00-1-0	18 May 2020	Electricity generation from solar type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	Income not yet derived		✓	-	✓	-	-	-	✓	✓

Indirect subsidiary - Advance Asia Energy Company Limited (Formerly named UWC Komen Biomass Company Limited)

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1524(9)/2551	21 May 2008	Electricity from biomass fuel type Utility 7.1 and basic services	11 October 2011	10 October 2019	✓	✓	✓	-	-	✓	✓	-

Indirect subsidiary - Advance Bio Energy Company Limited (Formerly named UWC Ampham Biomass Company Limited)

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
2069/9/2548	28 November 2005	Electricity from biomass fuel type Utility 7.1 and basic services	31 January 2008	30 January 2016	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - Satuek Biomass Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1672(2)/2546	18 November 2003	Electricity from biomass fuel type Utility 7.1 and basic services	24 January 2006	23 January 2014	✓	-	✓	✓	✓	✓	✓	✓

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

*Significant privileges:

- 1 Exemption from import duties on machines imported for use in production approved by Board of Directors.
- 2 Exemption from corporate income tax on the promoted activities for a period of eight years starting from the date that income is first derived from the promoted activities.
- 3 To carry forward any net loss incurred during the promoted period to be deducted from net profit incurred during the five-year period starting from the expiry of the tax-exempted period.
- 4 Exemption from corporate income tax on net profit earned from promoted activities at the rate of 50% of normal rate for a period of five years from the expiry of the period specified in 2 above.
- 5 Transportation, electricity and water supply fees can be deducted at the rate of two times of expenditure for a period of ten years starting from the date that income is first derived.
- 6 Capital expenditure incurred on installation or construction of facilities can be deducted at the rate of 25% of the actual expenditure, in addition to the normal depreciation charge.
- 7 Exemption from inclusion of dividend received from the promoted business in calculating corporate income tax.
- 8 Exemption from corporate income tax on net profit earned from promoted activities in totals of not exceeding 100% of investments not including the land and current capital of a period of eight years starting from the date that income is first derived.

The Group has to comply with the conditions defined in Board of Investment (BOI) certificate in order to receive the above benefits and rights.

Segment revenue from BOI promoted and non-promoted activities for the years ended 31 December 2020 and 2019 comprises of the followings:

	Consolidated financial statements					
	For the year ended 31 December 2020			For the year ended 31 December 2019		
	Promoted activities Baht	Non-promoted activities Baht	Total Baht	Promoted activities Baht	Non-promoted activities Baht	Total Baht
Sales of electricity	4,253,224,360	98,190,947	4,351,415,307	4,353,172,427	-	4,353,172,427
Adder	128,622,547	4,717,827	133,340,374	129,177,290	-	129,177,290
Sales of steam	13,236,611	-	13,236,611	20,541,053	-	20,541,053
Revenue from the waste management service	-	40,263,551	40,263,551	-	37,361,345	37,361,345
Revenue from power plant maintenance service	-	48,108,635	48,108,635	-	-	-
Other income	624,662	178,012,364	178,637,026	5,507,547	27,391,629	32,899,176
	4,395,708,180	369,293,324	4,765,001,504	4,508,398,317	64,752,974	4,573,151,291

48 Subsequent events

48.1 Entering into a Power Purchase Agreement

Indirect subsidiary - Bio Power Plant Company Limited

On 6 January 2021, the indirect subsidiary entered into a power purchase agreement with Electricity Generating Authority of Thailand for SPP Hybrid Firm Project at Klong Klung, Kamphaeng Phet under the Small Power Producer project for the power plant. The contract period is 20-year agreement, effective since the commercial operation date.

48.2 Issuance of new ordinary shares approved in the Extraordinary Shareholder's Meeting

Subsidiaries	Number of new ordinary shares	Par Value (Baht per share)	Total Amount (Baht)	Registered date with the Ministry of Commerce
<u>Asia Clean Energy Company Limited's subsidiaries</u>				
Alliance Clean Power Company Limited	20,000,000	10	200,000,000	4 February 2021
Power Supply and Maintenance Service Company Limited	28,000,000	10	280,000,000	8 January 2021
<u>Alliance Clean Power Company Limited's subsidiary</u>				
National Clean Energy Company Limited	54,990,000	10	549,900,000	10 February 2021

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2020

48.3 Call for paid-up share capital

- At the Board of Directors' Meeting of 3 indirect subsidiaries, the Board of Directors approved 3 indirect subsidiaries for additional calls for paid-up share capital from Asia Clean Energy Company Limited which is a direct subsidiary totalling Baht 287,800,000.
- At the Board of Directors' Meeting of 1 indirect subsidiary, the Board of Directors approved an indirect subsidiary for additional calls for paid-up share capital from Alliance Clean Power Company Limited which is an indirect subsidiary totalling Baht 137,549,977.50.

48.4 Dividend payment approved by the Board of Directors of the Company

Absolute Clean Energy Public Company Limited

On 25 February 2021, at the Board of Directors' Meeting of the Company, the Board of Directors approved a proposal to Annual General Shareholders' Meeting for the year 2021 to consider the payment of dividends at Baht 0.018 per share to the shareholders who are entitled to receive the dividend. The Company will propose the payment of dividend at the next Annual General Shareholders' Meeting of the Company.

Subsidiaries

Subsidiaries	Interim dividend payment from	Dividend (Baht/Share)	Total amount (Baht)	Dividend payment date	Appropriation of legal reserve (Baht)
Advance Bio Asia Company Limited	Retained earnings as at 31 December 2020	0.40	27,620,000	26 January 2021	1,600,000
Advance Agro Asia Company Limited	Retained earnings as at 31 December 2020	0.47	70,500,000	9 February 2021	9,700,000

Operation Result and Financial Analysis

1. Overall Past Operation and Financial Discussion

In 2018, The Company had improved production efficiency of all its Power Plants. Meanwhile, the AAA1 and ACP3 Projects had operated for full-year for the first time, thus increasing the electricity sales volume to EGAT. Also, the Solar Energy Power Plant1 project with a Private PPA of 1 MW, commenced commercial operation on 20 November 2018. The Company had Total Revenue of 4,833.21 million baht and Gross Profit of 1,417.46 million baht and Net Profit of 546.57 million baht, respectively.

In 2019, The Company had continuously improved production efficiency of all its Power Plants. The Natural Gas Power Plant increased its electricity sales volume by 104.25 million baht, from both the electricity volume increase and from its adjusted electricity rate, adjusted in accordance with the increase of Natural Gas Price. Its electricity and steam sales to Industrial Users also increased by 14.94 million baht or 78.96% and over 100%, respectively, due to the increase of customers' demand, arising from their production capacity expansion. The Company had Total Revenue of 4,950.63 million baht (excluding the Construction Revenue under the Concession Arrangement) and Gross Profit of 1,625.93 million baht and Net Profit of 815.30 million baht, respectively.

For the year 2020, the Group continues to improve production efficiency. Including cost control, procurement, and fuel consumption of biomass power plants. Moreover, the significant reduction in finance costs from the capital management received from the IPO resulted in the reduction of the interest-bearing debt. While the loan rate on interest-bearing debt is also lower. In addition, in August 2020, the Group acquired and accepted the transfer of the Company's business. Operator of the biomass power plant project, 3 companies with a total installed capacity of 26.9 MW from UA Withaya plc, including the commercial operation (COD) of municipal waste-to-energy power plants Krabi Municipality Krabi Province As a result, the group of company's revenues increased to 4,987.59 million baht (excluding construction revenue under the concession agreement) and gross profit and net profit of 1,791.33 million baht and 1,507.64 million baht, respectively.

For the year ended December 31, 2018, 2019 and 2020 The Company had Total Assets of 13,886.74 million baht, 14,145.18 million baht and 16,429.69 million baht, respectively. Its main Assets consist of Plant, Property and Equipment for operating the Power Plants, Revenue from Finance Lease, Account Receivable, Rights to Service under Concession Arrangement and Trade Receivables.

For the year ended December 31, 2018, 2019 and 2020 Total Debts of The Company, were 8,315.10 million baht, 3,352.14 million baht and 4,436.85 million baht, respectively. Most Debts are long-term project loans from financial institutions for all its Power Plants. In 2019, The Company had reduced its debts dramatically by using its capital raising via its Initial Public Offering to reduce the long-term debts by 3,183.95 million baht.

In addition, The Company had prematurely redeemed all its 1,500,000 Debentures units at 1,000 baht per unit, equaling 1,500 million baht. Meanwhile, Trade and Other Payables decreased by 162.72 million baht while Natural Gas Payables decreased by 122.93 million baht. For the year 2020, the total liabilities of the Company's group increased by 1,084.71 million baht due to an increase in short-term loans from financial institutions 37.90 million baht, long-term loans from financial institutions, increased by 889.65 million baht from investment in new projects. Trade and other payables increased by 19.54 million baht, lease liabilities increased by 25.24 million baht due to the introduction of IFRS 16 regarding lease agreements. Deferred tax liabilities increased by 71.36 million baht and derivative liabilities increased by 12.09 million baht from the recognition of fair value differences of financial derivatives in accordance with IFRS 9 Financial Instruments.

For the year ended December 31, 2018, 2019 and 2020 Owner Equities equaled 5,571.64 million baht, 10,793.04 million baht and 11,992.83 million baht, respectively. Owner Equities increased in 2019 resulted from both the Operating Profit Increase and from its Initial Public Offering of its common shares in listing The Company in the Stock Exchange of Thailand. While in 2020, the shareholders' equity increased from the operating profit of the group of companies minus the interim dividends paid to shareholders.

2. Analysis of Operation and Financial Performance for 2018, 2019 and 2020

2.1 Operation Analysis

2.1.1 Revenues

For the year ended December 31, 2018, 2019 and 2020, Total Revenue for The Company were 4,848.94 million baht, 5,088.17 million baht and 6,036.77 million baht, respectively. This was a growth rate of 4.93% in 2019 and 18.64% in 2020, respectively.

• Sales of goods and services

For the year ended December 31, 2018 2019 and 2020, The Company had Sales of goods and services of 4,833.21 million baht, 4,950.63 million baht and 4,987.59 million baht, respectively. This was a growth rate of 2.43% in 2019 and 0.75% in 2020, respectively. Sales of goods and services in 2018, 2019 and 2020 included Revenue from Finance Leases under Power Purchase Agreement totaling 417.02 million baht, 410.38 million baht, and 401.23 baht, respectively. This represented a Growth Rate of 8.63%, 8.29% and 8.04%. Most Sales of goods and services came from both Major Customers: Electricity Authority Of Thailand and Provincial Electricity Authority, accounting for 98.74%, 98.26% and 97.17% of overall Sales of goods and services in 2018, 2019 and 2020, respectively. In 2020, The Company has received Revenues from 4 types of Power Plants: Biomass Power Plants, Natural Gas Power Plant, Municipality Solid Waste Power Plant and Solar Energy Power Plant, per following details.

Sales of goods and services	Consolidated Financial Statement for the year ended, December 31					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Electricity Sales (FiT)	2,434.23	50.36	2,420.71	48.90	2,666.67	53.46
FiT Premium	171.82	3.55	170.33	3.44	152.61	3.06
Electricity Sales to Industrial Users	8.76	0.18	12.27	0.25	20.62	0.41
Income from external power plant maintenance	-	-	-	-	47.81	0.96
Steam Sales (IU)	0.41	0.01	0.03	0.00	-	-
Total Sales from Biomass Power Plants	2,615.22	54.10	2,603.34	52.59	2,887.71	57.89
Revenue from Finance Lease under Power Purchase Agreement	417.02	8.63	410.38	8.29	401.23	8.04
Revenue from Service under Power Purchase Agreement	1,523.77	31.53	1,628.02	32.89	1,394.90	27.97
Electricity Sales to Industrial Users (IU)	4.99	0.10	8.93	0.18	5.10	0.10
Steam Sales (IU)	9.13	0.19	20.51	0.41	13.24	0.27
Total Sales from Natural Gas Power Plants	1,954.91	40.45	2,067.84	41.77	1,814.47	36.38
Base Electricity Sales and Ft Premium	99.73	2.06	105.79	2.14	104.88	2.10
Additional Income (Adder)	125.40	2.60	129.18	2.61	128.62	2.58
Revenue from Waste management	37.54	0.78	37.36	0.75	40.26	0.81
FiT Premium	-	-	-	-	0.26	0.01
Total Sales from Solid Waste Power Plant	262.67	5.44	272.33	5.50	274.02	5.50
Base Electricity Sales and Ft Premium	0.41	0.01	7.12	0.14	11.39	0.23
Total Sales from Solar Energy Power Plant	0.41	0.01	7.12	0.14	11.39	0.23
Sales of goods and services	4,833.21	100.00	4,950.63	100.00	4,987.59	100.00

• Revenue from Construction under a Concession Arrangement (Before COD)

In 2019 and 2020, The Company had Revenue from Construction under a Concession Arrangement of 104.64 million baht and 870.55 million baht respectively under Solid Waste Power Plant Concession, with Krabi Municipality (ALCP6). The Concession covers the management and converting of waste to electrical energy for 25 years, signed on February 22, 2019. At the end of project, ALCP will transfer the ownership of the Waste Management system and property to Krabi Municipality at no cost. The Management views this condition as Agreement on Service Concession under TFRIC 12 "Service Concession Arrangement", thus recorded the Revenue from Construction under a Concession Arrangement in accordance of percentage of completion of the fair value of the assets and recorded the actual Construction Cost of 104.64 million baht and 870.55 million baht respectively. Therefore, the group of companies has no gain or loss from such items. The project was completed and commenced commercial operation on December 28, 2020.

• Other Income

For the year ended December 31, 2018, 2019 and 2020, The Company had Other Income of 15.73 million baht, 32.90 million baht and 178.63 million baht, respectively. Most Other Income in 2018 came from profit from the sale of land to related parties of Baht 5.40 million from the land purchase agreement between

AAA and TAB. Scrap sale and insurance claims of 3.23 million baht, 2.88 million baht and 2.88 million baht, respectively. In 2019, other Income came from Insurance Compensation worth 23.95 million baht; consisting of Machine and Equipment compensation of 6.16 million baht and business interruption compensation of 17.79 million baht, and interest income of 6.35 million baht. In 2020, the compensation from the insurance company was 171.95 million baht, which was the compensation from the occurrence of the damage of the power plant machinery during the test run. (Commissioning & Test Run) in 2016, which an indirect subsidiary has repaired to be able to use normally.

2.1.2 Costs

• Costs of Sales and Services

For the year ended December 31, 2018, 2019 and 2020, The Company had Costs of Sales and Services of 3,415.75 million baht, 3,324.70 million baht and 3,196.27 million baht, respectively. They could be classified per following:

Costs of Sales and Services	Consolidated Financial Statement for the year ended, December 31					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Fuel Material Cost	2,233.85	65.40	2,192.56	65.95	2,057.55	64.37
Depreciation Cost	500.62	14.66	488.74	14.70	503.63	15.76
Labor Cost	187.04	5.47	156.80	4.72	158.88	4.97
Maintenance Cost	194.13	5.68	194.67	5.86	187.17	5.86
Maintenance services for external power plants cost	-	-	-	-	29.83	0.93
Engineer cost and other service fees	145.13	4.25	153.57	4.62	124.50	3.90
Operation fee – PEA	53.90	1.58	53.71	1.61	56.26	1.76
Other Costs	101.08	2.96	84.65	2.54	78.45	2.45
Total Sales & Service Costs	3,415.75	100.00	3,324.70	100.00	3,196.27	100.00

Biomass Power Plant Projects

For the year ended December 31, 2018, 2019 and 2020, Total Costs for Biomass Power Plants were 1,878.73 million baht, 1,690.84 million baht and 1,792.92 million baht, respectively. Its Major Costs were Fuel Material Costs, Building and Equipment Depreciation Costs and Maintenance Costs and Labor Costs.

In 2019, Total Costs for Biomass Power Plants decreased by 187.89 million baht or 10.00%. This came from the reduction of Fuel Material Costs of 189.73 million baht and reduction of Maintenance Costs of 23.53 million baht. These were the results of The Company's improved Fuel Material Cost Management and increase of Operation Efficiency from production process and machinery improvement, fuel mixing formula to maximize combustion. These also resulted from the Research and Development work and improvement in Procurement Process, thus reducing the Fuel Material costs.

For the year 2020, the cost of biomass power plant projects increased by 102.08 million baht from 2019, or an increase of 6.04%, mainly due to the increase in fuel costs in line with the increased production and distribution of electricity from Production efficiency improvement Including the increase in power plants from the acquisition and acceptance of the business transfer during the year 2020

Natural Gas Power Plant Projects

Costs of Sales and Service for 2018, 2019 and 2020 were 1,387.77 million baht, 1,491.04 million baht and 1,267.21 million baht, respectively. Major Costs were Fuel Material Costs and Operation and Maintenance Costs. In 2019, Costs of Sales and Service increased by 103.27 million baht from those in 2018 as the main reason was the increase in the cost of fuel raw materials of natural gas power plants in the amount of 108.49 million baht or 8.69% due to the rising price of natural gas. The gas price has been compensated for the increase from the Electricity Generating Authority of Thailand according to the electricity cost formula adjusted for the changing natural gas price.

While in 2020, the cost of sales and services decreased from the year 2019 by 223.83 million baht, mainly due to the decrease in the cost of raw materials of fuel of natural gas power plants from the reduction of average natural gas prices. In addition, the cost of maintenance service was reduced by 22.70 million baht from allowing the company's team to manage and maintain the power plant by itself instead of hiring, managing and maintaining the power plant from outside companies and from cost control and planning. More efficient maintenance of machines

• Foreign Exchange Loss

As a result, The Company recorded a Foreign Exchange gain (loss) of (10.04) million baht and (103.51) million baht and 18.77 million baht in 2018, 2019 and 2020, respectively. However, there were unrealized Foreign Exchange loss of 10.27 million baht, 102.34 million baht, and 4.80 million baht in 2018, 2019 and 2020, respectively. The main reason for the increased loss at the end of 2019 was due to the appreciation of the baht compared to the end of the previous year. However, at the end of 2020, the baht depreciated slightly from the end of last year. Therefore, the group of companies Profit from such exchange rate

Municipality Solid Waste Power Plant Project

In 2018, 2019 and 2020 Cost of sales and services of the community waste power plant project The cost of sales and services was 148.84 million baht, 136.20 million baht and 130.44 million baht, respectively. Most of the cost was due to amortization of service rights from the concession agreement. (Calculated from the fair value of the project) maintenance and labor Costs The 2019 and 2020 costs decreased due to a decrease in amortization, right to service from the concession agreement, from changing the amortization period from 16 years to 18 years during the month. In august 2019 includes a reduction in ash removal costs.

Solar Rooftop Energy Power Plant Project

Cost of sales and services of solar power plant projects in 2018, 2019 and 2020 amounted to 0.41 million baht, 6.62 million baht and 5.69 million baht, respectively. Most of the costs came from labor costs and depreciation.

• **Gross Profit**

For the year ended December 31, 2018, 2019 and 2020, the Company has gross profit margins from sales and services of 29.33 %, 32.84 % and 35.92 %, respectively. They could be classified per type of Power Plants as below:

Gross Profit	Consolidated Financial Statement for the year ended, December 31					
	2018		2019		2020	
	million Baht	%	million Baht	%	million Baht	%
Biomass Power Plants						
Sales and Service Income	2,615.22	100.00	2,603.34	100.00	2,887.71	100.00
Costs of Sales and Service	1,878.73	71.84	1,690.84	64.95	1,792.92	62.09
Biomass Power Plant Gross Profit	736.49	28.16	912.50	35.05	1,094.79	37.91
Natural Gas Power Plant						
Sales and Service Income	1,954.91	100.00	2,067.84	100.00	1,814.47	100.00
Costs of Sales and Service	1,387.77	70.99	1,491.04	72.11	1,267.21	69.84
Natural Gas Power Plant Gross Profit	567.14	29.01	576.80	27.89	547.26	30.16
Municipal Solid Waste Power Plant						
Sales and Service Income	262.67	100.00	272.33	100.00	274.02	100.00
Costs of Sales and Service	148.84	56.66	136.20	50.00	130.44	47.60
Solid Waste Power Plant Gross Profit	113.83	43.34	136.13	50.00	143.58	52.40
Municipal Solar Rooftop Power Plant						
Sales and Service Income	0.41	100	7.12	100.00	11.39	100.00
Costs of Sales and Service	0.41	100	6.62	92.98	5.69	49.96
Solar Energy Power Plant Project Gross Profit	0.00	0.00	0.50	7.02	5.70	50.04
Total Sales and Service Income	4,833.21	100.00	4,950.63	100.00	4,987.59	100.00
Total Costs of Sales and Service	3,415.75	70.67	3,324.70	67.16	3,196.26	64.08
Total Gross Profit	1,417.46	29.33	1,625.93	32.84	1,791.33	35.92

In 2018, the gross profit of the biomass power plant was 736.49 million baht and the gross profit margin was 28.16%, while in 2019, the gross profit increased from 2018 by 176.01 million baht and the gross profit margin increased to 35.05 per year, since in 2018, the Group has control over the cost of procurement and consumption of fuel. As well as more efficient control of maintenance costs for machinery. While in 2020, the Company's gross profit increased by Baht 182.29 million and the gross profit margin increased to 37.91% from the increase in revenue from electricity sales as the number of power distribution units increased. Together with the recognition of revenue from the sale of some electricity from the biomass power plant that the Group of Companies Purchased in August 2020. In addition, the group of companies has profit from external power plant maintenance services and able to reduce the cost of biomass fuel through more efficient control of the cost.

For the natural gas power plant project (AAA1), the main cost of the natural gas power plant project came from the cost of natural gas fuel, in 2018 the gross profit was 567.14 million baht and the gross profit margin was 29.01%. The gross profit was 576.80 million baht and the gross profit margin was 27.89 percent, with the gross profit increased by 9.66 million baht from 2018 due to an increase in revenue over the cost of production. Although the cost of fuel, gas, which is the main production cost, will increase from both consumption and average price As a result, the total cost of production increased by 103.27 million baht compared to the previous year. But with the electric energy price formula adjusted according to the natural gas price, the increase in gas price has no impact on the gross profit. In addition, there is a more efficient management of power plant operations. As a result, it can generate more electricity by using a lower proportion of gas and in 2020 gross profit of 547.26 million baht and gross profit of 30.16 percent, with gross profit decreased by 29.54 million baht from in 2019. Due to the planned shutdown in the year 2020, the natural gas power plant will reduce the revenue. However, when considering the gross profit margin for 2020, it increased from year 2019 from 27.89% to 30.16% because in 2020 the group of companies allowed the Company's team to manage and maintain the power plant by themselves instead of hiring management and maintenance of the power plant from external companies

The Group's gross profit from municipal waste power plants in 2018, 2019 and 2020 is equal to 113.83 million baht, 136.13 million baht and 143.58 million baht or equivalent to 43.34%, 50.00% and 52.40% respectively. This was due to the increase in electricity sales and waste disposal revenue. And the Krabi Municipal Waste Power Plant, which began commercial operation in December 2020, where the main cost of the community waste power plant is due to the cost. Amortization of service rights from concession agreements, which does not vary according to the volume of electricity sales.

The solar power plant is in the beginning of the project. Therefore, gross profit for the year 2019 and 2020 are 0.50 million baht and 5.70 million baht, respectively, or equivalent to 7.02% and 50.04% of the gross profit, respectively

Overall, the gross profit of the Group of Companies for the fiscal year ended December 31, 2018, 2019 and 2020 is equal to 1,417.46 million baht, 1,625.93 million baht and 1,791.33 million baht, or 29.33 % 32.84% and 35.92% (excluding construction income under the concession agreement), respectively, representing an average gross profit growth rate of 12.42% per year.

2.1.3 Sales, General & Administrative (SG&A) Costs

For the year ended December 31, 2018, 2019 and 2020, the Group has administrative expenses of 378.53 million baht, 330.36 million baht and 322.25 million baht, respectively. The proportion of total income excluding other income was 7.83%, 6.53% and 5.50%, respectively. In the year 2019, administrative expenses decreased from the year 2018 by 48.17 million baht or equivalent to 12.73% due to loss from impairment of construction design costs and reversed the allowance for impairment of land in the amount of 16.20. Million baht, while in 2020 the administrative expenses decreased from the year 2019 by 8.11 million baht or 2.45 percent due to the cost of preparation and registration in 2019 for IPO

2.1.4 Finance Costs

For the year ended December 31, 2018, 2019 and 2020, The Company had Finance Costs of 482.52 million baht, 412.57 million baht and 106.32 baht, respectively. This represented 9.99%, 8.17% and 1.82% of total income excluding other income, respectively. In 2019, the Finance Costs decreased by 69.95 million baht or 14.50% due to the Repayment of Loans during the year and prematurely redemption in full of Company's Debentures.

The Company utilized the IPO proceeds of cash reserve for Power Plant development. In addition, The Company also received a reduced interest rate from its banks. Finance costs in the year 2020 decreased from the year 2019 by 306.25 million baht from the repayment of the loan according to the repayment period. Early repayment of debentures and management of the capital increase received from the IPO by temporarily repaying the loan before Resulting in lower financial cost. In addition to considering the interest rate cut on loans from commercial banks. And a decrease in the Bank's Reference Loan Rate (MLR).

2.1.5 Income Tax

For the year ended December 31, 2018, 2019 and 2020, The Company had Corporate Tax Income of 15.53 million baht; Corporate Tax Expense of 2.91 million baht and Corporate Tax Income of 42.61 million baht, respectively. Its Major Costs were Income Tax for the period, from the Profits, for the portion not exempted from the BOI-privileges and Deferred Income Tax, from the change in Balance of Assets or Income Tax expenses at the end of period.

In 2018, The Company had an increased Accounting and Tax expenses from 3 factors: (1) Direct expenses in issuing Corporate Debentures, The Company recorded a reduced Income Tax expenses of 3.48 million baht, from the temporary difference of Depreciation expense between Accounting and Tax. (2) The Change of Machinery Life Depreciation to match the Power Purchase Agreement, causing a 13.66 million baht increase in Income Tax expenses in 2018. Overall, The Company recorded Deferred Income Tax of 9.80 million baht in 2018. (3) The reclassification of Koh Khanun Power Plant as a Finance Lease, causing a 24.83 million baht Deferred Income Tax expense in 2018. Overall, The Company recorded Deferred Income Tax expense of 9.80 million baht in 2018.

In 2019, The Company had increased Income Tax expense of 18.44 million baht, from the increased Deferred Income Tax from the temporary difference of Accounting and Tax Depreciation. The company group The deferred tax was recorded as income for the year 2019 amounting to Baht 11.46 million,

In 2020, the Company had income tax expenses increased from the year 2019 by 44.46 million baht, due to an increase in non-tax exempt profit, mainly due to insurance claims compensation. And there are differences in accounting and tax that affect the tax expenses. From recording expenses from temporary differences of finance lease receivables and from business acquisitions, including the effects of other temporary differences, the Group has therefore recorded deferred tax as expense for the year 2020 amounting to Baht 17.96 million.

2.1.6 Net Profit

For the year ended December 31, 2018, 2019 and 2020, The Company had Net Profit of 546.57 million baht, 815.30 million baht and 1,507.64 million baht, respectively. This represented a Net Profit Margin of 11.31%, 16.13% and 25.73%, respectively. In 2019, Net Profit increased by 268.73 million baht, showing a 49.17% Growth rate from 2018. This was mainly due to the increased gross profit from the increase in sales and service revenues and effective cost control. Including the management of the cash received from the capital increase by temporarily repaying the loan premature, resulting in the reduction of the financial costs of the Group

For the year 2020, the Company's net profit increased by Baht 692.34 million or 84.92% compared to the year 2019, mainly due to the increase in revenue from sales and services of biomass power plants according to the number of power units. Sell more This is a result of the continuous operation of the power plant and the recognition of partial electricity sales from the biomass power plants that the Group acquired during the year. In addition, the gross margin Also increased by operating the machine more efficiently Moreover, the cost of procurement and fuel consumption of biomass power plants can be controlled very well, as well as the substantial lower financial costs from the capital management received from the IPO, resulting in a decrease in interest-bearing debt. While the loan rate on interest-bearing debt is also lower.

2.2 Financial Condition Analysis

2.2.1 Assets

For the year ended December 31, 2018, 2019 and 2020, The Company had Total Assets of 13,886.74 million baht, 14,145.18 million baht and 16,429.69 million baht, respectively. This showed increase of 1.86% and 16.15%, respectively. Major Assets are Land, Property and Machinery in operating power plants, Account Receivables in Financial lease under the Natural Gas Power Plant's Power Purchase Agreement and Rights to Service under Municipality Waste Management Project Concession Arrangement.

In 2019, Total Assets increased by 258.44 million baht or 1.86%. Cash or Cash Equivalents decreased by 32.58 million baht, Financial Lease Account Receivable declines from Foreign Exchange loss by 128.94 million baht, inventory increased by 89.70 million baht, restricted Deposits at Financial Institutions, an account open with the banks for payment of electricity under the Power Purchase Agreement; increased by 173.66 million baht. This account is used a Collateral for the loan agreement to ensure sufficient Capital and Interest payment. Machinery Maintenance; Property for Investment increased by 23.52 million baht, Property, Plant and Equipment decreased by 70.06 million baht after Depreciation Cost Advance Payment for Construction and Fixed Asset purchase increased by 133.49 million baht mainly from Krabi Municipality Solid Waste Power Plant Project, Rights to Service under Concession Arrangement, increased 50.69 million baht from Krabi Municipality Solid Waste Power Plant Project and other assets increased 18.96 million baht, Tax Payable increased 12.25 million baht and advance land payment increased by 11.77 million baht.

In 2020, total assets increased by 2,284.51 million baht compared to the year 2019, or an increase of 16.15% due to an increase in cash and cash equivalents of 410.97 million baht, finance lease receivables decreased by 36.99 million baht from Exchange rate adjustments Inventories increased 216.87 million baht. Deposits under collateral decreased by 221.04 million baht. Investment properties increased by 20.66 million baht from the purchase of land for power plant projects in the future. Property, plant and equipment increased by 1,035.91 million baht. This was mainly due to the purchase of businesses and the purchase of office buildings. Advance payment for construction and purchase of fixed assets decreased by 99.67 million baht, mainly due to the Krabi waste power plant project, which was completed and completed in December 2020, the right to service from the concession agreement increased 827.87 million Baht from the rights of the Krabi waste power plant concession and amortization during the period Rights of use assets increased by 37.41 million baht. from the introduction of the IFS No. 16 Regarding lease agreements for land and building leased The Group previously classified it as an operating lease. And deferred tax assets increased by 29.85 million baht mainly from business acquisitions.

- **Trade Receivables and others**

For the year ended December 31, 2018, 2019 and 2020, The Company had Trade Receivable and others of 829.13 million baht, 819.99 million baht, and 829.02 million baht, respectively. It represented 5.97%, 5.80% and 5.05% of Total Assets, respectively. The Debt collection period for 2018, 2019 and 2020 were 57.68 days, 57.88 days and 56.83 days, respectively.

- **Receivables under Finance Lease**

For the year ended December 31, 2018, 2019 and 2020 The Company had current portion of Receivables under Finance Lease of 97.94 million baht, 96.17 million baht and 93.31 million baht, respectively. The Company had Receivables under Finance Lease as longterm assets of 3,324.32 million baht 3,197.15 million baht and 3,163.02 million baht, respectively, from the Electricity Income under Power Purchase Agreement for AAA1 Project. For the year ended December 31, 2018, 2019 and 2020, the Receivables under Finance Lease accounted for 24.65%, 23.28% and 19.82% of Total Assets. (According to Thai Financial Report Standard No. 4 (TFRIC 4)) respectively.

- **Property, Plant, Equipment**

For the year ended December 31, 2018, 2019 and 2020, The Company had Property, Plant, Equipment of 8,129.43 million baht 8,059.37 million baht and 9,095.28 million baht, respectively. Property, Plant, Equipment's value had no significant change in 2019. For the year 2020, an increase of 1,035.91 million baht due to business acquisitions during the year and increased work in progress.

For the year ended December 31, 2018, 2019 and 2020, The Property, Plant, Equipment accounted for 58.54%, 56.98% and 55.36% of Total Assets., respectively.

Property, Plant, Equipment	Consolidated Financial Statement for the year ended, December 31					
	2018		2019		2020	
	million Baht	%	million Baht	%	million Baht	%
Land	1,757.54	21.62	1,900.20	23.58	2,038.40	22.41
Land Improvement	460.58	5.67	429.29	5.33	482.25	5.30
Building & Building Improvement Power Plant	595.43	7.32	558.90	6.93	682.30	7.50
Building & Building Improvement Office	128.70	1.59	122.28	1.52	186.75	2.05
Machine & Equipment	4,623.97	56.88	4,410.90	54.73	4,749.27	52.22
Office equipment, Furniture & Fixture	10.81	0.13	9.91	0.12	12.70	0.14
Tool & Equipment	21.16	0.26	21.73	0.27	25.35	0.28
Vehicles	8.45	0.10	7.30	0.09	13.70	0.15
Construction Work-in-Process	522.79	6.43	598.86	7.43	904.56	9.95
Total Property, Plant, Equipment	8,129.43	100.00	8,059.37	100.00	9,095.28	100.00

For the year ended, 2018, 2019 and 2020, The Company had Construction Work-in-Process of 522.79 million baht, 598.86 million baht and 904.56 million baht, respectively. The Company had been building Klong Klung Biomass Power Plant (ACP4) and Sri Saket Biomass Power Plant (ALCP4), which The Company expected to sign the Power Purchase Agreement.

In 2020 there will be more work in progress From the Klong Khlung Biomass Power Plant Project (ACP4 Project), which has been returned in 2020, it has also increased from investment in other new projects such as solar power plant projects.

• Rights to service under Concession Arrangement

Rights to service under Concession Arrangement is the right awarded under the Concession to provide Waste Management by converting waste to electrical energy. During construction period, The Company recorded the waste as intangible assets (Rights to service under Concession Arrangement) in accordance with percentage of completion of the fair value of the assets (Construction Value of Municipality Solid Waste Power Plant) After commencing commercial operation, The Company will amortize the Rights to service under Concession Arrangement as expenses in the Profit and Loss Statement, using a straightline method throughout the concession period. The Company will transfer the Power Plant building to Khon Kaen Municipality at the end of the concession. (refer to Building Construction agreement to transfer the ownership to Khon Kaen Municipality Solid Waste Power Plant according to the Waste disposal and Waste to Energy Concession)

As of December 31, 2018, 2019 and 2020, the Group has a record of rights to provide services from the concession agreement of the municipal waste power plant project amounting to 760.98 million baht, 811.67 million baht and 1,639.54 million baht, respectively. Providing services from the concession agreement in 2019, mainly due to the entering into a contract with the Krabi Municipality to work in the disposal of waste under the management and disposal of solid waste by means of converting solid waste into electric energy for a period of 25 years. From the date of signing the contract of the community waste

power plant project with Krabi Municipality (ALCP6) and in 2020, the Group recognized the service rights from the concession agreement as an additional intangible asset as a consideration for the construction of assets under the concession agreement and cut off Such rights are sold throughout the contract period. The company started commercial power distribution on 28 December 2020.

2.2.2 Debts

For the year ended December 31, 2018, 2019 and 2020, Debts were 8,315.10 million baht, 3,352.14 million baht and 4,436.85 million baht, respectively. In 2019, Total Debts decreased by 4,962.96 million baht from 2018 or 59.69%. This resulted from the reduction for long-term loans from financial institutions of 3,183.95 million baht from loan repayment. Debenture decreased by 1,476.50 million baht from early redemption of all debentures. Trade payable and others decreased by 162.72 million baht as Natural Gas Payable decreased by 122.93 million baht.

Total liabilities in 2020 increased by 1,084.71 million baht or equivalent to an increase of 32.36 percent, mainly due to an increase in short-term loans from financial institutions 37.90 million baht, long-term loans from financial institutions increased by 889.65 million baht. Trade and other payables increased by 19.55 million baht. The lease liability increased by 25.24 million baht from the adoption of IFRS 16, the lease agreement, the deferred tax liability increased by 71.35 million baht and the financial derivative liabilities increased by 12.09 million baht from the recognition of the difference. The fair value of financial derivatives in IFRS 9.

• Trade and Other Payables

For the year ended December 31, 2018, 2019 and 2020, Trade and Other Payables were 412.14 million baht, 249.42 million baht, and 268.95 million baht, respectively or 4.96%, 7.44% and 6.06% of Total debts, respectively. In 2019, Trade and Other Payables decreased by 162.72 million baht as Natural Gas Payable decreased by 122.93 million baht and Personal Share Payable decreased by 15.00 million baht.

While in 2020, trade and other payables increased by 19.55 million baht, mainly due to an increase in creditors from the purchase of fixed assets in the amount of 37.40 million baht, and accrued expenses of 20.65 million baht, such as repairs and maintenance expenses. Accrued bonus fees, etc., and a decrease in gas trade payable in the amount of 42.16 million baht.

For the year ended December 31, 2018, 2019 and 2020, The Company had a Debt Payment Cycle of 28.84 days, 23.33 days and 14.08 days, respectively.

Trade and Other Payables	Consolidated Financial Statement for the year ended, December 31					
	2018		2019		2020	
	million Baht	%	million Baht	%	million Baht	%
Trade Payables	285.77	69.33	145.19	58.21	104.84	38.98
Payables from investment in subsidiary	15.00	3.64	-	-	-	-
Other Payables	35.81	8.69	34.76	13.94	38.68	14.38
Fixed Assets Payables	5.59	1.36	11.20	4.49	48.60	18.07
Deferred Payables	54.00	13.10	53.38	21.40	74.03	27.52
Deferred Interests Payment	15.53	3.77	0.52	0.21	0.43	0.16
Advance Payment	0.07	0.02	0.07	0.03	0.07	0.03
Contingency Fee	0.22	0.05	4.17	1.67	2.24	0.83
Employees Benefits Obligations	0.15	0.04	0.13	0.05	0.07	0.03
Total Trade and Other Payables	412.14	100.00	249.42	100.00	268.96	100.00

• Long-terms Loans from Financial Institutions

For the year ended December 31, 2018, 2019 and 2020, The Company had Long-terms Loans from Financial Institutions per following:

Long-terms Loans from Financial Institutions	Consolidated Financial Statement for the year ended, December 31					
	2018		2019		2020	
	million Baht	%	million Baht	%	million Baht	%
Current Portion of Long-terms Loans from Financial Institutions (Net)	747.06	12.55	856.18	30.94	575.29	15.73
Long-terms Loans from Financial Institutions (Net)	5,204.39	87.45	1,911.32	69.06	3,081.86	84.27
Total Long-terms Loans from Financial Institutions	5,951.45	100.00	2,767.50	100.00	3,657.15	100.00

Long-terms Loans from Financial Institutions were used for investment and construction of Company's Power Plants. In 2019, Long-terms Loans from Financial Institutions reduced by 3,183.95 million baht, showing a 53.50% decline. This resulted from the repayment of loans of Company and its subsidiaries.

In 2019, The Company temporarily prepaid the loans by using the portion of the IPO proceed, reserved from development of new power plants.

In 2020, the Group has an increase of longterm loans from financial institutions by Baht 889.65 million or an increase of 32.15 percent, mainly due to entering into longterm and revolving credit agreements with financial institutions for development and operation. Community waste-to-energy power plant project

For the year ended December 31, 2018, 2019 and 2020, Long-terms Loans from Financial Institutions were 71.57%, 82.56% and 82.43% of Total Debts, respectively.

- **Provisions for Power Plant maintenance under concession arrangement**

For the year ended December 31, 2018, 2019 and 2020, Provisions Power Plant maintenance under Concession Arrangement were 17.29 million baht, 25.22 million baht and 32.42 million baht, respectively. Such Provision were requirement under the Waste Management and Converting of Waste to Electrical Energy Concession Arrangement that the Contracted party oversees, maintain and repair assets under concession in good working condition throughout the concession period. The Provisions were recorded with accurate calculation to ensure sufficient fund available. For the year ended December 31, 2018, 2019 and 2020 showed 0.21%, 0.75% and 0.73% of Total Debts, respectively.

2.2.3 Owners Equity

For the year ended December 31, 2018, 2019 and 2020, The Company had Owners' Equity of 5,571.64 million baht, 10,793.04 million baht and 11,922.84 million baht, respectively. In 2019, Equity increased by 5,221.40 million baht or 93.71% from the issuing and selling the Initial Public Offering Shares and had Share Premium of 3,896.01 million baht. In addition, The Company had increased Net Profit; thus increasing the unappropriated Retained Earning. In 2020, shareholders' equity increased by 1,199.80 million baht or representing an increase of 11.12% from the year 2019 due to the group of companies have a net profit, resulting in an increase in retained earnings.

For the year ended December 31, 2018, 2019 and 2020 the unappropriated Retained Earning were 1,015.53 million baht, 1,831.92 million baht and 3,005.69 million baht, respectively. In addition, in 2020, the Group has retained earnings allocated as legal reserve of 26.03 million baht.

Equity	Consolidated Financial Statement for the year ended, December 31					
	2018		2019		2020	
	million Baht	%	million Baht	%	million Baht	%
Paid-up Capital	4,579.00	82.18	5,088.00	47.14	5,088.00	42.42
Share Premium	-	-	3,896.01	36.10	3,896.01	32.49
Retained earnings - Appropriated - Legal reserve	-	-	-	-	26.03	0.22
Retained Earning-unappropriated Deficits from Business Combination under	1,015.53	18.23	1,831.92	16.97	3,005.69	25.06
Common Control	(22.89)	(0.41)	(22.89)	(0.21)	(22.89)	(0.19)
Total Equity	5,571.64	100.00	10,793.04	100.00	11,992.84	100.00

2.3 Liquidity Analysis

Cash Flow Analysis	Consolidated Financial Statement for the year ended, December 31		
	2018	2019	2020
	million Baht	million Baht	million Baht
Net Cash from Operation	1,344.70	1,618.60	1,894.52
Net Cash used in Investment	(977.88)	(826.12)	(1,644.46)
Net Cash in Financing	(399.31)	(825.05)	160.91
Net Cash and Cash Equivalents Increase (Decrease)	(32.49)	(32.57)	410.97
Cash or Cash Equivalent at beginning of the Year	37.75	104.49	71.92
Cash or Cash Equivalent at End of Year	5.26	71.92	482.89

2.3.1 Cash Flow from Operation

For the year ended December 31, 2018, 2019 and 2020, The Company had Cash Flow from Operation of 1,697.15 million baht, 1,618.60 million baht and 1,894.52 million baht, respectively.

For the year ended December 31, 2018, Profit from Operation before change in Assets and Operating Debts were 1,635.25 million baht; from 9 Biomass Power Plants, 1 Natural Gas Power Plant, 1 Municipal Solid Waste Power Plant and 1 Solar Power Plant. Pretax Profit were 562.10 million baht, Depreciation cost were 467.57 million baht and Finance Cost were 482.53 million baht. With Net Cash Flow increase of 63.64 million baht; Cash Flow from Operation reached 1,697.15 million baht.

For the year ended December 31, 2019, Profit from Operation before change in Assets and Operating Debts were 1,864.86 million baht, with 2 Solar Energy Power Plants commencing commercial operation. The Company had Pre-tax Profit of 812.39 million baht, Depreciation cost of 469.34 million baht and Finance cost of 412.57 million baht. With Net Cash Increase of 244.57 million baht; Cash Flow from Operation reached 1,618.60 million baht

For the year ended December 31, 2020, the Group had a profit from operating activities before changes in operating assets and liabilities amounted to 2,232.51 million, with an increase in biomass power plant projects from the acquisition of 3 solar power plant projects. 1 additional commercial operation and one more waste power plant opened from 2019 by the Group Profit before income tax 1,550.25 million baht. Depreciation of 494.53 million baht and finance costs of 106.32 million baht. However, the Group had cash flows used in the change of net working capital 313.16 million baht, resulting in the group of companies has net cash flow from operating activities in the amount of 1,894.52 million baht

2.3.2 Cash Flow for Investment

For the year ended December 31, 2018, 2019, 2020, Net Cash for Investment were 400.65 million baht, 826.12 million baht and 1,644.46 million baht, respectively

For the year ended December 31, 2018, The Company had Net Cash for Investment of 400.65 million baht, mainly from purchase of land plot of the already COD power plant, investment in Solar Energy Power Plant project, maintenance and purchase of spare parts of power plants projects.

For the year ended December 31, 2019, The Company had Net Cash for Investment of 826.12 million baht, mainly from purchase of fixed assets of 531.55 million baht, purchase of assets under concession of 101.30 million baht and Bank Deposit with restriction increase of 173.66 million baht.

For the year ended December 31, 2020, the Group's net cash flow used in investing activities was 1,644.46 million baht, mainly due to the purchase of fixed assets amounting to 655.36 million baht and assets under the concession scheme of 866.53 million baht. Payment for the transfer of debt from the acquisition of 265.56 million baht and a decrease in deposits of financial institutions owing to a guarantee of 251.25 million baht.

2.3.3 Cash Flow from Financing

For the year ended December 31, 2018, 2019 and 2020, The Company had Cash Flow from Financing of 1,197.27 million baht, 825.05 million baht respectively. In 2020, the Group's net cash flow from financing activities amounted to 160.91 million baht.

For the year ended December 31, 2018, The Company used Cash Flow in Investment of 1,197.27 million baht from (1) Finance Charge and Bank Fees of 459.15 million baht (2) Repayment of longterm loans of 2,287.89 million baht. The Company received Cash from selling Debentures for 1,500.00 million baht

For the year ended December 31, 2019, The Company used Cash Flow for Investment of 825.05 million baht. The Company received Cash from selling the new shares in Initial Public Offering (IPO) of 4,405.01 million baht and used 3,186.62 million baht to repay long-term loans, redeem debentures before maturity for 1,500.00 million baht and repay short-term loans for 141.65 million baht.

For the year ended December 31, 2020, The Company had net cash flows from financing activities of 160.91 million baht. Net cash received from longterm loans from financial institutions and repayment amount of 579.66 million baht, but cash flow used from dividends paid to shareholders of the company amounting to 305.04 million baht.

2.4 Financial Ratio Analysis

2.4.1 Liquidity Ratio

Liquidity Ratio	Unit	Consolidated Financial Statement for the year ended, December 31		
		2018	2019	2020
Liquidity Ratio	times	0.70	1.04	1.52
Debt Cycle	day	57.68	57.88	56.83
Average Debt Payment	day	28.84	23.33	14.08
Cash Cycle	day	28.84	34.55	42.75

Remark: ¹ using 360 formula / (Sales & Service Income / Average Trade Receivable at beginning and end of year)

² using 360 formula / (Costs of Sales & Service / Average Trade Payables at beginning and end of year)

For the year ended December 31, 2017, 2018 and 2019, The Company had Liquidity Ratio of 0.27 times, 0.70 times and 1.04 times, respectively. In 2018, Liquidity Ratio increased to 0.70 times from the increase of current assets amounted 302.99 million baht; from the increase of one-year deposits with restrictions of 250.26 million baht and inventory of 89.70 million baht. Current Liabilities decreased by 251.01 million baht from the decrease of Trade Payables of 162.72 million baht and short-term loans of 141.65 million baht, respectively. Current portion of Long-term loans increased by 109.12 million baht.

In 2020 the liquidity ratio of the Group Increased to 1.52 times due to an increase in current assets of Baht 406.63 million, mainly due to an increase in cash and cash equivalents of 410.97 million baht. Inventories increased by 216.87 million baht and a decrease of 250.26 million baht in guaranteed deposits at financial institutions due within one year, while current liabilities decreased by 160.48 million baht. Long-term loan from financial institution, due within one year, amounting to 280.89 million baht.

For the year ended December 31, 2018, 2019 and 2020, The Company had Collection cycle of 57.68 days, 57.88 days and 56.83 days, respectively. from 2018 - 2020, Collection cycle has no significant changed.

In 2018, 2019 and 2020, The Company had average Debt payment of 28.84 days, 23.33 days and 14.08 days, respectively.

2.4.2 Profitability Ratio

Profitability Ratio	Unit	Consolidated Financial Statement for the year ended, December 31		
		2018	2019	2020
Gross Profit Margin ¹	%	29.33	32.84	35.92
Operation Profit Margin ²	%	21.61	24.74	33.21
Net Profit Margin ³	%	11.27	16.36	30.23
Return on Equity ⁴	%	10.32	9.96	13.23

Remark: ¹ Calculate by Gross Profit from Sales & Service / Sales & Service Income

² Calculate by Operating Profit / Sales & Service Income

³ Calculate by Profit (Loss) for the period/ (Sales & Service Income + Construction Income under Concession + Other Income)

⁴ Calculate by weight-average of Registered Capital/ days, Return on Equity were 12.85%

For the year ended December 31, 2018, 2019, 2020, Return on Equity were 10.32%, 9.96% and 13.23%, respectively.

The ROE decreased in 2019, as there were more shares issued from the IPO. However, using the weight-average of Registered Capital, the ROE increased from 2018, to 12.85%. The increase in equity yields for 2020 is mainly due to the higher profit from the greater number of power units sold. This is a result of the continuous operation of the power plant for a longer period of time and the recognition of partial electricity sales from the biomass power plant that the Company Group has. Purchased in August 2020., including the operation of the machine more efficiently and control the cost of procurement and fuel consumption of biomass power plants, as well as significantly reduced financial costs from the management of capital received from the IPO.

2.4.3 Operation Efficiency Ratio

Operation efficiency Ratio	Unit	Consolidated Financial Statement for the year ended, December 31		
		2018	2019	2020
Return on Assets ¹	%	3.93	5.82	9.86
Return on Fixed Assets ²	%	12.36	15.87	23.34

Remark: ¹ Calculate by Net Profit (Loss) / Average Total Assets

² Calculate by (Net Profit+ Depreciation) / Average Total Fixed Assets

For the year ended December 31, 2018, 2019 and 2020, Return on Assets were 3.93%, 5.82% and 9.86%, respectively. Return on Fixed Assets were 12.36%, 15.87% and 23.34%, respectively. The ROA increased from the increase of Sales & Service Income.

2.4.4 Financial Policy Ratio Analysis

Financial Policy Ratio	Unit	Consolidated Financial Statement for the year ended, December 31		
		2018	2019	2020
Debt/ Equity	times	1.49	0.31	0.37
Debt Service Coverage (Cash Basis)	times	0.58	0.41	0.61
Interest-paying ratio	times	3.75	4.07	20.98

For the year ended December 31, 2018, 2019 and 2020, Debt to Equity ratio were 1.49 times, 0.31 times, and 0.37 times, respectively.

In 2019, the debt to equity ratio decreased from 2018 due to an increase in the Group's re-tained earnings. And a reduction in total liabilities Including the initial public offering (IPO) in 2019, for the year 2020, the debt to equity ratio has not changed significantly from 2019.

For the year ended December 31, 2018, 2018 and 2020, The Company's Debt Service Coverage (Cash Basis) were 0.58 times, 0.41 times and 0.61 times, respectively. In 2019, there were prepayment of long-term loans, redemption of debenture before maturity and investment and asset purchase more than the cash flow from operation.

In 2020 the ability to pay obligations (Cash basis) increased from the year 2019 due to the main reason The Group's operating cash flow increases less than the cash flow used to acquire assets and dividends are paid to the shareholders of the company during the year.

For the year ended December 31, 2018, 2019 and 2020, Interest-payment ratio were 3.75 times, 4.07 times, and 20.98 times, respectively. The continuous increase resulted from the increase of cash flow from operation, exceeding the increase of costs of capital.

Corporate Social Responsibility



Overview Policy

With ACE Group vision to be a clean energy power plant with a responsibility to environment, society and shareholders, ACE Group strives to conduct business with honesty, integrity and fairness to business partners. ACE Group gives importance and takes into account the responsibility for the environment and society, allowing ACE Group to be able to conduct business sustainably. ACE Group has established policies on the Corporate Social Responsibility (CSR) for the Board of Directors, Executives and Employees to follow in the same direction.

Operations with responsibility to Environment and Society

1. Business Operation with Fairness and Transparency

ACE Group aims to conduct business with honesty, fairness and high ethics and is determined to compete in accordance with business ethics,

laws, and fair competition, including rejecting any behavior that obstructs the competition fairly, such as seeking confidential information of competitors, demanding, receiving or giving benefits for the dishonest trade, etc. Moreover, ACE Group also respects the intellectual property rights of others. ACE Group has a policy for personnel to comply with laws and regulations regarding intellectual property rights, such as using computer programs that are legally copyrighted, etc. ACE Group also has a campaign to promote and cultivate the subconscious awareness of ACE Group personnel at every level to create social responsibility.

2. Anti-Corruption

ACE Group conducts the business based on transparency and ethics, adheres to the principles of good corporate governance, and complies with the law relating to anti-corruption and giving or accepting bribes to government officials or the private

sector. The Group has established an organizational structure to divide the responsibility, operations and chain of command clearly in each department to balance the power and have a concise check and balance between each department appropriately. In addition, the Group has established guidelines for the directors, executives and employees of the company, subsidiaries and associated companies as follows:

- 1) The directors, executives and employees of the Group are prohibited to commit or accept any corruption in all forms, directly and indirectly, covering every relevant departments and regularly review the implementation of this anti-corruption policy in order to be in line with changes in regulations and legal requirements.
- 2) The Board of Directors, executives and employees of the Group are responsible for reporting to the Group, of the actions that are subject to corruption related to the Group by informing the supervisor or the person in charge and cooperate in the investigation of various facts.
- 3) The Group will provide fairness and protection to complainants who report the corruption, including those who cooperate in the reporting and investigation of corruption.
- 4) The directors and executives of the Group must act as a role model in the fight against corruption and be responsible for promoting and supporting anti-corruption policies, to communicate to employees and relevant parties and re-view the appropriateness of policies and measures suitable for changes in business conditions, regulations, and legal requirements.
- 5) Those who commit corruption are subject to disciplinary action in accordance with the regulations set by the Group and may be punished by law, if the act is illegal.
- 6) ACE Group provides training to directors, executives and employees of ACE Group company to understand the implementation of the anti-corruption policy, and promote morality, honesty, responsibility and their obligations. The Group encourages contractors, trade partners, or other parties that perform duties related to the Group to report any violations of the anti-corruption policy of the Group.
- 7) ACE Group encourages contractors, trade partners, or other parties that perform duties related to ACE Group to report any violations of the anti-corruption policy of ACE Group.
- 8) ACE Group has policies in recruiting or selecting personnel, promotion, training, evaluation, remuneration of ACE Group staff and employees fairly and sufficiently to prevent corruption within the organization and establish Foundation for ACE Group employees.
- 9) In order to be clear about the conduct of high-risk matters with the occurrence of corruption in the following matters, the directors, executives, and employees of ACE Group must act and investigate carefully:
 - 9.1 Giving and accepting gifts and receptions must be transparent, legal, and according to normal trade practices or traditions at an appropriate price.
 - 9.2 Giving and receiving donations or grants must be transparent and legal by ensuring that the donations or grants given and received must not conceal bribery.
 - 9.3 In carrying out business, contacting, negotiating, bidding and other operations with public or private sectors must be transparent and legal. In addition, the directors, executives, staff and employees of ACE Group must not give or receive any bribe at all stages of the business operation.

3. Respect the Human Rights

ACE Group has policies that support and respect the protection of human rights, by treating all involved parties including employees, communities and society with respect for human values. ACE Group takes into account the equality and equal freedom by not violating basic rights and discriminate any race, nationality, religion, language, color, gender, age, education, physical condition or social status. ACE Group also provides supervision to prevent any business of ACE Group to be involved in human rights violations such as child labor and sexual harassment etc. In addition, ACE Group has promoted the monitoring of compliance with human rights requirements by arranging for opinions expression and channels for complaints for those who may suffer from human rights violation from ACE Group business operation and ACE Group will take appropriate remedies after.

In order to respect human rights efficiently, ACE Group has built knowledge on human rights and created awareness among ACE Group personnel to comply with human rights principles.

4. The Fair Treatment towards Employees and Responsibility to Employees

ACE Group has been aware of the importance of human resource development and has treated the employees fairly which is a factor that will increase the value of the business and enhance the competitiveness and sustainable growth of ACE Group in the future. ACE Group has policies and guidelines as follows:

- 1) Respect the rights of employees in accordance with human rights principles and comply with the labor law
- 2) Provide fair employment process and conditions, including fair consideration of the remuneration and evaluation
- 3) Promote personnel development by providing training, seminars, and sending personnel to attend seminars and various related academic training to improve knowledge, capability, and potential of personnel including cultivating a good attitude, morality, ethics and teamwork.
- 4) Provide welfare in various forms for employees as required by law, such as social security etc. and additional benefits, not required by law, such as accident insurance, and various types of grants to employees such as scholarships to children, cremation money etc.
- 5) Provide annual health check-up services for personnel at all levels of the Group by considering the risk factors based on age, gender and working environment of each individual.
- 6) Ensuring employees to work safely and have good hygiene in the workplace by providing measures to prevent accidents and strengthen staff safety awareness including training and encourage employees to have good hygiene and taking care of the workplace. The Group also has a policy for every power plant of the Group to be certified to international standards for health and safety management systems (TIS 18001 and OHSAS 18001).
- 7) Allow employees to express their opinions or make complaints about unfair practices or wrong actions in the Group, including the protection of employees reporting such matters.

Standards and certification for the fair treating of labor and responsibility to employees in various field

1

Advance Agro Asia Co., Ltd.: Koh Khanun Clean Energy Power Plant



Picture: White Factory Award



Picture: OHSAS 18001 : 2007 Standard Certification



Picture : Excellent Awards for Safety Workplace



Picture : Green Office Award:
Good Level Vocational Hygiene and Woking
Environment 2019: City Contest

2

Advance Clean Power Co., Ltd.: Bo Ploy Power Plant



Picture: White Factory Award

3

Advance Agro Power Plant Co., Ltd.: Chok Chai Clean Power Plant



Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification



Picture: Standard on Prevention and Solution to Drugs Problems in an Establishment Certificate



Picture: White Factory Award



Picture: Safe, Healthy & Happy Workplace

4

Advance Agro Power Plant Co., Ltd.: Ta Nee Clean Power Plant



Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification



Picture: Nationwide Anti-drug Factory Award

5

Advance Clean Power Co., Ltd.: Ban Bueng Clean Energy Power Plant



Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification

6

Advance Asia Power Plant Co., Ltd.: Nam Phong Clean Power Plant

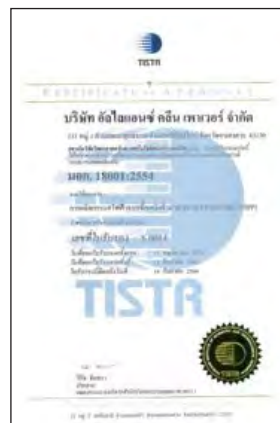


Picture: Gold Medal, Safety, Vocational Hygiene and Working Environment

Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification

7

Alliance Clean Power Co., Ltd.: Si Chiang Mai Power Plant



Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification



Picture: Standard in preventing and solving problems



Picture: Safety Workplace Awards Gold Level: Anti-Drugs in Workplace, Small and Medium Enterprise



Picture: Safety Workplace Awards



Picture: Role Model Awards: Citywide, for Safety, Vocational Hygiene and Working Environment, 2019

8

Alliance Clean Power Co., Ltd.: Khon Kaen MSW Power Plant



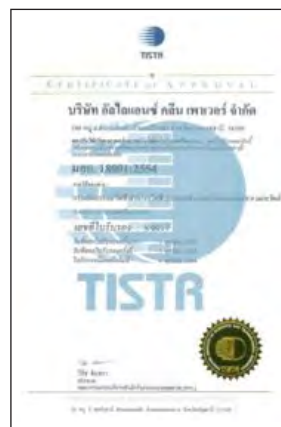
Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification



Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification



Picture: White Factory Award

Picture: White Factory Award
Solve Drugs at Work problems

Picture: TIS 18001:2015 / OHSAS 18001:2007 Standard Certification



Picture: Safety Workplace Award



Picture: Nationwide Anti-drug Factory Awards
Gold Level: Small & Medium Enterprise

11

Advance Bio Asia Co., Ltd.: Thoen Clean Power Plant



Picture: TIS 18001:2015 Standard Certification



Picture: Heathy & Safe Workplace /
OHSAS 18001:2007 Safe & Happy

5. Responsibility to Customers

ACE Group aims to develop services for the satisfaction and benefits of the customer, and adheres to treat customers with responsibility, honesty and attention as if the customer is a family member of ACE Group as follows:

- 1) ACE Group considers the quality and service efficiency of ACE Group, in addition to the development of a quality service management system, ACE Group also cares about occupational health and safety management in order to provide customers with the most quality and efficient service.
- 2) ACE Group adheres to fair marketing with a policy to ensure that the customers receive correct, unambiguous, or overly advertised information about ACE Group services. To provide customers with accurate and sufficient information for making a decision.

3

Advance Agro Power Plant Co., Ltd:
Ta Nee Power Plant



Picture: Certification standard ISO 9001: 2015

4

Advance Clean Power Co., Ltd:
Ban Bueng Power Plant



Picture: Certification standard ISO 9001: 2015

5

Advance Asia Power Plant Co., Ltd:
Nam Phong Power Plant



Picture: Certification standard ISO 9001: 2015

6

Alliance Clean Power Co., Ltd :
Si Chiang Mai Power Plant



Picture: Certification standard ISO 9001: 2015

7

Alliance Clean Power Co., Ltd :
MSW Khon Kaen Power Plant



Picture: Certification standard ISO 9001: 2015

8

Advance Clean Power Co., Ltd :
Phon Thong Power Plant



Picture: Certification standard ISO 9001: 2015

9

Alliance Clean Power Co., Ltd :
Siridhorn Power Plant



Picture: Certification standard ISO 9001: 2015

10

Advance Bio Asia Co., Ltd :
Thoen Power Plant



Picture: Certification standard ISO 9001: 2015

6. Caring for the environment

ACE Group of Companies has formulated business strategies and practices of the management and staff by focusing on converting waste from the community to energy by purchasing surplus goods or agricultural residues such as corn cob, corn stalk, corn husk, sugar cane leaf, bagasse, cassava rhizome, bark that is peeled off from the pulp raw material production process, palm bunches left behind from the palm oil production process, rice stalk, waste, community waste, used as fuel or raw materials to generate electricity, which generates revenue from electricity production for ACE Group and promoting opportunities for job creation, career creation, as well as generating income for the community. In order to improve the quality of life and better living condition for the farmers in the community

ACE Group places great importance on social responsibility in protecting the environment. Conduct and control the operations of ACE Group to strictly comply with the law relating to environmental protection, including procurement and installation of various environmental protection system with the objective of care and avoid damaging the environment with the following guidelines.

- 1) Design and develop of machinery and equipment to be able to control pollution and / or reduce pollution covering waste water, dust, gas, including various waste.
- 2) Determine responsible persons related to the production process, control machinery and equipment, by supervising them to prevent impacts on the environment beyond the standards set. And must control the use of natural resources for maximum benefit
- 3) Have a policy to reduce the occurrence of garbage or waste and cooperate in the disposal of garbage or waste in the correct way
- 4) There is an assessment of risks and impacts on matters related to the environment, health and safety before investing or investing in any business by operates under the concept of environmental awareness and care
- 5) There are guidelines for the efficient use of natural resources, materials, or equipment and effectiveness
- 6) Establish measures on the conservation of natural resources such as the 3R policy (Reduce, Reuse/ Recycle, Replenish)
- 7) Set up policy for power plants in every location to be certified for environmental management system standards (ISO 14001)



Picture: Machine quality inspection for pollution control and reduction



Picture: Sampling for environmental quality measurements

Standards and certification in environmental management ISO 14001: 2015 and the standard
“Green Industry Award”
 from the Department of Industrial Works of the group of companies are as follows

1

Advance Agro Asia Co.,Ltd : Koh Khanun Clean Energy



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3

2

Advance Agro Power Plant Co., Ltd : Chok Chai Power Plant



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3

3

Advance Agro Power Plant Co., Ltd : Ta Nee Power Plant



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3

4

Advance Clean Power Co., Ltd : Ban Bueng Power Plant



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3

5

Advance Asia Power Plant Co., Ltd : Nam Phong Power Plant



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3

6

Alliance Clean Power Co., Ltd : Si Chiang Mai Power Plant



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3

7

Alliance Clean Power Co., Ltd : MSW Khon Kaen Power Plant



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3



Picture: Reward for Waste Management in the Factory, followed by 3Rs

8

Advance Clean Power Co., Ltd : Phon Thong Power Plant



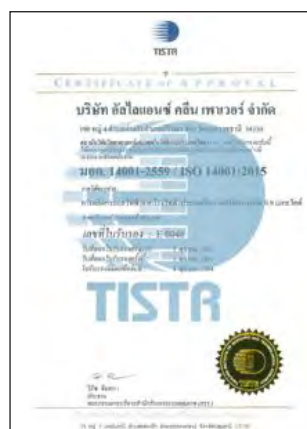
Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3

9

Alliance Clean Power Co., Ltd : Siridhorn Power Plant



Picture: Certification standards ISO 14001: 2015



Picture: Green Industry Award, Green Industry, Level 3



Picture: Certification standards ISO 14001:2015



Picture: Green Industry Award, Green Industry, Level 3

The design of the group's power plants Every plant uses a water circulation system that is used to produce steam in a boiler to produce water (Boiler). After using steam to run the turbine (Turbine), there is a process to convert steam into water and recycle this water into the boiler to generate steam; resulting in reducing the amount of water used in the production process

All Power plants of the group company are designed to recycle hot air from the steam production process in the boiler, before releasing into the atmosphere, to warm the water before entering into the boiler using the Economizer set and used. In preheating the air before entering into the combustion chamber by using the Air Pre-Heater, it is considered to conserve energy and help save the fuel used to generate electricity a lot.

All Waste power plants of the Group will perform treatment of contaminated water with a high BOD value, from the waste conversion process, to become clean water and recycle them in the production process. There is no disposal of unclean water from the power plant or factory. Aside from preserving the environment, it also saves water that must be purchased for use in the production process

All Biomass power plants of the Group have a system to bring hot air before it is discharged via the chimney to return to dry the fuel before burning. It is also used as for combustion control in the combustion chamber, causing the fuel to have a higher calorific value. Com-bustion is very efficient and saves fuel. It also reduces the amount of hot air released into the atmosphere.

In addition, the Group's biomass power plants have used agricultural waste such as bark, palm bunches, rice husk, rice straw and corn husks to be used as fuel in the electricity generation process. And waste power plants that use community waste as fuel in the electricity generation process. The said production process helps to eliminate waste and protect the environ-ment. It also replaces the use of energy from coal or oil, which is a waste of resources and causes pollution to the environment

7. Community and social development

ACE Group is aware of the responsibility to the community and society. Therefore, it sets up policies to help and develop society as follows:

- 1) ACE Group has policies to support and provide assistance that is appropriate for the society and community, especially the communities around the workplace of the Group
- 2) ACE Group gives the opportunity to the community and related parties to participate in giving opinions for various projects that may affect the community, including giving opinions or complaints resulting from the Group operations.
- 3) ACE Group provides cooperation in the implementation of standards or international agreements on various matters, to prevent or reduce environmental impact
- 4) ACE Group pays attention to the response to events that have an impact on communities, society and the environment due to the operations of the Group, with speed and efficiency.
- 5) ACE Group encourages the employees to have awareness and responsibility towards the environment and society.
- 6) ACE Group has set up environmental training, occupational health and safety for employees to raise awareness, and understanding of their roles and duties in environmental management. Occupational health and safety in the organization trainings are including;
 - Interpretation ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Requirement.
 - Internal Audit ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018



Picture: ISO Requirement and Internal Audit training course

- Curriculum of implementation according to the Code of Operating Environment.
- Basic safety course.
- Risk based safety courses.
- Fire fighter training course.
- Fire evacuation course.



Picture: Fire fighter training course and fire evacuation courses.

- 7) ACE Group organized community coordination staff to participate in activities with government agencies, private organizations and the public sector to community development caring for the elderly, supporting children and youth, and helping the underprivileged in the community
- 8) ACE Group requires that all power plants of the Group of companies are Learning Centers for the community



Picture: ISO Requirement and Internal Audit training course

8 Innovation and the dissemination of innovation from operations with responsibility to society, the environment, and stakeholders.

ACE Group is aware that stakeholders play an important role in determining business direction. Therefore, it is important to look after and take into account all groups of stakeholders both inside and outside the organization, including the shareholders. Therefore, has established a mission statement that "To achieve business stability while being responsible for the environment, communities, and shareholders" The Group supports and promotes the participation of stakeholders. (Co-Creation) to develop innovations that create a balance between value and value to the community, society and the environment, along with the growth of a sustainable business. With the following guidelines

- 1) Analyze the work process thoroughly to create opportunities for development towards the discovery of business innovation
- 2) Create opportunities to search for new products for growth while creating sustainable business profits
- 3) Cooperation with government agencies in product development to help the underprivileged and the society
- 4) ACE Group has researched and developed models and methods for generating renewable energy electricity. Including types of fuels used in production in order to reduce dependence on imported fossil fuels from foreign countries by using planting trees or energy plants that encourage farmers to grow in the contract farming system, which is creating economic growth for communities and the country and protect the environment and reduce greenhouse gas emissions. This includes helping the government to solve the problem of forest fires due to the burning of waste materials in farmers' agricultural farms, helps to solve the problem of leaving the land wilderness. It is also a solution to the problem of sluggishness and the price of traditional agricultural products slump. The government will have to bring taxes of the entire nation into a budget to help subsidize annually. Such support In addition to creating a national electricity security is also creating economic growth at both the micro and macro levels. Environmental protection and creating quality of life Including the well-being of farmers and rural people along the way.

Activities for the benefit of society and the environment (After Process)

ACE Group gives importance to society and the environment. Therefore, has set a vision, mission, and strategy that is responsible for the environment and society.

There is a community relations operation area, surveying the attitude of the community and organizing various activities. To create a positive attitude towards the community, build awareness / recognition in participation and create a community that is satisfied with the operations of the group companies. And able to live together sustainably

From the mentioned policy, the Group has always encouraged and pushed the organization to operate under social responsibility and bring success to various awards such as awards for projects promoting industrial factories to be socially sustainable (CSR-DIW), Green Industry Awards, environmental governance awards. Other certifications, include CS certification for safety and occupational health management etc.

1

Advance Agro Asia Co.,Ltd : Koh Khanun Clean Energy



Picture: CSR-DIW Award 2018



Picture: Corporate Environmental Governance Award 2018





Picture: CSR-DIW Continuous Award 2019



Picture: CSR-DIW Continuous Award 2020

2

Advance Agro Asia Co.,Ltd : Chok Chai Power Plant



Picture: CSR-DIW Award 2018



Picture: CSR-DIW Continuous Award 2019



Picture: CSR-DIW Continuous Award 2020

3

Advance Agro Asia Co.,Ltd : Ta Nee Power Plant



Picture: CSR-DIW for Beginner Award 2013

4

Advance Agro Asia Co.,Ltd : Ban Bueng Power Plant



Picture: CSR-DIW Continuous Award 2019



Picture: CSR-DIW Continuous Award 2020



Picture: Corporate Environmental Governance Award 2019



Picture: CSR-DIW Continuous Award 2020

5

Advance Agro Asia Co.,Ltd :
Nam Phong Power Plant

Picture: CSR-DIW Continuous Award 2012

6

Advance Agro Asia Co.,Ltd :
Si Chiang Mai Power Plant

Picture: Corporate Environmental Governance Award 2018

7

Advance Agro Asia Co.,Ltd : Siridhorn Power Plant



Picture: Corporate Environmental Governance Award 2017

8

Advance Agro Asia Co.,Ltd :Thoen Power Plant



Picture: CSR-DIW for Beginner 2017

9

Advance Agro Asia Co.,Ltd :
Koh Khanun Clean Energy

Picture: Corporate Environmental Governance Award 2019

10

Advance Agro Asia Co.,Ltd :
Phon Thong Power Plant

Picture: Corporate Environmental Governance Award 2019

In addition, ACE Group organized and participated in various community activities, as well as promoting career creation for the community and the nation as a whole as follows



Picture: Community discussion activities, Village- community activities.



Picture: Activity of the EIA committee meeting



Picture: Activities supporting the area development fund around the power plant



Picture: Educational and cultural activities



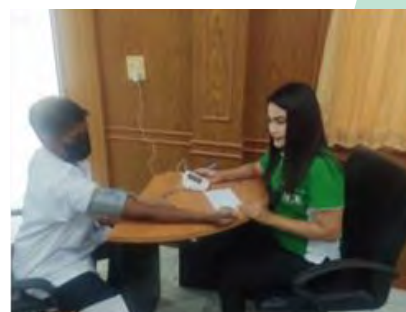
Picture: Activity for job creation and skill development



Picture: Activity for development and technology access



Picture: Activity to create income and promote the economic



Picture: Conducting health promotion activities

The Company Directors, Executives, Executive Directors and Company Secretary



Mr. Pranai Suwanrath

Chairman of the Board Directors
and Independent Director



Mr. Charoon Intachan

Director and Independent Director



Ms. Chonticha Chitraporn

Chairman of Audit Committee, Director and
Independent Director



Mr. Nuekrak Baingern

Director, Independent Director and
Member of the Audit Committee and
Member of the Nomination and
Remuneration Committee



Mrs. Patchanee Sutheevitanunt

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



Ms. Jiratha Songmetta

Director, Member of the Nomination and
Remuneration Committee and
Chairman of Executive Committee



Mr. Teerawut Songmetta

Director, Executive Director and
Chief Executive Technology &
Innovation Officer



Mr. Pornmett Songmetta

Director, Executive Director and
Chief Operating Officer



Mr. Tanavijit Ankapipatchai

Director, Executive Director and
Chief Financial Officer



Mr. Tanachai Buditvorapoom

Director, Chief Executive Officer and
Executive Director



1. Mr. Pranai Suwanrath

Chairman of the Board Directors
and Independent Director

Position Appointment Date

15 May 2018	Chairman of the Board Directors
27 April 2018	Independent Director

Age 70 years

Education Trainings and Seminar

- Master of Public Affairs, Indiana State University, USA
- Bachelor of Laws, Thammasat University, Thailand
- Director Accreditation Program DAP (153/2018),
Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2018 - Present	Chairman of the Board Directors / Independent Director Absolute Clean Energy Public Company Limited
2015 - Present	Director Miyoshi (Thailand) Company Limited
2012 - Present	Director of the Administration Office Bureau of the Administration Of the Thai Red Cross
1984 - Present	Director Thai Nishiken Company Limited
2013 -2019	Chairman of the Board Directors / Independent Director Richy Place 2002 Public Company Limited
2011 - 2014	Chairman of the Metropolitan Electricity Authority Metropolitan Electricity Authority



2. Mr. Charoon Intachan

Director and Independent Director

Position Appointment Date

14 July 2018 Director and Independent Director

Age 77 years

Education Trainings and Seminar

- Ph.D. (Public Administration), Eastern Asia University
- Ph.D. (Public Administration), Western University
- M.A. (Political Science), Ramkhamhaeng University
- Barrister-at-law, The Thai Bar Association
- Bachelor of Laws, Thammasat University
- Director Certification Program DCP (176/2013),
Thai Institute of Directors
- Training Course of Capital Market Academy (DMA 13),
Thai Institute of Directors
- Top Executive Program in Commerce and Trade (TEPCot 4),
Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2018 - Present	Director Independent Director Absolute Clean Energy Public Company Limited
2015 - Present	Director of Council of State Council of State
2015 - Present	Independent Director Bangkok Post Public Company Limited
2016 - 2018	Honorary Member Suratthani Rajabhat University Council
2014 - 2015	Constitution Drafting Committee The Secretariat of the House of Representatives
2013 - 2014	President of the Constitutional Court The Constitutional Court



3. Ms. Chonticha Chitrarporn

Chairman of Audit Committee
and Independent Director

Position Appointment Date

29 June 2017 Chairman of Audit Committee
and Independent Director

Age 63 years

Education Trainings and Seminar

- Master Degree in Applied Economics, Faculty of Economics, University of Michigan, USA
- Master Degree in Language and International Trade, Faculty of Economics, Eastern Michigan University, USA
- Bachelor Degree in Accounting, Thammasat University, Thailand
- Director Accreditation Program (DAP 143/2017), Thai Institute of Directors
- Advanced Audit Committee Program AACP (33/2019), Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2020- Present	Independent Director, Audit Committee, Nomination and Remuneration Committee Major Cineplex Group Public Company Limited
2018- Present	Director, Independent Director, and Audit Committee International Research Corporation Public Company Limited
2018 - Present	Chairman of the Risk Management Committee, Audit Committee, Director and Independent Director Advance Life Assurance Public Company Limited
2017 - Present	Chairman of Audit Committee Independent Director Absolute Clean Energy Public Company Limited
2014 - 2020	Member of the Risk Management Committee Dhanarak Asset Development Company Limited



4. Mr. Nuekrak Baingern

Director, Independent Director and
Member of Audit Committee and
Member of the Nomination and
Remuneration Committee

Position Appointment Date

29 June 2017	Director, Independent Director and Member of Audit Committee
15 September 2017	Member of the Nomination and Remuneration Committee

Age 67 years

Education Trainings and Seminar

- MBA, Faculty of Administration, University of Detroit, Michigan, USA
- Bachelor of Commerce, Major in Marketing,
Chulalongkorn University, Thailand
- Director Accreditation Program (DAP 143/2017),
Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2018 - Present	Chairman of the Audit Committee, Director and Independent Director Advance Life Assurance Public Company Limited
2017 - Present	Director, Independent Director, Audit Committee, Nomination and Remuneration Committee Absolute Clean Energy Public Company Limited
2014 - 2020	Managing Partner Punyapol Limited Partnership
2012 - 2016	Advisor - Project Management and Information Technology Advance Life Assurance Public Company Limited



5. Mrs. Patchanee Sutheewitanan

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

Position Appointment Date

29 June 2017	Member of the Audit Committee, Director and Independent Director
15 September 2017	Chairman of the Nomination and Remuneration Committee

Age 65 years

Education Trainings and Seminar

- MA in Counseling Psychology, Faculty of Psychology,
Spalding University, USA
- Bachelor of Liberal Arts, Psychology,
Thammasat University, Thailand
- Director Accreditation Program (DAP 143/2017),
Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2018 - Present	Director Advance Life Assurance Public Company Limited
2017 - Present	Chairman of Nomination and Remuneration Committee, Audit Committee, Director, and Independent Director Absolute Clean Energy Public Company Limited
2015 - 2016	Director Advance Life Assurance Public Company Limited
2013 - 2016	Executive Consultant Advance Life Assurance Public Company Limited



6. Ms. Jiratha Songmetta

Director, Member of the Nomination and Remuneration Committee and Chairman of Executive Committee

Former name

Ms. Siriwun Dumnernchanvanit Songmetta

Position Appointment Date

3 December 2015	Member of the Nomination and Remuneration Committee
15 September 2017	Chairman of Executive Committee

Age 62 years

Education Trainings and Seminar

- Bachelor of Business Administration, Ramkhamhaeng University
- Advanced Financial Management Course (Mini MBA), Thammasat University
- Director Certification Program (DCP 4/2000), Thai Institute of Directors
- The Rule of Law for Democracy (Class 2), 2014 The Office of the Constitutional Court
- The National Defence Course for The Joint State - Private Sector, (Class 22), 2010, National Defence Studies Institute / National Defence College
- The Programme for Senior Executives on Justice Administration Batch 13, 2009, National Justice Academy, Judicial Training Institute / Office of Judiciary
- Tax Law Certificate, 2009, Institute of Training, Research and Development for Tax Law / Central Tax Court

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

- None -

Family Relationship with Director and Executive

- Wife (status: divorce) of Pol.Gen.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares.
- Mother of Mr. Teerawut Songmetta, Director and Shareholder who owns 17.89% of the Company's shares.
- Mother of Mr. Nath Songmetta, Shareholder who owns 17.33% of the Company's shares.
- Mother of Mr. Pornmett Songmetta Director and Shareholder who owns 20.53% of the Company's shares.

Work Experience

Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Chairman of Executive Committee Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Member of the Nomination and Remuneration Committee Absolute Clean Energy Public Company Limited
Jun. 2012 - Present	Chairman of the Board of Directors Asian Clean Energy Company Limited
Dec. 2009 - Present	Chairman of the Board of Directors Advance Agro Asia Company Limited
Nov. 2013 - Present	Chairman of the Board of Directors Alliance Clean Power Company Limited
Nov. 2012 - Present	Chairman of the Board of Directors Advance Clean Power Company Limited
Nov. 2012 - Present	Chairman of the Board of Directors Advance Agro Power Plant Company Limited
Feb. 2014 - Present	Chairman of the Board of Directors Advance Asia Power Plant Company Limited
Nov. 2013 - Present	Chairman of the Board of Directors Advance Bio Asia Company Limited
Oct. 2016 - Present	Chairman of the Board of Directors Advance Farm Tree Company Limited
Oct. 2016 - Present	Chairman of the Board of Directors ACE Solar Company Limited
Oct. 2016 - Present	Chairman of the Board of Directors Bio Power Plant Company Limited
Oct. 2018 - Present	Chairman of the Board of Directors Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
May 2018 - Present	Chairman of the Board of Directors Power Supply & Maintenance Service Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Provincial Renewable Energy (Thailand) Company Limited

Work Experience (Cont.)

Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy Siam Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy (North) Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy (Northeast) Company Limited
Aug 2020 - Present	Chairman of the Board of Directors Satuek Biomass Company Limited
Aug 2020 - Present	Chairman of the Board of Directors Advance Bio Energy Company Limited
Aug. 2020 - Present	Chairman of the Board of Directors Advance Asia Energy Company Limited



7. Mr. Teerawut Songmetta

Director Executive director and
Chief Executive Technology &
Innovation Officer

Position Appointment Date

3 December 2015	Director
28 February 2018	Executive director
1 March 2018	Chief Executive Technology & Innovation Officer

Age 31 years

Education Trainings and Seminar

- Bachelor Degree, Industrial and Enterprise Systems Engineering, University of Illinois at Urbana Champaign, USA
- Director Accreditation Program (DAP 146/2018), Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

17.89%

Family Relationship with Director and Executive

- Son of Pol.Ge.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares and Mrs. Jiratha Songmetta, Director, Nomination and Remuneration Committee, and the Company Executive Chairman.
- Older brother of Mr. Nath Songmetta, Shareholder who owns 17.33% of the Company's shares.
- Older brother of Mr. Pornmett Songmatta, Director and Shareholder who owns 20.53% of the Company's shares.

Work Experience

Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Feb. 2018 - Present	Executive Director Absolute Clean Energy Public Company Limited
Mar. 2018 - Present	Chief Executive Technology & Innovation Officer Absolute Clean Energy Public Company Limited
Oct. 2018 - Present	Director Asian Clean Energy Company Limited
Nov. 2014 - Present	Director Advance Agro Asia Company Limited
Nov. 2014 - Present	Director Alliance Clean Power Company Limited

Work Experience (Cont.)

Nov. 2014 - Present	Director Advance Clean Power Company Limited
Nov. 2014 - Present	Director Advance Agro Power Plant Company Limited
Nov. 2014 - Present	Director Advance Asia Power Plant Company Limited
Nov. 2014 - Present	Director Advance Bio Asia Company Limited
Oct. 2016 - Present	Director Advance Farm Tree Company Limited
Oct. 2016 - Present	Director ACE Solar Company Limited
Oct. 2016 - Present	Director Bio Power Plant Company Limited
Oct. 2018 - Present	Director Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
May 2018 - Present	Director Power Supply & Maintenance Service Company Limited
Mar. 2020 - Present	Director Provincial Renewable Energy (Thailand) Company Limited
Mar. 2020 - Present	Director Renewable Energy Siam Company Limited
Mar. 2020 - Present	Director Renewable Energy (North) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Northeast) Company Limited
Aug. 2020 - Present	Director Satuek Biomass Company Limited
Aug. 2020 - Present	Director Advance Bio Energy Company Limited
Aug. 2020 - Present	Director Advance Asia Energy Company Limited



8. Mr. Pornmett Songmetta

Director, Executive Director and
Chief Operating Officer

Position Appointment Date

3 December 2015	Director
15 September 2017	Executive director
1 March 2018	Chief Operating Officer

Age 28 years

Education Trainings and Seminar

- Bachelor of International Business Management, International Program, Chulalongkorn University
- Director Accreditation Program (DAP 139/2017), Thai Institute of Directors
- Institute of Business and Industrial Development IBD (5/2018), Institute of Business and Industrial Development

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

20.53%

Family Relationship with Director and Executive

- Son of Pol.Ge.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares and Mrs. Jiratha Songmetta, Director, Nomination and Remuneration Committee, and the Company Executive Chairman.
- Younger brother of Mr. Teerawut Songmetta, Shareholder who owns 17.89% of the Company's shares.
- Younger brother of Mr. Nath Songmetta, Shareholder who owns 17.33% of the company's shares.

Work Experience

Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Executive Director Absolute Clean Energy Public Company Limited
Mar. 2018 - Present	Chief Operating Officer Absolute Clean Energy Public Company Limited
Oct. 2015 - Present	Director Asian Clean Energy Company Limited
July 2019 - Present	Chairman of Executive Officer Asian Clean Energy Company Limited
Feb. 2017 - Present	Director Advance Agro Asia Company Limited

Work Experience (Cont.)

Feb. 2017 - Present	Director Alliance Clean Power Company Limited
Apr. 2019 - Present	Chairman of Executive Officer Alliance Clean Power Company Limited
Mar. 2017 - Present	Director Advance Clean Power Company Limited
Apr. 2019 - Present	Chairman of Executive Officer Advance Clean Power Company Limited
Feb. 2017 - Present	Director Advance Agro Power Plant Company Limited
Apr. 2019 - Present	Chairman of Executive Officer Advance Agro Power Plant Company Limited
Feb. 2017 - Present	Director Advance Asia Power Plant Company Limited
Apr. 2019 - Present	Chairman of Executive Officer Advance Asia Power Plant Company Limited
Feb. 2017 - Present	Director Advance Bio Asia Company Limited
Apr. 2019 - Present	Chairman of Executive Officer Advance Bio Asia Company Limited
Feb. 2017 - Present	Director Advance Farm Tree Company Limited
July 2019 - Present	Chairman of Executive Officer Advance Farm Tree Company Limited
Feb. 2017 - Present	Director ACE Solar Company Limited
July 2019 - Present	Chairman of Executive Officer ACE Solar Company Limited
Feb. 2017 - Present	Director Bio Power Plant Company Limited
July 2019 - Present	Chairman of Executive Officer Bio Power Plant Company Limited
Oct. 2018 - Present	Director Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)

Work Experience (Cont.)

July 2019 - Present	Chairman of Executive Officer Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
May 2018 - Present	Director Power Supply & Maintenance Service Company Limited
July 2019 - Present	Chairman of Executive Officer Power Supply & Maintenance Service Company Limited
Mar. 2020 - Present	Director Provincial Renewable Energy (Thailand) Company Limited
Mar. 2020 - Present	Chairman of Executive Officer Advance Farm Tree Company Limited
Mar. 2020 - Present	Director Renewable Energy Siam Company Limited
Mar. 2020 - Present	Director Renewable Energy (North) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Northeast) Company Limited
Aug. 2020 - Present	Director Satuek Biomass Company Limited
Aug. 2020 - Present	Director Advance Bio Energy Company Limited
Aug. 2020 - Present	Director Advance Asia Energy Company Limited



9. Mr. Tanavijit Ankapipatchai

Director, Executive Director and
Chief Financial Officer

Former name

Mr. Vijit Ankapipatchai

Position Appointment Date

3 December 2015	Director
15 September 2017	Executive Director
1 March 2018	Chief Financial Officer

Age 57 years

Education Trainings and Seminar

- Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University
- Directors Certification Program (Class DCP 45/2004), Thai Institute of Directors
- Orientation Course - CFO Focus on Financial Reporting, Class 1/2018

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

0.0%

Family Relationship with Director and Executive

- None -

Work Experience

Mar. 2018 - Present	Chief Financial Officer Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Executive Director Absolute Clean Energy Public Company Limited
Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Feb. 2017 - Present	Director Asian Clean Energy Company Limited
Jan. 2013 - Present	Director Advance Agro Asia Company Limited
Nov. 2013 - Present	Director Alliance Clean Power Company Limited
Nov. 2013 - Present	Director Advance Clean Power Company Limited
July 2006 - Present	Director Advance Agro Power Plant Company Limited

Work Experience (Cont.)

Feb. 2014 - Present	Director Advance Asia Power Plant Company Limited
Nov. 2013 - Present	Director Advance Bio Asia Company Limited
Jun. 2008 - Present	Director Advance Farm Tree Company Limited
July 2006 - Present	Director ACE Solar Company Limited
July 2006 - Present	Director Bio Power Plant Company Limited
Feb. 2018 - Present	Director Power Supply & Maintenance Service Company Limited
Feb. 2017 - Present	Director Advance Power Plant Company Limited
July 2006 - Present	Director Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
Jan. 2015 - Feb 2018	Co-CEO Advance Agro Asia Company Limited
Mar. 2020 - Present	Director Provincial Renewable Energy (Thailand) Company Limited
Mar. 2020 - Present	Director Renewable Energy Siam Company Limited
Mar. 2020 - Present	Director Renewable Energy (North) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Northeast) Company Limited
Aug 2020 – Present	Director Satuek Biomass Company Limited
Aug 2020 - Present	Director Advance Bio Energy Company Limited
Aug. 2020 - Present	Director Advance Asia Energy Company Limited



10. Mr. Tanachai Buditvorapoom

Director, Chief Executive Officer and
Executive Director

Position Appointment Date

14 July 2018	Director
2 May 2017	Chief Executive Officer
16 September 2017	Executive Director

Age 48 years

Education Trainings and Seminar

- MBA (Finance), The National Institute of Development Administration
- Bachelor of Law (Business Law), Chulalongkorn University
- Bachelor of Engineering (Civil Engineering), Chulalongkorn University
- Director Certification Program (DCP 252/2018),
Thai Institute of Directors
- Board Nomination & Compensation Program (BNCP 6/2019),
Thai Institute of Directors
- TLCA Executive Development Program (EDP 9),
Thai Listed Companies Association

Shareholding Ratio in the Company (%) (on 31 Dec 2020)

0.0%

Family Relationship with Director and Executive

- None -

Work Experience

Jul. 2018 - Present	Director Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Executive Director Absolute Clean Energy Public Company Limited
May 2017 - Present	Chief Executive Officer Absolute Clean Energy Public Company Limited
Aug. 2019 - Present	Director Asian Clean Energy Company Limited
Aug. 2019 - Present	Director Advance Agro Asia Company Limited
Aug. 2019 - Present	Director Bio Power Plant Company Limited
Aug. 2019 - Present	Director ACE Solar Company Limited

Work Experience (Cont.)

Aug. 2020 - Present	Director Satuek Biomass Company Limited
Aug. 2020 - Present	Director Advance Bio Energy Company Limited
Aug. 2020 - Present	Director Advance Asia Energy Company Limited
Feb. 2018 - Present	Director Synergetic Auto Performance Public Company Limited
Apr. 2018 - Present	Nomination and Remuneration Committee Synergetic Auto Performance Public Company Limited
Jun. 2012 - Apr. 2017	FSVP - Head of Investment Banking TISCO Securities Company Limited
Mar. 2011 - May 2012	Senior Vice President - Head of Investment Banking
Oct. 2003 - Feb. 2011	TISCO Bank Public Company Limited Assistant Managing Director Finansia Securities Limited

1.1 The Company Directors, Executives, Executive Directors, and Company Secretary of Absolute Clean Energy Public Company Limited and Subsidiary Companies

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
11. Ms. Sadudta Navaskul VP-Finance & Accounting (6 November 2017)	38	Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University	-	-	Nov. 2017 – Present	VP-Finance & Accounting	Absolute Clean Energy Public Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Agro Asia Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Asia Power Plant Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Agro Power Plant Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Bio Asia Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Clean Power Company Limited
					July 2020 – Present	VP-Finance & Accounting	Alliance Clean Power Company Limited
					July 2020 – Present	VP-Finance & Accounting	ACE Solar Company Limited
					July 2020 – Present	VP-Finance & Accounting	Power Supply and Maintenance Service Company Limited
					2005 – Oct. 2017	Manager, Senior Manager	EY Company Limited
12. Ms. Wannee Sukpiboonrat Accounting Manager (1 October 2017)	49	Bachelor of Arts (B.A.), Burapha University	-	-	Oct. 2017 - Present	Accounting Manager	Absolute Clean Energy Public Company Limited
					July 2013 - Nov. 2015	Director	Advance Professional Training Company Limited
					Dec. 2012 - Mar. 2017	Director	Global Wood Chip Company Limited
					Mar. 2011 - Sep. 2017	Accounting Manager	Advance Agro Power Plant Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
13. Mr. Chainat Buathong Company Secretary (15 September 2017) Legal & Regulatory Compliance Director (1 July 2020)	39	- LLM. in Business Law, Faculty of Law, Chulalongkorn University - Bachelor of Law (Laws), Chulalongkorn University - Company Secretary Program CSP (85/2018), Thai Institute of Directors - Effective Minutes Taking (EMT) (40/2018) , Thai Institute of Directors - Thai barrister-at-law Certification (65/2012), Institute of Legal Education of the Thai Bar	-	-	Sep. 2017 - Present	Company Secretary	Absolute Clean Energy Public Company Limited
					Sep. 2017 - Present	Legal and Regulatory Compliance Director	Absolute Clean Energy Public Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Advance Agro Asia Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Advance Asia Power Plant Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Advance Agro Power Plant Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Advance Bio Asia Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Advance Clean Power Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Alliance Clean Power Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	ACE Solar Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Power Supply and Maintenance Service Company Limited
					Feb. – Aug. 2017	Legal Manager	Advance Asia Power Plant Company Limited
					Jan. 2017	Legal Manager	Asian Clean Energy Company Limited
					Apr. 2015 - Dec 2016	Legal Manager	Advance Agro Asia Company Limited
					Jun. 2015 - Sep 2016	Director	Advance Energy Development Company Limited
					Sep. 2010 - Sep. 2016	Director	Good Will Innovation and Engineering Company Limited
					Mar. 2015	Legal Manager	Global Wood Chip Trading Company Limited
					2010 - Feb 2015	Legal Manager	Shaiyo triple A Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
14. Ms. Pimpisa Sawangarom Director, Business Development Director (1 July 2020) Former Name Ms. Chanya Sangkaha Mrs. Waraporn Sawangarom	37	- MBA in Finance and Marketing, Ramkhamhaeng University - Bachelor of Finance, Faculty of Management Sciences, Khon Kaen University - Director Accreditation Program (DAP 139/2017), Thai Institute of Directors	-	-	Oct. 2018 - Present	Director	Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
					Nov. 2013 - Present	Director	Advance Clean Power Company Limited
					May 2018 - Present	Director	Power Supply & Maintenance Service Company Limited
					Oct. 2016 - Present	Director	Advance Agro Asia Company Limited
					Oct. 2016 - Present	Director	Bio Power Plant Company Limited
					Oct. 2016 - Present	Director	ACE Solar Company Limited
					Oct. 2016 - Present	Director	Advance Farm Tree Company Limited
					Nov. 2013 - Present	Director	Advance Agro Power Plant Company Limited
					Nov. 2013 - Present	Director	Advance Bio Asia Company Limited
					Nov. 2013 - Present	Director	Alliance Clean Power Company Limited
					Jan. 2013 - Present	Director	Advance Asia Power Plant Company Limited
					Sep 2017 - Present	Business Development Director	Absolute Clean Energy Public Company Limited
					July 2020 - Present	Business Development Director	Advance Agro Asia Company Limited
					July 2020 - Present	Business Development Director	Advance Asia Power Plant Company Limited
					July 2020 - Present	Business Development Director	Advance Agro Power Plant Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
15. Mr. Thammanoon Sathongprom Purchasing & Performance Development Director (1 July 2020)	37	- Bachelor of Electrical Engineering, College of Industrial Technology, King Mongkut's University of Technology North Bangkok - MBA in Business Management, Ramkhamhaeng University	-	-	July 2020 – Present	Business Development Director	Advance Bio Asia Company Limited
					July 2020 – Present	Business Development Director	Advance Clean Power Company Limited
					July 2020 – Present	Business Development Director	Alliance Clean Power Company Limited
					July 2020 – Present	Business Development Director	ACE Solar Company Limited
					July 2020 – Present	Business Development Director	Power Supply and Maintenance Service Company Limited
					Apr. 2017 – Mar. 2018	Director	Advance Asia Fiber Company Limited
					Jun. 2016 – Mar 2018	Director	Asia Clean Industrial Company Limited
					2009 – 2017	Financial Manager	Advance Agro Power Plant Company Limited
					April 2019 – Present	Purchasing & Performance Development Director	Absolute Clean Energy Public Company Limited
					July 2020 – Present	Purchasing & Performance Development Director	Advance Asia Power Plant Company Limited
					July 2020 – Present	Purchasing & Performance Development Director	Advance Agro Power Plant Company Limited
					July 2020 – Present	Purchasing & Performance Development Director	Advance Bio Asia Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
16. Ms.Meanmart Changin Information Technology Director (1 July 2020)	44	Bachelor of Business Computer, Faculty of Information Technology, Sripatum University	-	-	July 2020 – Present	Purchasing & Performance Development Director	Advance Clean Power Company Limited
					July 2020 – Present	Purchasing & Performance Development Director	Alliance Clean Power Company Limited
					July 2020 – Present	Purchasing & Performance Development Director	Power Supply and Maintenance Service Company Limited
					Mar. 2018 – Present	Purchasing Manager	Absolute Clean Energy Public Company Limited
					Mar. 2018 – March 2019	Purchasing Manager	Advance Asia Power Plant Company Limited
					May 2017 – Feb. 2018	Purchasing Manager	Advance Energy Development Company Limited
					Sep 2016 – Apr. 2017	Purchasing Manager	Smile Community Company Limited
					Oct. 2015 – Aug. 2016	Purchasing Manager	Advance Energy Development Company Limited
					Mar. 2018 – Present	Information Technology Director	Absolute Clean Energy Public Company Limited
					July 2020 – Present	Information Technology Director	Advance Agro Asia Company Limited
					July 2020 – Present	Information Technology Director	Advance Asia Power Plant Company Limited
					July 2020 – Present	Information Technology Director	Advance Agro Power Plant Company Limited
					July 2020 – Present	Information Technology Director	Advance Bio Asia Company Limited
					July 2020 – Present	Information Technology Director	Advance Clean Power Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
					July 2020 – Present	Information Technology Director	Alliance Clean Power Company Limited
					July 2020 – Present	Information Technology Director	ACE Solar Company Limited
					July 2020 – Present	Information Technology Director	Power Supply and Maintenance Service Company Limited
					Sep 2015 – Sep 2017	Information Technology Manager	Advance Clean Power Company Limited
17. Mr. Vinai Buapradit Alliance Clean Power Company Limited Director (16 August 2019)	65	- Bachelor of Art, Faculty of Political Science, Ramkhamhaeng University - M.A. in Social Development and Administration, Kasetsart University - Ph.D. Graduate Studies, Faculty of Regional Development Strategies, Nakhon Sawan Rajabhat University - National Defense College of Thailand Training 2019	-	-	Aug 2019 – Present	Director	Alliance Clean Power Company Limited
					2014 – 2016	Governor of Phatthalung Province	Ministry of Interior
					2012 – 2014	Governor of Nakhon Ratchasima Province	Ministry of Interior
					2011 – 2012	Governor of Phetchaburi Province	Ministry of Interior
18. Mr. Yuthana Viniyakit Advance Agro Power Plant Company Limited Director (16 August 2019)	63	- Bachelor's Degree in political administration, Faculty of Political Science, Ramkhamhaeng University - M.P.A. in Public Policy Analysis and Planning, Faculty of Public Administration, National Institute of Development Administration - Thailand National Defense Institute training in Social and Economics	-	-	Aug 2019 – Present	Director	Advance Agro Power Plant Company Limited
					2015 – 2016	Governor of Si Sa Ket Province	Ministry of Interior
					2014	Ministry of Interior Inspector	Ministry of Interior
					2009 – 2013	Vice Governor of Surin Province	Ministry of Interior

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
19. Ms. Wanicha Noimanop Accounting Director (1 June 2018)	51	Bachelor of Accounting and finance, Faculty of Business administration, Bangkok University	-	-	Nov 2011 - Present	Accounting Director	Alliance Clean Power Company Limited
					Mar. 2010 - Mar 2018	Accounting Director	Advance Clean Power Company Limited
					Mar 2010 - Mar. 2018	Accounting Manager	Global Wood Chip Company Limited
					Feb. 2010 - Mar. 2018	Accounting Manager	Advance Asia Engineering Company Limited
					Jun. 2008 - Oct. 2018	Director	Nam Klong Luang Company Limited
					Jun. 2015 - May. 2017	Director	Shaiyo Supply Chain Company Limited
					Oct. 2015 - Oct. 2016	Director	Advance Agro Bio Product Company Limited
					Sep. 2008 - Oct. 2016	Director	Boonbundarn Rungrueng Company Limited
					Sep. 2008 - Oct. 2016	Director	Clean Bio Fuel Company Limited
					Jun.20156 - Oct. 2015	Director	Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
					Jun. 2013 - Oct. 2015	Director	Advance Energy Development Company Limited
					Oct. 2015 - Oct. 2016	Director	ACE Solar Company Limited
					Sep. 2008 - Oct. 2016	Director	Bio Power Plant Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
20. Mr. Chatthep Punya Operation Director (1 July 2020)	45	Bachelor of Engineering (Industrial Engineering), Faculty of Engineering, North Eastern University	-	-	July 2020 - Present	Operation Director	Advance Asia Power Plant Company Limited
					July 2020 - Present	Operation Director	Advance Agro Power Plant Company Limited
					July 2020 - Present	Operation Director	Advance Bio Asia Company Limited
					July 2020 - Present	Operation Director	Advance Clean Power Company Limited
					July 2020 - Present	Operation Director	Alliance Clean Power Company Limited
					July 2020 - Present	Operation Director	Power Supply and Maintenance Service Company Limited
					Apr 2017 - Present	Co-Ceo	Alliance Clean Power Company Limited
					May 2015 - Mar 2017	Factory Manager	Alliance Clean Power Company Limited
21. Mr. Chakaphun Sunkudom Operation Director (1 July 2020)	30	Bachelor of Mechanical Engineering, Faculty of Engineering, Khon Kaen University	-	-	2014 - 2015	Factory Manager	Mae Wong Green Power Company Limited
					2013 - 2014	Factory Manager	Kamala Sai Bio Power 2010 Company Limited
					July 2020 – Present	Operation Director	Advance Asia Power Plant Company Limited
					July 2020 – Present	Operation Director	Advance Agro Power Plant Company Limited
					July 2020 – Present	Operation Director	Advance Bio Asia Company Limited
					July 2020 – Present	Operation Director	Advance Clean Power Company Limited
					July 2020 – Present	Operation Director	Alliance Clean Power Company Limited
					July 2020 – Present	Operation Director	Power Supply and Maintenance Service Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (on 31 Dec 2020)	Family Relationship with Director and Executive	Period	Work Experience	
						Position	Company's Name /Type of Business
					June 2017 - Present	Factory Manager	Advance Asia Power Plant Company Limited
					Aug 2016 - May 2017	Operation Manager	Advance Asia Power Plant Company Limited
					July 2014 - July 2016	Power Plant Engineer	Advance Asia Power Plant Company Limited
22. Mr. Umporn Sangsukdee Chief Executive Officer (1 October 2015) and Director of Power Supply & Maintenance Service Company Limited (16 August 2019)	65	- Master of Public and Private Management, National Development Institute of Administration - Bachelor of Electrical Engineering, Faculty of Engineering, Rajamangala University of Technology Phra Nakhon	-	-	Aug 2019 - Present	Director	Power Supply & Maintenance Service Company Limited
					Oct 2015 - Present	Chief Executive Officer	Advance Agro Asia Company Limited
					Oct 2013 - Sep 2015	Power Plant Manager	North Bangkok Power Plant Electricity Generating Authority of Thailand
23. Ms. Peck Shu Tan Co-Chief Executive Officer (1 July 2016)	43	- MBA, Enterprise Management, University of Bolton, United Kingdom - Bachelor Degree, Economics, Faculty of Economics and Management, Universiti Kebangsaan Malaysia (UKM), Malaysia	-	-	July 2016 - Present	Co-Chief Executive Officer	Advance Agro Asia Company Limited
					2012 - 2016	Carbon Credit Manager	Advance Clean Power Company Limited
					Aug 2011 - Mar 2018	Director	Advance Carbon Security Venture Company Limited

1.2 Details regarding the Company Director, Executives ,and Director with Authorization of the Songmetta Group in other companies

Company A Director and Executive	Work Experience			
	Mrs. Jiratha Songmetta	Mr. Teerawut Songmetta	Mr. Pornmett Songmetta	Mr. Tanavijit Ankapipatchai
1. Asia Clean Industrial Park Company Limited	A (Oct 2014 – Nov 2018)		A (June 2016 – Sep 2018)	A (Aug 2009 – Mar 2018)
2. Best Publishing Company Limited	A (Dec 2014 – Present)			
3. Triple A Board Company Limited	A (May 2015 – Aug 2018)		A (Oct 2016 – Present)	
4. Advance Asian Company Limited	A (July 2014 – Feb 2018)			
5. Eco Green Tree Company Limited	A (July 2014 – Feb 2018)			
6. Advance Agro Energy Company Limited	A (June 2012 – Jan 2018)			
7. Alright Alliance Company Limited	A (Nov 2014 – Jan 2018)		A (Jan 2018 – Present)	
8. Golden Success Capital Company Limited	A (Oct 2014 – Jan 2018)			
9. Songmetta Corporation Company Limited	A (Sep 2016 – Feb 2018)	A (Sep 2016 – Present)	A (Feb 2018 – Present)	A (Sep 2016 – Mar 2018)
10. Shaiyo AA International Holding Company Limited	A (Oct 2015 – Jan 2018)		A (Oct 2015 – Present)	
11. SM Capital Company Limited (Liquidated)	A (Nov 2011 – Feb 2018)	A (Aug 2016 – Mar 2018)	A (Aug 2016 – Present)	A (Aug 2016 – Mar 2018)
12. Good Will Architect and Construction Company Limited	A (Oct 2010 – Dec 2016)			
13. Chokchai Smile City Company Limited	A (May 2015 – Oct 2015)			
14. Advance Asia Industrial Park Company Limited	A (Mar 2010 – Nov 2013)		A (Apr 2016 – Mar 2018)	A (Mar 2010 – Nov 2013)
15. Cha-Am Beach Hotel Company Limited	A (Jan 2009 – Feb 2014)		A (June 2016 – Present)	
16. Advance Asia Fiber Company Limited	A (Jan 2014 – Apr 2015)		A (July 2015 – Mar 2018)	A (Jan 2014 – Mar 2018)
17. ABC Group Company Limited	A (May 2015 – Dec 2017)			
18. AED Development Company Limited	A (May 2015 – Dec 2017)			
19. Shaiyo Smile Company Limited	A (Aug 2013 – Dec 2017)		A (Mar 2018 – Present)	
20. Triple A Station Company Limited	A (Dec 2011 – Dec 2017)			A (Dec 2011 – Mar 2018)

Company A Director and Executive	Work Experience			
	Mrs. Jiratha Songmetta	Mr. Teerawut Songmetta	Mr. Pornmett Songmetta	Mr. Tanavijit Ankapiatchai
21. ABC Energy Company Limited		A (Dec 2019 – Present)	A (June 2012 – Present)	
22. Shaiyo Triple A Company Limited		A (July 2012 – Present)	A (July 2012 – Present)	
23. Triple A Solar Energy Company Limited		A (Nov 2016 – Present)	A (Mar 2013 – Present)	
24. Triple A Solar Engineering Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – Present)	
25. Triple A Solar Technology Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – Present)	
26. Triple A Green City Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – Present)	
27. Triple A Green Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
28. AAA Green City Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
29. AAA Green Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
30. Triple A Clean Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
31. AAA Clean City Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
32. AAA Clean Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
33. Ai and Robotics Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
34. Smile City Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – July 2015)	
35. Samui Smile City Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
36. KlongSam Smile City Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – July 2015)	
37. ABC Group Company Limited		A (May 2015 – Present)		
38. AED Development Company Limited		A (May 2015 – Present)		
39. Advance Carbon Security Venture Company Limited		A (Aug 2011 – Present)	A (Dec 2019 – Present)	
40. Smile Community Company Limited		A (Mar 2018 – Present) A (Mar 2015 – Oct 2015)	A (Mar 2018 – Present) A (Mar 2015 – Oct 2015)	
41. Radius Company Limited		A (Jan 2015 – Present)		

Company A Director and Executive	Work Experience			
	Mrs. Jiratha Songmetta	Mr. Teerawut Songmetta	Mr. Pornmett Songmetta	Mr. Tanavijit Ankapipatchai
42. The Paint Bar Company Limited		A (Sep 2014 – Present)		
43. Energy Saving Corporation Company Limited		A (Mar 2016 – June 2018)	A (Mar 2016 – June 2018)	
44. SM Farm Tree Company Limited			A (Oct 2012 – Present)	
45. Global Positioning and Information Services Company Limited			A (Aug 2016 – Present)	
46. Ubon Smile City company Limited			A (Apr 2013 – Present)	
47. Triple A Industrial Park Company Limited			A (Mar 2018 – Present)	
48. Nham Klong Luang Company Limited			A (Dec 2019 – Present)	
49. Asia Marine Stevedoring Company Limited			A (Dec 2019 – Present)	
50. AED Service Company Limited			A (Mar 2013 – Sep 2014)	
51. 304 I Town 1 Company Limited			A (May 2016 – Mar 2018)	A (Nov 2010 – Nov 2013)
52. Sri Benchalak Company Limited				A (June 2011 – Present)
53. Shaiyo Supply Chain Company Limited				A (June 2009 – Present)
54. Inter Care and Service Company Limited				A (May 2540 – Present)
55. Global Shipping and Agency Company Limited				A (Aug 2011 – Mar 2018)
56. Clean Bio Fuel Company Limited				A (Feb 2010 – Mar 2018)
57. Triple A Water Supply Company Limited				A (Feb 2013 – Mar 2018)
58. Global Wood Chip Company Limited				A (Sep 2009 – Feb 2018)
59. Rice for Health Company Limited				A (Sep 2011 – Mar 2018)
60. Shaiyo Motors Company Limited				A (Oct 2010 – Mar 2018)
61. Boonbundarn Rungrueng Company Limited				A (Jan 2008 – Mar 2018)
62. Advance Professional Training Company Limited				A (Feb 2012 – Nov 2015)

notation A = Director B = Executive

ACE

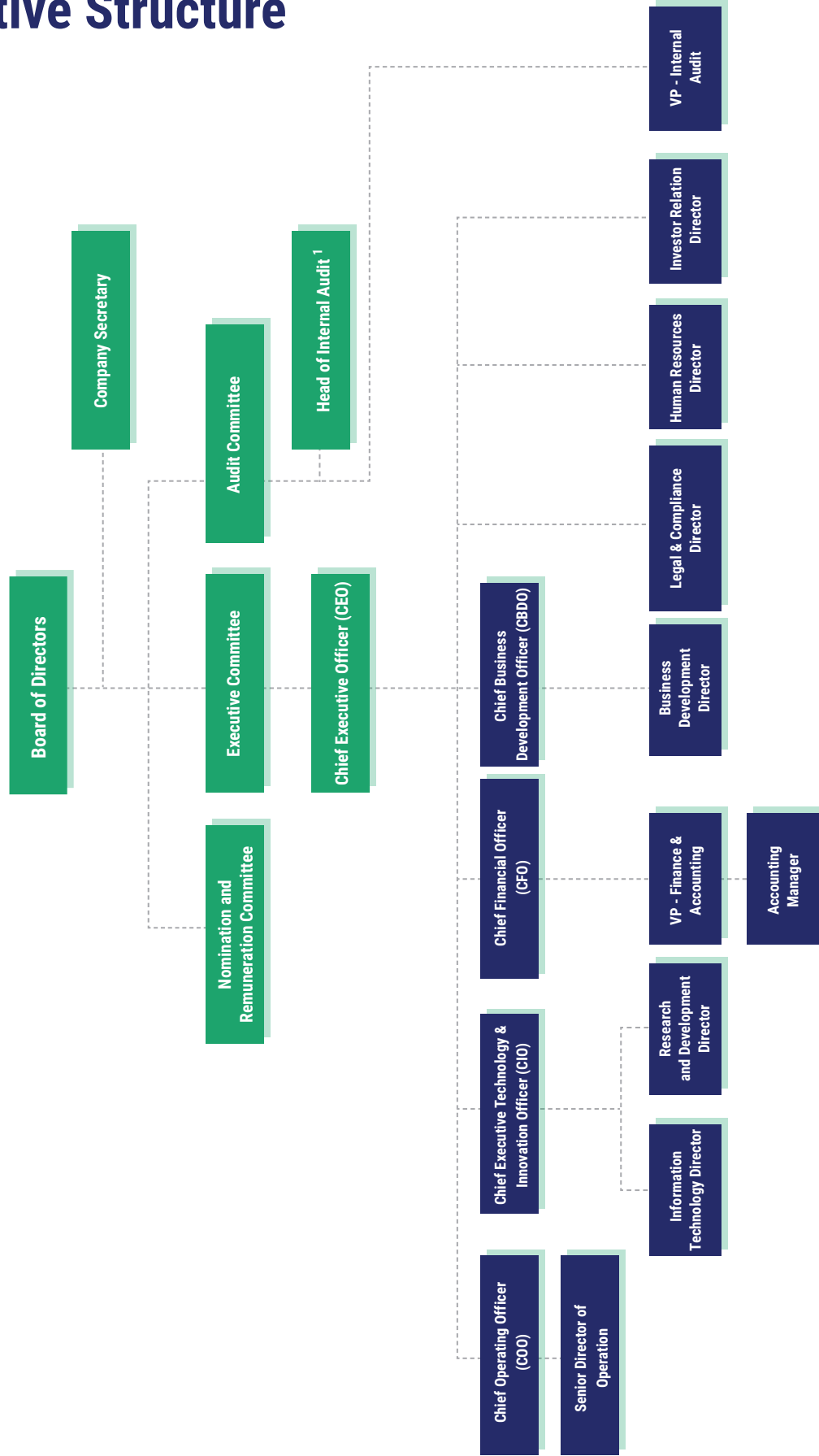
ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

Executive Structure

Executive Structure of the Company ("ACE")

Organization Structure

Organization Structure of the Company for the year ended December 31, 2020



Remarks : ¹The audit committee appointed Ms. Wanvimol Jongsureeyapat, the executive committee of P & L Internal Audit Co., Ltd. to be the Chairman of the internal audit department, according to the resolution of the Audit Committee Meeting No.1/2018 on September 15, 2017.

Board

Organization Structure for the year ended December 31, 2019, consists of the Board of Directors and 3 Sub-Committees consist of the Audit Committee, the Nomination and Remuneration Committee, and the Executive Board of Directors, with the details as follows:

(1) Board of Directors

For the year ended December 31, 2020, the Board of Directors consisted of 10 Directors as follows:

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2020
1. Mr. Pranai Suwanrath ¹	Chairman/Independent Director	4/10
2. Mr. Jaroon Intajarn	Director/Independent Director	10/10
3. Ms. Chonticha Chitraporn	Director/Independent Director/ Chairperson of Audit Committee	10/10
4. Mrs. Patchanee Sutheevitan	Director/Independent Director/ Member of Audit Committee/ Chairperson of Nomination and Remuneration Committee	10/10
5. Mr. Nuekrak Baingern	Director/Independent Director/Audit Committee/ Nomination and Remuneration Committee	10/10
6. Mrs. Jiratha Songmetta	Director/Chairperson of Executive Committee/ Member of Nomination and Remuneration Committee	10/10
7. Mr. Tanavijit Ankapipatchai	Director/Member of Executive Committee	10/10
8. Mr. Teerawut Songmetta	Director/Member of Executive Committee	10/10
9. Mr. Pornmett Songmetta	Director/Member of Executive Committee	10/10
10. Mr. Tanachai Bunditvorapoom	Director/Member of Executive Committee/ Chief Executive Officer	10/10

Note: ¹ Mr. Pranai Suvanrath, the Company's Chairman of the Board and Independent Director, was ill and under recovery since May 2019 and could not attend the Board of Directors meeting.

Director with Authorization

Director with Authorization are Mrs. Jiratha Songmetta, Mr. Tanavijit Ankapipatchai, Mr. Teerawut Songmetta, and Mr. Pornmett Songmetta. Two out of four Directors jointly sign and affix the Company's seal.

(2) Audit Committee

For the year ended December 31, 2020, the Audit Committee consisted of 3 Directors as follows:

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2020
1. Ms. Chonticha Chitraporn	Chairperson of Audit Committee	11/11
2. Mrs. Patchanee Sutheevitan	Member of Audit Committee	11/11
3. Mr. Nuekrak Baingern	Member of Audit Committee	11/11

Note: - Ms. Chonticha Chitraporn has sufficient knowledge and experience to review the creditability of financial statements.
- Mr. Somchai Jiapiyasakul acts as the Secretary of the Audit Committee.

(3) Nomination and Remuneration Committee

For the year ended December 31, 2020, the Nomination and Remuneration Committee consisted of 3 Directors as follows

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2020
1. Mrs. Patchanee Sutheevitan	Chairperson of Nomination and Remuneration Committee	4/4
2. Mrs. Jiratha Songmetta	Member of Nomination and Remuneration Committee	4/4
3. Mr. Nuekrak Baingern	Member of Nomination and Remuneration Committee	4/4

Note: - Mr. Chainart Buathong acts as the Secretary for the Nomination and Remuneration Committee

(4) Executive Committee

For the year ended December 31, 2020, the Executive Director Board consisted of 6 Directors as follows:

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2020
1. Mrs. Jiratha Songmetta	Chairman of Executive Committee	13/13
2. Mr. Teerawut Songmetta	Member of Executive Committee	13/13
3. Mr. Pornmett Songmetta	Member of Executive Committee	13/13
4. Mr. Tanavijit Ankapipatchai	Member of Executive Committee	13/13
5. Mr. Tanachai Bunditvorapoom	Member of Executive Committee	13/13
6. Pol.Lt.Gen. De. Adul Narongsak ¹	Member of Executive Committee	13/13

Note: - Pol.Lt.Gen. De. Adul Narongsak is an executive Director who is not an employee or Executive of the Company or any subsidiary companies.
 - Mr. Chainart Buathong acts as the Secretary for the Executive Director Board

¹ The Company Directors who are not the Directors and Executive by the definition of SEC are responsible to prepare reports of changes in holding securities and futures ("Report Form") according to the Executive Securities holding report (section 59) and have to report to the Company Secretary within 3 days every time there is a change in the holding of the Company's Securities. After receiving the report, the Company Secretary will present the report to the Board of Directors in the next Board of Directors meeting.

Executive Board

For the year ended December 31, 2020, the Company had 6 Executives as follows:

Name	Position
1. Mr. Tanachai Bunditvorapoom	Chief Executive Officer
2. Mr. Teerawut Songmetta	Chief Executive Technology & Innovation Officer
3. Mr. Pornmett Songmetta	Chief Operating Officer
4. Mr. Tanavijit Ankapipatchai	Chief Finance Officer
5. Ms. Sadudta Navaskul	VP-Finance & Accounting
6. Ms. Wannee Sukpiboonrut	Accounting Manager

Report of changes in the holdings of securities of Directors and Executives of the Company in 2020

Name	Number of Shares / Changes		Number of Shares increase (decrease) during the year
	For the year ended December 31, 2019	For the year ended December 31, 2020	
Board of Directors Name			
1. Mr. Pranai Suwanrath, spouse and underage child	- 200,000	- 200,000	- 200,000
2. Mr. Jaroon Intajarn, spouse and underage child	- -	- -	- -
3. Ms. Chonticha Chitraporn, spouse and underage child	- -	- -	- -
4. Mrs. Patchanee Sutheevitan, spouse and underage child	- -	- -	- -
5. Mr. Nuekrak Baingern, spouse and underage child	- -	- -	- -
6. Mrs. Jiratha Songmetta, spouse and underage child	- -	- -	- -
Executive Committee Name			
1. Mr. Tanavijit Ankapipatchai, spouse and underage child	20 -	20 -	- -
2. Mr. Teerawut Songmetta, spouse and underage child	1,884,014,820 -	1,820,563,120 -	(63,451,700) -
3. Mr. Pornmett Songmetta, spouse and underage child	2,203,977,400 -	2,088,884,200 -	(115,093,200) -
4. Mr. Tanachai Bunditvorapoom, spouse and underage child	- -	- -	- -
5. Ms. Sadudta Navaskul, spouse and underage child	- -	- -	- -
6. Ms. Wannee Sukpiboonrut, spouse and underage child	- -	- -	- -

Company Secretary

The 1/2018 Board of Directors meeting (after transformation) on July 19, 2018, appointed Mr. Chainart Buathong as the Company Secretary (details of the Company Secretary are shown in the attachment 1) The Company Secretary is required to graduate from law or accounting, or undergo a training course related to the work of the Company Secretary. The Company Secretary has the following responsibilities:

- 1) Inform the resolutions and policies of the Board of Directors and shareholders to relevant executives, as well as giving advice and preliminary recommendations to the Board, in accordance with the Company's regulations and Corporate Executive practices.
- 2) Prepare and store the following documents:
 - (1) Director registration
 - (2) Board meeting notice, Board meeting report, and the Company's annual report
 - (3) Shareholders meeting notice, and the meeting report
- 3) Instruct the Directors and executives to do the Executive Securities holding report, keep the report, send the copies to the chairman and the Chairperson of audit committee
- 4) Arrange the shareholders meeting and Board of Directors meeting, to be in accordance to the law, the company regulations, charter of each committee, and the code of conduct, as well as recording the meeting minutes and monitoring the implementation of the resolutions from the meeting
- 5) Ensure the disclosure of information and report for the relevant department
- 6) Oversee the business of the Board of Directors and coordinate between the Board and the Executives, as well as providing news and information to Directors regarding issues related to the company's business operations and reporting significant changes to the Company's Directors
- 7) Arrange the assessment of the Board and individual's performance, and report the assessment to the Board of Directors
- 8) Perform any actions to ensure the compliance with the Securities and Exchange law, as well as other laws and relevant regulations
- 9) Perform other activities that the company has assigned

Directors and Executive's Remuneration

Directors's Remuneration

Monetary Remuneration

The general meeting and the Board of Directors meeting has approved the remuneration for the Board of Directors, and sub-committees consisting of the Audit Committee, Nomination and Remuneration Committee, and the Executive Board of Directors, with the details as follows:

(1) Attendance fee and monthly salary

Board of Directors	Meeting Allowance per time (baht/time)	Meeting Allowance per time (baht/time)
	2020 ¹	2020 ¹
Board of Directors		
- Chairman	30,000	30,000
- Directors	25,000	25,000
Audit Committee		
- Chairperson of Audit Committee	25,000	-
- Audit Committee Member	20,000	-
Nomination and Remuneration Committee		
- Chairperson of Nomination and Remuneration Committee	25,000	-
- Nomination and Remuneration Committee Member	20,000	-
Executive Board		
- Chief Executive Officer	25,000	-
- Executive Director	20,000	-

Note: ¹ The Company's Annual General Shareholder Meeting on July 31, 2020 approved the remuneration of the Board of Directors and Sub-Committee including the Board of Executive Directors for 2020.

In this regard, the conditions for paying meeting allowances and monthly salaries are as follows:

- 1) Directors that hold various positions in various committees would receive the salary for the highest position only.
- 2) The Audit Committee and the Chairperson of Audit Committee would receive the salary as a Director.
- 3) Directors that receive the salary as the Company's employee would not receive the salary as a Director again.
- 4) The remunerations approved by the shareholders 'meeting shall remain in effect until the next shareholders' meeting resolves to amend or change otherwise.

(2) Bonus

At the 2020 Annual General Meeting of Shareholders on July 31, 2020, the resolution was resolved to approve the remuneration to directors from the Company's operating results for the year ended December 31, 2019 in an amount not exceeding 1,000,000 baht. For the remuneration of the Directors shall be considered after the 2020 results are known and presented to the shareholders' meeting for further approval.

For the fiscal year ending December 31, 2020, the Company had expenses for the payment for the Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Executive Board of Directors, with the details as follows:

Name	Total Expenses for Directors Remuneration (baht) For the Fiscal Year ending December 31, 2020				
	Board of Director	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Total
1. Mr. Pranai Suwanrath	360,000	-	-	-	360,000
2. Mr. Jaroorn Intajarn	550,000	-	-	-	550,000
3. Mrs. Jiratha Songmetta	550,000	-	80,000	325,000	955,000
4. Ms. Chonticha Chitraporn	550,000	225,000	-	-	775,000
5. Mrs. Patchanee Sutheevitan	550,000	180,000	100,000	-	830,000
6. Mr. Nuekrak Baingern	550,000	180,000	80,000	-	810,000
7. Mr. Tanavijit Ankapipatchai	250,000	-	-	260,000	510,000
8. Mr. Teerawut Songmetta	250,000	-	-	260,000	510,000
9. Mr. Pornmett Songmetta	250,000	-	-	260,000	510,000
10. Mr. Tanachai Bunditvorapoom	250,000	-	-	260,000	510,000
11. Pol.Lt.Gen. De. Adul Narongsak	360,000	-	-	260,000	260,000
Total	4,110,000	585,000	260,000	1,625,000	6,580,000

Non-monetary Compensation

-None-

Executive's Remuneration

Monetary Remuneration

For the fiscal year ending December 31, 2019, the Company had the expenses for the executives as follows:

Type of Remuneration	Total Expenses for Executives (baht) For the Fiscal Year Ending December 31, 2020
Number of Executives (Person)	4
Salary, Bonus, Provident Fund, and Other Benefits (baht) ¹	21,984,060

Note: ¹ Remuneration for the executives in 2018, 2019 and 2020 did not include the VP-finance & accounting and the accounting manager.

Non-monetary Remuneration

- None -

Management Structure of the Subsidiary Companies

Executive Structure of the Subsidiary Companies, for the year ended December 31, 2020

Company/Directors and Executives	ASCE	ACP	ALCP	AAPP	AAP	ABA	AFT	BPP	ACE SOLAR	ACW	AAA	PSMS	AAE	ABE	SBM	PRE	RESM	REN	REC	RENE
1. Mrs. Jiratha Songmetta	H	H	H	H	H	H	H	H	H	H	H	H	H	H	H	H	H	H	H	H
2. Mr. Teerawut Songmetta	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
3. Mr. Pornmett Songmetta	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //
4. Mr. Tanavijit Ankapipatchai	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
5. Mr. Tanachai Bunditvorapoom	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
6. Ms. Pimpisa Sawangarom	/, //	/, //	/, //	/, //	/, //	/, //	/	/	/, //	/	/, //	/, //	/	/	/	/	/	/	/	/
7. Mr. Vinai Buapradi	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
8. Mr. Chattep Punya	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
9. Mr. Jakkapan Sangudom	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
10. Mr. Thammanoon sathongpoom	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
11. Ms. Meanmart Changin	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
12. Ms. Sadudta Navasakul	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
13. Mr. Chainat Bauthong	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
14. Mrs. Wanicha Noimanop	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
15. Mr. Yuthana Viriyakitti	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
16. Mr. Amporn Sangsookdee	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
17. Miss Nicole Tan Peck Shu	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/

Note : H = Chairman / = Director // = Executive

Company Subsidiaries

ASCE	Asia Clean Energy Co., Ltd.	AAP	Advance Power Plant Co, Ltd.	ACE SOLAR	ACE SOLAR Co., Ltd.
ACP	Advance Clean Power Co., Ltd.	ABA	Advance Bio Asia Co., Ltd.	PSPR	Prasatporn Rungrueng Co., Ltd.
ALCP	Alliance Clean Power Co., Ltd.	AFT	Advance Farm Tree Co., Ltd.	AAA	Advance Agro Asia Co., Ltd.
AAPP	Advance Agro Power Plant Co., Ltd.	BPP	Bio Power Plant Co., Ltd.	PSMS	Power Supply and Maintenance Service Co., Ltd.
AAE	Advance Asia Energy Co., Ltd.	ABE	Advance Bio Energy Co., Ltd.	SBM	Satuek Biomass Co., Ltd.
PRE	Provincial Renewable Energy (Thailand) Co.,Ltd.	RESM	Renewable Energy Siam Co.,Ltd.	REN	Renewable Energy (North) Co.,Ltd.
REC	Renewable Energy (Central) Co.,Ltd.	RENE	Renewable Energy (Northeast) Co.,Ltd.		

The Group's Employees

Number of Employees

For the year ended December 31, 2020, the Group has a total number of 794 employees (excluding the executives) with the details as follows:

Company	Number of Employee (Person)		
	For the year ended December 31, 2018	For the year ended December 31, 2019	For the year ended December 31, 2020
1. Operation Department	559	438	605
2. Executive Department	15	12	12
3. Finance/Accounting Department	60	62	76
4. Business Development Department	14	18	24
5. Purchasing & Performance Development Department	19	18	14
6. Legal Department	7	5	7
7. Information Systems and Technology Department	17	13	18
8. Human Resource Department	41	25	26
9. Internal Audit Department	10	11	11
10. Investor Relations Department	0	0	1
11. Public Coordination Department	22	23	0
Total	764	625	794

Employee's Remuneration

For the year ended December 31, 2020, the Group has a total number of 794 employees (excluding the executives).

The total employee's pay (excluding the executives) is 274,149,698.45 baht. The remuneration includes salary, bonus, provincial fee, position fee, and other benefits.

Provident Fund

The 6/2018 Board of Directors meeting on June 19, 2018, approved the establishment of a provident fund for all employees in the Group, under the Management of Siam Commercial Bank Asset Executive Co., Ltd. with the objective to be a welfare for employees who are considered an important resource of the Group.

Labor Disputes

The Group does not have any significant labor disputes with the Group's operation in the past three years.

Staff Development Policy

The Group considers the staff development significant because the Group believes that the human resources are valuable to the sustainable growth of the development of the organization. As a result, the Group's employee will be trained and developed to have values and capabilities to operate systematically and continuously for the advance in career path and long-term growth of the company.

The staff development policy aims to increase knowledge, skill, and good attitudes for the job through company's 3 courses, which are

1. Pre-Service Training, a training course aims to prepare the trainees before taking over the job to have knowledge and skill to work efficiently to the assigned tasks. The content of the training would comprehensively focus on necessary aspects for the detailed work. Usually, the courses in the training would be about orientation such as the corporate introduction, the corporate culture, welfares and pays, and basic course work.
2. In-Service Training, a training course aims to increase the knowledge, skill and attitudes for the trainees to work more efficiently, to solve the work problems caused by the trainees themselves, or to prepare the trainees for the change in working field. The course is conducted in many different forms such as on the job training, classroom training, and self-learning or E-Learning.
3. Pre-Promotion Training, a course aims to increase the knowledge in Executive, leadership, people Executive, etc, for the trainees to efficiently have role competency. In other words, it is a course to prepare the trainees for the promotion.





Corporate Governance

Corporate Governance Policy

The Board of Directors pays attention to the compliance to the law, objectives, regulations and resolution of the Board of Directors' meeting, as well as strictly following the Corporate Governance according to the guideline set by the Stock Exchange of Thailand which has been set as the guideline for Company operation to achieve the work efficiency and also bring transparency for the investors which will gain reliability for business operation of the Group to the Public. The policy on Corporate Governance covers 5 categories as follows:

Article 1 The Rights of Shareholders

The Company is aware and pays attention to basic rights of the shareholders as the investor of the asset and the owner of the Company, such as the right to purchase, sell, transfer the asset they are holding, rights to receive dividend from the profit of the Company, rights to receive adequate information, and rights in the Shareholders' meeting, right to share opinion, right to make decision on important issues of the Company, such as dividend allocation, appointment or dismissal of Director, appointment of Auditor, approval of important transaction and transaction that affect the business operation, direction of the Group, as well as the amendment to Memorandum of Association and Articles of Association of the Company, etc.

In this regard, the Company has the mission to support and facilitate the use of rights of shareholders as follows:

- 1) The Company will send the invitation letter together with the information for the meeting according to the agenda to the shareholders in advance and will advertise the meeting arrangement in the local newspaper before the meeting date not fewer than 7 days in advance or any other duration as stated by the law or relevant regulations. In addition, the Company will announce such information in the website of the Company before the Shareholders' meeting.
- 2) In case the shareholders cannot attend the meeting by themselves, the Company gives the opportunity for the shareholders to assign the proxy to the Company Independent Director or other person to attend the meeting on their behalves.
- 3) When arranging the Shareholders' meeting, the Company will use the place that is convenient for transportation and select the suitable date and time and arrange the meeting time adequately, in order to comply with the policy on facilitating the shareholders of the Company.

4) In Shareholders' Meeting, the Company gives opportunity to all shareholders to have equal rights to share opinion, suggestion or ask question in the agenda independently before voting in any agenda. The Directors and Management of the Company who are related to the agenda will attend the Shareholders' Meeting to provide answer to the meeting.

5) Before the Shareholders' Meeting, a shareholder or shareholders that own the share or voting rights not fewer than 5 percent of all voting rights of the Company can propose the agenda to the Board of Directors to list as the agenda in the Shareholders' meeting.

For the Annual General Meeting of Shareholders of the Company for the year 2021, the Company has allowed the shareholders to propose the agenda in advance from December 4, 2020 to January 15, 2021. There was no shareholder proposing any agenda for the 2021 Annual General Meeting of Shareholders.

6) After the Shareholders' Meeting ends, the Company will prepare the minutes of meeting that record the complete and correct information to the shareholders to verify.

Article 2 The Equitable Treatment of Shareholders

The Company intends to treat all shareholders equally, regardless of the major or minor shareholders, Management or Non-Management shareholders, Thai or foreign shareholders. The details are as follows:

1) In each Shareholder's Meeting, the Company will give an opportunity to all shareholders equally. Before the meeting start, the Chairman of the Meeting will explain the voting method and vote count of the shareholders to be done in each agenda and give an opportunity to all shareholders and the proxies who attend the meeting to show their opinion, suggestion and ask question in each agenda by giving adequate and suitable time. The Chairman of the Meeting will lead the meeting according to the agenda.

2) In the Director election, the Company will give an opportunity to the shareholders to use their right to vote for the Company Director individually. Apart from that, the Company will give an opportunity to the minor shareholders to propose the list of persons to hold the position of the Company Director in advance at an appropriate time together with the supporting data about the qualification and the consent from the person who is proposed.

For the Annual General Meeting of Shareholders of the Company for the year 2021, the Company has allowed the shareholders to propose the agenda in advance from December 4, 2020 to January 15, 2021. There was no shareholder proposing any agenda for the 2021 Annual General Meeting of Shareholders.

3) The Company states that the Company Director must report their interest in any agenda at least before the consideration of the relevant agenda in the Board of Directors' meeting and record such interest in the minutes of the Board of Directors' meeting. Apart from that the Director who has significant interest in the agenda in the manner that cannot independently give their opinion, will be prevented from participating in such agenda of the meeting.

4) The Company has set a guideline for storage and prevention of the use of internal data that is significant and may affect the change of the asset price of the Company. The individual or organization that acknowledge of such internal data are prohibited from using such data to reveal to irrelevant organization or individual until such data has already been revealed to the public. Apart from that, the Company states that the Company Directors, Management, Officers and Employees of the Company and the Subsidiaries that are acknowledge of the internal data that is significant and may affect the change of the asset price of the Company, including the financial information, must refrain from trading the asset of the Company from the date that they are acknowledge of such data or on the last day of each quarter or the ending date of the accounting period of the Company (as the case may be) until the day that the financial statement or such internal data is published to the public for 24 hours. In the case that this statement is violated, the Company will consider such violation as the disciplinary offense and will consider to punish the person as appropriate.

Article 3 Consideration on the Role of Stakeholders and Business Ethics

1) Consideration on the Role of Stakeholders

The Company and the Subsidiaries pay attention to the right of all stakeholders, regardless of the internal stakeholders, which are the shareholders and Officers or external stakeholders, which are partners, customers, etc. The Company and the Subsidiaries are aware that the support and opinion from all stakeholders will be useful for the business operation and development of the Company and the Subsidiaries. Therefore, the Company and the Subsidiaries will comply with the related law and regulations so that the rights of the stakeholders are properly taken care of. Apart from that, the Company and the Subsidiaries also consider on the rights of all stakeholders and business ethics according to the following guidelines:

Shareholders	: The Company and the Subsidiaries will operate the business with transparency and efficiency and will intend to perform good performance and sustainable growth, in order to gain maximum benefits for the shareholders in long term. Apart from that, the Company will also reveal the information with transparency and reliability to the shareholders.
Officers	: The Company and the Subsidiaries will treat all Officers equally, fairly, and give them appropriate return. Apart from that, the Company and the Subsidiaries also pay attention to the skill, knowledge and potential improvement of the Officers regularly. For example, arranging the course, seminar and training by giving opportunity to all Officers and try to motivate the knowledgeable Officers to stay with the Company and the Subsidiaries to further improve the organization. Furthermore, the Company and the Subsidiaries also set the guideline for anti-corruption and encourage all Officers to strictly comply to the related laws and regulations, such as the regulation preventing the use of internal data, etc.

Partners	: The Company and the Subsidiaries have the partner selection process that allow the partners to compete on the same data and select the partners with fairness under the evaluation and selection criteria of the Company and the Subsidiaries. Apart from that, the Company and the Subsidiaries also enter into the agreement that is appropriate and fair for all contract parties and provide the monitoring system to ensure that the contract provisions are completely complied to and ensure that there shall be no corruption and inappropriate behavior in all procurement process. The Company and the Subsidiaries purchase products from the partners that meet the condition and comply with the agreement with the partners strictly, as well as keeping the information of partners confidential and will not use such information in an inappropriate way.
Customers	: The Company and the Subsidiaries are responsible for the customers by maintaining the quality and standard of the service as well as responding to the customers' demand completely and thoroughly in order to focusing in gaining customers' satisfaction in long term. Apart from that, the Company and the Subsidiaries also provide correct information about the services of the Company and the Subsidiaries, as well as providing the contact channel for the customers of the Company and the Subsidiaries to report the problems or the inappropriate service providing, so that the Company and the Subsidiaries can prevent and correct the problems related to the services of the Company and the Subsidiaries promptly as well as keeping the information of partners confidential and will not use such information in an inappropriate way.
Lenders	: The Company and the Subsidiaries will comply with the conditions of the agreement with the lenders and will make repayment of the principle, interest and deal with the securities under relevant agreement.
Competitors	: The Company and the Subsidiaries follow the framework of good competition with ethics and are in the legal framework, as well as supporting and encouraging the Independent and fair competition policy.
Society and the public	: The Company and the Subsidiaries pay attention to and focus on safety to society, environment and quality of life of relevant persons of the operation of the Company and the Subsidiaries and also encourage the Officers of the Company and the Subsidiaries to have consciousness and responsibility towards environment and society. Apart from that, the Company and the Subsidiaries also strictly comply with the relevant law and regulations. In addition, the Company and the Subsidiaries try to participate in the activities to create and maintain the environment and society, as well as supporting the local culture of the place that the Company and the Subsidiaries operate the business.

Moreover, the stakeholders can ask about the details and report the complaint or the clue of the illegal action and incorrect financial report, defects in internal control system or breach of the business ethics of the Company and the Subsidiaries through Independent Director or Audit Committee of the Company. In this regard, the complaints and the clues reported to the Company will be kept confidential. The Independent Director or the Audit Committee will instruct to examine the information and seek solution (if any) and report to the Board of Directors further. Employees and stakeholders of all groups can submit complaints directly to the following address and email address;

1.1 By post to the specified of envelope to one of the whistleblowers as follows;

- Chairman of the Audit Committee (Independent Director)
- Company Secretary

By sending to the location for head office of the company as followed;

Absolute Clean Energy Public Company Limited

140/6 ITF Tower 7th Floor Silom Rd., Suriyawong, Bangrak, Bangkok 10500

1.2 Email: Audit@ace-energy.co.th

2) Business ethics of the Group

Absolute Clean Energy Public Company Limited will run the business with honesty, morality, ethics and responsibility towards nation, religion, the King and comply with the laws and good moral and treat the stakeholders equally and fairly with transparency and Accountability. Apart from that, we will support the development of economics, society, community and environment, to be able to gain worthiness and value at present and in the future to the organization which will lead to stable and sustainable growth at international level.

(1) Definition and Meaning

"Moral" refers to doctrine which is a way to behave or morality

"Ethics" refer to the good behavior that is stated for performing or taking action to other people with fairness.

"Business ethics" refers to the standard of the good behavior that is set up for the Directors, Managements and Officers to follow.

"Company" refers to Absolute Clean Energy Public Company Limited and the Subsidiaries that are under the supervision of the Company, for both the existing one in the present and those to be established in the future.

"Management" refers to Company Director, Executive Board, CEO, COO, Managers of Absolute Clean Energy Public Company Limited and the Companies that are under the supervision of the Company, for both the existing one in the present and those to be established in the future.

"Officers" refer to Officers and employee who work to get the wages from Absolute Clean Energy Public Company Limited and the Subsidiaries under the supervision of the Company, for both the existing one in the present and those to be established in the future.

The Company has a goal to make the Management and Officers at all level of the organization to be responsible for complying with this ethics. The Management must be responsible to create the standard and culture of ethics compliance of the organization by motivating and encourage the Officers to voluntarily comply with the ethics.

(2) Persons who has obligation to follow the ethics

- (A) Managements and Officers of the Company
- (B) The Subsidiaries under the supervision of the Company or has the right to control existing business and those to be established in the future must accept and comply with the ethics of the Company.
- (C) The Subsidiaries that are not under the supervision of the Company should accept and comply with the ethics of the Company.
- (D) External parties who are the representative of the Company, such as consultant, representative and Independent contract party must:
 - Give consent to follow the ethics of the Company.
 - Acknowledge about the ethics.
 - Be taken an action, which may include terminating the contract, if the Company knows that any external party violates the ethics of the Company.

(3) Actions that are consider violating the ethics

All Officers are responsible for following and encourage other people to follow the ethics of the Company. Taking the following actions is considered as violating the ethics and will be punished.

- (A) Do not follow the ethics
- (B) Suggest, support or encourage other people to not follow the ethics.
- (C) Ignore and be indifferent when seeing the violation or non-compliance to the ethics, in the case that the person know, or should have known because it is related to the work under one's responsibility.
- (D) Do not cooperate or obstruct the investigation of the fact that there is a violation or non-compliance to the ethics.
- (E) Blame, rebuke or threaten the Officers who report the suspecting about the non-compliance to the ethics.
- (F) Unfair treatment to other people since the person reports the non-compliance to the ethics.

In this connection, the person who violate or breach the ethics must be disciplinary considered according to the regulations stipulated by the Company. Apart from that, the person may be punished according to the law if such action is illegal.

In addition, the company has established an anti-corruption and bribery policy. (Anti-Corruption and Bribery) and protection and fairness policy for employees who report information or give clues about fraud or non-compliance with the law, rules and regulations of the company and code of business conduct

of the company and subsidiaries, having the intention of preventing and anti-corruption, which in addition to having the intention of preventing and anti-corruption. It also has the intention of providing fairness and protection to complainants who report corruption. Including individuals who cooperate in reporting and in the investigation process of corruption at the same time. Whereas the policy on protection and fairness for the employees who inform the information stipulate the method for making a complaint or reporting corruption clues that the complainant must notify in writing to the supervisor directly responsible or send an e-mail to the head of human resources department or the Company's internal audit supervisor.

Article 4 Disclosure and Transparency

- 1) The Company pays attention to the financial statements and financial information shown in the annual report. The Audit Committee will verify the quality of the financial report and internal control system including the disclosure of the important information adequately in the notes to the financial statement and report to the Board of Directors for acknowledgement. Apart from that, the Board of Directors also support the preparation of the explanation and Management Discussion and Analysis to support the disclosure of the financial statement in every quarter.
- 2) The Company will manage to disclose the information about each Director, role and responsibility of the Board of Directors and Sub-Committee of the Company, number of time of the meeting and the meeting attendance in the past at the headquarters of the Company.
- 3) The Company will reveal the Audit fee and non-Audit fee that the Auditor has given services to the Company and the Subsidiaries
- 4) The Company will manage to prepare the report of policy about Corporate Governance, Business Ethics, Risk Management policy and policy about responsibility towards Environment and Society that are approved in summary and the performance of the compliance to such policy, as well as in the case that such policy cannot be complied with, together with the reason.
- 5) The Board of Directors has a policy on the correct and complete disclosure of important information of the company. reliable, adequate, timely and transparent, including important general information that may affect the Company's securities prices. Investor Relations has been assigned to be a representative in communicating with institutional investors, shareholders. Including general analysts and the relevant government and can be found on the company's website, which is used as a channel for disseminating information such as information about the company Business information, Financial information, Company news that affect investment decisions news notified to the Stock Exchange of Thailand, news of activities of the company, details of shareholder meetings, etc., which will help investors to track company information more conveniently. The company has prepared a brief investor relations plan. And such plans are subject to change depending on the occasion. And suitability, which are detailed as follows;

5.1 Organize an analyst meeting once a quarter and in case analysts wish to inquire about additional matters, the company will invite analysts to meet with investor relations on a case-by-case basis.

5.2 Arrange roadshow both domestically and internationally at least once a year.

In 2020, the Company periodically organizes activities for analysts and investors as follows:

Activities in 2020	Times
Provide information to fund analysts and shareholders.	30
Quarterly analyst meeting	3
Analysts and fund managers company visit	4
Domestic roadshow and conference	6

Article 5 Responsibilities of the Board of Directors

1) Structure of the Board of Directors and Sub-Committee

The Board of Directors consists of people who have knowledge, ability and experience that can gain benefits to the Company and the Subsidiaries. They are people who have important roles in setting the policy and overview of the organization, as well as having an important role to supervise, examine and evaluate the performance of the Company and the Subsidiaries to be as planned.

The Board of Directors shall have at least 5 members and there shall be Independent Company Director not fewer than one-third of all Directors and must not be fewer than 3 persons in order to balance the consideration and voting in various subjects appropriately. In this connection, the Company Director has a period to hold the position not more than 3 years at a time according to the relevant laws. The Independent Director has a period to hold the position not more than 9 years, unless the Board of Directors sees that the person is appropriate to continue being the Independent Director of the Company further to maximize the benefits of the Company. Apart from that, Directors and Managements of the Company can hold the position of the Directors or the Managements of the Subsidiaries and/or the Company in the group or other companies. But such position holding must be in accordance with the law and/or relevant regulations and must report to the Board of Directors' meeting for acknowledgement before each position holding.

Apart from that, the Board of Directors also appoints the Sub-Committee to help in Corporate Governance of the Company and the Subsidiaries as follows:

- (1) Audit Committee consist of at least 3 Independent Directors to perform the obligation to support the Board of Directors in compliance and examine the administration, internal control and compliance to the relevant laws, as well as examining the financial report, so that the operation and information disclosure of the Company are done with transparency and reliability.

- (2) Executive Board consist of at least 3 and not more than 10 members to perform the obligation to support the Board of Directors in the administration of the Company and the Subsidiaries to be in accordance with the policy, work plan, regulations and orders, as well as the target set under the framework assigned by the Board of Directors.
- (3) Nomination and Remuneration Committee consist of at least 3 and not more than 5 Directors to perform the obligation to nominate people with appropriate qualification to hold the position of the Directors and high level Managements, consider on the form and criteria of remuneration of the Company Directors, Chairman of the Executive Board, Sub-Committee, CEO and Company Secretary, in order to propose to the Board of Directors for approval and/or to propose to the Shareholders' meeting for approval (as the case may be).

Moreover, the Board of Directors may consider the appropriateness to appoint the Risk Management Working Group Directors to perform the obligation to support the Board of Directors in setting the risk Management policy for the whole organization, supervise to have the risk Management system or process to minimize the impact to the business of the Company and the Subsidiaries appropriately, set the criteria and guidelines for the operations as well as supervise the organization to operate and comply with the policies related to Corporate Governance and propose the risk Management report and suggestion to the Board of Directors.

The Company appoints a Company Secretary to perform the obligation about the arrangement of the Board of Directors' meeting and Shareholders' meeting, as well as supporting the work of the Board of Directors by giving suggestion about the law provision and regulations related to the performance of the Board of Directors, and also coordinate to comply with the resolution of the Board of Directors.

2) Roles, Obligations and Responsibility of the Board of Directors

The Board of Directors are responsible for the Shareholders about the operation of the Company and the Subsidiaries and has the obligation to set the policy and direction of the operation of the Company and the Subsidiaries, as well as supervise the administration to be in accordance with the target and guideline for long term benefit for the shareholders under the legal framework and business ethics. At the same time, the benefits of all stakeholders are also considered. In this regard, the details are as specified in the Board of Directors' Charter.

(1) Policy about Corporate Governance

The Company shall set the policy about Corporate Governance of the Company in writing to propose to the Board of Directors' meeting for approval of such policy. In this regard, the preparation of the Corporate Governance manual has the objective to be the guideline for the Directors, Managements and Officers to comply with such policy. The Company will review the policy on yearly basis.

(2) Business Ethics

The Company and the Subsidiaries have the intention to run the business with transparency, moral, responsibility to stakeholders as well as the society and environment. The Company and the Subsidiaries has set the Code of Conduct in writing for the Board of Directors, the Managements and Officers to comply with as follows:

- (1) Ethics concerning responsibility towards shareholders
- (2) Ethics concerning relationship with customers
- (3) Ethics concerning relationship with partners, competitors and lenders
- (4) Ethics concerning responsibility towards Officers
- (5) Ethics concerning responsibility towards society and environment

In this regard, the Company and the Subsidiaries will announce and inform all Officers to acknowledge and strictly comply with.

(1) Conflict of interest

The Company and the Subsidiaries have a policy to carefully eliminate the issue of conflict of interest with honesty, rationale and independence under a good moral for the benefit of the Company and the Subsidiaries by stating that the person who is related or connected to the discussed subject shall reveal the information about their interest and the relevant person to the Company for acknowledgement and must not participate in the consideration and shall not have the approving authority in such matter.

The Company and the Subsidiaries have the policy on the related transaction and the items that have conflict of interest; complying to the law and related regulations.

(2) Internal control

The Company and the Subsidiaries provide the efficient internal control system for supervision and internal control both at the Management and operational level. The Company and the Subsidiaries have employed the external Internal Auditor to perform the examination and evaluation of the adequacy of the internal control system and report to the Audit Committee according to the Audit plan that has been set out.

(3) Risk Management

The Company and the Subsidiaries have set the policy of Risk Management for the whole organization and the compliance, so that there is a risk Management system or process to minimize the impact to the business of the Company and the Subsidiaries appropriately.

(4) Report of the Board of Directors

Audit Committee is responsible for examining the financial report. The Accounting Division and the Auditor will arrange a meeting and propose the financial report to the Board of Directors every quarter. The Board of Directors will be responsible for the consolidated financial statements of the Company and the Subsidiaries, as well as the financial information.

3) The Board of Directors' meeting and self-assessment

The Company arranges the Board of Directors' meeting at least every quarter and there shall be additional special meeting as necessary. The meeting agenda will be distinctly set in advance and there shall be an agenda to follow up the annual performance. The Company will send the invitation letter to all Directors in advance, at least 7 days before the meeting, so that the Board of Directors can study the information with adequate time before the meeting, unless in urgent case and there shall be a minute of meeting recorded and the documents approved shall be gathered for reference and Accountability. In each meeting, the Management and related persons shall participate to provide information and details for decision making correctly and timely.

When casting the vote in the Board of Directors' meeting, the resolution will be on the majority. One Director shall have one vote and the Directors who are the stakeholder in the agenda will not participate and will not use the right to cast the vote for the agenda. In this regard, in case the voting is tied, the Chairman of the meeting shall cast another vote as a final decision.

Apart from that, the Board of Directors encourages to have the performance assessment at least once a year to improve and correct the operation. The subjects of the meeting shall be set before such assessment in order to gather the opinion and propose to the meeting.

4) Remuneration

Remuneration of the Director is monthly remuneration and meeting allowance. In this regard, the remuneration of the Director must be in the average as compared to the same industry. The adequacy for the performance and responsibility of the Board of Directors shall also be considered. For the Managements, the remuneration will be given as salary and annual bonus by considering on the performance of the Company.

In this connection, the annual remuneration of the Board of Directors and Management in total must not be abnormally high as compared to the remuneration of the Director and Management in average of the listed Company in the Stock Exchange of Thailand and the maximum benefit of the shareholder will be mainly considered.

In this regard, the Company has appointed a Nomination and Remuneration Committee to consider in the form and criteria of remuneration payment for the Director to propose to Shareholders' meeting for approval.

5) Improvement of Company Director and Management

The Board of Directors has a polity to support and facilitate the training and providing knowledge to the related person in the Corporate Governance system of the Company, for example Company Director, Audit Committee, Management and Company Secretary, so that the operation is constantly improved. The training and knowledge provided may be conducted internally in the Company or use the outsourcing services.

In case there is a change of Directors or there is a new Director joining the Company, the Administration Division will prepare the document and data that are useful for the operation of the new Directors, as well as arranging the introduction of the business and the business operation of the Company and the Subsidiaries to the new Director.

The Board of Directors may arrange the work rotation as assigned based on expertise of the Managements and Officers by considering mainly on the appropriateness of work and time. The CEO will set the timeline and consider the performance of such work as the improvement and successor plan of the Company. In this regard, this is to improve the Management and Officers to have more knowledge and ability to work and to be able to work interchangeably.

In addition, the company has set a policy to find executives to succeed in important positions (Succession Plan) in order to prepare replacement or support for the position to have continuity in the appropriate management. It prepares the management to be able to support and be consistent with business expansion and to assess the potential and promote the development of knowledge and skills appropriately.

Structure of the Director of the Company

As of December 31, 2019, the Structure of the Director of the Company consists of the Board of Directors and 3 Sub-Committees, which are Audit Committee, Nomination and Remuneration Committee and Executive Board. Each set of the Committee has the different scope, authority and responsibility. The details are as follows:

1. The Board of Directors

Components and appointment of the Board of Directors

Shareholders are the person who approve the appointment of Company Director.

The Board of Directors consist of Chairman, Vice Chairman (if any) and Directors. The number of the members shall be appropriate for the size of the business of the Company and the efficient operation. In total, there shall not be fewer than 5 persons, and not fewer than half of the Company Director must have domicile in Thailand. There shall be the Directors that are genuinely Independent from the Managements and free from the business relation or any other relation that may influence the use of discretion independently, at least one-third of the total number of Director and but not be fewer than 3 persons.

The appointment of the Company Director must be in accordance with the Article of Association of the Company and the related laws. In this regard, it must be transparent and distinct. The consideration must include the educational background and work experience of the person. The details must be adequate for the advantage of decision making of the Board of Directors and shareholders.

Qualification of the Board of Directors

- 1) Company Director must be the person with knowledge and ability, honesty and morale in business operation and have enough time to use the knowledge and ability and perform duties for the Company.
- 2) Company Director must have qualification and must not be prohibited by law concerning public Company limited and the relevant laws. Apart from that Company Director must not have the characteristic that is suitable to gain reliability to administer the business with public shareholders as specified by the Capital Market Supervisory Board.
- 3) Company Director can hold the position of the Director in other Company but such Director position holding must not be the obstacles to perform the duty as the Director of the Company and must be in accordance with the guideline of the Securities and Exchange Commission (“SEC”) and the Stock Exchange of Thailand (“SET”). However, if the Director holds a position in another company which is a company whose shares are listed on the Stock Exchange of Thailand. (“Listed Companies”) The number of other listed companies where each director of the company may hold a position must not exceed 4 places.
- 4) Company Director must not run the business with the same condition or compete with the business of the Company or become the partner in an ordinary partnership or partner with unlimited liability in a limited partnership or be the Director of the private Company or other Company that run the business with the same condition and compete with the business of the Company, regardless of for one’s benefit or for the benefit of other people, unless informing the Shareholders’ meeting prior to the appointment.
- 5) Independent Director must have the Independent qualification as specified by the Capital Market Supervisory Board and must be in accordance with the qualification of Audit Committee according to the notification of the Capital Market Supervisory Board and/or the Securities and Exchange Commission, concerning the qualification and scope of operation of the Audit Committee and must be able to take care of the benefits of all shareholders equally and must not cause conflict of interest. Moreover, the Independent Director must be able to attend the Board of Directors’ meeting and provide opinion independently.

Scope, authority and responsibility of the Board of Directors

- 1) Perform duties with responsibility, carefulness and honesty by considering on the maximum benefits of the Company and must comply with the laws, objectives and regulations of the Company, as well as the Shareholders’ meeting resolution. In this regard, the agenda that needs to be approved by the Shareholders’ meeting before operation, such as the operation that the is stipulated by law that the Shareholders’ meeting resolution is required, the related transaction and the acquisition and selling of key asset, etc.
- 2) Determine and approve the vision, mission, target, guideline, policy and approving authority for the operation and budget of the Company and the Subsidiaries, as well as Monitoring and Supervision on the administration, Management and follow up the performance of the Managements of both the Company and the Subsidiaries to be in compliance with the policy, work plan and budget set out with efficiency and effectiveness according to the business policy.

- 3) Consider to approve the appointment of the person who is qualified and does not have the prohibited characteristic according to the Public Company Limited Act B.E. 2535 and the laws concerning stock and stock exchange, as well as the relevant rules and/or regulations to hold the position of the Director in case the position of the Director is vacant due to any reason other than periodically resign, unless the remaining period for position holding of such Director is fewer than 2 months.
- 4) Consider to appoint the Independent Director by considering on the qualification and prohibited characteristic of the Independent Director according to the laws concerning stock and stock exchange, notification of Capital Market Supervisory Board, as well as the notification on the relevant rules and/or regulations of SET or propose to the Shareholders' meeting for consideration on the appointment of Independent Director of the Company further.
- 5) Consider to appoint the Audit Committee with the qualification as specified by laws concerning Securities and Stock exchange, notification of Capital Market Supervisory Board, as well as the notification on the relevant rules and/or regulations of SET
- 6) Consider appointing the Executive Board by selecting from the Director and/or Management of the Company or the Subsidiaries or the external expert who has knowledge and ability that is a beneficial to the Company and the Subsidiaries, as well as setting the scope, authority, obligations and responsibility of the Executive Board.
- 7) Consider to appoint the other Sub-Committee, as well as setting the scope, authority, obligations and responsibility to assist in the operation of the Board of Directors.
- 8) Consider appointing the CEO or the top Management of the Company and Company Secretary that has the qualification as specified by law and consider on setting the remuneration of the CEO or the Top Management.
- 9) Consider to determine and change the name of the Directors who are authorized to sign on behalf of the Company.
- 10) Appoint other person to operate the Company under the supervision of the Board of Directors or authorized such person to have the authority and/or within the time specified by the Board of Directors, which the Board of Directors may cancel, revoke, change or amend such authority later. In this regard, the authorization must be done as the resolution of the Board of Directors in the form of minutes of meeting and the scope of authority given to the authorized person must be clearly specified.
- 11) Consider to approve the acquisition and sale of the asset and/or the related transaction, except when such transaction must be approved by the Shareholders' meeting. In this regard, such approval will be in accordance with the notification of the Capital Market Supervisory Board and/or notification, rules and/or regulations of SET.

12) Consider to approve the interim dividend payment to the shareholders, when the Company has enough profit to do so and report the dividend payment to the Shareholders' meeting for acknowledgement in the next Shareholders' meeting.

13) Prepare the annual report of the Board of Directors and consolidated financial statements as well as the financial statement only for the business of the Company at the end of the accounting period of the Company which has been Audited by the Auditor in order to show the financial status and the performance in the preceding year and propose to the Shareholders' meeting for consideration and approval.

14) Consider to select and comment on the list of Auditors of the Company and the Subsidiaries and/or the Joint venture and consider to determine the appropriate remuneration as proposed by the Audit Committee before proposing to the Shareholders' meeting in the Annual General Meeting for consideration and approval.

15) Take action to make the Company and the Subsidiaries and/or the Joint Venture utilize the accounting system that is appropriate and efficient and provide the efficient internal control system and internal Audit system.

16) Consider to set the Risk Management policy for the whole organization and supervise in order to provide the Risk Management system or process. There shall be a supporting measure and controlling method to reduce the impact to the business of the Company and the Subsidiaries appropriately.

17) Set the policy about Corporate Governance and Anti-Corruption policy in all aspects of the Company and the Subsidiaries and/or the Joint venture according to the good governance in writing, at least according to the guideline set by SET and/or Capital Market Supervisory Board and apply such policy efficiently to ensure that the Company and the Subsidiaries are responsible for all relevant persons with fairness.

18) Company Director is responsible for reporting their shareholding and the interest of relevant persons to the Company for acknowledgement. Apart from that, there must be a report on the shareholding of the Management and relevant persons as well as the Directors and relevant persons and Management and relevant persons of the Subsidiaries as well.

19) Authorize one or more of the Company Directors or any other person to take any action on behalf of the Board of Directors, which shall be under the control of the Board of Directors or may authorize such person to have the authority as the Board of Directors seen appropriate and within the timeline that the Board of Directors seen appropriate. The Board of Directors may cancel, revoke, change or amend such authority later. In this regard, such authorization must not have the characteristic of the authorization that such person can consider and approve the transaction that the person or people who may have conflict or interest or may have conflict of interest in any aspect which may occur to the Company or the Subsidiaries

or the Joint venture as defined in the notification of Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any other notification of the relevant organization, unless it is the approval of the transaction that is in accordance with the policy and criteria that the Board of Directors has considered and approved.

20) Supervise to ensure that there is a disclosure of the role and obligation of the Board of Directors and Sub-Committee, number of the meeting and number of time that each Director attend the meeting in the preceding years and report the performance of the Board of Directors and all Sub-Committees.

21) Support the Directors and Managements of the Company and the Subsidiaries to attend the seminars of the Thai Institute of Directors in the course related roles and responsibility of Director and Management.

22) Follow up and supervise the Management and operations of the Company the Subsidiaries and/or the Joint venture (*mutatis mutandis*) to be in compliance with the policy set out by the Company, the laws related to business operation, as well as the laws concerning stock and stock exchange, notification of Capital Market Supervisory Board, regulations of the Stock Exchange of Thailand, *mutatis mutandis*, to the extent that it does not contradict or conflict with other laws.

23) Consider to appoint the representative to be the Director and Management in the Subsidiaries and/or the Joint venture at least according to the ratio of shareholding in the Subsidiaries and/or the Joint venture of the main business, unless there is any legal limitation or conditions of the co-investment with the government sector or any other cases as stated by the laws concerning Securities and Stock Exchange, notification of Capital Market Supervisory Board, regulations of the Stock Exchange of Thailand. In this connection, the Director and Management of the Subsidiaries mentioned above that are appointed or proposed, must be the person with qualification, roles, obligations and responsibility as specified by relevant law, and shall not have the characteristic that is not reliable according to the notification of the Capital Market Supervisory Board, concerning the characteristic that is not reliable of the Director and Management of the Company.

24) In the case that the Subsidiaries agree to do the transaction that is related to the person who is related to the Subsidiaries, or the transaction of the acquisition or sale of the assets of the Subsidiaries according to the criteria set in the notification of the Capital Market Supervisory Board and/or the notification of the Stock Exchange of Thailand (as the case may be). The Company and the Subsidiaries must follow the criteria and the method as set out in the notifications, before conducting the transaction, *mutatis mutandis*. The Subsidiaries must follow the criteria and the method as set out in the notifications in the same manner as the Company is the one who conducts such transaction.

In this regard, such transaction needs to be approved by the Board of Directors' meeting and/or Shareholders' meeting of the Company according to the notification of the Capital Market Supervisory Board and/or the notification of the Securities and Exchange Commission. The Company and the Subsidiaries shall consider the size of the transaction compared to the consolidated financial statements of the Company.

25) Monitor the Subsidiaries and/or the Joint venture to disclose the important information, such as the financial status and work performance, related transaction and the transaction that may have the conflict of interest, the list of acquisition or sale of the significant asset and any other items that are important which is not the normal transaction of the Subsidiaries or the Joint venture, etc. In this regard, the revelation of such information must be adequate, complete and correct within the time specified by the Company and correspond with the criteria of the relevant organization.

26) The Board of Directors must provide to the Subsidiaries and/or the Joint venture that runs the main business with internal control system that is suitable and concise enough for preventing the fraud that may occur to the Subsidiaries and/or the Joint venture. Apart from that the Subsidiaries and/or the Joint venture should have a distinct work system to show that the Subsidiaries and/or the Joint venture have an adequate system in information disclosure for the significant transaction according to the stipulated criteria consistently and reliably. Plus, there must be a channel for the Director and Management of the Company to be able to efficiently get the information of the Subsidiaries and/or the Joint venture for supervising the work performance and financial status, transaction between the Subsidiaries and/or the Joint venture and the Director and/or Management of the Subsidiaries and/or the Joint venture and the significant transaction of the Subsidiaries and/or the Joint venture. Apart from that, the Board of Directors must provide the Subsidiaries and/or the Joint venture the examination mechanism for such work system in the Subsidiaries and/or the Joint venture. The internal Auditor team and Independent Director of the Company must be able to access the information directly and there must be a report of such work system examination for the Audit Committee and the Board of Directors to ensure that the Subsidiaries and/or the Joint venture has complied with the work system efficiently and regularly.

Scope of Duties and Responsibilities of the Chairman of the Board of Directors

1) To be the chairman of the board of directors meeting Effectively control Board meetings. And is the deciding vote at the Board of Directors meeting in case of equal votes.

2) Supervise, monitor and ensure that To perform duties of the Board of Directors efficiently and achieve the objectives and main goals of the organization.

3) Ensure all company directors take part in fostering an ethical corporate culture and good corporate governance.

4) Set the agenda for the Board of Directors' meetings in consultation with the Chief Executive Officer. And there are measures to take care that important matters are included in the agenda of the meeting

5) Allocate sufficient time for management to present the matter and sufficient for the directors to discuss the main issues thoroughly. And encouraging the Company's directors to exercise their discretion to give opinions without restrictions.

6) Communicate important information To the Board of Directors for acknowledgment

7) Maintain good relationships between executive directors and non-executive directors and between the Board of Directors and the Management

The meeting

1) The meeting is scheduled at least four times per year, with a scheduled meeting date in advance for the whole year, and special meetings may be held as needed. In addition, there shall be a meeting between the non-executive directors without the management attending at least 1 time per year.

2) For the year 2021, the Board of Directors meeting No. 1/2021 held on February 19, 2021 resolved to determine the date of the Board of Directors' meeting in advance throughout the year 2021.

3) The Chairman of the Board of Directors and the Chairman of the Executive Committee will oversee and approve the agenda of the meeting.

4) The company secretary is responsible for sending the meeting invitation letter together with the agenda and meeting documents to the directors at least 7 days in advance so that the directors have time to study in advance of the meeting.

5) The Chairman of the Board of Directors acts as the chairman of the meeting and is responsible for allocating sufficient time for each agenda item for directors to independently discuss and express their opinions on important issues, taking into account the interests of shareholders and stakeholders. fairness.

6) In a committee meeting, a person who has a significant stake in the matter to be considered must leave the meeting during the consideration of that matter.

7) Voting shall be made by a majority of votes, and if there are members of the committee opposing such resolution, the objection shall be recorded in the meeting minutes.

8) In considering any matter, the director has the right to request to review or examine relevant documents or request the relevant management to attend the meeting to clarify additional information.

9) The company secretary is responsible for taking notes and preparing the minutes of the meeting within 14 days, keeping minutes of meetings, supporting documents, and monitoring the Board of Directors to perform their duties in accordance with the laws, regulations and resolutions of the shareholders' meeting, as well as coordinating with those Related

Quorum

At a meeting of the Board of Directors, the presence of not less than two-thirds of the total number of Company Directors is required to constitute a quorum at the time of the Board of Directors' resolution. At least two-thirds of the total number of directors.

In the event that it is an agenda to consider approving the matters that the Company's directors who are interested in the said agenda have to leave the meeting during the consideration of such matters, for example, the agenda to approve the entering into a connected transaction, etc. The said director must have at least not less than the meeting of the Company. The number of company directors as specified in the second paragraph minus the number of company directors who are interested in the said agenda, who must leave the meeting during the consideration of the matter.

In the event that the Chairman of the Board of Directors is not present at the meeting or is unable to perform his duties, in the event that the Vice Chairman of the Board is present, the Vice Chairman of the Board of Directors shall preside over the meeting. At such meeting or being unable to perform duties, the directors present at the meeting shall elect one of the Company's directors to chair the meeting, the decision of the meeting shall be made by a majority vote. One director of the company has one vote, except that a director who has interests in any matter has no right to vote on that matter, if the votes are equal, the chairman of the meeting is the judge.

2. Sub-Committee

The Company has appointed 3 sets of Sub-Committee of the Company, consist of Audit Committee, Nomination and Remuneration Committee and Executive Board by using the Code of Conduct of Corporate Governance to apply as the guideline for administration of the Group and the Sub-Committee will have to report the performance to the Board of Directors' meeting for acknowledgement further.

In this regard, when considering investing in any projects the Company must propose to the Executive Board who has knowledge, ability and experience in the business of the Company for approval or propose to the Board of Directors' meeting for approval according to the approving authority.

Apart from the Sub-Committees mentioned above, the Company established the Risk Management Working Group to responsible for analyzing and managing the risk of the Company and must propose to the Audit Committee's meeting for acknowledgement and monitoring further.

However, if in the future the Company has significantly higher risk, the Board of Directors may consider to appoint the Risk Management Committee to operate on behalf of the existing Risk Management Working Group.

The Sub-Committees have the components and scope of authority as follows:

2.1 Audit Committee

Scope, authority and responsibility of Audit Committee

Audit Committee has the following authorities:

1) Authority to examine and investigate as necessary in the matters with the indication that there may be significant impact towards the reputation, financial status and work performance of the Group, as well as the benefit that the shareholders should receive, such as:

- The transaction that may cause conflict of interest
- Suspect or assume that there may be a fraud or abnormality or defect in the internal control system of the Company or the Subsidiaries
- Suspect that there may be law violation concerning stock and stock exchange, regulations of the Stock Exchange or laws related to the business of the Group.

2) Authority to seek independent opinion from any other professional consultant when it is required by using the Company expense to make the operation under their responsibility success well. In this connection, the Audit Committee is responsible for report the result of the Audit and Investigation to the Board of Directors for correction within the time the Audit Committee seen appropriate. However, if the Audit Committee sees that such corrective action is ignored without an appropriate reason, one of the Audit Committee members may report it to the Securities and Exchange Commission and/or the Stock Exchange of Thailand. In this regard, the authority of Audit Committee will not include the authority that make the Audit Committee or the person who is authorized by the Audit Committee be able to vote or give opinion to the issue that the Audit Committee or the representative of the Audit Committee or the person who may cause conflict according to the definition by the notification of Capital Market Supervisory Board to be the Shareholder or have the conflict of interest with the Company or the Subsidiaries.

Audit Committee has the following obligations and responsibility:

1) Ensure the Company to have the correct financial report and reveal adequate information with the coordination with Auditor and Management who are responsible for preparing the financial report on quarterly and annual basis. Audit Committee may suggest the Auditor to verify or examine any transaction that is necessary and significant during the Audit of the Company.

2) Ensure the Company and the Subsidiaries to have internal control system and internal Audit system that are appropriate and effective. The verification shall be done together with the Auditor and the internal Auditor and consider the independence of the internal Audit division, as well as the approval to consider to appoint the relocation, employment termination and determine the remuneration of the Head of internal Audit division or any other division that is responsible for internal Audit, as well as approving the internal Audit plan as well as assigning the internal Audit officer to support the Audit Committee operation.

3) Ensure to make the Company comply with the laws concerning stock and stock exchange, regulations of SET and laws related to business of the Company and the relevant standard.

4) Consider selecting, proposing and/or terminate the appointment of the Auditor of the Company and the Subsidiaries and/or the Joint venture and propose the remuneration of such Auditor by considering on the reliability, adequacy of the resourced, amount of Auditing work of such Audit Company, as well as the experience of the personnel assigned to conduct the Audit the Company. Apart from that, Audit Committee must participate in the meeting with the Auditor without the administration division joining the meeting at least one a year.

5) Consider providing opinion about conducting the relevant transaction or the transaction that may have conflict of interest of the Company and/or the Subsidiaries according to the law provision and relevant criteria and regulations of SET. In this regard, this is to ensure that such transaction is reasonable and have highest benefit to the Company.

6) Prepare the report of Audit Committee by revealing in the annual report of the Company. Such report shall be signed by the Chairman of the Audit Committee and the report should be consist of at least the following information:

- 6.1) Opinion about the correctness, completeness, reliability of financial report of the Company and the Subsidiaries
- 6.2) Opinion about the adequacy of the internal control system of the Company and the Subsidiaries.
- 6.3) Opinion about the compliance to the laws concerning stock and stock exchange, regulations of SET or laws related to business of the Company and the Subsidiaries.
- 6.4) Opinion about the appropriateness of the Auditor
- 6.5) Opinion about the statement that may have conflict of interest of the Company and the Subsidiaries.
- 6.6) the Number of the Audit Committee meeting and the attendance of each Audit Committee member.
- 6.7) Opinion or notice in overall that the Audit Committee has obtained from the operation according to the charter.
- 6.8) Any other report that the shareholders and the investor in general should know under the scope of authority and responsibility from the Board of Directors.

7) Verify and give opinion about the policies related to the authority of the Audit Committee, such as the accounting policy, Corporate Governance policy and responsibility towards the society and anti-corruption policy, etc.

8) Review the process of Corporate Governance and responsibility towards society, including the anti-corruption process.

9) Perform any other tasks as assigned by the Board of Directors with approval from the Audit Committee.

Audit Committee Reporting

Audit Committee has obligation and responsibility in the activity report of the Audit Committee or other obligations as assigned by the Board of Directors. The report of Audit Committee will pay attention to the Board of Directors, Shareholders and Investors in general because such report will show Independent and straightforward opinion of the Audit Committee and the Board of Directors can be confident that the Administrative Division has operate carefully and pays attention to the benefits of all shareholders equally.

8) Report to the Board of Directors

1.1 Report the activities done regularly, so that the Board of Directors is acknowledge of the activity of the Audit Committee

- Minutes of Audit Committee's meeting which specify the opinion of the Audit Committee in various matters and the Chairman of the Audit Committee shall be the one who record the minutes of Audit Committee's meeting for the Board of Directors' meeting in the next meeting for acknowledgement
- Summary of the activities done during the year
- Report on the opinion to the Financial Report, Internal Audit and Internal Audit process
- Any other report that the Board of Directors should be acknowledged of

1.2 Report the finding immediately so that the Board of Directors can seek for corrective action in timely manner

- Report conflict of interest
- Suspect or assumption that there may be fraud or abnormality or the important defect in the internal control system
- Suspect of violation against laws or regulations of SET
- Any other report that the Board of Directors should be acknowledged of

9) Report to the government agency

If the Audit Committee has reported to the Board of Directors about the significant impact to the financial status and work performance and has discussed with the Board of Directors and Managements that there must be a correction, once the due date is reached, if the Audit Committee found that the correction is ignored without an appropriate reason, one of the Audit Committee members may report it to the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

10) Report to the shareholders and investor in general

The activities done during the year according to the obligation and responsibility that is assigned by the Board of Directors which has been signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

2.2 Nomination and Remuneration Committee

Scope, authority and responsibility of Nomination and Remuneration Committee

Set the policy, criteria and method to recruit the Company Director, Sub-Committee, Company Secretary and Top Management (CEO) as well as the Director of the Subsidiaries as follows:

- 1) Set the policy, criteria and method to recruit the Company Director, Sub-Committee, Company Secretary and Top Management (CEO) as well as the Director of the Subsidiaries by considering on the appropriateness of the number, structure and component of the Board of Directors. Determine the qualification of the Director to propose to the Board of Directors and/or seek approval from the Shareholders' meeting as the case may be.
- 2) Consider on the Nomination, selection and propose the list of people with appropriate qualification, knowledge, expertise to assign them to hold the position of the Company Director, Sub-Committee, Company Secretary and Top Management (CEO) as well as the Director of the Subsidiaries. Apart from that, consider on the profile of such person that they have all qualification as specified by the relevant laws and does not disagree or conflict with the laws related to the business of the Company.
- 3) Consider determining the policy for Nomination of Management to be the successor in an important position (Succession Plan)
- 4) Review the criteria and method to recruit the Director to propose to the Board of Directors before the Nomination of the Director who reach the duration of position holding
- 5) In the case that Nomination and Remuneration Committee propose the name of the Director who reach the duration to hold the position again, the Nomination and Remuneration Committee will consider the performance of such Director and the performance and contribution as well as the record of the participation in the Board of Directors' meeting and Shareholders' meeting must be proposed to the shareholders for consideration too.
- 6) Prepare the development plan for the Company Director to develop the knowledge of the existing Company Director and the new Company Director, so that they can understand the business of the Company and the Subsidiaries, roles and responsibility of the Company Director and the important developments, such as economic and industry situation, regulations or laws related to the business of the Company and the Subsidiaries, etc.
- 7) Other operations as assigned by the Board of Directors with approval from the Nomination and Remuneration Committee

Consideration on remuneration

- 1) Prepare the policy and criteria to determine the remuneration and other benefits of the Board of Directors, Sub-Committee, Company Secretary and Top Management (CEO) as well as the Director of the Subsidiaries for proposing to the Board of Directors and/or seek approval from the Shareholders' meeting as the case may be.
- 2) Determine the remuneration as necessary and appropriate in monetary and non-monetary form to the Board of Directors for each individual in each year by considering the appropriateness and the experience, role, obligation, responsibility, contribution, work performance of the Company and the Subsidiaries and compare to the Company in the same industry and the expected benefits from the Director, and comply with the long term strategy and goal of the Company and connect to the value that the Company created for the shareholders for proposal to the Board of Directors for consideration and proposal to the Shareholders' meeting for approval.
- 3) Determine the guideline for the performance evaluations of Board of Directors, Sub-Committee, Company Secretary and Top Management (CEO) as well as the Board of Directors of the Subsidiaries for consideration on the annual remuneration
- 4) Reveal the policy about the determination of remuneration and reveal the remuneration in various forms and prepare the report of the determination of remuneration in the annual report of the Company
- 5) Determine the bonus and annual increment rate of the Management and Officers which may be considered from the performance of the Company and the Subsidiaries
- 6) Consider the salary structure and other benefits of the organization
- 7) Take other actions as assigned by the Board of Directors with the approval from the Nomination and Remuneration Committee

In this regard, the assignment of obligation and responsibility of the Nomination and Remuneration Committee, regarding less of by authorization or Sub-authorization that make the assignee of the Nomination and Remuneration Committee be able to approve the transaction the oneself or the person who may have conflict of interest (as defined in the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization) have the stake holding have other conflict of interest with the Company or the Subsidiaries and/or the relevant companies, Nomination and Remuneration Committee shall not have the approving authority in such matter. It shall be proposed to the Board of Directors' meeting and/or Shareholders' meeting (as the case may be) for approval. Apart from that, such authorization must be done in writing or record as the resolution of Nomination and Remuneration Committee in the minutes of meeting and specify the scope of authority of the assignee and the duration of the assignment.

2.3 Executive Board

Components and appointment of Executive Board

- 1) Appoint by the Board of Directors with the number that the Board of Directors seen appropriate. The Executive Board shall consist of Company Director and/or Management of the Company. In this regard, the Executive Board should have not fewer than 5 members and not more than 10 members.
- 2) Executive Board does not need to be the Company Director or the Company Officers. The outsider who have appropriate qualification and does not have conflict of interest with the Company, the Executive Board should specify the appropriate reason and necessity for the consideration to appoint clearly.
- 3) The Board of Directors will select one of the Executive Board members to be the Chairman of the Executive Board. In the case that the Board of Directors seen appropriate, one or more of the Executive Board members may be selected to be the Vice Chairman of the Executive Board.
- 4) Chairman of the Executive Board may be the same person as the CEO.
- 5) The Executive Board can appoint an Officer of the Company to be the Secretary of the Executive Board to facilitate the operation of the Managements about the meeting appointment, agenda preparation, delivering the meeting document and recording the minutes of meeting. In this regard, the Executive Board has authority to determine the remuneration (meeting allowance) for the Secretary of the Executive Board as seen appropriate.

Qualification of the Executive Board

- 1) Executive Board must be the person who have knowledge, ability and experience that is useful for the business operation of the Company with honesty, morality and good governance and have enough time to give knowledge, ability and work for the Company at best effort.
- 2) Executive Board must be the person who is qualified and does not have the prohibited characteristic according to the law concerning Public Company Limited and laws concerning Securities and Stock Exchange, and/or other relevant laws.
- 3) Executive Board cannot run the business, be the partner or be the Director in other juristic person with the same condition and/or be the competitor with the business of the Company and/or the Subsidiaries and/or the Joint venture, regardless of for one's own benefit or benefit of other person, unless notified the Board of Directors' meeting or Shareholders' meeting of the Company prior to the appointment (as the case may be).

Scope, authority and responsibility of Executive Board

- 1) Run the business and operate the Company and the Subsidiaries according to the objective, regulations, policy, rules, requirement, order and resolution of the Board of Directors' meeting and/or Shareholders' meeting of the Company under the relevant law.
- 2) Consider the proposal of the Administrative Division to determine the structure of the organization, vision, mission, target, policy direction, business strategy, business operation of the Company and the Subsidiaries, work plan, investment for business expansion, public relation, financial planning, annual report, budget as well as annual budget, human resource Management, investment in information technology for proposal to the Board of Directors' meeting for consideration.
- 3) Have authority to appoint the working group to run the business or the administration of the Company and/or the Subsidiaries and/or the Joint venture and determination of the authority, duty and responsibility of the working group as well as the supervision to make the operation of the appointed working group achieve the policy and target.
- 4) Provide suggestion, advice and determine the guideline for the policy and authority of the CEO and special working group
- 5) Monitor the work performance of the Company and the Subsidiaries to be in accordance with the policy and the target approved by the Board of Directors and supervise the operation to have good quality and efficiency.
- 6) Consider on annual budget allocation as proposed by the Administrative Division before the consideration and approval by the Board of Directors
- 7) Have authority to approve the financial expenses for the operation that is normal transaction of the business of the Company, but not more than the budget approved by the Board of Directors
- 8) Study the possibility of the new projects and consider approving the participation in the bidding, as well as the operation in the projects as seen appropriate, including the legal actions related to such matter until completion. In this regard, such authority shall be in accordance with the approving authority set by the Board of Directors and comply with the law provision concerning security and security exchange.
- 9) Approve the important investment as specified in the annual expense budget as assigned by the Board of Directors or as the Board of Directors has approved in principle.
- 10) Have authority to approve the borrowing, financial transaction with the bank or the financial institution for supporting the normal operation, such as opening bank account, closing bank account, offering the loan of the Company and/or the Subsidiaries, seeking credit limit or apply for loan of the Company according to the approving authority table as approved from the Board of Directors.

- 11) Consider and monitor the work performance of the Company and/or the Subsidiaries and propose the interim dividend payment or annual dividend payment to propose to the Board of Director for approval.
- 12) Determine the structure of the organization, administration authority as well as appoint, employ, relocate, terminate employment, determine the wages, remuneration, bonus of Officers at Management level, from Director of the division or equivalent upwards, except for the CEO.
- 13) Authorize to authorize other person to take an action under the supervision of the Executive Board or authorize the person to have the authority as the Executive Board seen appropriate and within the time that Executive Board seen appropriate. The Executive Board may cancel, revoke, change or amend the authorized person or such authorization as seen appropriate.
- 14) Authorize to appoint the Chairman of the consultant or consultant or group of consultants of the Executive Board as seen appropriate and authorized to determine the remuneration, allowance, welfare, facility and other expenses of the Chairman of the consultant or consultant or group of consultant as seen appropriate.
- 15) Have authority to appoint Managements of the Company to perform all positions, except for the CEO which requires the approval from the Board of Directors, as well as be able to authorize any person to take action on its behalf in any matter under the responsibility and obligation as Executive Board as seen appropriate.
- 16) Executive Board or Chairman of Executive Board is authorized to all for Executive Board meeting and/or determine the regulations of the meeting as seen appropriate.
- 17) In case the Chairman of the Executive Board cannot perform the obligation, the Chairman of the Executive Board shall appoint the person in charge to perform duty on their behalf on case by case basis. The person in charge shall have equal authority as Chairman of the Executive Board.
- 18) Approve the authorization to operate administration for the Management according to the regulations.
- 19) Supervise the Company to have the internal control system that is suitable, concise and efficient by coordinating with the Audit Committee.
- 20) Propose the list of people who have appropriate qualification to the Board of Directors for considering to appoint as the Director and/or Management in the Subsidiaries and/or the Joint venture at least according to the ratio of shareholding of the Company, as well as determining the compliance policy of the Subsidiaries and/or the Joint venture to propose to the Board of Directors for approval
- 21) Other operation as assigned by the Board of Directors.

Report of the Executive Board

Executive Board must report the performance to the Board of Directors and report the performance of obligation for the preceding year to the shareholders in annual report by disclosing the details at least the following:

- 1) Number of meeting
- 2) Number of attendances of each Executive Board member
- 3) Remuneration of Executive Board
- 4) Performance according to the charter

Authority of the Chairman of the Executive Board

- 1) The Chairman of Executive Board must take action to comply with the obligation and responsibility mentioned above efficiently and effectively.
- 2) Have the authority to take action according to the policy of Executive Board which is under the law, condition, rules and regulation the Company.
- 3) Supervise the business operation according to the policy assigned by the Executive Board
- 4) Consider amending and improving the work regulations as appropriate to the Executive Board for approval
- 5) Take other action as assigned by Executive Board

In this regard, the assignment of obligation and responsibility of the Executive Board, regardless of by authorization or Sub-authorization that make the assignee of the Executive Board be able to approve the transaction the oneself or the person who may have conflict of interest (as defined in the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization) have the Shareholding have other conflict of interest with the Company or the Subsidiaries and/or the relevant companies, Executive Board shall not have the approving authority in such matter. It shall be proposed to the Board of Directors' meeting and/or Shareholders' meeting (as the case may be) for approval. Apart from that, such authorization must be done in writing or record as the resolution of Executive Board in the minutes of meeting and specify the scope of authority of the assignee and the duration of the assignment.

2.4 CEO

Scope, authority and responsibility of CEO

- 1) Supervise, administer, operate and perform the normal tasks according to the normal business for the benefit of the Company and the Subsidiaries, as well as the benefit of the Group in overall, to be in accordance with the objectives and regulations, as well as rules, resolution, policy, work plan and budget as specified by the Executive Board, the Board of Directors and/or Shareholders' meeting resolution under the relevant law and authority specified by the Board of Directors and/or Executive Board.
- 2) Supervise the business and/or administer the daily work of the Company and the Subsidiaries, as well as the report of work performance of the Company and the Subsidiaries, suggest the alternative and measures that comply with the policy to the Executive Board and/or the Board of Directors.
- 3) Prepare and present policy on business, business plan, business expansion, human resource Management, vision, mission, target, business planning, business strategy, public relation, annual report, annual budget of the Company and the Subsidiaries as well as the group in overall, for using in the business operation and set the administration authority for proposing to the Executive Board and/or the Board of Directors.
- 4) Examine, monitor and evaluate the work performance of Management Division and Administrative Division of the Company and the Subsidiaries, as well as the Joint venture that are invested in regularly and propose the suggestion on the solution to the obligations, so that the Management and Administrative Division can operate according to the strategy and business planning to comply with the policy and goal of the Company and the Subsidiaries, as well as reporting to the Board of Directors every quarter.
- 5) Issue the order, rules, notification and memorandum of understanding to ensure that the operation of the Company and the Subsidiaries are in accordance with the policy and for the benefit of the Group, as well as to maintain the discipline in the organization.
- 6) Be the representative of the Company or the Group as well as have the authority to assign any person to contact with the external organization, which include the government agencies and other regulators.
- 7) Determine the structure of the organization, administration, including the selection, develop and train, employment, appointment, relocation and termination of employment, of the officer, and determine the wages, salary, remuneration, bonus and welfare of Officers under the framework and policy set by the Board of Directors.
- 8) Authorize to appoint and remove the officer or employee in the position lower than the Management.

9) Negotiate and enter into contract and/or transaction related to the normal business operation of the Company under the authorization and limitation of money as specified in the approving authority table approved by the Board of Directors.

10) Have approving authority for the expense in normal business operation of the Company according to the approving authority table considered and approved by the Board of Directors, such as asset purchase, loan applying for loan from the financial institution, important investment and conduct other transaction for the benefit of the Company, which the approving authority is the normal transaction of the business.

11) Perform other obligation as assigned by Executive Board or the Board of Directors.

In this regard, in any operation that the CEO or the assignee to perform the obligation and responsibility of CEO, or the person who may have conflict of interest (as defined in the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization) have the stake holding have other conflict of interest with the Company or the Subsidiaries and/or the relevant companies, CEO shall not have the approving authority in such matter. It shall be proposed to the Board of Directors' meeting and/or Shareholders' meeting (as the case may be) for approval, unless it is the approval of the normal business operation and normal trading condition as stated in the notification of Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization.

3. Performance Assessment

3.1 Performance Assessment of the Board of Directors and sub-committees

Board of Directors Arrange for the performance appraisal of the Board of Directors. And sub-committees annually The Board of Directors and the Audit Committee Two types of assessments were provided as a Whole Assessment and Individual Self-Assessment. The Nomination and Remuneration Committee and the Executive Committee In this regard, the Company has organized one type of evaluation, ie Board evaluation (As a Whole) for the Board consider the performance of the board of directors And sub-committees and operational problems for improving work efficiency By the self-assessment process of the Board of Directors. And that sub-committee Company Secretary and the secretary of the sub-committee will send the assessment form. All directors 'assessment will be sent to the Company Secretary and secretary of sub-committees to process and summarize scores and report to the sub-committee meetings and the meeting of the Board of Directors for acknowledgment.

The main subject in the performance assessment can be summarized as follows:

	Self-assessment as a whole				Self-assessment for individual	
	The Board of Directors	Audit Committee	Nomination and Remuneration Committee	The Executive committee	The Board of Directors	Audit Committee
1) Structure and qualification of Board of Directors	✓	✓	✓	✓	✓	✓
2) Meeting	✓	✓	✓	✓	✓	✓
3) Roles, obligations and responsibility of Board of Directors	✓	✓	✓	✓	✓	✓
4) Other matters, such as relation between the Board of Directors and the self-development of Director and Management development	✓					

4. Assessment results

In 2020 Board of Directors assessment results and the sub-committees are as follows;

- (1) The overall performance evaluation of the Board of Directors of all topics is at the level of excellence with the total score of all topics, representing 97.92% and the individual performance appraisal results in all topics at the level of excellence by getting the average overall score of all topics, representing 98.73%
- (2) The overall performance evaluation of the Audit Committee in all topics is at the level of excellence with the total score of all topics, representing 91.25% and the individual performance appraisal results in all topics at the level of excellence by getting the average overall score of all topics, representing 95.45%
- (3) The overall performance evaluation of the Nomination and Remuneration Committee in all topics is at the level of excellence by getting the average overall score of all topics, representing 96.05%
- (4) The overall performance evaluation of the Executive Committee in all topics is at the level of excellence by getting the average overall score of all topics, representing 94.44%

5. Approving authority

Approving authority of the Company and the Subsidiaries

The Company has specified that the Board of Directors has approving authority in various matters of the Company according to the scope of obligation specified by law, regulations of the Company, the Board of Directors' charter and Shareholders' meeting resolution, as well as the revision of the strategy in the operation on yearly basis and revise the work plan, annual budget, investment plan, cost of investment, as well as the budget of operating expenses of the Company, monitoring and work performance assessment according to the plan. The approvals that are important, while the Management is responsible for managing the activities of the Company as assigned by the Board of Directors and approve the transaction that is in the annual budget as approved by the Board of Directors.

6. Supervising the operation of the Subsidiaries and the Joint venture

1) The Board of Directors has an obligation to monitor and supervise the administration and operation of the Subsidiaries and/or the Joint venture (*mutatis mutandis*), to be in accordance with the policy specified by the Company, the laws related to business operation, as well as the laws concerning stock and stock exchange, notification of Capital Market Supervisory Board, regulations of the Stock Exchange of Thailand, *mutatis mutandis*, to the extent that it does not disagree or conflict with other laws.

2) The Board of Directors has obligation to appoint the representative to be the Director and Management in the Subsidiaries and/or the Joint venture at least according to the ratio of shareholding in the Subsidiaries and/or the Joint venture of the main business and there must be a code of conduct or regulations, so the submission of such person must be approved by the Board of Directors' meeting. The scope of obligation and responsibility of the representative who is appointed to hold the position of the Director and Management in the Subsidiaries must be clearly specified and there must be the result of the consideration of Director and Management in the Board of Directors' meeting of the Subsidiaries in an important issue must obtain the approval from the Board of Directors' meeting in advance, except for the case that there is limitation by other law or the condition about joint investment with government agency or in any other cases according to the laws concerning security and security exchange, notification of Capital Market Supervisory Board or regulations of the Stock Exchange of Thailand. In this regard, the Director and Management of the Subsidiaries and/or the Joint venture mentioned above that are appointed or proposed must be a qualified person with roles, obligations and responsibility as defined by the relevant law, and there shall not have the characteristic that is not reliable according to the notification of the Capital Market Supervisory Board, concerning the characteristic that is not reliable of the Director and Management of the Company.

3) The Board of Directors has an authority to take action to make the Subsidiaries and/or the Joint venture to have internal control system, risk Management system and anti-corruption system, as well as setting the standard for work performance monitoring system of the Subsidiaries and/or the Joint venture efficiently, regularly and precisely enough to ensure that the operations of the Subsidiaries and/or the Joint venture

will be in accordance with the work plan, budget, policy of the Company, as well as the laws and notification on Corporate Governance of the registered Company as well as the notification, regulations and criteria related to Capital Market Supervisory Board the Securities and Exchange Commission and the Stock Exchange of Thailand genuinely and continuously. Apart from that, the Board of Directors also have the obligation to monitor the Director and Management of the Subsidiaries and/or the Joint venture to comply with the roles and responsibility specified by law.

4) The Board of Directors is responsible for monitoring the Subsidiaries and/or the Joint venture to reveal significant information, such as information about financial status and work performance, relevant transaction, and the items that may have conflict of interest of the Subsidiaries and/or the Joint venture, the item acquired and sold which are significant asset and any other items that are important, normal transaction of the Subsidiaries and/or the Joint venture, etc. In this regard, the disclosure of such information must be adequate, complete, correct and be on time as specified by the Company and comply with the criteria of the related organization.

5) In the case that the Subsidiaries agree to conduct the transaction that is related to the related person of the Subsidiaries or the transaction related to the acquisition or sale of the asset of the Subsidiaries according to the criteria specified in the notification of Capital Market Supervisory Board and/or the notification of the Stock Exchange of Thailand (as the case may be). The Company and the Subsidiaries must comply with the criteria and method as specified by such notification before conducting the transaction, mutatis mutandis. The Subsidiaries must comply with the criteria and method as specified by such notification in the same manner as the Company has conducted such transaction on one own.

6) In this regard, such transaction require the approval from the Board of Directors' meeting and/or Shareholders' meeting of the Company according to the notification of Capital Market Supervisory Board and/or the notification of the Securities and Exchange Commission and/or relevant laws. The Company and the Subsidiaries shall consider the size of the transaction as compared to the consolidated financial statements of the Company.

Scope of authorization and responsibility of the Director and Management of the Subsidiaries and the Joint venture

The Company Sub-Committee and/or the Joint venture have authority, obligation and responsibility in managing the Subsidiaries and/or the Joint venture to comply with the law, objectives and regulations of the Subsidiaries and/or the Joint venture as well as the resolution of Sub-Committee's meeting and/or the Joint venture Shareholders' meeting resolution of the Subsidiaries and/or the Joint venture with honesty and be careful to keep the benefits of the Subsidiaries and/or the Joint venture. The operation of the Director and Management of the Subsidiaries and/or the Joint venture shall have the scope, authority and responsibility as specified by the Board of Directors. The Director and Management of the Subsidiaries and/or the Joint venture shall have the discretion to consider and vote in the Board of Directors' meeting of the Subsidiaries and/or the Joint venture concerning general administration and normal operation of

the Subsidiaries and/or the Joint venture as the Director and Management of the Subsidiaries and/or the Joint venture seen appropriate for maximum benefit of the Subsidiaries and/or the Joint venture and shareholders, as follows:

- 1) Director and Management of the Subsidiaries and/or the Joint venture must follow the obligation and responsibility as specified by law and follow the work plan budget and policy of the Company.
- 2) Director and Management of the Subsidiaries and/or the Joint venture must reveal the important information, such as information about financial statement and performance, related transaction and the transaction that may have conflict of interest with the Subsidiaries and/or the Joint venture, the transaction of acquisition or sale of the significant asset and any other items that are important, which is not normal operation of the Subsidiaries and/or the Joint venture to the Company for acknowledgement, adequately, completely, correctly and in timely manner, *mutatis mutandis*. In this regard, the Board of Directors of the Subsidiaries considers the related transaction acquisition or sale of the significant asset and any other important transaction that is not normal operation of the Subsidiaries. The related notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission shall be enforcing, *mutatis mutandis*.
- 3) Director and Management of the Subsidiaries must reveal and deliver the information of the stake holding of oneself and person who may have conflict to Board of Directors of the Company and the Subsidiaries and/or Company Secretary who are aware of the relation and transaction of the Subsidiaries or the Company in the manner that it may cause conflict of interest and avoid the transaction that may cause conflict of interest with the Subsidiaries or the Company. The Board of Directors of the Subsidiaries has obligation to report such information to the Board of Directors of the Company for acknowledgement in the time as specified by the Company as the information for consideration to make decision or approve. Such consideration must focus in the overall benefit of the Subsidiaries and the Company.

In this regard, Director and Management of the Subsidiaries and the Joint venture must not participate in approving the subject that they are the stake holder or may have the conflict of interest.

The following action is the action which make the Director, Management or people who may have conflict of the Subsidiaries and the Joint venture, receive monetary return other than those normally get or is the cause making the Subsidiaries or the Joint venture or the Company suffer from damage, it shall be considered that such actions have conflict against the benefit of the Subsidiaries or the Joint venture or the Company significantly.

- (A) The transaction between the Subsidiaries and Director, Management or people who may have conflict of the Subsidiaries, does not comply the criteria of the relevant transaction.
- (B) Maximize the benefit of data use of the Company or the Subsidiaries or the Joint venture the they are aware of for the benefits of one's or other people, unless the information is announced to the public.

(C) The use of asset or business opportunity of the Company or the Subsidiaries or the Joint venture in the same manner as the Company or the Subsidiaries or the Joint venture take action and violate criteria or the general operation rules as the Securities and Exchange Commission, or Capital Market Supervisory Board specified.

4) Director and Management of the Subsidiaries and/or the Joint venture must report the business operation plan, business expansion, large scale investment project, as well as the joint investment with other entrepreneur to the Company through the report of monthly performance and explain or deliver the supporting document of such case, in the case that the Company request.

5) Director and Management of the Subsidiaries and/or the Joint venture must submit the information or document related to the operation of the Company as requested and as appropriate.

6) Director and Management of the Subsidiaries and/or the Joint venture must explain or deliver the supporting document to the Company in the case that the Company found the significant issue.

7) Director, Management, Officers, employee or the assignee of the Subsidiaries and/or the Joint venture, as well as the spouse and minor child of the person must not use the internal information of the Company or the Subsidiaries and/or the Joint venture, both those obtained from the compliance with obligation in a way, which have or may have significant impact to the Company or the Subsidiaries or the Joint venture for benefit of oneself or other people, regardless of directly and indirectly and regardless of there is a return or not.

8) Director, Management or people who may have conflict of the Subsidiaries will be able to conduct the transaction with the Subsidiaries only when such transaction is approved by Sub-Committee and/or Board of Directors of the Company or the shareholders of the Subsidiaries and/or shareholders of the Company (as the case may be) according to the size of the transaction as calculated by using the criteria in the notification of the related transaction and the related criteria of Capital Market Supervisory Board and The Securities and Exchange Commission, mutatis mutandis. In this regard, except when the transaction is the trading agreement in the same manner that people should do with the contract party in general in the same situation, with the bargaining power that is free from the influence that the person is in the position of Director, Management or people who may have conflict (as the case may be) and is the trading agreement approved by the Board of Directors or possible according to criteria approved by the Board of Directors.

9) Director and Management of the Subsidiaries and/or the Joint venture must provide appropriate internal control that is suitable and concise enough for preventing the fraud that may occur to the Subsidiaries and/or the Joint venture. Apart from that the Subsidiaries and/or the Joint venture should have a distinct work system to show that the Subsidiaries and/or the Joint venture have an adequate system in information disclosure for the significant transaction according to the stipulated criteria consistently and reliably. Plus, there must be a channel for the Director and Management of the Company to be able to get the information

of the Subsidiaries and/or the Joint venture for supervising the work performance and financial status, transaction between the Subsidiaries and/or the Joint venture and the Director and/or Management of the Subsidiaries and/or the Joint venture and the significant transaction of the Subsidiaries and/or the Joint venture efficiently. Apart from that, the Board of Directors must provide the Subsidiaries and/or the Joint venture the examination mechanism for such work system in the Subsidiaries and/or the Joint venture. The internal Auditor team and Independent Director of the Company must be able to access the data directly and there must be a report of such work system examination for the Audit Committee and the Board of Directors to ensure that the Subsidiaries and/or the Joint venture has complied with the work system efficiently and regularly.

In this regard, to comply with policy on supervision of the operation of the Subsidiaries and the Joint venture, the following cases, of the Subsidiaries must be approved by Board of Directors of the Company and/or Shareholders' meeting of the Company (as the case may be) before getting approval from Board of Directors or the Shareholders' meeting of the Subsidiaries (as the case may be).

- The subject that must be considered and approved from the Shareholders' meeting of the Company with the voting not fewer than three-fourth (3/4) of all votes of the shareholders attended meeting and has the right to vote:
 - (1) In case the Subsidiaries agree to do the transaction with the related person of ACE or the Subsidiaries or the transaction related to the acquisition or sale of the asset of the Subsidiaries. In this regard, it must be in the case that when calculating the size of the transaction that the Subsidiaries will conduct as compared to the size of ACE using the criteria of calculation as specified in the related announcement of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, *mutatis mutandis*, it shall be in the criteria that the Shareholders' approval from meeting of ACE is required.
 - (2) Capital increase by issuing more share of the Subsidiaries and the share allocation, including the decrease of the registered capital and/or the paid up share of the Subsidiaries which is not comply with the original ratio of shareholding of the shareholders or the other operation in the same manner which make the ratio of shareholding of ACE and/or the use of voting right of ACE directly and indirectly in the Shareholders' meeting of the Subsidiaries, regardless in any stage decreased to lower than the ratio specified in the law enforced with the Subsidiaries, which make ACE lose the controlling power over such the Company. In this regard, it must be in the case that when calculating the size of the transaction as compared to the size of ACE, it is in the criteria that require the approval from Shareholders' meeting of ACE using the criteria of calculation of transaction size as specified in the relevant notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, *mutatis mutandis*.
 - (3) The business close down of the Subsidiaries. In this regard, this shall be only when calculating the size of the business of the Subsidiaries to be closed own as compared to ACE using the criteria of calculation of transaction size as specified in the relevant notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, *mutatis mutandis*, it is in the criteria that require the approval from Shareholders' meeting of ACE.

- (4) Any other transaction that is not normal business transaction of the Subsidiaries and it is the transaction that has impact on the Subsidiaries significantly. In this regard, this shall be only when calculating the size of the business of the Subsidiaries to do the transaction as compared to ACE using the criteria of calculation of transaction size as specified in the relevant notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, mutatis mutandis, it is in the criteria that require the approval from Shareholders' meeting of ACE.
 - (5) Amendment to the regulations of the Subsidiaries in the subject that may significantly affect the financial status and work performance of the Subsidiaries, including but not limited to, the amendment of regulations of the Subsidiaries that affect the right to vote of the Company in the Board of Directors meeting of the Subsidiaries and/or Shareholders' meeting of the Subsidiaries, etc.
- The subject to be considered and approved by the Board of Directors' meeting

- (1) Appointment or proposal of the name of the person to be the Director and Management in the Subsidiaries at least at the ratio of shareholding of ACE in the Subsidiaries. The Director and Management that ACE appoint or propose the name shall have the discretion to consider voting in the Board of Directors meeting of the Subsidiaries in the subject related to the administration in general and normal business operation of the Subsidiaries as the Director and Management seen appropriate for the maximum benefit of ACE and the Subsidiaries (as the case may be). In this regard, except for the subject that is determined to be considered and approved by the Shareholders' meeting of ACE.

In this regard, Director and Management of the Subsidiaries that is appointed must be the person who is listed in the Director and Management listing system of the Company issued the security (White List) and have the qualifications, roles, obligations and responsibility as specified by relevant law. Apart from that, there shall not have the characteristic that is not reliable according to the notification of the Capital Market Supervisory Board, concerning the characteristic that is not reliable of the Director and Management of the Subsidiaries.

- (2) Consideration on annual dividend payment and interim dividend payment (if any) of the Subsidiaries, except when the case that the Subsidiaries pay dividend in total for the whole year not fewer than the amount specified in the total annual budget of each Subsidiary.
- (3) The amendment of the regulations or the Subsidiaries, except for the following cases:
 - 1. Amendment of the regulations concerning the capital increase according to the ratio of shareholding which is in accordance with the annual budget of each Subsidiary and/or
 - 2. Amendment of the regulations in significant matter which must be approved by Shareholders' meeting of ACE

- (4) Approval of annual budget of the Subsidiaries, unless specified in the manual of approving authority and operation of the Subsidiaries
- (5) Appointment of the Auditor of the Subsidiaries especially for the case that the Auditor is not in a Full Member Audit office in the same network as the Auditor of ACE which is not complied with the policy on Auditor appointment of ACE, in which the Auditor of the Subsidiaries must be under the Audit office in the same network as the Auditor of ACE.
- (6) Capital increase by issuing capital increase shares of the Subsidiaries and allocate the share and decrease the Registered Capital and/or paid up capital of the Subsidiaries which does not comply to the ratio of original shareholding of shareholders or the other operation in the same manner which make the ratio of shareholding of ACE and/or the use of voting right of ACE directly and indirectly in the Shareholders' meeting of the Subsidiaries, regardless in any stage decreased to lower more than 10 (ten) percent of the paid up capital of the Subsidiaries or the total vote of the Subsidiaries (as the case may be), except when it is already in the business plan or annual budget of the Subsidiaries which granted approval from the Board of Directors of ACE.
- (7) The item in A to D of this clause are the significant transaction and when it is conducted, it will cause significant impact to the financial status and work performance of the Subsidiaries. Therefore, before the Board of Directors meeting of the Subsidiaries and Director who is appointed by ACE to hold the position in the Subsidiaries will vote on this matter, the Director must grant the consent from the Board of Directors of ACE about such matter first. In this regard, it must be in the case that when calculating the size of the transaction that the Subsidiaries will conduct as compared to the size of ACE using the criteria of calculation as specified in the related announcement of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, mutatis mutandis, it shall be in the criteria that the Shareholders' approval from meeting of ACE is required for the following.
 1. In case of the Subsidiaries agree to enter into the transaction with the related person of ACE or the Subsidiaries or the transaction related to acquisition or sale of the asset of the Subsidiaries, including but not limited to the following cases:
 - (1) The transfer or waive of the benefits as well as the waive of the right to claim available to the person who cause damage to the Subsidiaries
 - (2) Sale or transfer of the entire business or the significant part to other people
 - (3) Purchase or get the business transfer of the other Company to be owned by the Subsidiaries
 - (4) Entering into, amendment, or terminate the agreement related to the business rental of the Subsidiaries entirely or partially in the important part. Assigning other people to manage the business of the Subsidiaries or the merger of the Subsidiaries of other people with the objectives to share the profit and loss.
 - (5) Rent or rent out the business or asset of the Subsidiaries entirely or partially in the important part.

2. Borrowing, lending, giving credit, providing guarantee, entering into legal transaction that make the Subsidiaries have to bear more financial liability or providing financial assistance in other manners to other people and is not the normal transaction of the Subsidiaries, except for the borrowing between ACE and the Subsidiaries or between the Subsidiaries and other Subsidiaries of ACE.
3. Close down the business of the Subsidiaries
4. Other transaction that is not normal transaction of the Subsidiaries and are the transaction that affect the Subsidiaries significantly.

In this connection, the scope, authority and responsibility of the Director and Management of the Subsidiaries and/or the Joint venture above has been set out in the regulations of the Subsidiaries and effective from the day that the Board of Directors has resolution to approve both before and after the Company has registered in the Stock Exchange of Thailand, to the extent that the Company still keep the status as the registered Company in the Stock Exchange of Thailand and the Company still have the controlling power in the Subsidiaries. In this regard, the definition of controlling power shall be in accordance with laws concerning stock and stock exchange.

7. Policy on the supervision of Internal Information

- 1) Give knowledge to Director and Management of the Company about the obligation to report the asset holding of oneself, spouse and child who is a minor to the Securities and Exchange Commission according to the guideline given in Section 59 and penalty section 275 of the Security and Security Exchange Act B.E. 1992 (as amended)
- 2) State that the Director and Management of the Company, as well as the spouse and the child who is a minor prepare and reveal the report of asset holding and report of the change of asset holding to the Company to the Securities and Exchange Commission according to Section 59 and penalty section 275 of the Security and Security Exchange Act B.E. 1992 (as amended) and sliver the copy of report to the Company Secretary on the same day as the report is submitted to the Securities and Exchange Commission.
- 3) The members of Sub-Committee, such as Executive Board, Nomination and Remuneration Committee, Management, Officers and employee of the Company, the Subsidiaries and/or the Joint venture that are acknowledge of the internal information must comply with the rule stated in Clause 4 strictly. The “Internal information” refers to the fact which is significant which affect or mat affect the change of the asset price of the Company and the fact that has not been revealed to the public. In this regard, example of the event or fact that are considered as internal information are:

- (A) The joint investment, merger or acquisition of the business
- (B) The announcement to pay or not to pay the dividend or the announcement of profit or loss
- (C) The change to the par value and stock dividend payment
- (D) The accusation or loss of the important trading
- (E) The launch of new product, important development about the resource, technology, product and market or the important finding about natural resource
- (F) The change of the power to control or significant change in the Board of Directors and Management
- (G) The call for divestment of asset
- (H) The borrowing at the significant amount to the financial status and work performance
- (I) The issuance of capital increase share at an important amount by offering to sell for general public
- (J) Important legal dispute
- (K) Purchasing or selling important asset
- (L) Important change in investment payment
- (M) Change of objectives of the Company
- (N) Important dispute about labour, Sub-contractor, supplier of the Company
- (O) Preparation of the proposal to purchase the security of other Company
- (P) Change of policy and accounting

4) The Sub-Committee members such as Executive Board, Nomination and Remuneration Committee, Management, Officers and employee of the Company the Subsidiaries and/or the Joint venture who are acknowledge of the internal information are prohibited from trading the stock of the Company during the following period.

1. From the day that the internal information is known until the date that the Company has disclose such information to the public, according to the guideline of the notification of the Stock Exchange of Thailand concerning guideline on the disclosure of the information of the listed Company on 30 April 1993, and in the period of 24 hours after the Company has revealed the internal information to the public
2. From the last day of each quarter or the last day of the accounting period of the Company (as the case may be) until the day that the Company reveal the financial statement for such accounting period of the Company to the public and in 24 hours period after the Company has revealed the financial statement for such accounting period of the Company to the public.

Apart from that, the person related to the internal information must not reveal such information to other people until the information is informed to the Stock Exchange of Thailand. In this regard, if there is any violation of the rules mentioned above, the Company will consider it as the disciplinary offense according to the work regulations of the Company and the will be a punishment as appropriate to the case, ranging from verbal warning, warning in writing, probation to termination of employment.

8. Payment for Auditor

8.1 Audit Fee

The Group makes payment to PricewaterhouseCoopers ABAS Ltd. and Audit and Advisory Services Co., LTD. as the Auditor and the Company that gives opinion to the financial statement of the Company and the Subsidiaries. The details of the payments for the accounting period ended December 31, 2019 and accounting period ended December 31, 2020 are as follows:

Audit fee	For the Fiscal Year ended	
	December 31, 2019 (Baht)	December 31, 2020 (Baht)
The Company	2,850,000	2,190,000
The Subsidiaries and the indirect Subsidiaries	16,217,500	11,862,000
Total	19,067,500	14,052,000

The individual and business related to the Auditor and the office of the Auditor are not the individual and business related to the Company.

8.2 Non-Audit Fee

For the fiscal year ended December 31, 2020, the Company did not have Non-Audit Fee.

9. Comply with the Corporate Governance in other aspects

9.1 Corporate Governance principles that the company has complied

The Company has always realized and valued the importance of corporate governance practices in 2020, the Company has complied with the following important corporate governance principles as followed

- (1) Promoting and facilitating the exercise of shareholders' rights by allowing shareholders to propose agenda for the 2021 Annual General Meeting of Shareholders of the Company in advance from 4 December 2020. Until 15 January 2021
- (2) Equitable treatment of all shareholders by providing opportunities for shareholders to nominate qualified persons for consideration and appointment at the regular shareholders' meeting of the Company in 2021 as a director of the Company Advance From 4 December 2020 to 15 January 2021
- (3) Development of Company Directors and Executives in 2020, Company Directors and the management has participated in the training and seminars in courses organized by external institutions as follows.

Mr.Tanachai Bunditvorapoom (Directors and CEO) attended a seminar course “Advanced Master of Management Program, AMM (Class 6)” by Graduate School of Public Administration, National Institute of Development Administration

9.2 Corporate Governance principles has not been fully implemented.

The items that have not been fully implemented	Reason
Development of all Company Directors and Executives by promoting and facilitating the participation of seminars organized by external institutions.	Due to the situation of the coronavirus outbreak 2019 (COVID-19), the Company may not be able to act for the Company’s directors. and management can fully participate in seminars organized by external institutions In 2020, the Company assist promoting and facilitating the Board of Directors and executives can attend only 1 person for 1 course because of the company recognize the importance of safety and reduce the risk of infection from the epidemic.

Report of the Board of Directors' Responsibilities for the Financial Statements

The Board of Directors of Absolute Clean Energy Public Co., Ltd. ("The Company") is responsible for the consolidated financial statements of the Company and subsidiaries and the separate financial statements of the Company for the period ended December 31, 2020. The report was prepared in accordance with Thai Financial Reporting Standards and consistently used and appropriate accounting policies and practices. The report also includes the disclosure of sufficient important information in the notes accompanying the financial statements, as well as providing sufficient and appropriate internal control and risk management systems to ensure a reliable accounting information. The financial statements have been audited and unconditionally certified by an independent certified auditor.

The Board of Directors have appointed the Audit Committee, consisting of three independent directors, to supervise and review the reliability and accuracy of financial reports and financial statements, as well as the related-party transactions, the internal control, the internal audit and the risk management systems by discussing and meeting with the internal auditor and the company external auditor, as shown in the report of the Audit Committee which is already included in the annual report.

The Board of Directors hold the opinion that the Company's internal control and internal audit system can assure that the consolidated financial statements of the Company and subsidiaries and the separate financial statements of The Company for the year ended December 31, 2020, were prepared in accordance with Thai Financial Reporting Standards by using regularly used and appropriate accounting policies.



(Mr. Jaroon Intajarn)
Vice Chairman



(Mrs. Jiratha Songmetta)
Chairman of Executive Committee

24 February 2021

Audit Committee Report

The Audit Committee of Absolute Clean Energy Public Company Limited (“Company” or “ACE”) was appointed by the Board of Director. The Committee comprises independent directors who are qualified and have sufficient knowledge and experience to validate the Company’s financial statements. They have complete qualifications in accordance with the rules and regulations of the Securities and Exchange Commission. There are 3 members of the Audit Committee:

1. Ms. Chonticha Chitraporn	Chairman of Audit Committee
2. Mr. Nuekrak Baingern	Member of Audit Committee
3. Mrs. Patchanee Sutheewitanan	Member of Audit Committee

Mr. Somchai Chia-piyasakul acts as the secretary of the Audit Committee

The Audit Committee has performed its duties independently in the scope and responsibility assigned by the Board of Directors, as specified in the Audit Committee charter which is in line with the regulations of the Stock Exchange of Thailand. There is a review and encouragement for the company to follow the principles of good corporate governance. The Company should conduct business with the principles of good governance, transparency, honesty and integrity. Management should give importance to responsibility to the environment, society and shareholders for stable and sustainable growth and development by taking into account the maximum benefit of the shareholders. In the year 2020, the Audit Committee held a total of 9 meetings with executives, related employees, internal auditor and the external auditor. The essence of the Audit Committee’s performance can be summarized as follows:

Review of Financial Statements

The Audit Committee has reviewed quarterly financial statements, the separate annual financial statements of the company and consolidated financial statements including related party transactions. By meeting with the auditor and executives involved in the preparation of financial statements in order to make sure that financial statements have been prepared in accordance with legal requirements and the generally accepted accounting standards. There is an internal control system that is suitable for the preparation of accounting reports. There is sufficient and appropriate disclosure of financial information in all material areas and is beneficial to users of the financial statements.

Connected Transaction of the Company on a Quarterly and Annual basis

The Audit Committee has reviewed Connected Transactions on a quarterly and annually basis to ensure that the transactions are appropriate and reasonable and protects the Group’s benefits as well as complying with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

Review of Adequacy and Appropriateness of the internal control system

The audit committee has reviewed the sufficiency of the internal control system of the company and subsidiaries by reviewing the audit report of the internal auditor and the auditor's report. There was no significant issue or errors. Businesses were conducted in accordance with the policy and the specified line of command. Management has followed the recommendations, showing that the company has appropriate internal control systems to conduct business. The Audit Committee believes the Company has an adequate internal control system suitable for the size of the business and the current condition of the company. The system carefully monitors and oversees the Company's operations to protect the company and subsidiaries' assets from the misuse by directors, executives or employees or without authority. It also provides adequate control of connected transactions.

Risk Management

The Audit Committee places emphasis on the risk management of the organization by establishing the Company's Risk Management plan and policy. Special attentions were put on the risks related to business operations that may affect the business and the company's performance. The Audit Committee has considered that the executives and the employees of the company give importance to risk management by analyzing, assessing risk factors and communicating and providing information about the risks thoroughly within the organization. The company sets up Risk Management Team, consisting of senior management and heads of each department. They are responsible for determining the process, guidelines and measures for managing all significant risks.

Supervision of the internal audit department

The Audit Committee has overseen the operations of the internal audit department by considering and approving the annual internal audit plan. This is to ensure that the annual audit plan covers the Group's internal control system, and is consistent and suitable for different characteristics in each phase of the business operation. The Audit Committee has considered the results of internal audits and monitors to be in accordance with the annual internal audit plan of the internal audit department.

The Company's Good corporate governance operations

The Audit Committee has placed importance on the operations in accordance with the good corporate governance (CG Code 2017) of the company. The implementation of good corporate governance of the company is considered to be appropriate in terms of operations plans, social and environmental responsibility including sustainability policy. This is an operation to create value for both the Company's shareholders and all stakeholder groups, including disadvantaged people by promoting the well-being of local communities, societies and natural environments. The goals are to make those practices sustainable and complying with good governance, risk management by taking care of the interests of the stakeholders, employee and the environment, based on the ESG framework (Environment, Social, Government).

Selection Consideration and propose the appointment of the Auditor for the year 2020

The Audit Committee has selected the auditors of the company by considering qualifications, independence of auditors, expertise, experience, performance, scope of inspection guidelines, including the appropriateness of compensation. The Audit Committee, therefore proposed to the Board of Directors meeting to request approval

at the shareholders' meeting to appoint Mr. Sudwin Panyuwongkhanti, Certified Public Accountant Registration Number 3534 and / or Mrs. Anutai Poomsurakul, Certified Public Accountant No. 3873 and / or Mr. Krit Chatchawalwong, Certified Public Accountant No. 5016 from Pricewaterhouse Cooper ABAS Company Limited as the auditor of the company for the year 2019. The auditors listed above is the auditors approved by the Securities and Exchange Commission and has experience, knowledge, and ability that are appropriate for the audit of the Group's financial statements

Consideration to acknowledge the use of revised financial reporting standards, effective for the accounting period beginning on or after January 1, 2020

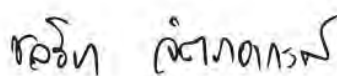
The Audit Committee is informed of significant changes to the revised financial reporting standards, effective for the accounting period beginning on or after 1 January 2020 including the preparation of the company to ensure that the company will be able to start using financial reporting standards correctly and on time and consider the company have accounting policies that are consistent with the revised financial reporting standards.

Evaluation of the performance of the Audit Committee

The Audit Committee has evaluated the performance of the Audit Committee and each member of Audit Committee to ensure that the operations of the Audit Committee are carried out efficiently to support and promote good corporate governance of the company. From the evaluation, the Audit Committee has complete qualifications and perform duties efficiently and in accordance with the scope of duties and responsibilities specified in the audit committee charter. In summary, the Audit Committee has performed according to the duties and responsibilities assigned by the Board of Directors and as specified in the charter of the audit committee by using knowledge and ability with caution, prudence and sufficient independence as well as giving opinions and recommendations creatively for the benefit of all stakeholders. The Audit Committee is of the opinion that the Board of Directors, executives, and employees at various levels of the Company are committed to performing their duties in order to achieve the Company's and their professional goals efficiently and effectively. The Company has an appropriate risk management system, good corporate governance policy as well as suitable, concise and sufficient internal control systems

From the performance of duties of the Audit Committee, in the year 2020 as reported above, it is believed that the Company prepares financial reports that are accurate, complete, reliable, and in accordance with generally accepted accounting standards. There are a risk management system and internal control system that are appropriate for the nature of the business. The group of companies, has good corporate governance that takes into account the responsibility to the environment, society, and shareholders with the goal of creating stable and sustainable growth.

On behalf of the audit committee



(Ms. Chonticha Chitraporn)

Chairman of Audit Committee

Connected Transaction

Companies / Related Persons

Company	Nature of Business	Relationship Category
Global Wood Chip Company Limited ("GWC")	Production and distribution of wood chips, logs, and bark	GWC is a company under common control with the Group of Companies.
Chaivo Supply Chain Company Limited ("SSC")	Production and distribution of wood chips, logs, and bark	SSC is a company under common control with the Group of Companies. Mr. Thanawichit Angkaphiphatthanachai is a Joint Director
Sri Ban Phai Company Limited ("SBP")	Production and distribution of wood chips, logs, and bark	SBP is a company under common control with the Group of Companies.
Global Wood Chip Trading Company Limited ("GWT")	Production and distribution of wood chips, logs, and bark	GWT is a company under common control with the Group of Companies.
Siam Agro Industry Products Trading Company Limited ("SAIPT")	Timber distribution business	SAIPT is a company under common control with the Group of Companies.
Advance Alliance Logistics Company Limited ("AAL")	Freight business	AAL is a company under common control with the Group of Companies.
Nam Phong Smile Company Limited ("NPS")	Production and distribution of tap water and industrial raw water	NPS is a company under common control with the Group of Companies.
Advance Utility Company Limited ("AUT"), Formerly known as Boon Bandal Rung Ruang Company Limited ("BBR")	Production and distribution of tap water and industrial raw water	AUT is a company under common control with the Group of Companies.
Advance Asian Company Limited ("AAS")	Agricultural seedling production and agricultural seedlings business	AAS is a company under common control with the Group of Companies.
Advance Energy Development Company Limited ("AED")	Engineering service business, renovation service, repair and maintenance of factory buildings	AED is a company under common control with the Group of Companies.
Ascender Limited ("ASD")	Machinery Distribution Business	ASD is a company under common control with the Group of Companies.
Goodwill Innovation and Engineering Company Limited ("GIE")	Construction Business	GIE is a company under common control with the Group of Companies.

Company	Nature of Business	Relationship Category
AED Fabrication Company Limited ("AEDF")	Metal structure manufacturing business for construction and industrial work, manufacturing machinery, equipment, and parts	AEDF is a company under common control with the Group of Companies.
Advance Asia Fiber Company Limited ("AAF")	Manufacture of solid fiberboard	AAF is a company under common control with the Group of Companies.
Triple A Board Company Limited ("TAB")	Manufacture of plywood and veneer	TAB is a company under common control with the Group of Companies. Mr. Pornmet Songmetta, TAB Director, and Company's Director and Major Shareholder
Advance Professional Training Company Limited ("APT")	Training and services business	APT is a company under common control with the Group of Companies.
CSR & GRM Management Company Limited ("CSRGRM")	Management consultancy services business	CSRGRM is a company under common control with the Group of Companies.
24 Mansion Company Limited ("24M")	Room and Mansion Business	24M is a company under common control with the Group of Companies.
Suan Mai Chaiyo Company Limited ("SMS")	Eucalyptus Plantation Business	SMS is a company under common control with the Group of Companies.
Chaiyo Smile Company Limited ("SS")	Real estate development business, for sale or rent	SS is a company under common control with the Group of Companies.
Rice For Health Company Limited ("RFH")	Rice Distribution Business	RFH is a company under common control with the Group of Companies.
Sinil Rice Company Limited ("SNR")	Production and distribution of cosmetic products & Distribution of rice and rice-derived products	SNR is a company under common control with the Group of Companies.
Advance Carbon Security Venture Company Limited ("ACSV")	Management Consultancy Services	1. ACSV is a company under common control with the Group of Companies. 2. ACSV is 95.99% held by Songmetta Group, of the registered and paid-up capital 3. Two Directors of ACSV, being a major shareholder and director of the company, namely Mr. Theerawut Songmetta and Mr. Pornmet Songmetta. There is 1 major shareholder of the company, namely, Mr. Nat Songmetta
Asia Boiler Company Limited ("ABL") (Formerly known as Clean Biofuel Company Limited ("CBF"))	Property Development Business-	ABL is a company under common control with the Group of Companies.
Mr. Wirachai Songmetta	-	ACE major shareholder in the proportion of 22.43% of paid-up registered capital
Mr. Teerawut Songmetta	-	ACE Director and major shareholder in the proportion of 18.52 % of paid-up registered capital

Company	Nature of Business	Relationship Category
Mr. Pornmet Songmetta	-	ACE Director and major shareholder in the proportion of 21.66% of paid-up registered capital
Mr. Nat Songmetta	-	ACE major shareholder in the proportion of 15.91% of paid-up registered capital
Ms. Chiratha Songmetta	-	Chairman of the Executive Committee, Director of the Board, and Director of the Nomination and Remuneration Committee
Mr. Thanawichit Angkhaphiphatthanachai	-	Executive Management, Director, and Executive Director
Mrs. Jintana Songmetta	-	A close relative of Songmetta Group, ACE Major Shareholder
Mr. Suthep Songmetta	-	A close relative of Songmetta Group, ACE Major Shareholder
Ms. Suphamat Thantha	-	Land Ownership Representative of Songmetta Group, and is under Songmetta Group
Mr. Chavalit Sakuldamrongpanich	-	Land Ownership Representative of Songmetta Group, and is under Songmetta Group
Ms. Preeyaporn Suwanphop	-	Land Ownership Representative of Songmetta Group, and is under Songmetta Group
Mr. Chaiyan Thongsinkasem	-	Land Ownership Representative of Songmetta Group, and is under Songmetta Group
Mr. Pasin Chokplasin	-	Land Ownership Representative of Songmetta Group, and is under Songmetta Group
Ms. Wanicha Noimanop	-	Executive of the subsidiary

(1) The Raw Materials Fuel Purchases of Subsidiary

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Purchase of raw materials and transportation costs for biomass fuels			1. Procurement of Biomass Fuel Raw Materials Formerly, ACP, AAP, ALCP, AAP, and ABA entered into long-term purchase agreements for all types of biomass fuels with GWC and / or SSC and / or SBP (collectively, the "Fuel Seller Company") to use as fuel for power plants. It is in accordance with the terms of the credit agreement with the financial institution, which the subsidiary agrees to purchase biomass fuel from fuel suppliers at approximately and at the price specified in the agreement. The Company also requires the selling company to guarantee the quality of the fuel by guaranteeing the cost of fuel, electricity generation for ACP, ALCP and AAP subsidiaries, while AAP and ABA do not set cost insurance prices. But guarantees the minimum delivery quantity or the full-year fuel heating cost as stipulated in the contract.	The Audit Committee is of the opinion that this transaction is necessary and appropriate, since it is a normal business transaction of the Group, will be a transaction with general trading conditions, and fuel will be an important raw material for power generation. Entering into a long-term contract with GWC, SSC and SBP, which is a major fuel producer and distributor, will provide the subsidiary with a portion of the fuel for long-term power generation, while the purchase price is set to not be higher than the market price, which is a reasonable price.
• GWC	234,261	361,087		
• SAIPT	55,564	15,079		
• AAF	470	161		
• TAB	5,262	3,966		
• AES	-	132,774		
• SSC	-	19,049		
• GWT	-	13,070		
• SBP	-	8,082		
Total	295,557	553,268		

(1) The Raw Materials Fuel Purchases of Subsidiary (Cont.)

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Accounts Payable			If the fuel supplier cannot deliver the minimum amount of fuel to achieve the required heat The fuel seller company agrees to pay a fine according to the difference in the fuel price under the contract. Subsequently, ACP, AAPP, AAP, and ALCP subsidiaries agreed to amend the said agreement, with the approval of the financial institution, which will grant the purchase price of bark biomass fuel not higher than the market price that will calculate from cost plus margin, and will cancel the insurance price conditions for the cost of biomass fuel. The aforementioned subsidiaries will be able to purchase all types of biomass fuels with other non-related fuel suppliers, including the minimum delivery amount, or minimum calorific value per year, in order to control the quality of fuels. In addition, the subsidiaries that operate biomass power plants purchase biomass fuels, from related companies without a contract of sale, such as GWT, AAF, TAB, and SAIPT with prices comparable to the market price. Other types of fuels such as wood chips, logs, sawdust, wood dust, plywood, waste wood, and energy plants, are by-products from the production process and the high calorific value, which the factories of the companies involved are located in the vicinity of Power plants, power plants of the subsidiaries have therefore purchased these fuels to be used to generate electricity. In 2020, ACP AAPP ALCP AAP entered into an additional fuel purchase agreement with AES. 1. Transportation Procurement of Fuel Raw Materials The subsidiaries operating the Biomass Power Plant business, hiring related companies such as GWC, SSC, GWT, SBP and AAL, will transport the fuel purchased from third parties to the power plant. The transportation fee will be charged at a price close to the market price. As the said related company has its own transportation and truck business, it is ready to provide service and has expertise in Power Plant routes. Fuel transportation costs will depend on the fuel type and distance.	
• GWC	12,950	5,163		
• TAB	753	91		
• AAF	-	137		
• SAIPT	3,376	92		
• GWT	-	386		
• SSC	-	646		
• SBP	-	286		
• AES	-	11,320		
Total	17,079	18,121		

(2) The subsidiary bought water for usage in Power Plant operations and management

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Purchase of water for use in operations and Power Plant management			The ALCP subsidiary purchased raw water from NPS for usage in the electricity generation process of the ALCP3 waste Power Plant project. Since the project area is not enough to dig a pond, ALCP has to buy raw water from NPS by entering into a long-term raw water purchase agreement. (Details of the raw water sales contract in the important contract section), where the raw water contract price is close to the market price. In addition to the said transaction, AAPP and ALCP subsidiaries purchased raw water, industrial water (RO water), and tap water, from AUT, a related company. Most raw water purchases are temporary items, during which the water in the Power Plant ponds cannot be used. The raw water price from NPS and AUT is THB 10 / cubic meter and THB 8 / cubic meter respectively.	The Audit Committee is of the opinion that, this transaction is necessary and appropriate, since it is necessary to produce electricity, and related companies will be able to supply water to power plants in times of shortage. In addition, the water rates purchased from related companies are close to or cheaper than the market price (industrial water prices are lower than market prices because they are water obtained from the production process of AAF) and is a transaction with general trade conditions.
• NPS (ALCP3)	2,824	2,770		
• AUT (AAPP2)	2,178	3,362		
Total	5,002	6,132		
Water Creditors				
• NPS (ALCP3)	266	268		
• AUT (AAPP2)	215	367		
Total	481	635		

(3) The subsidiary procures construction and installation services for machinery, construction contracting, repair and maintenance of power plants, and purchase of fixed assets.

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Procurement and installation of machinery under machinery installation agreement (EPC)			AED is an expert in procurement, installation, and testing of equipment and machinery for power plants, with experience in building power plants of the group from the outset, including ACP1, ACP2, ALCP1, ALCP2, ALCP3. AAPP1, AAPP2, AAP1, and ABA1. In addition, AED is well-equipped with personnel and equipment, and has the knowledge and capability to build power plants in the form specified by the Group, thus providing the ability to use fuel efficiently. In 2020, ACP4 and ALCP4 will pay for the equipment procurement and installation service (EPC) to AED and ASD according to the work progress.	The Audit Committee is of the opinion that the transaction is reasonable because AED and ASD have experience in the construction of power plants. In addition, the service fee for the machinery installation contract of AED and ASD is comparable to the market price, when compared with 3 bidding companies. The company has carried out all the steps of the new investment project that has been approved by the Board of Directors meeting.
• AED	135,608	25,165		
• ASD	59,532	148,852		
• AEDF	-	15,028		
Total	195,140	189,045		
Advance payment for purchase of assets				
• ASD	49,457	-		

(3) The subsidiary procures construction and installation services for machinery, construction contracting, repair and maintenance of power plants, and purchase of fixed assets. (Cont.)

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Construction cost of Power Plant under Power Plant construction contract (Civil Engineering)			GIE is the building and civil construction builder for Klong Khlung Power Plant Project. Considering that GIE is an expert in constructing power plants for the Group. So many projects In 2020, ACP4 paid for the construction of the power plant under the power plant construction contract to GIE for the ACP4 power plant project.	The Audit Committee is of the opinion that this transaction is reasonable, since GIE has experience in Power Plant construction. In addition, the service fee under the construction contract of GIE is a price that is comparable to the market price, when compared by bidding from 3 operators. In addition, the company has followed the new investment procedures, which have been approved by the Board of Directors in its entirety.
• GIE	33,331	211,168		
• AED	-	146,183		
• ASD	-	477,629		
Total	33,331	834,980		
Advance payment for construction of power plants	22,844	-		
• GIE				
Retention deposit	3,333	-		
• GIE				
Purchase of fixed assets	34,600	12,763	In 2019, the Company has a list of assets for machinery and spare parts for 3 types of work: Fabricated Duct, Fabricated Structure, and Fabricated Equipment from AEDF for use in power plant maintenance and renovation work for Every project on an annual basis For the year 2020, the Company has purchased ITF condominiums and AEDs for use in its operations. And subsidiaries ALCP, BPP and ACES have a feasibility study contract with CSRGRM. In addition, GIE is the contractor for the power plant and has tools and equipment ready to work Experience in land improvement works And able to deliver work within the specified time The subsidiary therefore hired GIE to improve the land to prepare the area for the construction of the ACP4, ALCP6 power plant and the full waste landfill project.	The Audit Committee is of the opinion that the said asset price is reasonable, as AED and AEDF have the potential to procure tools and equipment at a cheaper price than buying from a third party, benefit the company. Advance payment to AEDF, in order to produce machinery and equipment in the manner specified by the company at the rate of 30% is a reasonable rate, as it is close to the rate that the company pays advance to external companies, according to the market price with general commercial conditions In addition, the purchase of other assets, such as containers, hardboard sheets, and automobiles, is reasonably priced that is comparable to the market price.
• AEDF	-	71,593		
• AED	-	24,152		
• CSRGRM	-	287		
• GWC	-	11		
• SBP	-	107,851		
• GIE	-	216,657		
Total	34,600	-		
Fixed asset payables	2,228	33,902		
• AEDF	-	33,902		
• AED	-	33,902		
Total	2,228	-		
Advance payment for purchase of assets.	2,322	-		
• AEDF	-	9,045		
• CSRGRM	-	9,045		
Total	2,322	-		

(3) The subsidiary procures construction and installation services for machinery, construction contracting, repair and maintenance of power plants, and purchase of fixed assets. (Cont.)

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Expenses for repairing machinery and equipment			The subsidiaries have hired AED and AEDF, which are manufacturers or assemblers, to have good knowledge and expertise in the machinery of biomass power plants. The subsidiary company that operates the Biomass Power Plant has hired to repair the machinery and equipment, in which the subsidiary's employees are unable to operate. The hiring of AEDF to repair machinery and equipment, in some cases, the subsidiary will pay advance down payment to AEDF in order-to-order equipment for production of machinery and equipment. In the manner determined by the company at the rate of 30%, which is the rate that is close to the rate that the company has made advance payments to external companies. In addition, the subsidiary company hired a related company for other repairs. For example, AAA hires GIE to repair a raw-water well in the AAA1 project. The subsidiary hired AAF to repair the equipment of the Power Plant due to an emergency, and the AAF is near the Power Plant area, and has the equipment to repair together.	The Audit Committee is of the opinion that the transaction is a normal business transaction, and occurs as necessary in the Group's business operations, with most transaction prices being lower than the prices compared to third parties. Therefore, it is considered that the transaction the said transaction is reasonable and beneficial to the Group.
• AEDF	382	526		
• GIE	249	-		
• AAF	10	-		
Total	641	526		
Repair and maintenance payables			Subsidiaries, namely ALCP, BPP, and ACE SOLAR, have hired AED who has the knowledge and expertise in engineering systems and machinery for power plants, to be an engineering consultant, to provide information preparation and engineering system design, for biomass power plants and waste power plants, and for bidding in the Biomass Power Plant and waste Power Plant projects.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group and occurs as necessary in the course of business operations. The service fee that the advisor offered by AED is, which is comparable to the outside firms used by the Group in other projects. Therefore, the said transaction is considered reasonable and beneficial to the Group.
• AEDF	199	-		
Advance payment for repairs and maintenance of machinery				
• AEDF	1,548	1,316		
• CSRGRM	-	1,770		
Total	1,548	3,086		
Engineering consulting fees			The AED has skilled and experienced personnel, who are able to design and prepare engineering data, for submitting Power Plant bidding documents. The service fee is charged at the rate of 0.05% of the total project value.	
• AED	6,886	-		

(3) The subsidiary procures construction and installation services for machinery, construction contracting, repair and maintenance of power plants, and purchase of fixed assets. (Cont.)

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Commission fee for the installation of solar rooftop systems and equipment			ACE SOLAR subsidiary has entered an AED contract to construct and install a solar power generation system, to distribute electricity to a private individual and one related company, namely Advance Asia Fiber Company Limited (AAF). ACE SOLAR has entered into the Power Purchase Agreement as a seller of these 2 companies. The Group considers that the AED has personnel who are knowledgeable, capable, and experienced in the construction and installation of the Group's biomass Power Plant machinery, which has a system of electrical connection not different from solar power plants. In addition, AED offered a lower price than other contractors, and offered a 2-year warranty.	The Audit Committee is of the opinion that the transaction is reasonable because AED has experience in Power Plant construction. The service fee according to the contract for the installation of solar rooftop systems and equipment is lower than the rates of other contractors, with all conditions required by ACE SOLAR.
• AED				
- Solar Rooftop Project	112	-		
Retention deposit			The subsidiary hires AEDF to manufacture various machinery and equipment because the said company has expertise in manufacturing machinery and equipment according to the specified characteristics such as fabrication duct, fabrication structure and fabrication equipment. To be used in the maintenance and improvement of the power plant for every project.	The Audit Committee is of the opinion that the transaction is a normal business support transaction of the Group of Companies and occurs as necessary to operate the business. The purchase price is cheaper than the third party's comparable price, which is comparable to that of third parties that the Group of Companies. Used to service in other projects. Therefore, it can be considered that such transactions are reasonable and beneficial to the Group of Companies.
• AED				
- Solar Rooftop Project	227	227		
Payment for labor cost of project installation			The subsidiary hires AEDF to manufacture various machinery and equipment because the said company has expertise in manufacturing machinery and equipment according to the specified characteristics such as fabrication duct, fabrication structure and fabrication equipment. To be used in the maintenance and improvement of the power plant for every project.	
• AEDF	-	61,490		
Accounts Payable - Buy Spare Parts				
• AEDF	-	457		

(4) The subsidiary procures other services.

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Fuel weighing service fee • GWC	2,689	1,440	Subsidiary companies, namely ACP, AAPP, and AAP, have hired GWC to weigh various fuels to be used as raw materials for power generation. The said project (ACP1, ACP2, AAPP1, AAPP2, and AAP1), is a project with GWC located next to the power plant, and the Power Plant that does not personally scale the investment, due to the relatively high price. GWC will charge a service fee of THB 40 per trip for single cars, and THB 80 per trip for trailers, and semi-trailers, which can be compared to the market price.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group, and has occurred as it is necessary to conduct business, since it is a management decision of the company not to invest in fixed assets, but use Hiring a weighing service from GWC which already has a scale, and the plant is located next to the power plant. can be compared to the rates of third parties. Therefore, the said transaction is considered reasonable and beneficial to the Group.
Fuel weighing service fee payable • GWC	179	-		
Freight, machinery and equipment for power plant • GWT • SSC • GWC • SBP • SNL Total	743 757 274 - - 1,774	419 162 1,147 27 2 1,757	The subsidiary has hired GWT, SSC, GWC, SBP and SNL to transport machinery and equipment, since the company is also engaged in the transportation business, and will have cars available to service the group, including expertise in transportation routes, due to transportation Fuel to the Power Plant on a regular basis, while the transportation cost is comparable to third parties.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group, and will occur as a business transaction is necessary, and will have general trade conditions. The transportation service fee of the related company is cheaper than the service fee that the third party undertakes to transport. Therefore, the said transaction is reasonable and beneficial to the Group.
Freight payable • GWT • SSC • GWC Total	194 299 - 493	12 15 72 99		

(5) The Company and subsidiaries have leased assets for usage in the operations.

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Office building rental and utility fees			The Group will enter into office building lease agreements, various utility services agreements and the use of office equipment from AED, for a total of 2 contracts, including 1) ITF Building, 7th floor, with a total rental area of approximately 652 square meters. ITF Building is located on Silom Road, near the Skytrain station, which is a suitable location for the office of the group company. The rental period is from 1 February 2019 to 31 January 2022. There will be a condition to extend the lease for 3 years each time if there is no party not wanting to renew the contract, and there will be a new rental rate equal to the last year rental. There will be a rental rate of THB 350 / square meter / month, utility fees (such as utilities), and office equipment THB 230 / square meter / month, which is comparable to third parties. 2) Khlong San office building, located on the 2nd floor, with a total rental area of approximately 150 square meters. The objective is to use as an additional office building of the Group. In this regard, the rental period will be from 1 August 2018 to 31 July 2021. There is a condition to extend the lease for 3 years each time, if none says that they do not wish to renew the contract, and will set a new rental rate equal to the last year rental. There will be a building rental rate of THB 200 / square meter / month, utility services (such as water, electricity), and office equipment THB 100 / square meter / month, which is a price comparable to a third party. The subsidiary will rent heavy machinery such as trailers, ten-wheel loaders, for use in transporting fuel materials in power plants and mixing fuel, with monthly rental fees for each type of machinery, which is close to the market price For the year 2020, the rental of AED and building has decreased as a result of the purchase of a condominium that is ITF fixed assets. And AAP subsidiary leased an office building from GWC to use as an office building for the industrial waste landfill project.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group, and occurs as necessary in the course of business operations. The rental and service fees are comparable to the market price, and the rental conditions are general commercial conditions. Therefore, the said transaction is reasonable, and is beneficial to the group of companies.
• AED	5,664	880		
• GWC	-	30		
Total	5,664	910		
Office rental payable				
• GWC	-	88		
Prepaid office building rental				
• GWC	-	166		
Deposit				
• AED	257	-		

(5) The Company and subsidiaries have leased assets for usage in the operations. (Cont.)

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Land rental fee			BPP entered into a long-term lease agreement with Mr. Theerawut Songmetta in the amount of 14-0-57 Rai, to be the location of the SPP Hybrid Khlong Khlung Project (BPP3), with a lease term of 23 years. Rental fee at the rate of THB 216,361 per rai / rai totaling the total rental fee under the contract of THB 3,059,885. The rental fee will be paid in full at one time on the date of registration of the leasehold rights. The leasehold registration fee is paid by BPP. BPP entered into a long-term lease agreement with SS in the amount of 40-3-4.1 rai, with a lease period of 23 years, with the rental fee of THB 216,361 per rai / total of THB 8,818,874 per rai. The rental fee will be paid in full at one time on the date of registration of the leasehold rights. The leasehold registration fee is paid by BPP.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group, and occurs as necessary in the course of business operations. The rental rate is close to the rental rate in the nearby area, and the rental conditions are general commercial conditions. Therefore, the said transaction is reasonable and beneficial to the Group.
• Mr. Theerawut Songmetta	60	132		
• SS	249	382		
Total	309	514		
Rental fee payable			The determination of the land rental rate is based on the method of estimating the annual rental rate based on the market price of the land.	
• Mr. Theerawut Songmetta	-	178		
Prepaid rent for land				
• Mr. Theerawut Songmetta	2,974	3,019		
• SS	8,570	8,702		
Total	11,544	11,721		

(6) The subsidiary purchases other products and services.

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Management fee for biomass fuel and housekeeping services			A subsidiary operating a biomass Power Plant has hired GIE to manage biomass fuels and provide housekeeping services under the contract dated 1 October 2018 for a period of 1 year. There is a renewal condition for a period of 1 year each time, if no one party notices not to renew the contract, with the scope of employment as follows 1. Preparation, classification, mixing, and feeding of biomass fuel into the electricity generation process 2. Transporting the ashes from the production process to the landfill pond within the project 3. Office housekeeping services	The Audit Committee is of the opinion that the transaction is a normal business transaction of the Group, to reduce the cost of personnel management of the Group, with pricing (Total expenses), comparable to the operations of its own subsidiaries. Therefore, the said transaction is considered reasonable and beneficial to the Group.
• GIE	65,511	72,334		
Other payables - Management fees for biomass fuels and housekeeping services				
• GIE	2,215	5,513		

(6) The subsidiary purchases other products and services. (Cont.)

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Energy value • AAS	3,032	1,994	The subsidiary purchased energy from AAS, for self-cultivation and to distribute to farmers in nearby communities, as a trial planting, as an alternative fuel in the future, to plant within the Power Plant area, as a buffer zone of Power plants, and for community relations activities, because AAS is a company doing agricultural research, and has a comparable trading price with external vendors.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group, and occurs as needed in the course of business, with the same energy source price that AAS sells to other parties. (Company under common control of the major shareholder). Therefore, the said transaction is considered reasonable and beneficial to the Group.
Payable for energy fee • AAS	4	90		
Staff Training Fees • APT	-	1,684	The company and its subsidiaries, namely ACP, ALCP, AAP, AAPP, AAP ABA, and AAA, have hired APT to train staff, because APT runs training and training services for employees in the Songmetta Group. The training rates will be comparable to the training rates for companies within the Songmetta Group, and lower than the rates comparable to third parties.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group, and will occur as necessary in the course of business operations. The training fee is cheaper than the training fee provided by outsiders and APT determines the training fee at the same level as the price offered to others. (Company under the control of the major shareholder). Therefore, the said transaction is considered reasonable and beneficial to the Group.
Staff Training fee payable • APT	-	26		

(7) Subsidiaries for Electricity Distribution

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Revenue from electricity distribution			The subsidiary company will distribute electricity produced to related parties for use in various factories. For example, wood chopping plants, hardboard board factories, and plywood factories, as well as distributing electricity for temporary operations, such as offices, and weighing rooms, as the Power Plant will have the remaining production capacity from obtaining Distribute electricity to PEA and EGAT from using in the factory. Therefore, the subsidiary has sold excess electricity to the related companies such as TAB, AAF, GWC, AUT and AAS. And in 2020, there is an additional electricity sales contract with AES.	The Audit Committee is of the opinion that this transaction is a normal business transaction of the Group. The electricity tariff that the Group will charge from the related company is the electricity price that is referenced from the PEA's announcement, so this transaction is reasonable and beneficial to the Group.
• TAB	8,936	5,101		
• AAF	2,965	3,727		
• GWC	10,790	15,408		
• AUT	390	348		
• AAS	440	952		
• AES	-	3,051		
Total	23,521	28,587		
Accrued electricity income				
• TAB	702	324		
• AAF	286	267		
• AUT	27	28		
• GWC	1,023	1,066		
• AAS	28	79		
• AES	-	912		
Total	2,066	2,676		
Receivable from electricity distribution				
• TAB	1,917	1,955		
• GWC	142	1,052		
• AAF	234	301		
• AUT	33	29		
• AES	-	1,104		
Total	2,326	4,441		

(8) The subsidiary distributes the steam.

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Revenue from steam sales			AAPP and AAA subsidiaries sell steam to AAF and TAB, which are located near AAPP2 and AAA1 power plants, respectively, because the Group has steam generated from electricity generation processes. Therefore, AAPP and AAA sell the said steam for use in the business of the related companies, with the following details: 1) AAPP distributes medium-pressure steam to AAF for use in the hardwood board plant next to the power plant, as a long-term contract. The contract period is 10 years from 1 May 2013. The price is THB 550 / ton steam. However, in 2018 AAF bought a boiler to produce steam for its own use, therefore AAPP reduced steam sales, which will be sold only during the AAF Boiler maintenance period. The steam distribution of AAPP2 will use the remaining production capacity from the electricity sales to PEA, and the use of electricity within the power plant. In this regard, AAPP has canceled the said steam sale and purchase agreement on 3 February 2019. 2) AAA1 sells low-pressure steam to TAB for use in the Veneer Plywood project, which is located next to the power plant, with a short-term contract of 1 year, from the first day of steam trading, the price is set at THB 700/ton of steam in the first year, and the price will increase every year at the rate of 1% per year. The revenue from the said steam distribution will be additional revenue from the excess capacity from the power plant, with a gross margin of approximately 40	The Audit Committee is of the opinion that the said transaction is a normal business transaction of the Group, which is considered the most efficient use of machinery that the Group has in place. Although the 2017 steam pricing of AAF will cause the Group to have an opportunity cost in case of reducing electricity generating capacity to sell steam, because the selling price is specified in the steam purchase agreement, while The Power Plant sells electricity under the Adder system, which receives electricity bills lower than the current FIT system. In the past, the production of steam for distribution is mainly the use of excess production capacity from the sale to PEA. Therefore, the said sale of electricity creates additional return for the Group. In addition, TAB's steam cost is calculated from the estimated cost of steam cost plus 40% of the cost. Therefore, the said transaction is considered reasonable and beneficial to the Group.
• AAF	29	-		
• TAB	20,512	13,237		
Total	20,541	13,237		
Income from steam receivable				
• TAB	2,065	714		
Receivable from steam sales				
• TAB	5,238	3,476		

(9) The subsidiary distributes other products and services.

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Income from land rental • AAS	307	307	Subsidiaries, including ACP, AAP, and PSPR, will allow AAS to lease land to use as seedling plantations, office locations, and for other uses in the AAS business, that will enter into a 1 year land lease agreement, and with the terms renewed for 1 year each time, if there is no one party notifying either party to renew the contract with the details as follows; • ACP2 power plant, total rental area of 57.23 rai • AAP1 Power Plant, total rental area 31.57 Rai • PSPR1 power plant, total rental area 115.69 rai The contract will have a rental fee of THB 1,500 per rai per year, which is comparable to the rental rates of nearby areas.	The Audit Committee is of the opinion that this transaction is a normal business support transaction of the Group, and will occur as a business transaction is necessary, with the rental price fixed at a rate not higher than general market prices, when compared to similar areas, and in the vicinity. Therefore, it can be considered that the said transaction is reasonable and beneficial to the Group.
Accrued income from land rental • AAS	55	55		
Land rental receivables • AAS	-	-		
Unearned revenue from land rental • AAS	57	57		
Revenue from repair and maintenance of machinery • GWC	-	270	The subsidiary company has entered into operation and maintenance agreements with power plants. For use in operations In this regard, the subsidiary has provided repair and maintenance services to a related company, GWC.	The Audit Committee is of the opinion that the transaction is a normal business support transaction of the Group of Companies and occurs as necessary to operate the business. The purchase price is cheaper than the third party's comparable price, which is comparable to that of third parties that the Group of Companies. Used to service in other projects Therefore, it can be considered that such transactions are reasonable and beneficial to the Group of Companies.

(10) The company and subsidiaries to borrow / and to provide short-term loans

Items	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2019	2020		
Share compensation payment as collateral payable – Mr. Pormmet Songmetta • Mr. Pormmet Songmetta	826	-	ALCP, the subsidiary, uses the company's shares, which are the ownership of the related persons, to be pledged as collateral for letter of credit (L/G B/B) credit from financial institutions, requiring financial institutions to issue a letter of guarantee for ALCP to take Used in the amount of THB 657,000,000, to be used in bidding for 2 projects, at the rate of 0.50% per year, of the value of Letter of Credit (L/G - B/B), equivalent to 0.25% per year, of value of ACE shares, which will be pledged as collateral for a period of 6 months.	The Audit Committee is of the opinion that this transaction will benefit the Group more than using cash as collateral for credit facilities, especially for the reasons of the company's liquidity, working capital, the compensation for using the shares as collateral is reasonable, and does not cause the group to lose benefits.

1. Measures & Procedures for Approving of Connected Transactions

The Board of Directors Meeting No. 1/2018 (after the transformation), on July 19, 2018, issued a resolution approving from the Audit Committee Meeting No. 11/2018, on July 11, 2018, considered Approval of policies and procedures for connected transactions, which will be effective from July 19, 2018 onwards, in order for the connected transactions between the company and its subsidiaries and individuals, or juristic persons to There may be conflicts of the company, will be transparent, and to safeguard the interests of the Company and its subsidiary companies, which can be summarized as follows;

The transaction between the company or the related company and / or subsidiary company will be in accordance with the rules and regulations of the Securities and Exchange Act B.E. 1992 (including the amendment), and the announcement of the Capital Market Supervisory Board, At Tor Chor No. 21/2008, regarding the rules for connected transactions, together with the announcement of the Stock Exchange of Thailand, regarding the disclosure of information and the operation of Related companies, including the rules and regulations of the Securities and Exchange Commission, and relevant stock exchanges, as well as compliance with the requirements regarding disclosure of connected transactions, in the notes to the financial statements that have been Audited by the auditor of the company, and the annual registration statement (Form 56-1) as well.

In the event that the law requires the company to receive approval from the board of directors, and/or the shareholders' meeting prior to engaging in any connected transactions, the company will arrange for the Audit Committee to comment on the said transaction. Opinions of the Audit Committee will be presented to the meeting of the Board of Directors, or shareholders, as the case may be, to ensure that, entering into the proposed transaction is going to be in the best interest of the company. In this matter, to approve the related transaction or the connected transaction, the directors, executives, and shareholders, with whom have interests in that matter, will not attend the meeting, will not participate in the approval process, and will not have the right to vote on items in which they have vested interests.

If there is a connected transaction, or a related transaction of the company or subsidiary, with a person who may have a conflict of interest, has a vested interest, or may have a conflict of interest in the future, the Audit Committee will provide an opinion on the necessity of the transaction, and the price suitability of that transaction. In this regard, will be considered from various conditions, in accordance with normal business operations in the industry, and will be compared with the prices of third parties or market prices. If the audit committee does not have expertise in considering the related transactions, or the connected transactions that may occur, the company will appoint an independent expert, or the company's auditor to give an opinion on the connected transactions, or In the said connected transaction, in order to be used in the decision of the Board of Directors, the Audit Committee, or the shareholders, as the case may be. Directors who are stakeholders will not have the rights to vote on the said transaction, and will disclose the related transaction, in the notes to the financial statements audited, or reviewed by the company's auditor.

In this regard, the Board of Directors Meeting No. 1/2018 (after the transformation) on 19 July 2018, the Board of Directors Meeting No. 8/2019 on August 19, 2019, the Board of Directors meeting No. 11/2019 on 25 December 2019, the Board of Directors Meeting No. 2/2020 on 24 February 2020, the Board of Directors Meeting No. 3/2020 on March 4, 2020 and the Board of Directors Meeting No. 7/2020 on 10 August 2020 respectively, have approved the principle of the connected transaction (The applicable version, and the revised version). In the event that there are general trading conditions, or there will be a trade agreement in the same manner that a reasonable person should do with a general contractor in the same manner, with the power to negotiate a trade in the same manner that a reasonable person should do with general counterparts in the same situation, with the bargaining power without influence in their status as Directors, executives, and related parties (depending on the case), consisting of 18 items as follows:

- 1) Distribution of electricity and / or steam
- 2) Purchase of raw materials for biomass fuels from bark of eucalyptus
- 3) The purchase of raw materials for biomass fuel, wood chips
- 4) The purchase of raw materials for biomass fuels such as wood chips, wood dust, and pieces of work
- 5) Purchase of water for use in the production process
- 6) Procurement of services for weighing biomass fuel as raw material
- 7) Hire of transportation
- 8) Rental and hire, truck, trailer, and heavy equipment
- 9) Rental or rental of real estate, with a lease term not exceeding 3 years
- 10) Training service outsourcing
- 11) Hiring a biomass fuel management, and / or housekeeper service
- 12) Contracting for repair and maintenance of machinery
- 13) Purchase of assets, and / or hiring to create items, for maintenance
- 14) Purchasing of eucalyptus seedlings
- 15) Project feasibility study
- 16) Public relations of the project and public participation
- 17) Application for permission according to legal requirements
- 18) Old waste handling services into production processes and ashes to be disposed.

However, the Company and its subsidiaries do not have a policy to provide financial assistance, to receive financial assistance, and to provide guarantees to connected persons.

If there is a transaction that is a general trade agreement that is not a general trade condition, it must be considered and commented by the Audit Committee, before being presented to the Board of Directors, and/or at the shareholders' meeting, for further consideration and approval. In this regard, it shall comply with the laws governing securities and exchange, and regulations, announcements, orders, and regulations of the Capital Market Supervisory Board, the Stock Exchange of Thailand, and the Office of the Securities and Exchange Commission, including the compliance, in disclosing information of connected transactions. If the Audit Committee is not skilled in considering the connected transaction, the company will appoint

an independent expert, or the company's auditor will provide an opinion on the connected transaction, in order to support the decision of the Audit Committee, and/or the Board of Directors, and/or Shareholders, as the case may be, to ensure that the transaction is necessary and reasonable with due regard to the company's benefits

2. Future Trends of Connected Transactions

The company and/or subsidiaries, will have ongoing transactions, with persons who may have conflicts in the future, at least according to the resolution of the Board of Directors Meeting No. 1/2018 (after transformation), on 19 July 2018, which had approved in principle for the connected transaction. If there are general trading conditions as specified in Item 1, the Group has a policy to enter into transactions with normal business nature, or transactions to support normal business, to have general trade conditions, will be able to compare and can be referenced to the same nature and business conditions as doing business with other parties, including setting prices and transaction terms to be clear, to be fair, and to not cause the transfer of benefits.

In addition, the Group has additional policies regarding future connected transactions, such as land procurement policy, and engineering design service provider policy, procurement of machinery and equipment, and EPC Contractor. Both policies have been approved by the Audit Committee Meeting No. 2/2018 (after transformation), on 5 September 2018, and approved by the Board of Directors Meeting No. 4/2018. (After transformation), on 17 September 2018, with details as follows;

2.1 The land procurement policy sets guidelines for the purchase of land from connected persons, using the land price calculation formula, which consists of direct costs of land acquisition and general commission rates in the market. The said price of land must not be higher than the value of land assessed by an independent appraiser approved by the SEC. The Group may appoint or assign connected persons as brokers to gather land, or lease land from connected persons. However, the commission rate, or the rental rate must not be higher than the commission rate in the market, or the rental rate that the Group must pay to outsiders, if the land has characteristics, amount, conditions, and the conditions of time that are similar. In the future, the Group will use the contract to buy land directly with land owners, or will hire a land broker to act on behalf, which is expected to be a third party only.

2.2 The EPC Contractor Procurement Policy establishes an open, EPC Contractor-based approach to procurement, taking into account the group's benefits. The Group will try to avoid hiring a connected person as an EPC Contractor in all cases, except where it is necessary and unavoidable; the Group may allow the connected person to be one of the bidders. This must be in accordance with the rules of the bidding process, or the selection of the EPC Contractor used by the Group with third parties. Such transactions must be in accordance with the company's connected transaction policy and relevant laws, and those who are interested in the said transaction will not be able to approve or vote on the said matter.

However, if the machinery installation contract (EPC) has not yet started, which the Group has made with connected persons in the past, the Group will negotiate to reach a mutual agreement on termination of the contract. If it has been partially completed but not yet completed, the Group will allow the connected persons to complete the process under the condition that, the project owner must be refunded to the PPA, or with written certainty that will be returned PPA, so the rest of the work can be performed under the EPC contract.

The Group realizes the importance of making related transactions, especially those without general trading conditions, such as the construction of a subsidiary's power plant, land purchase. The Group has therefore determined a method for selecting Power Plant contractors appropriately and fairly with other contractors, by comparing the prices, technology used, trade conditions, experience, and business size of the contractor, for the best interest of the group of companies. If the company will enter into any connected transactions, or future related transactions, the group will operate in accordance with the laws, rules, and notifications of the Capital Market Supervisory Board, and announcements specified by the Securities and Exchange Commission.

However, when considering the past connected transactions, the amount and total value of the transactions tend to decrease continuously, due to the decrease in the proportion of the amount of biomass fuel purchased from the Group, which is expected to be left with necessary transactions only.

3. Affidavit of Major Shareholder Group

In addition, in order to prevent potential conflicts of interest, the Songmetta Group, a director, and or a major shareholder of the company, has issued a letter confirming the company, dated 29 November 2018, with the essence of the following certifications

1. Songmetta Group will not operate on its own, or proceeding through the connected persons, or any other persons, will act in the following manner

- 1.1) To operate a competing business, and / or to compete in the core business of the group.
- 1.2) To act in a manner that is considered to be a participant in the management of any other juristic person, which operates a business of the same or similar nature, or similar, or is a competition, or runs a business competition with the main business of the Group of Companies, but will not cut the rights of minor shareholders, or holders of securities of any kind less than, or equal to 2%. In this regard, the parts of related persons shall be included as well.
- 1.3) To persuade, or attempt to persuade Directors, Executives, consultants, employees, employees of the Group, to resign, or to terminate work, services, employment for the Group's core business.
- 1.4) To persuade, or attempt to persuade customers under the group's core business, to cease being a customer under the Group's core business, or to reduce purchases or use of services under the group's core business.

2. Songmetta Group has agreed to report the ownership interests within 3 business days, from the date the information is changed, to the Company Secretary, and Company Secretary to provide the Stakeholder Report to the Company's Audit Committee, and/or the Board of Directors as deemed appropriate.

3. If the Songmetta Group engages in a competing business, and / or operates in competition with the Group's core business, before signing a certification letter, the Songmetta Group agrees to carry out the sale, sale, And the transfer of ownership (de jure) of the aforementioned business to a company or subsidiary specified by the company, within a period of 180 days, from the date the Group made a written notice to the Songmetta Group, except for holding shares in Advance Power Plant Co., Ltd. ("APP"), must be sold within 180 days, from the date of knowing the result of requesting to return the power purchase agreement. The purchase price must be a reasonable price according to the criteria for entering into the connected transaction, including the need to proceed in accordance with relevant laws and regulations.

If the Group denies exercising the above rights, the Songmetta Group will proceed to dispose of the ownership of the competing business to anyone other than the Songmetta Group, or persons connected to the Songmetta Group within 360 days, from the date the Group declined, according to the announcement of the connected transaction. The price and conditions agreed to sell to other parties must not be lower price, and / or have better conditions than the purchase price and trading conditions agreed with the company.

4. If the Songmetta Group receives an opportunity or any business proposal that may conflict with the group's core business, the Songmetta Group will first offer the business opportunity or proposal to the company for consideration. If the resolution of the Board of Directors 'meeting, or the resolution of the shareholders' meeting of the company, as the case may be, according to the connected transaction criteria, which are independently convened by the Songmetta Group, and the persons related to the Songmetta Group are not Participated in consideration, and had not voted on the said agenda, will have a resolution explicitly refusing to invest in that project, and will allow the Songmetta Group to invest in the said project. Songmetta Group will consider self-investing, must abide by the relevant laws and regulations, and Article 86 of the Public Limited Company Act.

If later on, Songmetta Group intends to dispose of the above investment to other investors. Songmetta Group will agree to give the Group the right to consider, and / or the right of first purchase (Right of First Refusal) according to the purchase price and the conditions of sale as further agreed, must proceed in accordance with the relevant rules and criteria for entering into the transaction, or the disposal of assets, and the criteria for entering into connected transactions strictly.

5. Songmetta Group (any one) has agreed to terminate the obligations under the letter of guarantee in all respects. From the following;

5.1 Termination from being a Director and Executive of the group company.

5.2 The holding of ordinary shares in the company will be less than, or equal to 5% of the paid-up capital of the company.

However, if any person in the Songmetta Group has acted in violation of the above endorsement, the person who violated the certification will be liable, and will have a duty to comply with the conditions specified in the certification. The remaining of Songmetta Group, whom have not acted or did not participate in any violation of the guarantee, will not be held liable in any way.

The above measures have been established to eliminate conflicts of interest, and to protect the best interests of shareholders, after being listed on the stock exchange, to comply with the regulations on connected transactions of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.





The Risk Factors

The information contained in this document, describes the significant risks, which the Group has Assessed according to current circumstances, and current data, including risks that are not currently occurring, but may be significant risks in the future, which will adversely affect conducting the business, Operations, financial status, operating performance, ability to pay dividends, and the value of common stock of the Group, which may prevent investors from receiving returns, or rights, which may result in the loss of some or all of the investment.

The Group's risk factors discussed in this section, can be divided into 3 categories, namely (1) Business Risk, (2) Financial Risk, (3) Risk that may impact Investment rights of securities holders, in which each category has the following details;

1. Business Risk

Market and Competition Risk

1.1 Risk of the uncertainty on obtaining the rights to develop power plant projects in the future

The growth potential of the electricity generation and distribution business is derived from the acquisition of rights to develop power plant projects in the future, which may be affected by uncertainty in the bidding for power plant projects in the future, and may unable to determine the duration of the said auction, as it must be in accordance with the government policy and administration, the Energy Regulatory Commission (ERC), the Electricity Generating Authority of Thailand (EGAT), and/or other relevant government agencies.

For each bidding for the rights to develop power plant projects, the Energy Regulatory Commission (ERC), will consider areas with potential for power generation, along with the potential for transmission systems, and the potential of power distribution systems in that area. Therefore, the bidding of the government power plant projects in each period may be limited, and depends on the availability of each area.

Although the Group of Companies may be at risk due to uncertainty in the bidding for the right to develop the future power plants, however, from the power development plan of Thailand as discussed above, the Group believes that the demand for electricity in Thailand tends to increase due to economic growth and population growth, as a country with numerous production bases of heavy industries, as well as the growth of the Tourism Industry. Therefore, there must be more power plant projects to support the said growth. From plans to promote electricity production from alternative energy using fossil fuels, the Group believes that it has sufficient potential to participate in bidding for the rights to develop power plant projects in the future, due to the expertise, the experience, and the readiness in operating a VSPP power plant from alternative energy and a variety of alternative fuels.

1.2 Risk from the high competition to obtain the right to develop power plant projects in the future

Although the Group is confident that the bidding for new power plant projects will continue in the future, in accordance with the country's development direction, which must increase the security of electricity supply to keep up with the growth of electricity demand, and to be in line with the need to increase electricity production from alternative energy in accordance with government policies. The Group still faces the risk of increased competition in the power generation business, both in the increasing number of companies, and in the pricing competition, as the ERC changed the method of selecting electricity producers from renewable energy from the past, to mainly considering the readiness of qualifications. The Government has set the reference pricing for electricity to be considered as a Competitive Bidding Method, by considering the price, the technical and engineering qualifications, the bidder's financial status, land readiness, access to sources of funding, operating history, various qualifications and other conditions for biomass power plant projects, industrial waste, community waste, and natural gas. The increased consideration criteria and higher competition, with the prices being an important condition, making the Group not able to guarantee the future power plant development rights, which may impact earnings growth of the Group in the long run.

However, the Group has the experience and the expertise in operating alternative energy power plant projects. For example, the biomass power plants, community solid waste power plants, solar power generation projects, etc. In particular, the biomass power plant, which the Group has the experience for over 8 years, since its first power plant construction, including improvements and development of machinery and equipment used to generate electricity with higher efficiency continuously, resulting in fuel material advantages from being able to use a variety of biomass fuels. The technical specifications and experience in power generation of the Group of Companies will give the Group the advantage over competitors without the qualifications, or experience as required by the Government. Therefore, the Group is confident that it is ready to participate in the bidding, and be entitled to develop the power plant project in the future. In addition, the Group of Companies had studied the implementation of power plant projects from other alternative energy sources, apart from biomass fuel, waste, and natural gas that the Group has Currently operating in addition, to increase the ability to compete with competitors in the long term. Moreover, the Group had conducted the feasibility study of the project, in order to assess the return and investment risk prior to bidding on every new project, to ensure that the investment in that project will generate a high return on the Group's financial costs, and for the best interest of the shareholders, in accordance with the investment policy as approved by the Board of Directors.

1.3 Risk of relying solely on a few number of main customers

The current power plant structure in Thailand classifies private power producers into 3 groups, namely, the large private power producers (IPP), the small private electricity producer (SPP), and the very small private power producers (VSPP), with the Electricity Generating Authority of Thailand (EGAT), the Metropolitan Electricity Authority (MEA), and the Provincial Electricity Authority (PEA), as contractual parties in the power purchase agreement, the major wholesale buyers of electricity, and the controller of all electrical wholesale systems in Thailand.

As of December 31, 2020, the Group operates 4 types of power plant projects, consisting of 12 biomass power plant projects, totaling 94.5 megawatts of electricity sales to PEA under power purchase agreements. Solid community waste power plant 2 projects, which sells electricity to PEA under the power purchase agreement of 8.9 MW. One natural gas power plant project has electricity sales volume to EGAT in the amount of 90.0 MW. Four rooftop solar power plants, with a volume of electricity sold to a private buyer under the power purchase agreement of 2 projects, each project with 1.00 MW, total 2.00 MW respectively. The operation started on 20 November 2018, 28 September 2019, and 1 project was sold to another private buyer of 0.73 megawatts, which commenced on 22 February 2019, and another one project which was sold to a private buyer of 0.83 MW, which was started on May 22, 2020, respectively.

In the 2019 financial statement, the Group sold electricity to PEA and EGAT, accounting for 57.09%, and 41.18% of sales and service income in the consolidated financial statements of the group of companies respectively. In 2020, the Group sold electricity to PEA and EGAT, accounting for 61.21% and 36.01% of sales and service revenue according to the Group's consolidated financial statements, respectively. In short, the main revenue of the group rely on only a small number of large customers, because both electricity utilities are considered government agencies with high reliability. In the past, the payments by two power utilities have never been overdue, or late payment of electricity from the time specified in the power purchase agreement, resulting in a low risk of relying on large group customers. In addition, the long-term power purchase agreements with both power utilities allow the Group to be able to predict stable revenue over the long term, since there would be a clear determination of the amount of power to be purchased and the terms of the agreements.

For the sale of electricity to other customers other than the two power companies, the Group has established procedures for assessing customer creditworthiness and registering customers before transactions, including evaluating customer history, financial statements In the past (a juristic person), and estimated sales between the group and future customers, in order to set an appropriate credit limit, to control the quality of the customer, and to reduce potential risk in the future. In addition to the two power utilities, the Group currently has a related company that has a factory located in the vicinity of the power plant project area of the Group. In the fiscal year ended 31 December 2020, the Group earned revenue from sales of electricity and steam to 6 industrial customers (all related companies) in the amount of THB 41.82 million, or 0.84% of the revenue from sales and services, according to the Group's consolidated financial statements.

Raw Material Risk

1.4 Risk from Fuel Material shortage for electricity generation

Fuel is an important raw material for electricity generation for all types of power plants. The Group's biomass power plants utilize agricultural waste as primary fuel, such as eucalyptus bark, chopped wood, rice husk, corncoobs, corn husk, sugarcane leaves, and palm bunches etc. Each project may use different fuel materials depending on the location, climate, vegetation, nearby economy, availability of fuel in each area, and other factors. For the fiscal year ended 31 December 2019 and 2020, the Group had the cost of biomass fuel accounting for 49.45% and 50.55%, of the total cost of sales of the biomass power plant project, respectively.

The Group is aware of the importance of biomass fuels, starting from the site selection process, by conducting a field study for the type and amount of fuel materials in the area and nearby communities, to ensure that the project site has sufficient fuel materials suitable for power plants, in order to save fuel transportation costs. The group will use the same principles for site selection in the future.

In addition, the Group's biomass power plant projects have entered into long-term contracts to purchase bark from related companies to support the availability of biomass fuel materials. In the fiscal year ended on 31 December 2019 and 2020, the group of companies purchased fuel from related companies, accounting for 35.68% and 61.35% of the total purchase price of biomass fuels materials, respectively.

In addition to surveying and selecting areas where the factory is located, the Group has chosen to use machinery that can use a variety of biomass fuels to generate electricity, which are able to burn fuels with a high moisture content of about 60 – 65% more efficiently. The Group has also continuously improved the machinery for higher efficiency in order to increase efficiency for power plants, by using the amount of fuel used in electricity generation to have a lower heat value (Plant Heat Rate), to reduce fuel consumption per unit of electricity generated, enabling the Group to manage fuels to reduce the risk of the availability of biomass fuels, since they can use small number of fuel materials to generate electricity, and will be able to specify, and improve fuel mixing formulas as appropriate. Fuel procurement agencies and project managers in each project will consider the fuel type of each area, the amount of fuel in each season, the heating value of each type of fuel material, and the cost of each type of fuel, to control the efficiency of electricity generation, in order to control the cost per electricity generating unit of the project according to the plan, and to ensure the power plant performance is in line with the Group's goals

In addition, the Group has prepared a location for storing biomass fuels to be sufficient for operation of electricity generators for a maximum period of 45 - 120 days. Each type of fuel collection depends on the season. For example, each power plant will reserve as much fuel as possible before the rainy season begins. During the rainy season, bark and chopped wood products are low and expensive, resulting in higher moisture content of fuels. Fuel management is therefore an important issue in order to control production costs. If the fuel has high humidity, the fuel will be dried in order to get the right moisture value before importing into the production process.

The group also has guidelines for the purchase of agricultural waste and biomass fuels from farmers' groups, and have collaborated with various organizations, both public and private, to solve the problem of burning of crop residues, forest fires and air pollution. This will allow the company to have more sources of biomass fuel, and create higher stability for biomass fuels for power generation use of the group.

As for community solid waste power plant project, consist of 1) Community waste power plant project, Khon Kaen province the Group has entered into a long-term waste disposal contract with Khon Kaen Municipality ("Municipality"). The community waste power plant project must completely dispose of the old waste within the specified date, and must dispose of the new waste that the municipality will deliver to on

a daily basis, for a period of 20 years from the date of the contract. 2) the Community Waste Power Plant Project, Krabi Province has entered into a long-term waste disposal contract with the Krabi Municipality ("Municipality"), whereby the Community Waste Power Plant Project has to get rid of the old waste within the specified date and get rid of the waste. New that the municipality will deliver every day for a period of 25 years from the date of handover of the area from the municipality.

In addition, ALCP will continue to procure new waste from other sources on an ongoing basis, by entering into contracts with government and private agencies for contract waste disposal. The new waste added, will be used to replace the amount of old waste for electricity generation, will be a supplement to ALCP to have more income from waste disposal, and will also reduce the risk and create fuel stability so that the electricity can be operated throughout the project life.

1.5 Risk of relying solely on one natural gas supplier

The natural gas power plant project of the Group is under the operation of AAA, a subsidiary company (The company indirectly holds 100% of the shares). AAA entered into a gas purchase agreement with PTT Public Company Limited ("PTT"), a state enterprise, and is the only operator that can deliver natural gas to the natural gas power plant project in Thailand. The 25-year contract covers the period of the power purchase agreement between AAA and the Electricity Generating Authority of Thailand ("EGAT").

Damages that may occur if PTT is unable to deliver natural gas as agreed in the contract, causing natural gas power plant projects to be unable to produce electricity for sale to EGAT under the power purchase agreement, may have a significant impact on the Group's revenue and results of operations. For the fiscal year ended 31 December 2019 and 2020, the group had revenue from the natural gas power plant project in the amount of THB 2,067.85 million, and THB 1,814.47 million, respectively, accounting for 41.77% and 36.38% of sales and service revenue, according to the consolidated financial statements of the group, respectively. This natural gas power plant began commercial operation on 10 February 2017.

In this regard, the natural gas purchase agreement states that if PTT is unable to deliver natural gas to the quantity specified in the contract, PTT will have to compensate for the gas supply damage that cannot be delivered at the price according to the calculation formula specified in the contract, but may not be able to fully compensate for the damages from not being able to produce electricity for sale to EGAT. Compensation for such damages will be able to reduce the impact that may occur from the risk of partial dependency. In addition, the Energy Regulatory Commission has a plan to promote competition in the natural gas industry, by establishing a regulation on the preparation of requirements regarding enabling usage) connection of natural gas transmission systems, and LNG stations to third parties (TPA Code). Currently, PTT is in the process of establishing regulations regarding the opening or use of natural gas transmission systems at sea. Once the said promotion plan is fully implemented, the risk from relying on only one supplier of natural gas of the Group will decrease, as the Group is able to procure natural gas from other sellers, if PTT is unable to deliver natural gas as stipulated in the contract.

1.6 Risk of fluctuation of biomass fuel prices

Since biomass fuel is a surplus product from agriculture, the amount of such agricultural products may be uncertain in both quantity and price. Therefore, in addition to the risk of the quantity and availability of biomass fuels, the fluctuation of biomass fuel prices is another factor that may be a risk to the operation of the group's biomass power plant projects. The price of each type of fuel depends on various factors, such as the demand and supply of fuels in the market at different times, the quality and humidity of each type of fuel, the distance of the fuel transportation to the power plant, etc. Therefore, fuel management, it is important that the Group recognizes and pays attention, aiming to reduce the damage that may occur from the fluctuation of fuel prices, and to control the cost of fuel, which is the cost of Main production of the project to be at an appropriate level.

The Group has managed the risk of fluctuations in the price of biomass fuels, in order to control the cost of fuel at a specified level, by following up with the fuel price regularly. If any period of time the biomass fuel is large or low, then the purchase of that type of biomass fuel will be increased. At certain times, other biomass fuels may be considered cheaper than expensive biomass fuels, due to the fact that the company has installed the machinery that can utilize biomass fuel to produce various types of electricity in a variety of different moisture. In addition, the Group also conducts studies, researches, and experiments using various types of biomass raw materials, blended together to increase efficiency, including the procurement of alternative biomass fuels, with the objective of stabilizing In the management of fuels to be diverse, and will spread the risk of shortages, or fluctuations in both quantity, and the price of different types of biomass fuels.

1.7 Risk from the shortages of raw water used in the production process

Raw water is considered one of the main raw materials used in the electricity generation process of the power plant project. Therefore, the Group places great importance on the management of the availability of raw water, and the amount of reserves that should be available in case of drought. Currently, each biomass power plant project uses an average of 1,000 - 1,200 cubic meters of raw water per day. The natural gas power plant project uses approximately 2,160 cubic meters of raw water per day. The municipality solid waste power plant project uses an average of 1,000 cubic meters of raw water per day.

In the process of development and construction of each power plant project, The Group considers purchasing land near natural water sources, or near private water sources, to be used as a reserve water source for production. In addition, the Group also has guidelines for additional land purchases in the area of the power plant, in order to develop a reservoir to store raw water for use in the production process. The size of the pond will depend on the suitability of each area. The biomass power plant project will have a pond area of approximately 12 - 130 rai with a capacity of about 270,000 - 2,000,000 cubic meters. The natural gas power plant project will have an average pond area of approximately 91 rai with a capacity of approximately 1,300,000 cubic meters, resulting in the power plant having sufficient raw water for electricity generation throughout the year.

As for 1) Community Waste Power Plant Project, Khon Kaen province without a pond in the project area, ALCP has entered into a 10-year raw water purchase agreement for 10 years at a price of 10.30 baht per cubic meter. Sellers can adjust the water bill once a year by calculating the cost of water change, but not more than 3% of the raw water price per cubic meter with related companies, which has a raw water pond, size about 5 rai, with a capacity of about 43,000 cubic meters. In addition, the said raw water purchase agreement has the condition that, if any parties wish to terminate the agreement, they can notify the other party in writing, and must receive the written consent of the other party as well. Upon the expiration of the contract (10 years from the COD date), if neither party wishes to terminate the contract, the contract party will continue to enforce the contract for 1 year each time. Even though the community waste power plant project has a long-term water purchase agreement, the community waste power plant project may still be at risk of raw water shortages for usage in the production process, if the contract parties are unable to deliver the raw water as agreed. 2) Community waste power plant project in Krabi Province that does not have a well in the area of the ALCP project has established a long-term industrial water purchase agreement. Until the expiration date of the power purchase agreement at a price of 25 baht per cubic meter. The seller can adjust the water price every year (once a year) at a rate of 1%.

The raw water well is approximately 255 rai with a capacity of approximately 295,000 cubic meters. Both parties agree that the term of this agreement also expires in accordance with the changed power purchase agreement period. Unless expressly agreed otherwise by in writing, signed by both parties.

In addition, companies that supply raw water also have a license to use water from water sources that have water throughout the year to produce raw water. In this regard, since the commencement of commercial electricity sales, waste power plant has never experienced a shortage of raw water before.

Production Risk

1.8 Risk from the Unplanned Shutdown of Machinery Disruption

The Group's operating results will mainly depend on the number of operating hours. In the past, the Group had an unplanned shutdown caused by machine failures, which directly affects the results of operations.

The Group is aware of the aforementioned risks, and has therefore developed more efficient machinery, has maintained to be able to operate machinery continuously for a longer period, and thus given the machine longer service life, causing the rate of downtime of the machine other than the specified plan, with a reduced rate, with the goal of not letting pauses outside the plan set forth in the future. At present, the Group has set a goal for continuous electricity generation throughout the year, without an emergency stop or maintenance stop during the year. Some of the Group's power plants have already achieved this goal.

In addition, the Group has established a process for selecting machinery suppliers, in which the selected vendor must be proficient, must have direct experience in this field, must have credible past work, and with a guarantee of work competency in a reasonable time. The Group has set out a plan for planned shutdown, consisting of Annual Shutdowns to check the condition of the machines twice a year, a total of 12 days off.

A goal of annual repair stops once a year, no more than 10 days at a time. Major Shutdown plans every 4 years, a total of 15 days off each time, which will determine the plan to inspect each machine, to ensure that all machines are in good condition, and will be able to operate the electricity as normal.

However, if an act of force majeure causes a disruption, the Group has prepared a plan to deal with the said problem. The team of technicians or engineers in various power plants will perform the initial inspection and correction. If the situation cannot be resolved, the Group will contact a team of experts, in order to investigate to resolve the issue as soon as possible.

In addition, other damages may be caused by uncontrollable events. For example, fires, storms, floods, protests, the danger of fire, flames, and natural explosions, etc., which may result in power plants in the group of companies unable to operate the electricity generation, and disrupting business operations, causing a negative impact on the operations. Therefore, the Group has prepared property power risk insurance in Property All Risks, in order to reduce the damage caused by such uncontrollable events, by covering the losses, and damages to the insured property. This includes buildings, machinery, and equipment involved in all types of production. In addition, fuel stocks will be made, which is the main raw material for electricity generation, and coverage for business disruption, which covers loss or damage to the insured property, caused by an additional disaster specified under the insurance policy. In this regard, business interruption insurance is a compensation for the loss of income, caused by the property being damaged by the property risk, and must comply with the conditions specified in the insurance policy, such as the duration of the machinery damage, and affecting the operating day of the power plant etc.

1.9 The risk from the Group's natural gas power plant project unable to operate as planned

The natural gas power plant project of the group company was the first natural gas power plant project that the group has implemented. In order to operate without any problems, to be able to fix machine failures in time, to prevent the impact on electricity sales to the Electricity Generating Authority (EGAT) according to the power purchase agreement, the Group therefore hires external experts to operate and to maintain, by preparing 2 long-term agreements, including Operation and Maintenance Service Agreement (O&M Agreement), to control the operation of the power plant to be normal and solve the problem in a timely manner and Long-term Service Agreement (LTSA), which covers machinery, power generation units, gas turbines, various control systems, procurement of spare parts and parts, equipment maintenance, training for personnel, and other additional tasks.

In the event that the external party is unable to perform the duties as agreed in the contract, the Group may be at risk from operations, which may cause machine failures, or unable to fix or repair the machinery in a timely manner. This may cause the natural gas power plant project to not be able to supply power to the system under the power purchase agreement. If the system cannot be used continuously for more than 15 days, by not being caused by force majeure or being the fault of EGAT. The Group may be at risk of termination of the power purchase agreement, and may affect the Group's revenue and overall performance. In the fiscal year ended 31 December 2019 and 2020, the Group had revenue from the natural gas power

plant project in the amount of THB 2,067.85 million, and THB 1,814.47 million baht, respectively, accounting for 41.77%, and 36.38% of sales revenue and all of the services, according to the consolidated financial statements of the group respectively.

In order to reduce the above risks, the Group has recruited skilled personnel, a former Senior Executive of the country's largest electricity supplier to be an executive, as well as to hire the engineering team who operates the natural gas power plant projects of the group of companies, and staffs of external service providers, in order to study and develop the personnel of the Group of Companies to have sufficient knowledge and ability to operate in-house in the future. In August 2019, the Group has sent a letter to terminate the operating contract and maintenance thereof, to external experts with the contract expiring on 10 November 2019, to have the engineering team of the group company to operate the machine, and to provide maintenance by oneself. The Group is confident that, the Group has sufficient experience to carry out natural gas power plant projects by itself. Due to in the past, the Group has entered into an agreement with service providers to operate and maintain natural gas power plants, to train the employees of the company, to transfer the technology, including the employees of the company to participate in the machine operation and maintenance of power plants, so that the employees of the company can proceed by themselves.

Licensing Risks and Related Laws

1.10 Risk from failure to perform duties, and/or conditions specified in the power purchase agreement

The power plants of the company have the main business in the generation and distribution of electricity and steam. The Group has entered into power purchase agreements in the form of power purchase agreements from Very Small Power Producers (VSPP) and Power Purchase Agreement with Small Private Power Producers (SPP) with PEA and EGAT, respectively. The revenue from electricity distribution to PEA and EGAT accounted for 57.09% and 41.18% of sales and service income, according to the Group's consolidated financial statements in 2019. The revenue from electricity distribution to PEA and EGAT accounted for 61.21% and 36.01% of sales and service revenue, according to the Group's consolidated financial statements in 2020.

The power purchase agreements entered into by the Group with PEA and EGAT are standardized contracts. Therefore, certain provisions in the contract may pose a risk to the operation. If the Group is not able to fully comply, the Group may be at risk from the termination of the Power Purchase Agreement, if unable to correct the default in the specified period, or if unable to provide reasonable reasons and evidence. However, the Group has a team of experienced, knowledgeable and capable in operating power plant businesses. There are processes, procedures, and inspections to prevent such problems. In the past, the operation of the power plants of the Group has never been a problem or practice, or practice that is at risk of termination of the contract. Therefore, the Group believes that it will be able to correctly and completely perform according to the conditions or duties specified in the power purchase agreement.

1.11 Risk from failure to comply with waste disposal agreements with Khon Kaen Municipality in timely manner

The Group has a contract for waste disposal with Khon Kaen Municipality for project duration of 20 years from the date of contract signing. There is a condition that the waste must be completely disposed of within 7 years from the date of signing the contract. As of 23 August 2019, the term of the original 20 years project contract will expire on 17 August 2031. The Group is allowed to extend the period until the due date is 30 September 2034, while the period of disposal of old waste is considered to be extended by the end of September 2023.

At present, the Group has used waste disposal as a fuel material for power generation continuously. However, even though the ALCP3 project requires a large amount of waste to be used in the production process, and the production capacity is able to support the total amount of old and new waste, the Group still has the risk that it may not be able to complete the disposal of old waste as specified in the contract. The contract states that, if the Group is unable to complete the work within the time specified in the contract, and the Khon Kaen Municipality has not terminated the contract, the Group will have to pay a fine to Khon Kaen Municipality for the amount specified. As specified in the contract, amounting to THB 363,857 per day, or approximately THB 132.8 million per year, starting from the contract completion date, or the date that Khon Kaen Municipality extends to the date of completion actual work completes. In this regard, the amount of the penalty per year as compared to the net profit of the company according to the 2019 consolidated financial statements, which is equal to THB 815.31 million, representing 16.29%.

At present, the Group has used waste disposal as a fuel material for electricity generation continuously. Although the ALCP3 project requires large amount of waste to be used in the production process and the production capacity supports all the amount of old and new waste. The Group still has a risk that it may not be able to complete the disposal of the old waste as stipulated in the contract. In which the contract states that in the event that the group of companies Unable to complete the work as specified in the contract and Khon Kaen Municipality has not terminated the contract. The Group must pay a fine to Khon Kaen Municipality for the amount specified in the agreement, or THB 363,857 per day, or approximately THB 132.8 million per year, from the date specified in accordance with the contract, or the date that Khon Kaen Municipality expands until the date of completion. In this regard, the amount of the penalty per year as compared to the net profit of the company according to the 2020 consolidated financial statements, which is equal to THB 1,507.64 million, representing 8.81%. However, with the capability and efficiency of the power plant and the group's work experience, the Group believes that it will be able to complete the disposal of old waste according to the time specified in the contract.

1.12 Risk from failure to comply with waste disposal agreements with Krabi Municipality in timely manner.

The Group has entered into a waste disposal contract with Krabi Municipality. The term of the project contract is 25 years from the date of delivery of the area. There is a condition that the old waste must be disposed of within 10 years. At present, the Group has continued to dispose of old waste by using it as a fuel feedstock for power generation. And has the capacity to accommodate all volumes of old and new

waste But the company group There is still a risk that it may not be able to complete the disposal of old waste as specified in the contract, which if the company group Unable to perform according to the contract Or perform the breach of contract Causing the Krabi Municipality to terminate the contract immediately, which, if the Group of Companies Unable to perform according to the contract Or perform the breach of contract Causing the Krabi Municipality to immediately terminate the contract

However, with the capability and efficiency of the power plant and the Group's working experience, the Group believes that the old waste can be disposed of within the period specified in the agreement.

1.13 Legal Dispute Risk

As of 31 December 2020, 2 indirect subsidiaries of the Group have unresolved laws that may have a material adverse impact or have a significant effect on the Group's operations. The case of ABA being sued, requesting the court to revoke the license to operate the power plant business. (Factory No. 4) of the ABA1 project and the AAA case was filed with the court to revoke the license to operate the power plant business. (Factory No. 4) and building construction notification, 39 bis, of Project AAA1. As of 31 December 2020, the two cases are being considered by the Supreme Administrative Court and the Rayong Administrative Court, respectively.

The legal department of the group is of the opinion that the power plant project is considered as a basic public utility that has benefits to the public. When considering the facts, the law, and the evidence in both cases, together with the judgment of the Chiang Mai Administrative Court in the case of the project ABA1 that decided ABA to win the case, and the order of the Rayong Administrative Court in the case of AAA1 order to temporarily lift the request for protection before the verdict shows that the issuance of a factory construction permit (Factory number 4) of the ABA1 and AAA1 projects and building construction notification, 39 bis, of the AAA1 project, which has already followed the procedures and are legal. The Group therefore has the opportunity to win the case in the Supreme Administrative Court's consideration of the ABA1 project and the Rayong administrative court in the AAA1 case.

However, the damage that may occur from losing the case mentioned above, the indirect subsidiary that owns the project may be revoked a significant license to conduct business, therefore may result in the project ABA1, and/or the AAA1 project cannot continue to produce electricity, which will affect the Group's overall operations. For the fiscal year ended 31 December 2020, the Group has total assets of THB 16,429.69 million, with sales and service revenue of THB 5,858.14 million, and gross profit of THB 1,791.33 million, with ABA and AAA having total assets of THB 797.72 million, and THB 4,277.54 million, accounting for 4.86% and 26.04%, respectively. The Group has electricity sales from ABA and AAA in the amount of THB 305.38 million and THB 1,814.47 million, accounting for 5.21% and 30.97%, with a gross profit of THB 115.80 million and THB 547.26 million, representing 6.46% and 30.55% respectively.

1.14 Risk from not being able to enter into the power purchase agreements, for the SPP Hybrid Firm's renewable energy project as scheduled

On 14 December 2017, the Group has been selected to be the operator of the electricity generation project from renewable energy in SPP Hybrid Firm type, as announced by the Energy Regulatory Commission (ERC), in a total of 4 projects, including the SPP Nabon 1 power plant project, SPP Nabon 2 Power Plant Project, SPP Ranong Power Plant Project, and the SPP Khlong Khlung Power Plant Project, which has a total installed capacity of 93 megawatts, and has a maximum electricity supply volume of 76.31 megawatts. The Group must sign the Power Purchase Agreement with the Electricity Generating Authority of Thailand (EGAT) by 13 December 2019, and will begin the commercial electricity distribution by 31 December 2021.

The Energy Regulatory Commission has stipulated conditions that the selected persons must complete the process before signing the power purchase agreement with EGAT in accordance with the specified period, which must be held to listen to the opinions of the public and the people who have Interests, under the law on promotion and conservation of national environmental quality, or in accordance with the ERC's regulation on hearing, as the case may be. It must have land and technology readiness, and must bring approval results together with the IEE report, EIA report, or the approval results with the CoP report showing to EGAT no less than 5 working days, prior to signing the power purchase agreement. The collateral must be placed before the start date of electricity purchase to EGAT in the amount of THB 8 million per megawatt for the selected offering.

On November 30, 2020, the Company Group has been extended the period of the signing of the power purchase agreements for all 4 projects from the ERC from 13 December 2019 to within March 22, 2021 and has been extended to the SCOD date from It was originally scheduled by 2021 to be within 2022, at present, the Khlong Khlung SPP Project has already received approval of the Environmental Impact Assessment Report (EIA) and is expected to sign a power purchase agreement with EGAT in January 2021 and at present, the other 3 projects are still in the process of considering and approving the Environmental Impact Assessment Report (EIA) of the NESDB and relevant agencies.

Although the signing of the Power Purchase Agreement and the scheduled SCOD date for all 4 projects will be extended, the Group expects to be able to accelerate the construction, to be able to supply electricity into commercial systems (COD) as close to the original plan.

1.14 Risk of Future Project Delay

The Group may be at risk from project development delays, which may be caused by many reasons. For example, the delay of the government's licensing process, the delay from the preparation of the EIA report, the delay in construction of building, and the delay in installation of machinery and equipment, etc. In the past The Group had delayed projects due to the issuance of factory licenses. (Factory No. 4), and delays in the process of preparing an environmental report, as it took more time to understand the community members. Both events resulted in the Group not being able to start the construction and distribution of commercially available electricity in time for the Power Purchase Agreement (SCOD).

The Group has established guidelines for prevention and reduction of risks that may affect future project delays, by assigning the Community Relations Department (CSR/GRM) to request important licenses related to the project development, along with site planning to provide knowledge and understanding, and to create relationships with neighboring communities, to complete the EIA report preparation according to the specified timeframe. Although there has never been a delay in the construction and installation of machinery in the past, the Group has a policy to select competent contractors, in order to reduce the possibility of delays from construction, and/or to install machinery and equipment. The Group considers reliability, expertise, and past work experiences, to ensure that contractors can construct and install machinery and equipment for the power plant projects, in accordance with the agreed standards completed within the specified time.

1.15 Risk from not reactivating the Power Purchase Agreement for projects that have been terminated, and in the process of requesting a refund of electricity purchase

Prior to 31 December 2020, the Group had a biomass power plant project that was canceled by the Provincial Electricity Authority, and is in the process of requesting a refund of the said contract. The Group had filed a dispute with the Provincial Electricity Authority (PEA), the Administrative Court, and the arbitrators in order to consider canceling the termination of the Power Purchase Agreement, and returning the Power Purchase Agreement to the Group, consisting of a dispute to the Provincial Electricity Authority (PEA), to consider the Si Sa Ket Biomass Power Plant Project. The Group submitted a dispute to the Central Administrative Court for consideration, and 8 VSPP biomass power plant projects. The Group has submitted the dispute to the Arbitral Tribunal for consideration.

As of December 31, 2020, there is the progress of consideration to cancel the termination of the Power Purchase Agreement and return the Power Purchase Agreements to the Group as follows;

- A. Sisaket Biomass Power Plant Project is under consideration by the Central Administrative Court. Therefore, there is a risk that the Group may not receive the electricity back from this project. This will result in the Group's operations not meeting the target, and may affect the Group's operations in the future. However, on April 3, 2019, the indirect subsidiary, who is the project owner, had sent a letter to PEA to negotiate the dispute settlement under the power purchase agreement. PEA had sent a letter of reply to inform the terms and conditions of negotiation. In this regard, the said indirect subsidiary has complied with the said terms and conditions and is in the process of negotiation.
- B. Eight VSPP biomass power plant projects: The Arbitral Tribunal has a verdict The PEA returned the power purchase agreement to the group, including the extension of the SCOD start date, and the PEA changed or modified the power purchase agreement, from Adder to FiT, as announced on 21 June 2019 of 4 projects, and on 19 July 2019 of 4 projects, totaling 8 projects.

Subsequently, after the Arbitral Tribunal issued a verdict to PEA to return the electricity purchase agreement to the Group of the total of 8 projects, the Group considered that the 8 arbitrators had misrepresent the name of the FiT announcement. The name of the correct announcement is 2015 FiT Announcement, which

is consistent with the rationale and evidence of the case. In addition, the group has already submitted a request to change the contract in accordance with the 2015 FiT Announcement, but PEA has wrongfully terminated the power purchase agreement. The Group was not able to change the contract in accordance with the 2015 FiT Announcement at that time. For this reason, the Group considers that PEA has to return the FiT power purchase agreement in accordance with the 2015 FiT Announcement to the project owner. As of 31 December 2020, the Group is in the process of considering to filing a petition with the Arbitral Tribunal regarding the original dispute in order to request the amendment of all 8 former arbitrations, by specifying to return the power purchase agreement according to the announcement of FiT in 2015.

1.16 Risk of possible fines from the power plant machinery installation agreement (EPC), for projects that have terminated the power purchase agreement, and in the process of requesting a refund of electricity purchase

The Group has a biomass power plant project which has been canceled by the Provincial Electricity Authority) and is in the process of requesting 9 refunds of the said contract. All 9 projects have entered into contracts for the construction of power plant buildings and machinery installation with related companies since 2012 (companies under the same controlling power as the group companies), namely Advance Energy Development Company Limited (“AED”), responsible for procurement and installation of machinery for biomass power plants. Therefore, there are 9 projects that are at risk, due to inability to comply with the conditions.

The contract of procurement and installation of machinery made with the related company, with the conditions that the Group has to pay to the contract parties in the amount of 10 percent of the contract value, equivalent to a project value of THB 63.30 million within Scheduled time. The said amount paid to the contract party will be a Down Payment, or Maximum Cancellation Fee, as the case may be, depending on whether the group intends to have the contractual party perform the contractual construction. In the past, the Group made a written notice requesting an extension of the contract implementation period, until all relevant licenses were received, and the parties agreed that the contract extension would be extended according to the Group’s request. The legal consultant of the company had expressed opinions regarding the extension of the contract performance period on 22 March 2019. It can be concluded that at present the Group has not breached the sales contract and installation of equipment for the entire project. Since the parties have agreed to extend the period of the entire contract performance, until the event is in accordance with the conditions regarding the extension and the beginning of the contract for the 8 projects, the terms of the extension, including the beginning of the contract, for the Sisaket Power Plant Project, will result in the amendment of the contract according to the law. At present, the conditions have not yet been fulfilled, the Group therefore has no duty to pay damages, fines, or other expenses which the parties will notify to pay.

After the Group has received acknowledgment of the consideration of the Power Purchase Agreement, if the Group does not return the Power Purchase Agreement, or for any other reason causing the negotiation to terminate the said contract with the parties, the Group may be obliged to pay the fee,

to terminate the contract up to THB 63.30 million per project, or to a maximum of THB 506.94 million, from a total of 8 projects, to the contractual parties under the specified conditions, which may have a significant impact on the Group's operating results. In 2020, the Group has a net profit in the consolidated financial statements, amounting to THB 1,507.64 million.

However, the Group has prepared and announced the EPC Contractor hiring policy, which requires the Company to negotiate with AED to achieve a mutual agreement to cancel the EPC contract, after the Group has received back the power purchase agreement.

Other risks associated with business operations

1.17 Risk from relying on major shareholders and executives (Songmetta Group)

Songmetta Group has founded the company and its subsidiaries, and are directors and the company's primary management. As of 31 December 2020, Songmetta Group, holds 78.17% of the company's total paid-up shares, with Ms. Chiratha Songmetta (formerly known as Mrs. Siriwan Damnoenchawanit Songmetta), as a director and chairman The Executive Committee, which sets policies, as well as being an important part of management, and have built a reputation for the group to be recognized in the industry both domestically and internationally, resulting in the group having good operating results and continuous growth. If the company loses the majority shareholder and the executive, it may affect the management and operation of the group. However, the company has appointed a board of directors, consisting of a group of people with experience, knowledge, and a variety of capabilities, which are responsible for policy formulation and firm management for continued growth in future. In addition, the Group has restructured its management structure, decentralized the operations and approvals of the company and its subsidiaries, including defining the scope of authority and responsibility of the management based on knowledge, capability, and experience, in order to reduce the risk of this dependency.

In addition, the Group has continued to conduct business transactions with companies that are under the control of the Songmetta Group. For example, the purchase of fuel raw materials, the sale of electricity and steam, the purchase of water for operation and management of power plants, and the purchase of goods and services, related to the construction of power plants. Although such a relationship helps to strengthen the group's business operations in terms of fuel, power generation and distribution, and maintenance, this will help the power plant business of the group to be more stable and efficient, it may also rely on the business of the major shareholder as well. In the past, the Company has always been aware of the problem of relying on the major shareholder group, therefore, it has a policy to conduct transactions with related parties to have the price and conditions according to the market price, and there are guidelines for adjustment. Reduce connected transactions, to prevent problems and reduce the risk of relying on the major shareholder.

1.18 Risk from groups of major shareholders that may have conflict of interest

As of 31 December 2020, Songmetta Group is the company's major shareholder, holding 78.17% of the paid-up capital, and a controlling person in Advance Power Plant Company Limited ("APP"), which operates in the production and distribution of electricity from 1 biomass energy project, with a maximum electricity capacity of 8 MW, at Koh Chan District, Chonburi Province, which is the same business of the Group of Companies. There may be competition, and may cause conflicts of interest with the Group, as well as may have a significant impact on the Group's performance in the future.

However, the APP has not yet started such business, as in the year In 2014, the Provincial Electricity Authority, who was the electricity contracting party of the project, terminated the power purchase agreement, but later the APP received the award from the Arbitral Tribunal, according to the red number dispute No. 73/2562, dated 21 June 2019, with a verdict for the PEA to return the power purchase agreement (PPA) to APP. Currently, the APP is in the process of negotiating the details of the contract with PEA, and a group of shareholders of APP have sent a letter notifying the proposal to sell ordinary shares of APP according to the letter of notification, on 28 August 2019, giving the group rights to consider buying shares of APP, according to the purchase price that will be agreed further.

In this regard, the Extraordinary General Meeting of Shareholders No. 1/2019, held on 28 October 2019, passed a resolution approving the purchase of shares of Advance Power Plant Company Limited, from Songmetta Group, which is a connected entity, in the amount of THB 394 million to THB 472 million. The payment and transfer of shares will be scheduled on the same day, within 120 days after the signing date of the share purchase agreement of Advance Power Plant Company Limited, which has a contract to purchase the shares within 6 months. , Commenced from 28 August 2019 or within 15 days after the date of the Power Purchase Agreement, which has been refunded by PEA by FiT, signed by Advance Power Plant Company Limited and PEA, whichever comes later.

As of 29 November 2018, Songmetta Group, a major shareholder, and/or a director of the company, has signed a statement of non-competing business with ACE, which is a protection against risk from conflicts of interest, between the company and the major shareholder of the company.

2. Financial Risk

Funding Risk

2.1 Risk from the ability to find funds to expand the Group's business

Since the growth of the Group depends on future projects that need to be auctioned to obtain the right to develop the project, entering into the power purchase agreement with the buyer, the construction process, and selling the electricity to the buyer according to Power purchase agreements within the stipulated time, for which each project development requires a large amount of capital. Therefore, the ability to access various funding sources is extremely important.

In the development of power plant projects in the past, the Group used loans from financial institutions as their primary source of funds, which has financial and operational requirements that may restrict access to additional funding sources, and from additional sources, which may affect the opportunity to expand the business in the future, with conditions that must be observed or prohibited, except that it has been approved by the lender. Upon being listed in the stock market, the Group expects more financing options due to having a strong capital base, which will be a key factor in negotiating the terms of existing credit agreements, to reduce limitations that may affect the opportunity for future business expansion. In addition, the Group can also consider additional funding sources, such as issuance of debt, and raising funds through the capital market.

Credit Risk and Credit Terms Compliance

2.2 Risk from failure to comply with conditions or terms of credit agreements

As at 31 December 2020, the Group has long-term interest-bearing liabilities of approximately THB 3,657.16 million, which is a long-term loan from a local commercial bank, which provides project loan to a subsidiary, namely ASCE, ACP, ALCP, AAPP, AAP, and AAA.

The above-mentioned liabilities have several covenants and conditions for the Group, as loan applicants, including guarantors, mortgages, and stock pledge (if any), must comply with contracts, financial terms, and business operations.

If the group of companies, which are the applicants of the loan, including the guarantor and the lender, cannot comply with the terms and conditions specified in the credit agreement, it may cause the applicant to default or breach of contract, except if the loan applicant will receive a waiver from the lender. In addition, if any one of the credit agreements entered into by the Group with a commercial bank in that country, a default, or a default is made, may result in default of other credit agreements, under the local commercial banks as well.

However, the Group has determined that all power plant projects must strictly comply with the terms and conditions of the credit agreements, and require the business development department of the company to monitor the performance of the contracts, and report to the executive committee regularly. If there is an event that is not able to comply with the conditions of the credit contract, must notify the lender immediately. If there is an event that will not receive a waiver from the lender, and the lenders have informed the borrowers of the possible breaches of the contract, as well as the time limit for fixing the documents, the said situation may result in the Group having to immediately repay all credit agreements with the said local commercial bank, which will affect the operating results and the financial status of the group significantly.

Other Financial Risks

2.3 Risk from exchange rate fluctuation

The Group is exposed to foreign exchange risk from the operation of the Natural Gas Power Plant Project (“Project AAA1”) of subsidiary AAA, with respect to sales revenue, due to one element of the tariff received, will change according to the USD exchange rate, according to the price adjustment formula specified in the power purchase agreement that AAA has with EGAT, and in the cost of natural gas that is Significant projects AAA1 purchased from PTT. According to the natural gas purchase agreement, there will be changes according to the exchange rate change as well, thus resulting in the group having a natural hedge. As for the biomass power plant project and community waste power plant project of the Group, the project is not affected by the fluctuation of exchange rate, due to sales revenue, service, cost of sales, and all expenses are in THB.

However, since the Group has considered that the power purchase agreement of the AAA1 Project is a financial lease. Therefore, the project property has been classified as financial lease receivables, net with financial income awaiting recognition. Revenue from sales of electricity under the power purchase agreement will be revenue from financial lease under the power purchase agreement. Revenue from services under the Power Purchase Agreement as a whole is in sales and service income. However, the calculation of sales revenue has some calculation components in foreign currencies, resulting in the adjustment of the conversion of some monetary assets, under financial lease receivables at the exchange rates at the end of the year, to be in accordance with the Accounting Standard No. 21 regarding the effects of changes in foreign exchange rates. Therefore, the company is exposed to risk from accounting methods, regarding exchange rate fluctuations, and may cause unrealized exchange rate loss.

The Group has been affected by changes in foreign exchange rates, for the financial lease receivables of natural gas power plant projects, which are affected by the interpretation of the Thai Financial Reporting Standards No. 4, regarding the Lease Agreement Assessment, which will be recorded as unrealized exchange rate losses, in 2018, 2019, and 2020 in the amount of THB 10.27 million, THB 102.34 million, and THB 4.80 million, respectively.

In addition, the Group has a foreign currency risk from the purchase and import of spare parts from abroad for use in the repair and maintenance of machinery. In the year that the construction of the new power plant project, The Group is exposed to foreign exchange risk from the import of machinery for installation in additional power plant projects. In this situation, the Group manages the foreign exchange risk by entering the forward contract. For example, in 2017, the Group built the AAA1 project, therefore had made a Forward Contract to reduce the risk from the fluctuation of the said exchange rate.

2.4 Risk from interest rate fluctuations

As of December 31, 2020, the Group had interest-bearing liabilities of Baht 3,948.26 million, most of which were long-term floating-interest liabilities of 3,657.16 million baht or 92.63 percent of total interest-bearing liabilities. The interest burden is a significant expense of the Group. In 2019 and 2020, The Group has interest expenses of 412.57 million baht and 106.32 million baht or equivalent to 8.33 percent and 2.13 percent of revenue from sales and services according to the consolidated financial statements of the group of companies, respectively. up Will cause the operating results of the group of companies to decrease.

In this regard, the Group estimates that interest rate risk will not cause damage to the Group, including the fact that the Group may request to change the terms of loans or find new sources of loans, with a low interest burden to regularly replace the original loan source.

3. Risk that affects the rights or investments of securities holders

3.1 Risk from the group of the companies have a major shareholder with more than 50% shares

As of 31 December 2020, Songmetta Group holds 7,955.58 million shares in the company, representing 78.18%, therefore the Songmetta Group can control almost all shareholders' resolutions, whether it is the appointment of directors, or requesting resolutions on other matters that requires the majority of votes from the meeting. Other shareholders may be at risk of not being able to gather votes to check and balance the issues proposed by the major shareholder.

Even though, the Songmetta Group is able to control the majority vote used at the meeting, it is an important resolution required by law, it must be approved by a vote of not less than 3 in 4 of the shareholders who attend the meeting and have the right to vote. Shareholders with vested interests will not have the right to vote on related matters, such as the consideration of entering into connected transactions and the acquisition or disposal of assets, etc. Therefore, minority shareholders are able to check and balance the important matters and matters related to the Songmetta Group, which is the major shareholder group of the group.

The Legal Dispute

As of December 31, 2020, the Group of companies had 2 cases of litigation cases and legal disputes that might have a negative impact on the Group's assets. Details are as follows;

Case No. 1: Advance Bio Asia Company Limited ("ABA") - Thoen Biomass Power Plant Project (ABA1)

On December 23, 2013, a group of people in Mae Thot sub-district, Thoen district, Lampang province, ("the Plaintiffs"), had filed a lawsuit against ABA as the defendant in the 6th case, to Chiang Mai Administrative Court, requesting that the court revoke the license to operate a power plant of ABA1 (Factory No. 4), without filing a claim for **financial damage**. During the court trial, the Plaintiffs filed a temporary protection request for the court to order the ABA to suspend operations and construction, in accordance with the license to operate a power plant (Factory No. 4) prior to the verdict. When the court had made an inquiry and had considered the ABA's clarification, it was of the opinion that, there was no sufficient reason to issue an order to suspend the operation and the construction. Therefore, the court has dismissed the request.

Subsequently, on March 30, 2016, the Chiang Mai Administrative Court ruled that, issuing a license to operate a power plant (Factory No. 4) to ABA was lawful and dismissed the case.

On April 29, 2016, the Plaintiffs filed an appeal against the decision of the Chiang Mai Administrative Court to the Supreme Administrative Court. On January 20, 2017, ABA had submitted an appeal, with the conclusion that the issuance of a license to operate a power plant (Factory No. 4) to ABA has been in accordance with the law, therefore requesting the Supreme Administrative Court to confirm in accordance with the judgment of the Chiang Mai Administrative Court, and to cancel the appeal of the Plaintiffs.

As of 31 December 2019, the case is still being considered by the Supreme Administrative Court.

Case No. 2: Advance Agro Asia Company Limited ("AAA") - a Natural Gas Power Plant Project (AAA1)

On December 14, 2015, a group of people in Koh Khanun sub-district, Phanom Sarakham district, Chachoengsao ("the Plaintiffs"), had filed a lawsuit against AAA, as the 3rd defendant, to the Rayong Administrative Court, requesting the court to revoke the power plant operation license (Factory No. 4), and requested to withdraw the building construction notification, building modification, building demolition, re-locating the building, and changing the usage of the building, according to Article 39 bis of the Building Control Act 1979 (Notification of Building Construction (39 bis), of AAA1, without making a claim for **damages in money**. In addition, the Plaintiffs filed a request to the court to suspend the enforcement of the power plant business license. (Factory no. 4), building construction notification (39 bis), and to suspend construction and any other operations, according to the above-mentioned license of AAA1.

Subsequently, on March 31, 2016, the court made the inquiry and had considered the explanation of AAA. The court was of an opinion on the said case, as it had not yet appeared that the issuance of a license to operate a power plant (Factory No. 4), and the receipt for building construction (39 bis) was unlawful. Therefore, the court dismissed the request to suspend the enforcement of the order and to provide the temporary relief.

On April 8, 2020, the Rayong Administrative Court dismissed the case. After that on May 7, 2020, the plaintiffs filed an appeal with the Supreme Administrative Court.

As of December 31, 2020, the case was still under the consideration process by the Rayong Supreme Administrative Court.

As the Group believes that ABA and AAA have a higher chance of winning the cases, the Group has not made any provision regarding the said cases. However, Management of the Group places high importance on the outcome of the lawsuit, and any allegations that may occur in the future from the lawsuit. Litigation, and any actions that may adversely affect the Group, may have a material adverse impact on the Company's operations, financial condition and stock market prices. In addition to disclosing the contingent liabilities from litigation, as stated in the remark stated in the Group's financial statements

Litigation in which the Group of Companies are the Plaintiffs

On June 5, 2017, the Company's Subsidiaries, consisting of AAP, AAPP, ACP, ALCP, and ABA, which has a power purchase agreement with the 2016 FiT announcement (collectively referred to as "Plaintiffs"), filed a lawsuit against the National Energy Policy Council ("The Defendant No. 1"), Energy Regulatory Commission ("The Defendant No. 2"), and the Provincial Electricity Authority ("Defendant No. 3"), to the Central Administrative Court, to request for payment of damages from not receiving electricity income at the FiT Premium rate, from the period of January 24, 2015 to March 10, 2016, totaling THB 622,150,282.54. In addition, it was requested for the amendment of the resolution, the announcement, and the addition of the power purchase agreement of the prosecution, to receive FiT benefits, according to the 2015 FiT announcement. If the defendants were unable to proceed, it was requested to have the defendants No. 1 - 3 to join, or on behalf, to pay for damages to the Plaintiffs, totaling THB 3,901,248,000.

On September 9, 2020, the Central Administrative Court decided to conclude that the 2016 FiT announcement only required a reduction of the purchase period for electricity in addition to the illegal COD period. In which the Central Administrative Court stated in the verdict that "... there are observations on the guidelines or methods of carrying out the judgment. In this regard, the defendant No. 2 (ERC) has proceeded to cancel the rules for further reduction of the purchase period of electricity. In addition to the reduction of the time period for which electricity is supplied to the commercial system according to Article 7 (2) of the Notification and to ensure compliance with the revised announcement..." As for other requests, including all such requests for compensation. The Central Administrative Court dismissed the case. The subsidiary company, the plaintiff, has filed an appeal with the Supreme Administrative Court in respect of the judgment dismissed.

As of December 31, 2020, all 8 cases are still in the process of the Supreme Administrative Court's consideration. As a result, there is a risk that the Supreme Administrative Court may not issue a ruling, or may order the defendants to pay for the compensation, or to proceed as requested by the Group, causing uncertainty over the payment of the said damages.

Internal Control and Risk Management

Company's Internal Control System

The Group recognizes and places high importance to the Management of good Internal Control Systems, to support the operations of the Group in an efficient manner, with adequate and comprehensive Internal Control Systems in all areas, to comply with relevant laws, rules, and regulations. The Board of Directors has provided an effective and sufficient Check & Balance Mechanism to protect, to supervise, and to maintain the Group's assets, by establishing a hierarchy of authority, delegation of authorities, duties, And Responsibilities, to provide management at the executive level and staff levels with appropriate checks and balances. A written operational procedure will be established, and an independent Internal audit department will be in place to review the operations of the units in the group according to the established regulations, and will report directly to the Audit Committee. In addition, the Company and the subsidiaries have appropriate and concise Internal Controls and Internal audit Systems, to prevent fraud that may occur to the Group, with a clear System that can be inspected, and is consistent with guidelines of the Stock Exchange of Thailand.

At the Board of Directors Meeting No. 2/2021, held on February 24, 2021, with all members of the Audit Committee participating, the Board of Directors had evaluated the Internal Control System by querying information from the Company's management, with referencing from Internal Control audit reports, and from follow-up reports of Internal Control audit, that were audited and prepared by P&L Interactive Audit Company Limited, and P&L IT Audit Company Limited, (collectively referred to as "P&L"). The Board of Directors had considered and evaluated the Internal Control System of the Group in 5 areas, according to the Committee of Sponsoring Organizations of the Tread-way Commission (COSO), which had revised the framework in May 2013, with adjustments to be suitable for Thai listed companies. The main questions are still divided into 5 parts, which are the same as the previous COSO guidelines, namely 1) the Controlled environment, 2) the risk assessment, 3) the Control measures, 4) the information and communication Systems, and 5) the reporting and tracking System. In this regard, each part has been expanded into 17 sub-principles, consisting of the following items;

1) Control Environment

The Company encourages and promotes a good Internal Control environment, by defining the goals and directions of its business, specifying corporate governance, code of conduct, and operational manuals in writing, which have been communicated to all levels of employees to be informed and to strictly comply. Penalty will be imposed if there are any violations. There will be a clear organizational structure, and a check and balance mechanism. There is an independent Internal audit department that reports directly to the Audit Committee, overseeing and reviewing support operations, creating a good Internal Control environment, covering the following principles;

- 1.1 The organization demonstrates adherence to the values of integrity and ethics.
- 1.2 The Board of Directors are independent from Management in providing oversight and the development of Internal Control.
- 1.3 Management will provide a reporting structure, assigning appropriate authority, and accountability, for the organization to achieve its objectives, under the oversight of the board.
- 1.4 The organization demonstrates a commitment to motivation, development, and retention of knowledgeable personnel.
- 1.5 The organization requires the personnel to perform duties with the responsibilities in Internal Control, to achieve the objectives of the organization.

2) Risk Assessment

The Company has set up a risk management System, via the establishment of Risk Management Working Group, that will be responsible for setting the policy framework and risk management guidelines, in accordance with the COSO guidelines, with the responsibility to determining guidelines and measures to limit risks, in order to limit any damages that may occur, and with duties to promote the implementation of risk management policies throughout the organization to cover the following principles;

- 2.1 The organization shall specify objectives clearly and adequately, in order to identify and to assess risks related to the achieving the objectives of the organization.
- 2.2 The organization will identify and analyze all types of risks that may impact the achievement of the organizational objectives in a comprehensive way.
- 2.3 The organization will consider the likelihood of corruption in assessing the risk of achieving the organization's objectives.
- 2.4 The organization will be able to identify and to assess any changes that may impact the Internal Control System.

3) Control Activities

The Company has established regulations and framework for approval of transactions that are clear and in writing, with proper segregation of duties and mutual review. The Company has specified the conditions for related transactions as connected transactions, or as transactions that may have conflicts of interest, by having the Internal audit department conduct an investigation, and will monitor compliance with the law and Regulations, which cover the following principles;

- 3.1 The organization will have Control measures to reduce the risk of not achieving the objectives at an acceptable level.
- 3.2 The organization will choose and develop general Control with technology Systems, to support the achievement of objectives.
- 3.3 The organization will organize Control activities through policies, which define expectations and procedures, so that those policies can be implemented.

4) Information and Communication

The Company has established an ongoing information System, and has provided effective means of communication, to ensure the sufficiency of important information to support decision-making of the Board of Directors and the Executives. In this regard, documents and data will be collected, and will determine the appropriate storage period of time, to comply with the legal requirements. The quarterly and annual financial statements are reviewed and audited by the Company's auditors. Sufficient and timely information is disclosed for the best interest of shareholders, investors, and users of financial statements. There will be Internal and external communication systems, so that the personnel will be informed of all the information used for operations, which covers the following principles;

- 4.1 The organization will have relevant and quality information, in order to support Internal Control in the course of its operations.
- 4.2 The organization will communicate information within the organization, including objectives and responsibilities for Internal Control, which are necessary to support the Internal Control to be carried out as planned.
- 4.3 The organization will communicate with external agencies, regarding issues that may affect Internal Control.

5) Monitoring Activities

The Company will monitor the performance against the business goals (KPI), and will report the results as well as analyze the cause of the variances in order to fix the solutions within the appropriate time to the management and the board of directors. For the Internal Control System, the Company has specified that the Internal audit department is responsible for the audit, and will report to the audit committee regularly at an appropriate time, which will cover the following principles;

- 5.1 The organization will monitor and evaluate the Internal Control, to ensure that the Internal Control is complete and appropriate.
- 5.2 The organization will assess and communicate timely deficiencies in Internal Control to responsible parties, including senior management and the board as appropriate.

The Board of Directors is of the opinion that, the Group's Internal Control and Internal audit Systems are sufficient and appropriate. The Group has provided sufficient personnel, which can implement the System efficiently, with Internal Control Systems, in monitoring and overseeing the operations of the group, to protect the assets of the group from the Directors, or the Executives, which may be misused, or used without authorization, including transactions with persons whom may have conflicts, and connected persons adequately. In addition, the Board of Directors will approve the evaluation form for the adequacy of the Company's Internal Control System, which is prepared in accordance with the SEC's assessment.

Inspection & Review of Internal Control System & Risk Management

The Company has hired P&L from 2017 till now, in order to inspect the group's Internal Control Systems, by inspecting the Internal Control Systems, IT General Control, and general Controls for supervising the operations to ensure compliance with Law, which has been reported to the audit committee, at the meeting of the audit committee in 2018, 2019 and 2020. The Internal Control System audits are categorized into 5 main Systems as follows;

- 1) Revenue Cycle System
- 2) Expense Cycle System
- 3) Fixed Asset Management System
- 4) Human Resource Management System
- 5) Inventory Management System

As for the operations relating to the Internal Control Systems of the group companies, the Internal auditors will examine, and assess the adequacy of the Internal Control Systems of the group companies, circulating in 5 major work Systems (65 sub-Systems), Which can be summarized as follows;

Main Operation System	Operational Sub-System
1. Revenue Cycle System	1. Policies, regulations, and procedures regarding revenue cycle 2. Authority, authorization, and signature samples 3. Preparation of the Business Plan 4. Customer registration 5. Setting service fees, contracts, and agreements 6. Recording of receivables, and receiving payments 7. Control of proof of bank balances 8. Check-On-Hand Control 9. Analyzing aging of receivables, and setting up allowance for doubtful accounts 10. Sales tax 11. Withholding tax 12. Defining the right to access information System information
2. Expense Cycle System	1. Policies, regulations, and operating procedures, regarding expense cycle Systems 2. Authority, authorization, and signature samples 3. Control of expenditure budgets 4. Selection process, new seller registration, and annual evaluation of same sellers 5. Purchase request process (PR)

Main Operation System	Operational Sub-System
	6. Procurement process 7. Procurement contract process 8. Products receiving process 9. Record of accounts payable 10. Payment of debt 11. Check payment Control 12. Paying aging analysis (AP Aging) 13. Controlling petty cash 14. Control of advance payment 15. Proof of bank deposit amount (Bank Reconciliation) 16. Purchase tax Control 17. Withholding tax 18. Assigning the authorization to access the information System
3. Fixed Asset Management System	1. Establishing policies, regulations, and operational procedures regarding fixed asset management processes 2. Establishing the scope of authority and knowledge of the operation 3. Control of authority, approval authority, and signature samples 4. Control of the purchase process for fixed assets 5. Control of fixed asset registration 6. Controlling of depreciation calculation steps 7. Control of lease assets 8. Control of sales, discontinuance, donation of fixed assets, and removal from fixed asset Control accounts 9. Control of the procedure for counting fixed assets 10. Control of procedures for taking assets out of the Company 11. Control of asset transfer procedures between individuals or departments 12. Control of machine repair and maintenance procedures 13. Control of insurance procedures for fixed assets 14. Control the process of determining the right to access the information System

Main Operation System	Operational Sub-System
4. Human Resource Management System	1. Policies, regulations, and procedures regarding human resource management 2. Organization chart, organization structure, scope of authority, knowledge and understanding in operations, and personnel planning 3. Authorization, approval authority, and sample signatures 4. Recruitment and employment 5. Compensation Control 6. Benefits Control 7. Salary Control 8. Operational Control 9. Evaluation 10. Personnel development 11. Termination and resignation 12. Defining the authorization to access the information System 13. Others
5. Inventory Management System	1. Policies, regulations, and procedures regarding warehouse management 2. Authorization, approval authority, and samples of signatures 3. Procedure for receiving products 4. Product distribution process 5. Counting of inventories 6. Control and overseeing of warehouse safety 7. Compliance with relevant laws 8. Defining the right to access the information System

For operations regarding Internal Control Systems under the head of IT General Control, P&L had audited and evaluated the adequacy of the Internal Control System, in 14 areas of general Control in information technology, which can be summarized as follows;

Main Operation System	Operational Sub-System
1. General Control in information technology	1. Information security policy 2. Information security structure 3. Human resource security 4. Property management 5. Access Control 6. Data encryption 7. Physical and environmental security 8. Security and security for operation 9. Security for data communication 10. Procurement, development, and System maintenance 11. Relations with external service providers 12. Management of information security incidents 13. Information management to create business continuity 14. Consistency

For operations regarding Internal Control Systems, general Control and oversight of operations in accordance with the law, P&L had conducted an audit, and evaluated the adequacy of the Internal Control System, regarding the 9 areas of general Control for regulatory compliance, which can be summarized as follows;

Main Operation System	Operational Sub-System
1. General Control in overseeing operations to ensure compliance with the law	1.1 Policies, regulations, and procedures of the Legal Department 1.2 Guidelines for overseeing operations in accordance with regulations, procedures, and relevant laws 1.3 Organization structure of the Legal Department, and related departments 1.4 Scope and authority of the legal department, and related parties 1.5 Important laws relating to power plants 1.6 Compliance with the Public Limited Companies Act 1992 1.7 Compliance with the regulations of the Stock Exchange of Thailand 1.8 Preparation of a contract to Control contracts, and related important documents 1.9 The environment, safety, data storage, and important documents

In an overall review of the Internal Control System by P&L, it can be concluded that the Group has complied with the established Internal Control System. The Group has sufficient, significant Internal Control, which will enable the Group to achieve the following objectives:

- To increase the efficiency and effectiveness of the group operations.
- To increase the confidence of senior management, that the Group has reliable information Systems, and there will be no significant errors.
- To ensure that the group companies have sufficient Internal Control Systems, and that employees work in accordance with the specified Internal Control Systems.

Observation from the Auditor

PricewaterhouseCoopers ABAS Company Limited ("PwC"), Auditor, with permission obtained from the group of companies, has no observations regarding Internal Control and accounting Systems, for the fiscal year ending 31 December 2020.

Appointment of Chief of Internal Audit

The Company has hired P&L as an Internal auditor, by appointing Ms. Wannawimon Jongsuriyaphat, to be Chief of Internal Audit. The Audit Committee is of the opinion that, the Chief of Internal Audit has appropriate educational background, experiences, and trainings, with a great understanding of ,the Company's activities and the operations of The Group, and is of the opinion that the Chief of Internal Audit is suitable to perform these duties appropriately and adequately. In this regard, consideration, approval, appointment, removal, and transfer of the Chief of Internal Audit of the Company, must obtain approval from the Audit Committee.

Definition and abbreviation

Unless otherwise specified in this document, the following words have the following definitions:

The Company or ACE	Absolute Clean Energy Public Company Limited
ACE Group	Absolute Clean Energy Public Company Limited and Subsidiaries
ASCE	Asia Clean Energy Co., Ltd.
ACP	Advance Clean Power Co., Ltd.
ALCP	Alliance Clean Power Co., Ltd.
AAPP	Advance Agro Power Plant Co., Ltd.
AAP	Advance Asia Power Plant Co., Ltd.
ABA	Advance Bio Asia Co., Ltd.
AFT	Advance Farm Tree Co., Ltd.
BPP	Bio Power Plant Co., Ltd.
ACE SOLAR	AEC Solar Co., Ltd.
PSPR	Prasartporn Rungrueng Co., Ltd.
AAA	Advance Agro Asia Co., Ltd.
PSMS	Power Supply & Maintenance Service Co., Ltd.
ACP1	Ban Bueng Power Plant Project, Ban Bueng district, Chonburi
ACP2	Phon Thong Power Plant Project, Phon Thong district, Roi Ed
ACP3	Bo Ploy Power Plant Project, Bo Ploy district, Kanchanaburi
ALCP1	Si Chiang Mai Power Plant Project, Si Chiang Mai district Nong Kai
ALCP2	Sirindhorn Power Plant Project, Sirindhorn district, Ubon Ratchathani
AAPP1	Tanee Power Plant Project, Prasart district, Surin
AAPP2	Chok Chai Power Plant Project, Chok Chai district, Nakorn Ratchasima
AAP1	Nam Pong Power Plant Project, Nam Pong district, Khon Kaen
ABA1	Then Power Plant Project, Then district, Lampang
AAE1	Muang Korat Power Plant Project, Muang district, Nakorn Ratchasima
ABE1	Don Mon Power Plant Project, Satuek district, Buriram
SBM1	Satuek Power Plant Project, Satuek district, Buriram
AAA1	Koh Khanun SPP Power Plant Project, Koh Khanun, Phanom Sarakhram district, Chachoengsao
ALCP3	Khon Kaen MSW Power Plant Project, Muang district, Khon Kaen
BPP2	Na Bon 2 SPP Power Plant Project, Nakhon Sri Thammarat
BPP3	Klong Klung SPP Power Plant Project, Klong Klung district, Kamphanghet
ACE SOLAR1	Na Bon 1 SPP Power Plant Project, Nakhon Sri Thammarat
ACE SOLAR2	Ranong SPP Power Plant Project, Muang district, Ranong
ACE SOLAR3	Solar Rooftop 1 Power Plant Project, Sri racha district, Chonburi
ACE SOLAR4	Solar Rooftop 2 Power Plant Project, Chok Chai district, Nakorn Ratchasima
ACE SOLAR5	Solar Rooftop 3 Power Plant Project, Muang district, Samut Sakorn

ALCP6	Krabi MSW Power Plant Project, Muang District, Krabi
ACP4	Klong Klung Power Plant Project, Klong Klung district, Kamphangphet
ACP5	Song Pheenong Power Plant Project, Song Pheenong district, Supanburi
ACP6	Bang Lane Power Plant Project, Bang Lane district, Nakhorn Pathom
ACP7	Khanu Woralaksaburi Power Plant Project, Khanu Woralaksaburi district, Kamphangphet
ALCP5	Ban Bueng 2 Power Plant Project, Ban Bueng district, Chonburi
AAPP3	Chok Chai 2 Power Plant Project, Chok Chai district, Nakorn Ratchasima
AFT1	Senangkhanikhom Power Plant Project, Senangkhanikhom district, Amnat Charoen
BPP1	KhokKathiam Power Plant Project, KhokKathiam district, Lopburi
PSPR1	Nadee Power Plant Project, Nadee district, Prachinburi
ALCP4	Sri Saket Power Plant Project, Muang district Sri Saket
Holding Company	Company with business of holding shares in other business
Songmetta Group	The Major shareholders in the Group are Ms. Jiratha Songmetta Mr. Wirachai Songmetta Mr. Teerawut Songmetta Mr. Pornmett Songmetta and Mr. Natt Songmetta
SEC	The Securities and Exchange Commission, Thailand
SET	The Stock Exchange of Thailand
COSO	The Committee of Sponsoring Organizations of theTread-way Commission
P&L	P&L Internal Audit Co., Ltd. and P&L IT Audit Co., Ltd.
PwC	Price Waterhouse Cooper ABAS Co., Ltd.
BOI	Board of Investment
PEA	The Provincial Electricity Authority
EGAT	Electricity Generation Authority of Thailand
MEA	Metropolitan Electricity Authority
ERC	Energy Regulatory Commission
VSPP	Very Small Power Producer
SPP	Small Power Producer
Unit	Kilowatt-hour
PPA	Power Purchase Agreement
EPC	Engineering Procurement and Construction Contractor
EIA	Environmental Impact Assessment Report
ESA	Environmental & Safety Assessment Report
COD	Commercial Operation Date
SCOD	Schedule Commercial Operation Date
FiT	Feed in Tariff
Adder	Additional Rate of Power Purchase
MLR	Minimum Loan Rate or Minimum Lending Rate
DSCR	Debt Service Coverage Ratio
PDP	Thailand's Power Development Plan
IPP	Independent Power Producer
SPP	Small Power Producer
VSPP	Very Small Power Producer

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