

# ANNUAL REPORT 2021

Form 56-1 One Report

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Form 56-1  
One Report

PP PRIME PUBLIC COMPANY LIMITED

บริษัท พีพี ไพร์ม จำกัด (มหาชน)

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# Board of Directors



**Mrs. Namkang Pungthong**

Chairman of the Board of Director



**Mr. Aran Permpiboon**

Independent Director /  
Chairman of the Audit Committee



**Pol.Col. Thienrath Vichiensan**

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



**Lt.Gen. Krisana Waropas**

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



**Mr. Waiwit Udayachalerm**

Independent Director /  
Member of Audit Committee



**Dr. Denchai Akaradechachai**

Director / Chairman of the Overseas  
Investment Committee\* / Member of Executive  
Committee / Member of Nomination and  
Remuneration Committee



**Mrs. Supattra Nakmontanakum**

Director / Chairman of the Executive Committee /  
Chief Executive Officer



**M.L. Phanpiengduen Sungkahapong**

Director / Member of Executive Committee / Member of Overseas  
Investment Committee\* / Chief Corporate Strategy Officer

Remark : \*On 29 October 2021, the Company dissolved the Overseas Investment Committee.

# The Chairman's Message



In 2021, the COVID-19 epidemic is still having an influence on the global economy, causing economic stagnation in a variety of industries. In the midst of the COVID-19 epidemic, the Company places a premium on the health and safety of its employees, partners, customers, and the communities in which they live. For commitment, a management team has been formed to deal with the COVID-19 epidemic scenario. Creating high-quality content on a regular basis "Quality comes first," according to the guideline. "Every move we take is important to us," and "Create power for a long-term future."

Although the COVID-19 outbreak scenario has had an influence in the last two years, the company's revenue has decreased, particularly in the manufacturing line and distribution of aquatic feed. However, the pet food production line still a lot of growth to be had. The business has grown significantly in the last year. The production of pet food generates 540 million baht in revenue, up 70% from 2020. The domestic economy is expected to improve in the coming year, 2022. In order to be in line with the aforementioned recovery, the company must plan and establish a business policy. And continue to follow the quality criteria with everyone in the organization working together to achieve the company's objectives.

Finally, I'd want to express my gratitude to the Company's shareholders, board of directors, and all employees, as well as partners and customers, for their continued support. Encourage everyone to have faith in the company's plans. in ensuring long-term value sustainability and stability



Mrs. Namkang Pungthong  
Chairman of the Board of Director

## Financial Information

		2021	2020	2019
Sales	(Baht)	649,794,670	1,654,880,090	2,133,458,468
Net Profit (Loss)	(Baht)	(186,268,422)	(329,576,749)	(1,463,200,930)
Earning (Loss) per Share	(Baht)	(0.13)	(0.48)	(2.35)
Total Asset	(Baht)	1,615,437,571	1,889,641,459	2,457,263,778
Total Liabilities	(Baht)	1,516,609,701	1,816,582,101	2,013,114,409
Shareholders' Equity	(Baht)	98,827,870	73,059,358	444,149,369
Book Value	(Baht)	0.07	0.11	0.65
Return on Asset	(%)	(10.63)	(15.16)	(49.75)
Return on Equity	(%)	(216.73)	(127.44)	(220.89)
Debt to Shareholders	(times)	15.35	24.86	4.53
Dividend Yield	(%)	-	0.00	0.00
P/E Ratio	(times)	-	0.00	0.00

## Structure and operations of the Group

**P P PRIME**

### Vision

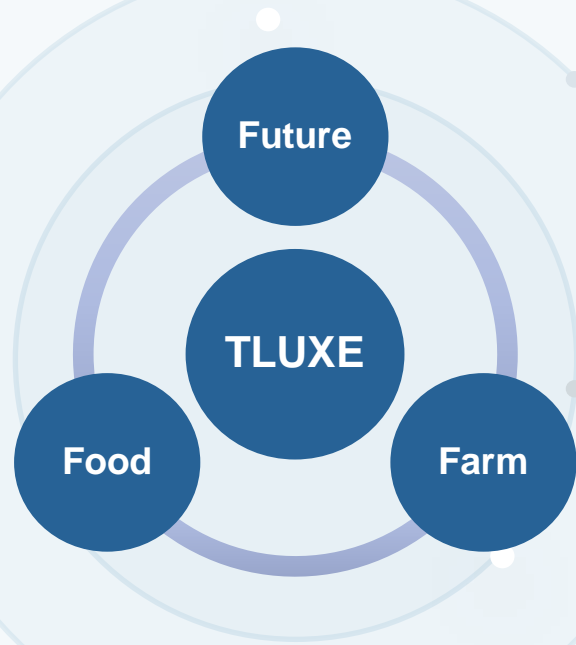
Because humans are crucial force behind all of our businesses, we aim to improve the lives of humans to be more stable and sustainable. Through various innovative creations, we are determined to improve humans' lives and societies by choosing to invest in sustainable businesses, which provide ample wealth and high growth potential in the future.

### Mission

- Aquatic feed business and pet food We increase the production capacity of aquaculture feed. Combining modern innovations In this business, this is the first mechanism of the food chain. to produce for consumption high quality to make people in society Sustainable health as well as expanding business opportunities to produce more pet food as well Empowering people and animals with innovations in food supply for sustainable life
- Investment in the business of generating electricity from energy geothermal or Geothermal and Wind Energy in Japan To increase the capacity to improve the quality of life and the environment through innovation of clean energy from nature create sustainability for the world Empowering communities with innovations in energy for sustainable living and environment
- Investing in high-yielding, fast-growing businesses with enhanced potential for business advancement through innovations that create sustainability for communities and the economy. Empowering businesses with high profit opportunity and fast growing for sustainable community and economy

### Corporate Value

- Integrity: Adhered to the principle of corporate governance, honesty and common interest (rather than personal interest);
- Discipline: Be disciplined and adhered to duties and committed to learning of new things;
- Quality: Focused on the quality and services, devote oneself to professional performance of work, maintain the standard and create satisfactions to business-related parties;
- Improvement: Committed to creating performances and continuous development of innovation and excellent performances;
- Engagement: Devoted oneself for common interest, having teamwork skills for creation of performances;



The company focuses on developing the business in line with the full-cycle strategy i.e. FOOD-FARM-FUTURE, operating the main business of manufacturing and distributing aquatic animal feed and pet feed, divided into 2 main divisions i.e.:

1. Shrimp Feed.
2. Fish Feed and Pet Food.

The company manages the farms as the center for research and development in aquatic animal feed. In addition, the company operates new businesses with good returns that is sustainable for the future

The company manages the farms as the center for research and development in aquatic animal feed. In addition, the company operates new businesses with good returns that is sustainable for the future

Thai Luxe Enterprises PCL was established on 11 June 1987 with registered capital of 20 million baht. The company’s initial objective was to import aquatic animal feed for local distribution and raise black tiger shrimp for sale, later expanded to manufacture shrimp and fish feeds. At present, the company no longer raises black tiger shrimp for sale. During the past 30 years or so, the company develops various products continuously and in 2015 signed an agreement to become a contract manufacturer of pet food in order to fully utilize the existing production capacity. Towards the end of 2015, the Board of Directors approved the investment in geothermal electricity generating business in Beppu, Japan which gradually generates revenues from commercial sales of electricity (COD) since the middle of 2016.

Originally, the company only had a factory to produce shrimp feed and fish feed at Samut Songkram Province. Later, in 1999, the company expanded by opening a new factory in Petchaburi Province, closing the shrimp feed production line at Samut Songkram and change the production base of shrimp feed to the new factory in Petchaburi. In 2004, production of fish feed was discontinued at the Samut Songkram factory and production lines were added at the Petchaburi factory instead and the Samut Songkram factory ceased production. Thai Luxe Food Service Co., Ltd. (previously SMP Food Products Co., Ltd.) which at the time was an associate company rented parts of the area to produce and sell processed frozen food and finished frozen seafood and later on changed its name to NPP Food Service Co., Ltd. In 2015, the company established a new aquatic animal feed factory in Song Khla Province to manufacture aquatic animal feed and pet food for customers in the south and neighboring country.

In 1999, the company opened a processed frozen shrimp factory by investing 100% in Thai Luxe Food Products Co., Ltd. or “Thai Luxe Food” (previous name SMP Food Products Co., Ltd.) which changed its name to NPP Food Service Co., Ltd. producing processed frozen shrimp for export and frozen ready to eat food.

In 2014, the company increased the proportion of shareholding in SMP Food Products Co., Ltd. to 97.79% and changed the name to Thai Luxe Food Products Co., Ltd. In 2015 has reduce shareholding proportion the company holds 55% in the company and Nippon Pack (Thailand) PCL, 45% (of paid-up capital).

After that the company jointly invested with NPP Food Incorporation Co., Ltd. to manage the A &W restaurant. And NPP Food Service Co., Ltd. holds 45% in the company and Nippon Pack (Thailand) PCL, 55% (of paid-up capital). Later in July 2016, as the company deems that food business is highly competitive and that it has no expertise in this area, the investment in NPP Food Service Co., Ltd. and. were sold to Nippon Pack (Thailand) PCL to enable the company to focus on animal feed business and electricity generation from renewable energy.

In 2009, the company invested in T Luxe Global Business Co., Ltd. (previously known as Thai D Meter Co., Ltd. or “Thai D”) in the ratio of 100% to operate trading business to supplement the group income by starting production of agricultural raw material used in producing animal feed to small animal feed producers and small farmers who do not have bargaining power against major raw material suppliers.

Towards the end of 2015, the company had the policy to invest in geothermal energy business in Japan by acquiring PPSN Co., Ltd., a juristic entity in Japan which owns 4 geothermal electricity generating units. In 2016, the company bought Sumo Power Co., Ltd. (SUMO), a Japanese juristic entity which operates 8 geothermal electricity generating units. Subsequently, the company restructured the internal organization resulting in PPSN Co., Ltd. owning 3 geothermal electricity generating units all of which started generating revenues whereas Sumo owns 9 geothermal electricity generating units of which 1 has already generated revenues.

Moreover, the company jointly invested with Setouchi Natural Energy Co., Ltd. (Setouchi) which is an expert in geothermal electricity generation to establish a new juristic entity, namely, M-Luxe Energy Co. Ltd. or “M-LUXE”, a Japanese juristic entity which is 25% owned by PPSN Company Limited or “PPSN” and Setouchi Natural Energy Co., Ltd., owning the balance 75%, of registered capital of 10 million yen. M-LUXE was established to develop land equipped with the utilities ready for sale to investors in geothermal electricity generating projects. At present, TLP acquired the shares in M-LUXE from PPSN at the same ratio.

Later, in March 2017, the company invested in geothermal electricity generating plants which is already operated and has been registered this plant under SNS Power Co., Ltd. (SNS Power)

In August 2017 approved investment in the company in Fino Binary Power Plant Limited Liability Company (FINO) (Japanese juristic entity) which operates 2 geothermal electricity generating plants. And in September 2017 the company enter into share purchase agreement and control authority in 4 companies such as Beppu Tsurumi Onsen Geothermal Power Station No. 1 Liaison Company (BEPPU) (Japanese juristic entity), NIS Binary Power Plant Limited Liability Company (NIS) (Japanese juristic entity), Dual Energy Binary – Power Plant No. 1 Limited Liability Company (DUAL) (Japanese juristic entity) and Lena Power Station No. 1 Limited Liability Company (LENA) (Japanese juristic entity) which operates total 8 geothermal electricity generating plants. As of 31 December 2017, the company has 23 geothermal electricity generating units and revenue recognition 15 units.

However, in the year 2018 in January The Company has resolved to invest in wind power plant project in Aomori city. 20 projects in Japan, and on May 18, 2018, according to the resolution of the Board of Directors Meeting No. 8/2561, the Company approved Sell the geothermal energy project located at Oaxasu Rumi Beppu, Oita Prefecture In Japan with a purchase price of approximately 320 million yen per project or approximately 91.71 million baht per project, representing a total value of not less than 4,800 million yen or 1,375.69 million baht (based on exchange rates at 28.6602 baht per 100 yen from the Bank of Thailand On May 17, 2018) to the Relocation Group, which is a company established under the laws of Japan (“Buyer”). The Company considers selling power plant projects in the form of selling shares in the Company's subsidiaries, which is the owner of power plant projects or by selling the assets of the power plant project. In which the company entered into a preliminary agreement and received a deposit of 200 million yen on 21 June 2018.

On February 21, 2019, Relocation House Corporation (Relocation Group) transferred rights and obligations under the Initial Agreement (Memorandum of Understanding, MOU) to Beppu Forest Power Co., Ltd. and extended the time to 30 June 2019.

On February 25, 2019, PPSN Co., Ltd. and Beppu Forest Power Co., Ltd. entered into an agreement. It was agreed that Beppu Forest Power Co., Ltd. would pay a second deposit of 400 million yen and transfer 25% of Beppu Forest Power Co., Ltd.'s shares to PPSN Co., Ltd. by the 15th. March 2019 and PPSN Co., Ltd. will transfer ownership of 4 power plants (part of the 15 plants above) to Beppu Forest Power Co., Ltd. within 15 days of receiving payment.

On April 5, 2019, PPSN Co., Ltd. entered into a property sales agreement of 4 power projects (part of the above 15 plants, comprising two P-Power and two Lena - 1 power plants with Beppu Forest Power Co., Ltd. for 800 million yen, with payment of 400 million yen within 2 weeks after the contract is made and another 400 million yen within 1 year after the contract. And making additional memorandum of agreement, entering into contracts to sell the assets of the power projects for 4 plants must be approved by the Board of Directors.

On April 11, 2019, PPSN Co., Ltd. received a deposit of 400 million yen from Beppu Forest Power Co., Ltd.

The company received a total deposit of 600 million yen (approximately 165.56 million baht) presented as a deposit. Under other current liabilities

On December 23, 2019, the Board of Directors Meeting No. 22/2019 considered the progress of the sale of 15 power plants in geothermal power projects in Japan, summarizing the events as follows:

In the sale of geothermal power plants In Japan, 15 plants according to the resolution of the committee on May 15, 2018, selling at a price of 320 million yen per plant according to the preliminary agreement (Memorandum of Understanding, MOU) dated June 21, 2018, The sub-contract of Japan entered into 3 contracts with the following key points

The first contract dated February 25, 2019, with the essence of that, Beppu Forest Power Co., Ltd. will pay a second deposit of 400 million yen (about 116.28 million baht) and will transfer 25% of the shares to PPSN Co., Ltd. and PPSN Co., Ltd. will transfer ownership of 4 power plants to Beppu Forest Power Co., Ltd. within 15 days of receiving payment.

The second contract, dated April 5, 2019, is a memorandum of agreement that Beppu Forest Power Co., Ltd. and PPSN Co., Ltd. agreed that Beppu Forest Power Co., Ltd. has the right to terminate the agreement if the property transfer agreement. (Contract 3) not approved by the Board of Directors

The third contract, dated April 5, 2019, has four parties: Beppu Forest Power Co., Ltd., PPSN Co., Ltd., Lena Power Station No. 1 LLC., And the company which this agreement was signed by Beppu Forest. Power Co., Ltd. and PPSN Co., Ltd., which only mentioned the purchase of power plants at a price of 200 million yen per plant, ownership of 2 PPSN Co., Ltd. and Lena Power Station No. The total is four plants worth 800 million yen and does not mention a 25% share transfer, which is against the first contract.

The company Consulted with a legal advisor in Japan In the case of the third contract It will be binding on the company or not. The legal advisor has a Legal Opinion, with the following conclusions.

1. In the case of Lena Power Station No.1 LLC. If it can be proven that Lena Power Station No.1 LLC. Has not authorized PPSN Co., Ltd. to sign an agreement on its behalf. It will not be binding on Lena Power Station No. 1 LLC.

2. In the case that the company can prove that The company does not authorize PPSN Co., Ltd. to sign an agreement on their behalf. Will not be binding on the company

PPSN Co., Ltd. by former director (Mrs. Yoko Kando) at that time informed that in person he did not sign by himself. But the former director (Takashi Nishida) signed instead by the Japanese legal advisor informed that According to Japanese law, this is the case of True Intention, it is the real intent of the contract. If contrary to the intent of the signatory This contract will be null and void. If it can be proven that the former 2nd director has not signed this contract, but the former director No.1 has signed on behalf of this agreement, PPSN Co., Ltd. will not be bound as well.

In accordance with the resolution of the Board of Directors Meeting No. 22/2019 held on December 23, 2019, resolved to send a notice informing Beppu Forest Power Co., Ltd. to pay the remaining 4,200 million yen to the company by date. January 31, 2020, if Beppu Forest Power Co., Ltd. ignores the remaining payment. Let the company exercise the right to terminate the contract and seize the deposit of 600 million yen (or approximately 176 million baht), as well as hurry to find other investors interested in the future. Along with accelerating production efficiency improvements and acknowledge the arbitrary contract of the subsidiary in Japan

Later on December 25, 2019, the company sent a letter according to the resolution of the meeting to Beppu Forest Power Co., Ltd., summarized as follows.

The company insisted on selling the power plants at a price of 320 million yen per plant, rejecting the contract that Beppu Forest Power Co., Ltd. made later to buy four power plants at a price of 200 million yen each and asked. Let Beppu Forest Power Co., Ltd. make the remaining payment according to Initial agreement (Memorandum of Understanding, MOU) of 4,200 million yen by January 31, 2020, otherwise the company will cancel the contract and continue to seize the deposit.

Subsequently, on January 24, 2020 and February 20, 2020, the Company was notified by the Subsidiary in the Electricity Generating Group that the Purchaser had informed the Subsidiary that the Purchaser had taken the payment for the electricity they had to pay In 2020, four power plants comprised two P-Power and two Lena - 1 power plants the company had to receive from electricity sales revenue of JPY 11,383,944 and JPY 16,599,528 respectively. Oita Legal Affairs Bureau (Oita Legal Affairs Bureau) due to Beppu Forest Power Co., Ltd., which has entered into an agreement to buy 15 power plants from a group of power generating companies. Have asked the buyer of electricity Pay electricity bills to Beppu Forest Power Co., Ltd. Power buyers therefore have questions about their right to receive electricity bills. For the period January to July 2020 due in February to August 2020, placed at the Oita City Law Office (P-Power and Lena stopped producing electricity in August 2020 and June 2020, respectively).

According to the resolution of the Board of Directors Meeting No. 1/2020 held on February 5, 1820, it resolved to acknowledge the progress of the sale of 15 power plants. At present, Beppu Forest Power Co., Ltd. has not yet paid the rest. With the company Therefore, the management will seize the deposit of 600 million yen by going to consult with the legal advisor.

On June 18, 2020, PPSN Co., Ltd. received a letter from Beppu Forest Power Co., Ltd., a counterparty to acquire PPSN Co., Ltd.'s geothermal power plant by Beppu Forest Power Co., Ltd., referring to the contract No. 2 dated April 5, 2019, whereby the contents of this agreement will sell four power plants at a price of 200 million yen each, totaling 800 million yen by Beppu Forest Power Co., Ltd. 400 million yen will be paid within 2 weeks, and the remaining 400 million yen will be paid within a year. Four of the power plants are owned by PPSN Co., Ltd. 2 and 2 are owned by Lena Power Station No. 1 LLC. Beppu Forest Power Co., Ltd. will cancel the purchase of 2 power plants of Lena Power Station No. 1 LLC., A 100% subsidiary of the company.

And on July 17, 2020, PPSN Co., Ltd. received a "summons to report on the 1st oral announcement and a letter of response request" from Beppu Forest Power Co., Ltd. demanding PPSN Co., Ltd. pays to Beppu Forest Power Co., Ltd. in an amount of 40,540,542 yen plus accrued interest at the rate of 3% per annum from May 2, 2020 until the payment is completed and paid. In this regard, "the summons for reporting on the day of the 1st oral statement and the letter of response," requires PPSN Co., Ltd. to submit the testimony on 27 August 2020.

On August 6, 2020, PPSN Co., Ltd. received an order to temporarily freeze assets. From the Tokyo District Court in Japan, number 2, the essence of the temporary asset freeze order can be summarized as follows

1. Temporary seizure order No. 1 The court issued an order to temporarily freeze 2 land plots of PPSN Co., Ltd., which is the location of 1 power plant (Unit B power plant), designated Beppu Forest Power Co., Ltd. has a guarantee of 300,000 yen. Or withdraw an order to temporarily freeze assets

2. Temporary Freezes Order No. 2 The Court issued an order to temporarily freeze revenue from the sale of electricity of Unit B power plant from July 17, 2020 to July 16, 2021, requiring Beppu Forest Power Co., Ltd. to place Insurance 7,900,000 yen If PPSN Co., Ltd. can place a collateral amount of 39,433,306 yen, PPSN Co., Ltd. can suspend this order. Or withdraw an order to temporarily freeze assets

The company has assigned a lawyer responsible for the case. Submitting a petition against the attachment of both copies, which are expected to be completed within the first quarter of 2021

On August 27, 2020, the Director and Chief Executive Officer of PPSN Co., Ltd. reported himself by the 1st oral statement. PPSN Co., Ltd. appointed a lawyer on that date and PPSN Co., Ltd. has clarified the information to the court on October 6, 2020 and November 5, 2020.

On December 24, 2020, Beppu Forest Power Co., Ltd. and PPSN Co., Ltd. reported to the court on time, the Beppu Forest Power Co., Ltd. announced to the court that Beppu Forest Power Co., Ltd. will ask for further additions. The Court therefore required Beppu Forest Power Co., Ltd. to submit an objection against the testimony by February 5, 2021, with the fourth hearing scheduled for February 15, 2021.

On February 15, 2021, PPSN Co., Ltd. and Beppu Forest Power Co., Ltd. submitted to the court and clarified the information to the court. By setting the date for the 5th hearing on April 13, 2021

In addition, at the meeting No. 8/2018 on May 18, 2018, the Board of Directors approved the Company (Or the Company's subsidiary) entered into a joint investment transaction with Rich Partners Co., Ltd. ("Rich Partners"), a company established under the laws of Japan. (Or a subsidiary of Rich Partners) in real estate projects Under a project called Riverside Tower ("Riverside Project") located in Da Nang city. Vietnam It was developed under the project owner company called Sun Frontier Investment Company Limited, a company established under the law of Vietnam and on August 21, 2018, the Company established a subsidiary of the Company. In Singapore under the name P PRIME SINGAPORE PTE. LTD., In which the Company holds 100% of the shares in that company. To enter into investment transactions in the Riverside Project With a subsidiary of Rich Partners in Singapore on June 25, 2018, a deposit of 210 million yen was paid and the rest of the payment will be made upon the conditions precedent. As stipulated in the joint venture agreement Completed

Subsequently, the Board of Directors' Meeting No. 15/2019 held on July 30, 2019, passed a resolution approving the Company to issue a letter of cancellation of the said investment. And request a refund Because the development of the project was delayed beyond what was agreed. In addition, development costs of the project are higher, on November 1, 2019, the company received the deposit back in the amount of 171 million yen from Rich Partners Co., Ltd.

On May 1, 2020, the Company received a further deposit of 5 million yen (equivalent to 1.48 million baht) from Rich Partners Co., Ltd.

At present, the company is in the process of following closely. And will take legal action to demand reimbursement

The company has started investing in wind power projects in Aomori since 2017 by setting up a new company in Japan totaling 7 units worth 232 million yen. Sold Later in January 2018, the company passed a resolution to invest in a wind power plant project at Aomori. Japan added 20 projects

According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2018 on July 16, 2018, approved the business restructuring plan. Allowing the company Established a new subsidiary company named (Thai Luxe Enterprise (Thailand) Company Limited) to accept the transfer of aquaculture feed and pet food business. By accepting partial business transfer (PBT), which is the production of aquaculture feed, namely shrimp feed and fish feed production line, and the production of pet food (FOOD), all assets and liabilities involved and used in the Operate such businesses, contracts, licenses and relevant investment promotion certificates Including all personnel related to the aforementioned business With the establishment of Thai Luxe Enterprise (Thailand) Company Limited was completed on September 18, 2018 in the amount of 1 million baht (100,000 ordinary shares at 10 baht per share), the company holds 99,997 shares. Shares or 99.99 percent of the registered capital

According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2019 on February 8, 2019 of Thailuxe Enterprise (Thailand) Co., Ltd. approved an amendment to the details of the transfer of aquaculture feed business from PP Prime Public Company Limited, which consists of assets, liabilities, business licenses. And all employees involved in the said animal feed business Effective from January 1, 2019 (Business Transfer Date), by determining the value of the business transfer according to the book value according to the partial business transfer criteria.

The Board of Directors' Meeting No. 22/2019 held on December 23, 2019 resolved to acknowledge the progress of partial business transfer that The company was notified by the Revenue Department about taxes that will be exempt from the transfer of part of the company. Found that they did not comply with the rules and regulations for the submission of tax exemption on the partial business transfer

The Revenue Department has a conclusion for the company. That is, the company is not eligible for specific business tax exemption. (For real estate) and VAT The reason is that the total assets of Thai Luxe Enterprise (Thailand) Company Limited are less than the assets transferred from PP Prime Public Company Limited. Problems for the Company's business transfer are 2 options as follows:

1) cancel the transaction Or reverse the entire business transfer It is regarded as that this transaction has not happened. But in this case, there will be a problem in which the company has pledged the shares of Thai Luxe Enterprise (Thailand) Company Limited with the issuance of debentures No. 1/2019

2) Does not provide benefits And considered to be a sale of assets, transfer of assets that are real estate (Do not transfer land) of both factories in Phetchaburi and Songkhla, such as machinery, raw materials, finished products. Which does not pay tax on the transfer, but will pay Vat 7% and will have a double penalty and a 1.5% increase per month, including the value added tax that the company has to pay in total approximately 25 million baht.

However, in 2019, the company has recorded an additional penalty of Baht 25 million in the financial statements of 2019.

According to the Board of Directors meeting No. 1/2020 held on February 5, 2020, the important resolutions are as follows:

1. The company does not comply with the tax exemption conditions in the business transfer of the Revenue Department. Therefore are not eligible for specific business tax exemption (For real estate) and VAT (For real estate) The company will have to pay tax, there are 2 approaches that we ask to consider:

- 1) Have the Revenue Department make a letter informing the company that it is not exempt from tax. In this case, the Revenue Department will consider reducing the VAT penalty for the company by approximately 50% of the tax payable.

- 2) If the company makes a letter of consent to withdraw the business transfer request The company will reduce the VAT penalty approximately 100% of the tax payable.

2. Has a resolution not to withdraw the business transfer request for tax exemption on the business transfer

The company met with a large tax business administration center, the Revenue Department found that the company did not meet the criteria for applying for tax exemption on partial business transfers. As a result, the company has to pay tax on the partial business transfer. Subsequently, on July 15, 2020, the Company made payment of value added tax and surcharge. Only for the transfer of movable assets such as machinery, raw materials and other assets used in the business of production for export only in the amount of 5,454,548.81 baht consisting of

1. VAT Calculated from the value of the transferred assets Total tax to be paid in the amount of 3,295,799.89 baht.
2. Penalty 80% discount, remaining penalties to be paid in the amount of 1,318,319.95 baht.
3. Additional money to be paid in the amount of 840,428.97 baht.

That the company has not yet transferred ownership of land and buildings Therefore, the company has no obligation to be responsible for the tax at the time of registration of the ownership transfer, including transfer tax, specific business tax, etc. However, the company has set an estimate of the expected tax payable in the amount of 23,584,405.83 baht in the financial statements.

Some items of assets that the Company has transferred to subsidiary companies are not yet able to transfer legal ownership to subsidiaries. However, the subsidiary company has the ability to command the usage. And the beneficiary of such property from the normal use of the subsidiary company.

### Major changes and developments

1. From the sale of newly issued ordinary shares (Right Offering) during June 21-25, 2021 amounting to 1,376,132,952 shares at the offering price of 0.10 baht per share. common number 1,376,132,952 shares, valued 137,613,295.20 baht. After deducting the capital increase registration fee and other expenses, the company received a net amount of 136,182,689.77 baht, details are as follows:

Purpose of use of money	Amount (baht)	Estimated time spent
Used as working capital of the company	101,707,210.32	June – December 2021
To use to repay the company's loan debt	34,475,479.45	July – December 2021
Total net after expenses	136,182,689.77	

2. From the sale of convertible bonds Between December 21, 2021 – December 31, 2021 to specific investors, namely Advance Opportunities Fund (“AO Fund”) and Advance Opportunities Fund 1 (“AO Fund 1”), amounting to 100,000 shares at a price of 1,000 baht per share. Receive money from the total capital increase in the amount of 100,000,000 baht. 97,428,240.00 baht, details are as follows:

Purpose of use of money	Amount (baht)	Estimated time spent
Used as working capital of the company	21,350,601.51	December 2021
To use to repay the company's loan debt	3,246,164.38	December 2021
Total net after expenses	24,596,765.89	
Remaining	72,831,474.11	

Note that during the period the company operates the aquatic animal feed business, it consistently and continuously develops the manufacturing process applying new technology. At present, the company was awarded the following certification standards:

1. Certification on management standards system ISO 9001:2015 from Euro Veritas Certification (Thailand) Co., Ltd.
2. Certification on environmental management standards system ISO 14001:2015 from Euro Veritas Certification (Thailand) Co., Ltd.
3. Certification on Good Manufacturing Practice for animal food production from the Department of Livestock Development, Ministry of Agricultural and Cooperatives.
4. Certification on hazard analysis Critical Control Points (HACCP) from the Department of Livestock Development, Ministry of Agricultural and Cooperatives.
5. Certification on agricultural and food products standards system Q Mark.
6. Certification on standards system ISO/IEC 17025:2005 from the Department of Science Service, Ministry of Science and Technology which is an international standards certification for assessing the technical capability of the operating room.
7. Received certification for good production standard and safety system compatible with the Islamic concept (HALAL) at the Song Khla factory from the Central Islamic Council of Thailand.
8. Energy management system jointly with the Department of Alternative Energy Development and Efficiency, Ministry of Energy.
9. Received Best Aquaculture Practices Certification (BAP) for the factory producing shrimp feed from the Aquaculture Certification Council, Inc. which is an independent US organization.

The company is the first aquatic animal feed manufacturer using the system GMP and HACCP even before the government announces the year 2004 as the Year of Safety. It can thus be proclaimed that the company is the leading producer of aquatic animal feed in Thailand.

Year	Important changes and development
1987	Established the company on 11 June to import shrimp feed from Taiwan and raise black tiger shrimp.
1989	Built aquatic animal feed factory and the factory to process frozen shrimp at Samut Songkram Province.
1990	Began producing shrimp feed for local distribution and processed frozen products for export and reduce import of aquatic animal feed.
1993	Add fish feed production line and was awarded an outstanding company for export of agricultural industry products in 1993.
1994	Converted to public company limited in February to sell common shares to raise capital from the general public and in September was approved to list the common shares in the Stock Exchange of Thailand.
1998	Ceased the production of processed frozen food due to economic recession in the country.
1999	Open a new factory in Petchaburi Province to produce aquatic animal feed and move shrimp feed production to the new factory. Invested up to 10% in SMP Food Products Co., Ltd. which produces processed frozen shrimp for local and overseas distribution.

Year	Important changes and development
2001	Awarded the quality standards certification system ISO 9002 from UKAS, United Kingdom. The factory is the first of its kind in Thailand to have been certified under ISO 9002.
2003	Awarded the quality standards certifications system ISO 9001:2000 from UKAS, United Kingdom and the shrimp feed factory was awarded the quality standard certification system GMP and HACCP from the Department of Livestock Development which is the first shrimp feed factory in Thailand to have received certifications from 2 systems and also received Q Mark certification from the Department of Livestock Development.
2004	Expanded fish feed production capacity at the Petchaburi factory and increased shareholding proportion in SMP Food Products Co., Ltd. by 11.43% to 21.43%.
2005	Reduced par value of common share from 10 baht to 1 baht and increased registered capital to accommodate warrant conversion to common shares by the company's directors and its staffs.
2007	The fish feed factory in Phetchaburi received quality standards for production system by GMP and HACCP from the Department of Livestock Development resulting in the company having received certifications on complete production system.
2008	Cease production of fish feed at the Samut Songkram factory to shift production to the Phetchaburi factory.
2009	Awarded quality certification system standards ISO 9001:2008 and changed the company's logo for sustainable development. The new logo reflects step by step progress towards the ultimate success, paying attention to the environment and the society.
2011	<ul style="list-style-type: none"> <li>• Increase registered capital to accommodate warrant conversion to common shares by the existing shareholders, company's directors and its staffs and to accommodate the issuance of Taiwan Depository Receipts: TDRs.</li> <li>• Began the aquatic animal hatchery business.</li> <li>• Awarded the Best Performing Company title and the senior management was awarded 'outstanding management' and are eligible to compete for the title "CEO Awards" in the SET AWARDS 2011 organized by the Stock Exchange of Thailand.</li> <li>• Increased shareholding proportion in SMP Food Products Co., Ltd. by 74.97% to 96.43% and changed the status from associate to subsidiary.</li> </ul>
2012	Awarded certification on environmental management standards system ISO 14001:2015 from Euro Veritas Certification (Thailand) Co., Ltd.
2013	<ul style="list-style-type: none"> <li>• Invested 100% in Thai D Meter Co., Ltd. to sell raw materials for producing animal feed.</li> <li>• Open a research and development center for aquatic animal feed at Samut Songkram Province to conduct research and development on food and specimen of economic aquatic animals.</li> </ul>
2014	<ul style="list-style-type: none"> <li>• Increased the proportion of shareholding in SMP Food Products Co., Ltd. to 97.79% and changed the name to Thai Luxe Food Products Co., Ltd. (presently MPP Food Service Co., Ltd.).</li> <li>• Awarded certification on standards system ISO/IEC 17025:2005 from the Department of Science Service with the scope on protein and fat in order to gain trust and credibility in the test outcome produced by the company's operating room.</li> </ul>

Year	Important changes and development
2015	<ul style="list-style-type: none"> <li>Appointed ACM Pitthaporn Glinfueng as the Chairman of the Board.</li> <li>In July, opened a new animal feed factory in Songkhla.</li> <li>In August, signed an agreement as contract manufacturer of pet food jointly with Nutrix PCL.</li> <li>Appointed Mr. Kittiphat Chollavudhi as the Chief Executive Officer.</li> <li>Reduce shareholding proportion in Thai Luxe Food Products Co., Ltd. (presently NPP Food Service Co., Ltd.) to 55% and Nippon Pack (Thailand) PCL holds the balance 45% (of paid-up capital).</li> <li>Established a new associate company, namely, NPP Food Incorporation Co., Ltd. to manage the A &amp; W restaurant. The company holds 45% in the company and Nippon Pack (Thailand) PCL, 55% (of paid-up capital).</li> <li>Towards end of December 2015, the company's BOD had approved to invest in the geothermal electricity generating project which is anticipated to generate revenues in 2016.</li> </ul>
2016	<ul style="list-style-type: none"> <li>In February, the company invested in the common shares of ACAP Advisory PCL ("ACAP") in the value not exceeding 280 million baht and the company entered into an agreement to rent the People Park Project Onnut which is a home office project totaling 8 units for the rental period of 18 years to develop the pet food business to become PET CENTER or comprehensive service center for pet lovers (at the present the People Park project is in the middle of construction and the company shall begin to pay rent upon occupying the place).</li> <li>In February, established T Luxe Power Co., Ltd., a Thai juristic entity. The company holds 100% share of its registered capital of 100,000,000 baht.</li> <li>In April, established T Luxe Investment Co., Ltd., a Mauritius-based juristic entity with registered capital of USD 10,000.- 100% owned by T Luxe Power Co., Ltd., then established T Luxe Holding Co., Ltd., a Hong Kong-based juristic entity with registered capital of USD 10,000.-, 100% owned by T Luxe Investment Co., Ltd. to invest in the geothermal electricity generating business.</li> <li>In May, the company acquired the business (4 geothermal electricity generating units) from PPSN Co., Ltd., a Japanese juristic entity.</li> <li>In June, 2 geothermal electricity generating units began to commercially generate revenues (COD) and the company bought the business from Sumo Power Co., Ltd. (SUMO), a Japanese juristic entity which owns 8 units of geothermal electricity generating units. Furthermore, the company entered into a new agreement involving contract manufacturing of pet food jointly with Nutrix PCL.</li> <li>In July, the company sold all the shares in Thai Luxe Food Products Co., Ltd. and in NPP Food Incorporation Co., Ltd. to Nippon Pack (Thailand) PCL.</li> <li>In August, the company entered into a joint venture with Setouchi Natural Energy Co., Ltd. (Setouchi) via PPSN Co., Ltd. (PPSN) by establishing a new company, namely, M Luxe Energy Co., Ltd. (M-LUXE), a Japanese juristic entity. PPSN holds 25% in M-Luxe whereas Setouchi holds 75% of its registered capital of 10 million yen.</li> <li>Towards year end, PPSN established Otoyama Co., Ltd. (100% owned by PPSN) and SUMO established S Power Co., Ltd. and SNS Power Co., Ltd. (100% owned by SUMO) applied to seek approval to manage the existing electricity generating projects.</li> </ul>

Year	Important changes and development
2017	<ul style="list-style-type: none"> <li>• In January, Khun Arporn Seniprakornkrai resigned from the directorship position.</li> <li>• In March, the company invested in 1 geothermal electricity generating project in Beppu, Oita Province via SNS Power Co., Ltd. (SNS Power).</li> <li>• In February, invested in wind turbine electricity generating project at Aomori, Japan totaling 5 projects.</li> <li>• In March, invested in wind turbine electricity generating project at Aomori, Japan totaling 1 project.</li> <li>• In April, the Board appointed Dr. Pongrak Jindasombatcharoen and Police Lieutenant Colonel Thienrath vichiensan as directors.</li> <li>• In May, Dr. Denchai Akkradejdechachai resigned from his capacity as the Chairman of the Audit Committee but retain his executive director position and Police Lieutenant Colonel Thienrath Vichiensan replaces him as the Chairman of the Audit Committee.</li> <li>• In July, Khun Patcharada Juthapratheep resigned from the position of Vice President – Accounting &amp; Finance Division and was re-appointed as Vice President – Office of the Secretary to the Board of Director and the company appointed Khun Suwit Wannasirisook as her replacement.</li> <li>• In July, issue and sell debenture amounting 260.5 million baht.</li> <li>• In August, Khun Kittiphat Chollavudhi resigned from the position of Chief Executive Officer (CEO), a director, Managing Director and a director in all subsidiaries. The company then appointed General Chaowarit Prapajit as acting CEO and appointed Khun Suwit Wannasirisook to assume the position of company director, Managing Director and directors of subsidiaries in place of Khun Kittiphat Chollavudhi</li> <li>• In August, the company enter into share purchase agreement and control authority in Fino Binary Power Plant Limited Liability Company (FINO) (Japanese juristic entity) which operates 2 geothermal electricity generating plants.</li> <li>• In September 2017 the company enter into share purchase agreement and control authority in 4 companies as follow <ul style="list-style-type: none"> <li>- Beppu Tsurumi Onsen Geothermal Power Station No. 1 Liaison Company (BEPPU) (Japanese juristic entity) which operates 2 geothermal electricity generating plants.</li> <li>- NIS Binary Power Plant Limited Liability Company (NIS) (Japanese juristic entity) which operates 2 geothermal electricity generating plants.</li> <li>- Dual Energy Binary – Power Plant No. 1 Limited Liability Company (DUAL) (Japanese juristic entity).which operates 2 geothermal electricity generating plants.</li> <li>- Lena Power Station No. 1 Limited Liability Company (LENA) (Japanese juristic entity) which operates 2 geothermal electricity generating plants.</li> </ul> </li> <li>• In September, General Chaowarit Prapajit resigned from his position as deputy Chairman of the Board but retained his directorship position. Also appointed DR. Pongrak Jindasombatcharoen to the deputy Chairman of the Board position and appointed General Chaowarit Prapajit as the company's CEO.</li> </ul>

Year	Important changes and development
2017	<ul style="list-style-type: none"> <li>• In October, invested in P Green Energy Co., Ltd. (a Japanese juristic entity established in Japan).</li> <li>• In November, repaid principal of a debenture totaling 500 million baht (not include interest) (please refer to the issuance and offering of debenture on 18 February 2016 of 500 million baht).</li> <li>• In December, approved to invest in 9 geothermal electricity generating projects at Beppu, Oita Province, Japan.</li> </ul>
2018	<ul style="list-style-type: none"> <li>• In January, 20 projects were invested in wind power plants in Aomori, Japan.</li> <li>• In March, established Origin Power Investment Company Limited by Tluxe Power Company Limited (a subsidiary company) holding 100% of the registered capital. To arrange tax structure for investment in wind power plant projects</li> <li>• In May <ul style="list-style-type: none"> <li>- Resolved to approve the distribution of geothermal power plants for 15 projects</li> <li>- Joint investment in real estate projects in Vietnam with Rich Partners Company Limited under the project named "Riverside Project"</li> <li>- Repayment of debentures with interest of 386.2 million baht</li> </ul> </li> <li>• In June, Mr. Pongrak Jindasombatchareon Resigned from the position of Vice Chairman of the Board of Directors, Chairman of the Executive Committee and Chairman of the Investment Committee And other sub-committees By appointing General Chaowarit Prapajit to be the Vice Chairman of the Board of Directors, Chairman of the Investment Committee instead</li> <li>• In July <ul style="list-style-type: none"> <li>- The shareholders' meeting resolved to transfer some business (Partial Business Tranfer: PBT) in the business of animal feed production to a newly established subsidiary (Thai Luxe Enterprises (Thailand) Company Limited)</li> <li>- The shareholders' meeting resolved to issue and allocate the warrants to purchase the newly issued ordinary shares of the Company to the existing shareholders of the Company. According to the shareholding proportion at the rate of 4 to 1, amount not exceeding 140,762,672 baht</li> <li>- The shareholders' meeting resolved to issue and offer and allocate Newly issued convertible debentures and granting the right to convert into ordinary shares of the Company to private persons (Private Placement) which are major investors and / or institutional investors With the offering value not exceeding 980,000,000 baht</li> <li>- The shareholders' meeting resolved to reduce the registered capital of the company to 563,050,687 baht</li> <li>- The shareholders' meeting resolved to increase the registered capital of the company to 843,813,359.baht.</li> </ul> </li> <li>• In August, Mr. Nasu Chunsom took up the position of Director, Executive Director, Chief Executive Officer (Joint), Investment Committee.</li> <li>• In September <ul style="list-style-type: none"> <li>- Mr. Suwit Wannasirisook resigned from the position of Director, Executive Director, Director of all subsidiaries and Chief Finance Officer By appointing Mr. Nasu Chunsom as the Chief Finance Officer</li> </ul> </li> </ul>

Year	Important changes and development
2018	<ul style="list-style-type: none"> <li>- Change the company name from the former Thai Luxe Enterprises Public Company Limited to change to PP Prime Public Company Limited, change the symbol abbreviation, change the logo and the company's seal To comply with changing the company name</li> <li>- Thai Luxe Enterprises (Thailand) Company Limited is registered as a Thai legal entity. Which the company holds 100% of the registered capital, registered capital of 1,000,000 baht (which is a subsidiary of the company To accept the transfer of part of the business of the company</li> </ul>
2019	<ul style="list-style-type: none"> <li>• In January <ul style="list-style-type: none"> <li>- Mr. Nasu Chunsom resigned as Chief Finance Officer, Director, Executive Committee and Director All subsidiaries and the finance and accounting director</li> <li>- Issuing and offering debentures in the amount of 207.6 million baht</li> </ul> </li> <li>• In June <ul style="list-style-type: none"> <li>- The shareholders' meeting has a resolution to allocate new ordinary shares of the Company to the existing shareholders of the company according to the proportion of shareholding in the ratio of 2: 1, not exceeding 281,525,344 baht</li> <li>- The shareholders' meeting has a resolution to issue and offer warrants to purchase the ordinary shares of the company, version 4, to the existing shareholders of the company. According to the proportion of shareholding in the ratio of 3 to 1, not exceeding 281,525,344 baht</li> <li>- The shareholders' meeting resolved to reduce the registered capital of the company to 563,050,687.- baht</li> <li>- The shareholders' meeting resolved to increase the registered capital of the company to 1,126,101,375.- baht</li> </ul> </li> <li>• In July <ul style="list-style-type: none"> <li>- Mr. Suthee Tantiwanichanon take the position of Chief Finance Officer, Director, Executive Committee,</li> <li>- Mr. Suthee Tantiwanichanon Resigned from the position of Accounting and Finance Director, Director, Executive Committee,</li> <li>- Approved the cancellation of investment in a real estate project in Vietnam with Rich Partners Company Limited in the project called "Riverside Project"</li> <li>- Has approved the setting up of the Nomination and Remuneration Committee</li> </ul> </li> <li>• In August <ul style="list-style-type: none"> <li>- Paid of Baht 134 million of debentures</li> <li>- A.C.M. Pitthaporn Glinfueng resigned from the position of Chairman of the Board of Directors. By appointing Mr. Parin Chanuntranont to be the Chairman of the Board of Directors instead</li> <li>- GEN Chaowarit Prapajit resigned Vice Chairman of the Board of Directors, Chairman of Executive Committee, Chief Executive Officer. By appointing Mr. Waroon Atthakorn to replace the position</li> <li>- Mrs. Natee Chuansanit resigned from the position of Audit Committee by appointing Mr. Boonjing Cholviroj to be the member of the Audit Committee instead</li> </ul> </li> </ul>

Year	Important changes and development
2019	<ul style="list-style-type: none"> <li>- Mr. Theera kitjarurat Take position as a director, executive committee</li> <li>- Mr. Praween Deekajonedej took position Executive Committee, Chief Finance Officer and directors in subsidiaries</li> <li>• In September <ul style="list-style-type: none"> <li>- Resolution canceling the investment committee</li> <li>- Hold the bondholders' meeting, version TLuxe198A, on 2 September 2019 to revise the terms and conditions to extend the term of the debentures from the original due on 2 August 2019 to 2 July 2020.</li> </ul> </li> <li>• In November <ul style="list-style-type: none"> <li>- Hold a meeting of bondholders of model TLuxe205A on 12 November 2019 to amend the terms and conditions for using TLuxe Power shares as additional collateral.</li> </ul> </li> </ul>
2020	<ul style="list-style-type: none"> <li>• In February <ul style="list-style-type: none"> <li>- Ms. Namkang Phungthong takes position as Chairman of the Board of Directors</li> <li>- Has passed a resolution approving the establishment of a foreign investment committee.</li> <li>- Hold TLUXE205A bondholders meeting on February 27, 2020 to amend the terms and conditions to extend the maturity period of the debentures from the original maturity date of May 8, 2020 to the maturity of 8 May 2021, with a partial redemption of 15% (30 million Baht) and request to redeem 18,900,200 shares of Star Universal Network Public Company Limited for sale and payment of debentures (as of December 31, 2020, the company has not redeemed Star shares for sale) and amend the terms. Rights by requesting exemption of conditions for maintaining debt to equity ratio</li> <li>- Hold TLUXE198A bondholders meeting on February 27, 2020 to amend the terms and conditions to extend the maturity period of the debentures from the original maturity date 2 July 2020 to the maturity 2 July 2021 with a partial redemption of 20% (63.9 million baht)</li> <li>- Hold a bondholders meeting, model PPPM213A, on February 28, 2020 to amend the terms of the right to maintain the debt to equity ratio from 3: 1 to 7: 1.</li> </ul> </li> <li>• In March <ul style="list-style-type: none"> <li>- Hold a meeting of bondholders, model TLUXE198A on March 24, 2020 to amend the terms of the right to maintain the debt to equity ratio from 3: 1 to 7: 1.</li> </ul> </li> <li>• In June <ul style="list-style-type: none"> <li>- The shareholders' meeting resolved to reduce the Company's registered capital to 916,901,123. - Baht</li> <li>- Hold TLUXE205A bondholders meeting on June 9, 2020 to redeem land with buildings and vacant land. At Samut Songkhram Province and shares of TLuxe Power Company Limited from being collateral and bringing machines to Songkhla Come as collateral instead</li> </ul> </li> </ul>

Year	Important changes and development
2020	<ul style="list-style-type: none"> <li>In July <ul style="list-style-type: none"> <li>Mr. Waroon Atthakorn resigned from the position of Director, Chief Executive Officer, Chief Executive Officer and directors of all subsidiaries</li> <li>Mr. Boonjing Cholwiroj resigned from the position of Audit Committee</li> <li>M.L.Phanpiengduean Sungkahaphong as Director, Chairman of Executive Committee, Chief Executive Officer, Foreign Investment Supervisory Committee And Director of the Subsidiary</li> <li>Lt.Gen. Krisana Waropas assumed the position of Audit Committee.</li> </ul> </li> </ul>
2021	<ul style="list-style-type: none"> <li>In February <ul style="list-style-type: none"> <li>Organized a meeting of the bondholders of TLUXE213A on February 1, 2021 to amend the terms and conditions to extend the maturity period of the debentures from 18 March 2021 to due 18 March 2023 and amend the repayment date of the debentures every 6 months. Payment is made on 21 March and 21 September of every year throughout the term of the debentures. and amending the debenture interest rate to 8.59 percent per annum and amending the terms and conditions by requesting to waive the condition of maintaining the debt to equity ratio</li> <li>Organized a meeting of the bondholders of TLUXE205A on February 1, 2021 to amend the terms and conditions to extend the maturity period of the debentures from May 8, 2021 to May 8, 2023 and amend the repayment date of the debentures every 6 months. Payment is made on 8 February and 8 August of every year throughout the term of the debentures. and amending the debenture interest rate to 7.06 percent per annum and amending the location of machinery used as collateral for debentures</li> <li>Organized a meeting of debenture holders model TLUXE198A on February 5, 2021 to amend the terms and conditions to extend the maturity period of the debentures from July 2, 2021 to July 2, 2023 and amend the interest payment date. Debentures every 6 months, payable on May 2nd and November 2nd of every year throughout the term of the debentures. and amending the interest rate of the debentures to 7.83 percent per annum and amending the terms and conditions by requesting to waive the condition of maintaining the debt-to-equity ratio</li> <li>Mr. Kanokwan Wannabutr and Mr. Phatcharada Jutaprateep resigned from the position of directors Executive Director and directors of subsidiaries</li> </ul> </li> <li>In April <ul style="list-style-type: none"> <li>Organized a meeting of the bondholders of TLUXE205A on April 5, 2021 to cancel the settlement of the difference in proceeds from the sale of shares in Star Universal Network Public Company Limited.</li> </ul> </li> <li>In May <ul style="list-style-type: none"> <li>Change of the head office location at 62-62/1 Village No. 2, U-Tapao Rd., Nong Chumphon Sub-district, Khao Yoi District, Phetchaburi Province</li> </ul> </li> </ul>

Year	Important changes and development
2021	<ul style="list-style-type: none"> <li>• In June <ul style="list-style-type: none"> <li>- The Extraordinary General Meeting of Shareholders No. 1/2021 resolved to allocate the Company's newly-issued shares to the existing shareholders in proportion to their shareholding in the ratio of 1 existing share to 2 newly-issued ordinary shares. 1,376,132,952 baht</li> <li>- The Extraordinary General Meeting of Shareholders No. 1/2021 resolved to increase the registered capital of the Company in the amount of 1,651,132,952 baht.</li> </ul> </li> <li>• In July <ul style="list-style-type: none"> <li>- Land for sale in Samut Songkhram province, area 50 rai 1 ngan 53.4 square wa with buildings on the said land for a price of 174,000,000 million baht.</li> <li>- Repay the debt to the Export-Import Bank of Thailand in the amount of 154,740,000 baht.</li> </ul> </li> <li>• In October <ul style="list-style-type: none"> <li>- The Extraordinary General Meeting of Shareholders No. 2/2021 resolved to amend the exercise price of PPPM-W4 so that the exercise price could be adjusted to be lower than the par value of the Company's shares.</li> <li>- Cancellation of Samut Songkhram Provincial Branch Office Office address at 69/5 Village No. 5, Rama 2 Road (Km.71), Bang Khan Taek Subdistrict Mueang Samut Songkhram District Samut Songkhram Province</li> <li>- Mr. Teerawit Thanakitsunthorn resigned from the position of Director and Chairman of the Audit Committee</li> </ul> </li> <li>• In November <ul style="list-style-type: none"> <li>- The Extraordinary General Meeting of Shareholders No. 3/2021 resolved to issue and offer convertible debentures to specific investors.</li> <li>- The Extraordinary General Meeting of Shareholders No. 3/2021 resolved to increase the registered capital of the Company in the amount of 510,000,000 baht.</li> <li>- Mr. Aran Permpiboon took the position of Director and Chairman of the Audit Committee</li> <li>- Mr. Waiwit Udayachalerm took the position of Director and Member of the Audit Committee</li> <li>- Mr. Teera Kitjarurat resigned from the position of Director</li> <li>- M.L. Phanpiengduen Sungkahapong resigned from the position Chief Executive Officer</li> <li>- Mrs. Supattra Nakmontanakum took the position of Director and Chief Executive Officer</li> </ul> </li> <li>• In December <ul style="list-style-type: none"> <li>- Offering and issuing convertible debentures for the first time in the amount of 50,000,000 baht (50 units)</li> <li>- M.L. Phanpiengduen Sungkahapong resigned from the position Chairman of the Executive Committee</li> <li>- Mrs. Supattra Nakmontanakum took the position Chairman of the Executive Committee</li> </ul> </li> </ul>

## Business

### Income Structure

Income	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Income from the sale of animal feed	2,047.89	95.99%	1,596.14	96.45%	628.01	83.17%
Income from the sale of frozen food	-	-	-	-	-	-
Income from farming	-	-	-	-	-	-
Income from electricity sale	71.27	3.34%	21.42	1.29%	21.78	2.88%
Others	0.26	0.01%	0.08	0.00%	-	-
<b>Total income from sales</b>	<b>2,119.42</b>	<b>99.34%</b>	<b>1,617.64</b>	<b>97.75%</b>	<b>649.79</b>	<b>86.05%</b>
Received Interest income	1.75	0.08%	1.90	0.09%	0.03	0.00%
Gain on investment in securities	-	-	-	-	15.18	2.01%
Profit from disposal of property	-	-	-	-	32.98	4.37%
Gain on fair value measurement	-	-	-	-	3.52	0.47%
Gain on disposal of investment in subsidiaries	0.21	0.01%	1.75	0.08%	-	-
Other income	12.08	0.57%	33.59	2.03%	53.63	7.10%
<b>Total income</b>	<b>2,133.46</b>	<b>100.00%</b>	<b>1,654.88</b>	<b>100.00%</b>	<b>755.13</b>	<b>100.00%</b>

### Product Description or Service

- FOOD

#### Animal Feed Business

Animal feed business is divided into 2 main parts: production line of shrimp feed, production lines of fish feed and pet feed. Currently, the factory is located in Phetchaburi province. It is a fully integrated factory, starting from raw material procurement, manufacturing and distribution with a shrimp feed production capacity of 80,400 tons per year, with fish and pet feed production capacity of 61,000 tons per year. Each production line is composed of shrimp feed production, fish feed production and pet feed production. The Company classifies the production lines according to its own products, including the storage of raw materials separately. This is to maximize the efficiency in the production and storage of raw materials for each product. Other management functions are centralized in many areas such as sale and marketing, procurement, quality assurance departments, etc.

Animal feeds are produced in the granular form from the agricultural products such as fish meal, wheat flour and soybean meal, etc. and they are produced by controlling the recipes and the production in every step are performed by modern machinery to obtain the equal quality of animal feed within the specified standards.

The Company has a research and aquaculture development center at Phetchaburi province to increase the capacity of research and development of aquaculture products and to response with the change in food technology all the time together with the development of food recipe for aquatic animals to allow a high growth rate per day (ADG) and low feed conversion ratio (FCR) (FCR is the efficient rate to feed in low quantity but obtaining the better weight of fish).

## Capacity Management

The Company has two production factories for animal feed at Phetchaburi province and Songkhla province. The production plan is to support the production order capacity and response the needs of market continuously to avoid the over-capacity or under-capacity and to manage the increase or decrease orders to be consistent and suitable with current production capacity.

Animal feed products are divided into

- 1) Shrimp feed products are 3 types:
  1. Black Tiger Shrimp under the brand name “Thai Luxe Gold Thai Luxe Lucky Speed”
  2. Vannamai White Shrimp under the brand name “Vanna Thailuxe Work”
  3. Supplementary Shrimp Feed under the brand name “Thai Luxe Pro Choice”
- 2) Fish feed products are available in 6 types and 1 type of frog feed which are:
  1. Catfish Feed under the brand name “Thai Luxe, Lucky Work Speed and Pro Choice”
  2. Tilapia Feed under the brand name “Thai Speedway and Speedway”
  3. Herbivore Fish Feed under the brand name “Thai lux and work”
  4. Sea Bass Feed under the brand name “Thai Luxe”
  5. Trichogaster pectoralis Fish Feed under the brand name “Thai Luxe”
  6. Frog Feed under the brand name “Thai Luxe”
- 3) Pet Feed Products that are made by order such as dog feed, cat feed, beautiful fish feed and bird feed.

## ● FARM

### Aquaculture for Research and Product Development

The concept of aquaculture is focused on research and development of good products by adopting various technologies and technologies to find out how to prevent plague in aquatic animals. This can be achieved by focusing on Biotechnology farming and avoiding the use of drugs and chemicals for sustainable aquaculture including the contamination protection system of various pathogens and the vectors that cause the contamination of pathogen and damage to the production of Bio-security. This will be a sample farm for interested farmers.

At present, there are areas for aquaculture. By improving of the Company's aquaculture farms at Tambon Khlong Khon, Samut Songkhram Province on the area more than 240 Rai

## Investment encouragement

PP Prime Public Company Limited (formerly Thai Luxe Enterprises Public Company Limited) is granted by tax privileges under the Investment Promotion Act with the approval of the Board of Investment under the promotion certificate as follows: Certificate No. 2091 (2) / 2011 on August 31, 2011 for the production and distribution of aquatic animal feed under some terms and conditions. The privileges include the exemption from personal income tax. The net profit from the promoted business for a period of 8 years started from the date of commencement of business operation (June 1, 2012). The excess value of personal income tax that is exempted shall not more than the value of investment excluding land property and working capital. The reduction of import duty for machines is approved by the board and the exemption of income tax for dividends paid to shareholders. This is paid from the profits of the promoted business throughout the period of exemption from corporate income tax.

In addition, the Company has received the promotional privileges from the Board of Investment No. 1856 (2) / 2013 on June 19, 2013 and the promotional certificates No. 1131 (2) / 2015 on February 4, 2015 for the production and distribution of aquatic animal feed under the specific terms and conditions including the exemption of corporate income tax for the net gain from promoted businesses for a period of 8 years starting from the date of commencement of the business (For Certificate No. 1856 (2) / 2013 No income and for Certificate No. 1131 (2) / 2015 will commence on April 30, 2015). The exempted corporate income tax amount shall not exceed the value of investment excluding land property and working capital. The reduction of import duty for machines is approved by the board and the exemption of income tax for dividends is paid to shareholders. This is paid from the profits of the promoted business during the period of exemption from corporate income tax and is allowed to be deducted by the investment in the installation or 25% of the investment, in addition to normal depreciation.

#### ● FUTURE

##### **Geothermal Power Plant Business**

As mentioned above, the company considered investment in geothermal energy business in Japan Has an investment structure that can receive benefits under the Double Tax Convention The investment in the geothermal power plant (FUTURE) enables the company to establish TLUXE POWER in Thailand. To conduct energy business and structuring for TLUXE POWER to hold shares in Tluxe Investment Company Limited (a subsidiary) 3 companies, namely Tluxe Holding Company Limited (subsidiary), "TLUXE HOLDING", Geothermal Power A Company Limited (subsidiary) "GEO A" and Geothermal Power B Company Limited (subsidiary) "GEO B "(Hong Kong nationality entity) to hold shares in Companies that operate power plants, geothermal in Japan.

After conducting a geothermal power plant, the company foresees the business opportunity for joint development of land in Beppu. Oita Prefecture in Japan for offering to those interested in the geothermal power plant, therefore, jointly invested with Setouchi Natural Energy Company Limited (Setouchi), which owns the said area. Establishment of a new entity named M-LUXE ENERGY Co, Ltd ("M-LUXE") with a subsidiary in Japan named PPSN holding 25% of shares and Setouchi holding 75% of the registered capital of 10 million yen and the Company has paid an investment of approximately 8 plots of land amounting to 200 million yen in the form of loans and carries interest at a rate of 3 percent per annum which is determined from the cost of the company's investment at that time and compared with the loan interest Of financial institutions in Japan At present, the new shareholding structure has been established, with Tluxe Power Company Limited ("TLP") holding shares in the same ratio as PPSN Company Limited (PPSN).

##### **Real Estate Business (In Vietnam)**

The Company (or its subsidiary) jointly invests with Rich Partners Co., Ltd. ("Rich Partners"), a company established under the laws of Japan. (or a subsidiary of Rich Partners) in a mixed-use real estate project under the project name Riverside Building or Riverside Tower ("Riverside Project") is located in Da Nang City. Vietnam The project was developed under Project owner company named Sun Frontier Investment Co., Ltd. or Sun Frontier Investment Co., Ltd. ("Sun Frontier Investments"), a company established under law of vietnam And for tax benefits, the company will jointly invest in the project in the amount of not more than 3,100 million yen or 911.83 million baht (referring to the exchange rate of 29.4140 baht per 100 yen from the Bank of Thailand as of May 17, 2018).On June 25, 2018, the company paid a deposit of 210 million yen (approximately 62.31 million baht) and will pay the rest of the investment. When the conditions precedent as specified in the investment contract completeHowever, according to the resolution of the Board of Directors Meeting No. 15/2019 held on July 30, 2019, it was resolved that the Company issued a letter canceling the said investment. and requested a deposit of 65.57 million baht because the development of the said project was delayed beyond the agreement.

In addition, the cost of developing such projects is higher. On November 1, 2019, the company received a deposit of 171 million yen (equivalent to 47.10 million baht) back from Rich Partners Co., Ltd. On May 1, 2020, the company received a deposit of 5 million yen (equivalent to 1.48 million baht) back from Rich Partners Co., Ltd. Currently the company A request letter will be sent if the parties still ignore it. The company will continue to take legal action.

## Marketing and Competition

The characteristics of company's customers and distribution channels can be classified into the following categories: Aquaculture and geothermal energy business. The details are as follows.

### Aquatic Feed Business

#### 1) Customer characteristics

Currently, the group of customers is domestic, focusing on aquaculture farmers and distributors of the Company in each province. The proportion is as follows

The Company's main target customers are composed of 2 groups:

1. 70% of sales agents in each province
2. 30% of aquaculture farmers

#### 2) Distribution channels

The Company sells products through distributors and other animal feed companies which are distributed all over the country (dealers) and sold directly to farmers who own the farms or farmers who group as clubs or co-operatives. However, all distribution will be made through the following offices and distribution agents of the Company

The Company has 3 offices and 2 distribution channels of aquaculture animals as follows:

##### 1. Offices

###### 1.1 Petchaburi Office and factory

No. 62 Moo 2, U-Tapao Road, Nong Chumphon, Khao Yoi, Phetchaburi 76140

###### 1.2 Songkhla Office and factory

No. 98 Moo 13, Petchkasem Rd., Km 1232, Bang Rieng, Khuan Niang, Songkhla 90220

###### 1.3 Bangkok Office

No. 486 People Park, E1 Building 3rd Floor, On Nut Road, On Nut, Suan Luang, Bangkok 10250

##### 2. Distribution center

###### 2.1 At East, Distribution Center Chantaburi province

###### 2.2 At Southern Gulf of Thailand, Distribution Center Surat Thani province

#### 3) Marketing Strategy of aquaculture products

##### Marketing Strategy of shrimp feed products

Market leaders of shrimp feed products are about 2-3 companies with a market share of 35-40% (based on MD and FMD data, Department of Fisheries, 2017), followed by medium-sized companies with 5-6 companies. Market share is between 4-8% with a combined share of approximately 30% -35% of total shrimp feed sales.

The Company is medium-sized. In addition, there are small companies since the market leader monopolizes the market by adopting a quality breed strategy followed by the use of monopoly company feed. Farmers have no choice because they want their breeds to grow fast. This is very much accepted by the farmers. As a result, the market for this type of business is highly competitive. Therefore, the shrimp sales department has set up a comprehensive marketing strategy, allowing the customers are partners with the Company such as white shrimp and black tiger shrimp, quality of food, quality and export markets.

### Marketing strategy for fish feed products

The market leaders of fish feed products are 4 companies with a combined market share of 45-50% of total fish feed sales. Secondly, medium-sized companies are between 6 and 7 percent of the total market share, accounting for 25-30 percent of total fish feed sales. Small companies or OEMs have a combined market share of around 25-30% of total fish feed sales. Information from the Agricultural Information Development Board (in September, 2017).

The Company is located in a medium-sized company since the market leader has a strategy by offering price insurance to insure fish prices at the farms for farmers. It is popular with farmers because they reduce their risks of fish price reduction. Therefore, the fish sales department has set up a comprehensive marketing strategy, allowing the customers are partners with the Company such as quality fish breed, quality feed and markets definitely buy the products.

The Company mainly focuses on the quality of its products and services. Customers can be assured that the Company's products contain ingredients, property, and nutrition according to the product label. Although occasionally the raw material price is increased, the Company still focuses on producing products to provide farmers with quality products suitable for aquaculture. Although, the price of feed cannot be adjusted and animal feed is a commodity that the price must be controlled by the Department of Internal Trade. As for the delivery service to customers, the Company focuses on the freshness and the new products by increasing the direct delivery from the factory to the customer and also having agents/distribution centers to support the customers for three locations throughout the country to handle the customers more thoroughly and more convenient.

It also focuses on the production of quality products and standards according to the Company policy, manufactured by efficient machines and advanced production technology as well as the product inspection in every step. This allows the Company's products to be certified for world-class quality

### Geothermal power plant business

The geothermal power plant business that the Company invests is the energy business, which is the basis of today's world. When performing according to the legal process, the Company will receive an electricity sale contract with a large-scale private electricity buyer in Japan with a price of 40 yen per kilowatt (The price is not included for Tax) for 15 years (starting from the date distributing to the COD). After expiry date, the price will be reduced by the notification of Ministry of Economy, Trade and Industry (METI) at that time. Therefore, the Company does not need to perform any marketing strategy or competition because it is a monopoly power contract under METI's policy.

The Company has seen an opportunity to generate revenue and diversify the risk of business. The Company has invested in such renewable energy plants.

As for the development of land with facility to be ready to sell to the interested investors of geothermal power plant business of the M-LUXE project, It is a joint venture with Setouchi Natural Energy Company Limited (Setouchi) specialized in this business and they sets up an corporate called M-LUXE Company Limited ("Japanese Company"), where PPSN company limited holds 25% and Yi Co., Ltd. holds 75% of the registered capital of 10 million yen. The Mlux Energy Company Limited is an associate of the Company. The project has specific customers who are interested in the geothermal power plant business.

In the year 2018, the Board of Directors meeting approved the Company Distribution of 15 geothermal energy projects ("Power Plant Project") with a purchase price of 320 million yen per project or approximately 91.71 million baht per project, representing a total value Total not less than 4,800 million yen or 1,375.69 million baht. The company received a deposit of 200 million yen and in April 2019 the company received an additional 400 million yen deposit until the end of the year 2019.

The company had not yet received money from the sale of the remaining power plants. The delay caused the meeting of the Board of Directors No. 22/2019 on December 23, 2019, resolved to send a letter notifying Beppu Forest Power., Ltd. to pay the remaining amount of 4,200 million yen to the company within January 31, 2020, if Beppu Forest Power., Ltd ignores the remaining payment. The company has the right to cancel the contract and confiscate the entire deposit of 600 million yen, as well as hasten to find other investors to continue.

## Industry Trend

### Aquatic feed business

#### Shrimp feed market and its Trend

The situation of production during the first 6 months of 2021 Marine shrimp production (White Vannamei Shrimp and black tiger prawns) from development culture with a total yield of 118,164.96 tons, which is the product obtained from trading with the Movement Document (MD) and the purchase order of aquatic animals and aquatic animal products. from culture (Aquacultural Product Purchasing Document: APPD) consisted of white shrimp production 113,032.11 tons (95.66%) and black tiger prawns 5,132.86 tons (4.34%), which total production increased 1.19% compared to the previous year during the same period. The production of white vannamei shrimp increased by 3.04%, but the black tiger shrimp decreased by 27.56% compared to the previous year during the same period. When considering marine shrimp production by raising region, it can be seen that during the first 6 months of 2021, shrimp yields were mainly in the upper southern region (32.72%), followed by the eastern region (23.62%), the lower southern region on the Andaman coast. (20.96%), the lower southern region, the Gulf of Thailand (11.76%) and the central region (10.94%), which compared to the previous year's production in the same period Shrimp production increased in the central region (18.54%), the eastern region (8.10%), the upper southern region (7.58%), the lower southern region on the Andaman coast (0.27%), but decreased in the lower southern region along the Gulf of Thailand (-28.41%)

The price of white vannamei shrimp at the Thai Talay Market during the first 6 months of 2021 showed that the price increased during March-April, but the overall average shrimp price decreased in all sizes. which shrimp farmers Most of the shrimp are sold through cold storage directly. to prevent the risk of closing the shrimp market Due to the epidemic situation coronavirus disease 2019

Exports During the first 6 months of 2021, seafood exports (Excluding lobster) exported volume of 70,578.65 tons, or a value of 21,117.44 million baht. The volume and value increased by 0.75% and 3.66% compared to the same period last year. If considering the proportion of export value, it is found that the main export markets of Thailand are the United States of America 28.20%, Japan 24.96%, China 17.71%, South Korea 7.40%, Taiwan 4.06% and other countries 17.67%. When considering the export of white vannamei shrimp during the first 6 months of 2021, the export volume was 51,559.76 tons, worth 15,454.27 million baht, or equivalent to 73.05% and 73.18% of the total volume and value of marine shrimp exports. and compared to the same period last year Export volume decreased by 1.58%, but the value increased by 0.65%, respectively. Considering the proportion of export value, it was found that the main markets were the United States of America 26.97%, Japan 22.97%, China 18.15%, South Korea 8.27%, Taiwan 4.98% and other countries 18.66. % Export of black tiger prawns As for the black tiger prawn exports during the first 6 months of 2021, the volume and value were 3,515.59 tons and 1,125.77 million baht, the volume and value decreased by 23.69% and 10.88%, respectively, compared to the same period last year. If considering the proportion Export value found that the main markets are China 69.26%, Hong Kong 8.77%, Canada 8.08%, Japan 4.80%, Taiwan 4.12% and other countries 4.97%. Most of them are exported in the form of live shrimp 49.65%, frozen shrimp 38.34% and other shrimp. 12.01%

Overall 2021 estimates that total output in 2021 will be around 300,000 tons, an increase of 2 percent from 2020. United States, Japan, China and Asian countries During Jan.-Sept. 2021, the export volume increased by 7.6 percent, valued at 44,465.6 million baht, while the selling price at the site was 70-100 pieces/kg, down 4-5 baht/kg. In 2020, the baht tends to fluctuate in an appreciation direction. May affect the price of shrimp exports of Thailand to be higher. Although some operators receive orders throughout the year and gradually deliver them within the specified time period by the customer. Therefore, it may not affect exports in the short term. But if the baht continues to appreciate continuously It may affect the order volume in the future. From the above obstacles that the Thai shrimp industry may face in the next phase All affect the cost of doing business. and the ability to compete in the price of Thai entrepreneurs in the future. Therefore, business operators and related parties should closely monitor the movement. as well as prepare a plan to cope with rising costs in the future To enable the Thai shrimp industry to be able to maintain competitiveness with competitors in various markets

However, shrimp farming is a business that can make profits as high as 40-50%. It only takes a short investment period of 3-4 months. Compared to other businesses, it is better. Therefore, it is an incentive for all sectors involved in the Thai shrimp industry to accelerate the adjustment and Collaborate to find ways to develop farming. innovate Various tools to increase productivity At present, in the shrimp industry, shrimp farmers have high potential and are ready for funding. There is an efficient rearing management system. use modern technology making shrimp farming successful There are also foreign investors investing in such as Japan, Malaysia and the Middle East, etc. It is expected that in 2022 the output will increase by 20 percent, with a production of 360,000 tons. Proportion of raising white shrimp: Tiger shrimp 85: 15 The black tiger prawns were raised from 5% to 15% because the price and export direction were good. Consumers are more productive especially shrimp exports to China In addition, the company There is a partner to produce offspring of black tiger prawns, MOANA strains, which are needed by farmers. Because the survival rate is better than other species, it is needed by the rafts to buy shrimp to export to China. As a result, it can expand the world market base. In the past, the Thai shrimp industry has relied too much on the main market, especially the US market. The public and private sectors are therefore seeking more new markets such as China, Hong Kong and the Middle East to reduce their dependence on key markets. And at present, the government (Department of Fisheries) academics have developed academics and technology. as well as guidelines for the treatment of shrimp epidemics, especially EMS and leucorrhea epidemic. reduce the severity of the disease which increases productivity and to expedite the resolution of allegations of human trafficking and child labor. in order not to affect the shrimp industry as a whole More importantly, entrepreneurs are accelerating the cost management of production and transportation to be efficient. including exchange rate management focus on product development both in terms of developing processed shrimp products to create diversity and more in line with the needs of consumers in each market They should also add added value to the product by developing shrimp raw materials to be able to export in the form of ready-to-eat food in new ways. Which is becoming popular with young consumers in many countries. In addition, attention should be paid to the development and improvement of production standards. product standard including building a brand to be remembered For all the reasons the farming was a success. able to compete with the world market And finally, the Thai shrimp industry can develop towards sustainability. until returning to increase production to dominate the world market again

Shrimp food business is still an attractive business for investment. and can make a profit for the company continually due to Market size in the company's old customers is approximately 6,800 tons/year, divided into Southern region 1,000 tons, Central region 2,800 tons and Eastern region 3000 tons, and we have a market share in the old customer base with strong financial and investment status of about 25% from Market size in all existing customer base We aim to market in 2022 in all

old customer database. and will expand the market in the competitor group, both within the existing customer group and the new target customer group with good financial status, by increasing the market share within the agent shop or in the direct farm. Launched a new shrimp feed product, accelerating color, firm texture, thick shell, strong, so that customers can raise shrimp to meet the needs of the current market. The market will determine the quality of the product from the seller and will choose to buy quality shrimp. Premium grade is number 1 and in 2022, the black tiger shrimp trend will return to play a high role in the shrimp market And the main factor in shrimp farming, besides food, is the species. which the company also have partners As for the species, Moana is the world's number 1 black tiger shrimp species with broodstock being sold all over the world. In addition to being the preferred breed of animal husbandry, it is also in demand in the end consumer market as well, whether in China, Hong Kong, Japan as well. In Thailand, Moana is available only in one place. Therefore, the company have an advantage over competitors in the market Therefore, to expand the market in 2022, the company is still in a good direction and worth the investment.

### **Fish feed market and its industry trend**

production situation Preliminary data on tilapia farming statistics in 2020 found that the yield was 205,971 tons, valued at 10,108 million baht, the area raised at 437,811 rai, the average yield per rai was 470 kg. and the average yield per rai decreased by 10.0, 11.6, 4.6 and 5.9, respectively. Tilapia production in 2020 decreased due to the drought situation. The amount of water in dams and natural water sources is insufficient for raising. Farmers need to slow down farming. reduce the feeding cycle or reduce the rate of release of offspring As a result, the production of tilapia as well as the country decreased. For the year 2021, it is estimated that the production of tilapia is 210,419 tons, valued at 10,637 million baht, both in quantity and The value increased by 2.2% and 5.2 percent, respectively, compared to the year 2020. This year's output is expected to increase due to The amount of water for raising is sufficient. The amount of rainfall that fell more than last year along with increasing consumption demand causing farmers to expand the area raised from last year's ponds and set aside because of drought and from the epidemic situation of the coronavirus disease 2019 (COVID-19) epidemic in late 2020 As a result, people in the labor sector affected Some of them traveled back to the country. Copy and change careers into the agricultural sector. by taking a career in fish farming for consumption and as a supplementary income in the household The total production of tilapia is expected to increase as well as the country.

The price that farmers can sell in front of the farm The price of tilapia that farmers can sell in front of the farm averaged in the central region during the first 6 months of 2021. Small size 25.89 baht / kg. Medium size 34.66 baht / kg. and large size 41.00 baht / kg. All sizes decreased by 2.9 percent. 3.9 and 7.5 respectively compared to the same period last year. This is a consequence of the epidemic situation of the Coronavirus Disease 2019 (COVID-19) epidemic in late 2020 until the present. which caused the domestic consumption demand to slow down. Unable to release products to the market Farmers are affected quite a lot, so the government needs to find various measures. To help farmers, for example, create an online ordering system for aquatic animal products (Pre-Order) under the name "Fisheries Shop" as a tool for selling fresh, clean, safe and standard aquatic products. from farmers directly to consumers Farmers can manage their products according to online purchase orders of the Department of Fisheries. including providing distribution points for aquatic animal products This is done to farmers by asking for cooperation from both the public and private sectors to promote the consumption of aquatic animals. increase in domestic

Exports The volume of exports of tilapia and its products in Thailand during the first 6 months of 2021 amounted to 3,182.1 tons, with a value of 109.6 million baht. Both volume and value decreased by 11.8 percent and 11.1 percent, respectively, compared to the same period last year. The form of tilapia that Thailand exports the most in terms of value is

frozen whole tilapia. They accounted for 66.3 percent of total export value, followed by chilled fresh fish (16.6 percent), frozen fish 16.0%, live fish 1.0 percent, and chilled tilapia 0.1 percent. Decreased quite a lot, namely live fish and chilled fresh fish. Most of the decrease was from the ASEAN market. The main export markets of Thailand are the United States, 38.7%, ASEAN, 17.7%, Middle East, 16.7%, European Union. 12.8% Canadian, 5.0%, African 3.9% and others 5.2% Thai tilapia exports declined. Due to the epidemic situation of the Coronavirus Disease 2019 (COVID-19) which has occurred in many major importing countries. And the direction of the baht has fluctuated quite a lot. Therefore, exporters should use more diversified exchange rate risk hedging tools for flexibility in business management.

At present, there is integrated marketing for all supply chains in the business, starting from the distribution of offspring to the distribution of aquatic feed. to price guarantee and buy back This makes the financial position of these customers is quite stable. because there is a certain group of ponds or cages It is a monopoly market. The agent can determine the product for the well or the cage to use. which the way has been assessed that In the fish food customers will be able to make a profit. At least 50 satang per kilogram, regardless of whether the raw material is wheeled up according to the trend.

The fish feed market is likely to grow by about 15% in 2021 due to raw materials in the livestock feed production sector. has moved up the price and a shortage of some raw materials need to find alternative sources of raw materials, causing the price of land feed to increase continuously Affects the price of products from land animals such as pork or chicken, moving up the price as well. In addition, per capita income did not move up in accordance with the price of goods. As a result, people turned to consume more fish, resulting in an increase in domestic demand. As a result, farmers have to increase the rate of fish farming in order to make the quantity of Demand & Supply consistent when the amount of farming increases. As a result, the demand for fish feed has increased accordingly.

The fish business has a tendency to go in an increasing direction. Since fish is a staple food for domestic consumption Farmers are able to continually improve their farming methods to increase their output to meet the growing demand within the country.

### Pet food market

The situation of the COVID-19 outbreak that continues to be severe and spread around the world. Making people around the world have to change their lifestyle to a new New Normal, living and working at home more (Work From Home), making pets such as dogs and cats become one of their lifestyle choices. Be one of the family members and friends to solve loneliness as well. As a result, the pet business has increased and increased. Because pet lovers want to take care of their own pets To have the best quality of life and health, not different from yourself by turning more and more interest in pet food Global Pet Food Market Report 2020-30: COVID-19 Impact and Recovery from ResearchAndMarkets.com forecasts that the global pet food market will grow from \$74.6 billion in 2019 to \$75.5 billion in 2020, with a compound annual growth rate (CAGR) of 1.3% and compound annual growth of 6%. Year 2021, overall, exports during the first 3 quarters of the year (Jan.- Sept. 2021) total exports amounted to 525,966 tons, an increase of 31%, or a value of more than 40,533 million baht compared to the period. same of last year The most exported products including products Canned food for pets accounted for 55% and pellet food for pets 41%. The main importing partner countries are the United States, 20%, Malaysia 15%, the Philippines, 12%, and other countries such as the European Union, Japan, the People's Republic of China, etc. The Bureau of System Development and Certification of livestock products Has a mission to supervise the production of pet food (Pet food) for export. It covers the registration of animal feed mills for export (VCN.), quality control of factory standards to have a good production practice certification system (GMP), and a system of hazard analysis and critical control points (HACCP). production process inspection and the issuance of hygiene certificates for pet food in accordance with the requirements and regulations

of the trading partner countries to build confidence in the trading partner countries It was found that canned pet food group was the product with the highest export value at 73%, and the main importing partner countries were the United States (31%) and the European Union (25.38%), and other countries such as Japan, the Philippines. Indonesia Australia People's Republic of China and the Middle East, etc. In 2020, the top five pet food exporters in the world are Germany, the United States, France, Thailand and the Netherlands. It is predicted that by 2021, there will be exports of pet food. The value is approximately 48 billion baht because trading partners have confidence in pet food products made from Thailand. Coupled with the change of lifestyle during the global COVID-19 epidemic, this has resulted in the expansion of the Thai pet food industry. This is an opportunity for Thailand this year. to become the world's No. 3 pet food exporter

### Geothermal power plant business

In year 2011, there are earthquake and tsunami in Japan. As a result, the nuclear power plant explodes and there is a leakage of over-regulated radiation. The Japanese government must evacuate all citizens from the surrounding areas of the power plant. The Government of Japan has a policy to support the use of renewable energy as a clean energy more. In year 2012, the Japanese parliament passed a law on special measures for the procurement of electricity from renewable sources by electricity producers (Act on Special Measures Concerning Procurement of Electricity from Renewable Energy by Electricity Utilities). The purpose is to promote the use of renewable energy sources. This is an important factor in producing stable and appropriate energy for the economy and social environment in Japan and in the world. It also reduces the environmental costs that are rising from the production of energy. Here, renewable energy sources under this law cover the solar, wind, hydropower, geothermal and biomass energies. By this law, once electricity is produced from renewable energy sources by power generation equipment and production methods approved by Ministry of Economy, Trade and Industry (METI) as specified suppliers. These power producers can make a contract for Power Purchase Agreement (PPA) and request a connection to the electrical distribution system of the manufacturer using the PPA of METI called "Feed-In Tariff". The power producer is obliged to enter into a contract with the specific power producers based on a fixed electricity tariff and it is a long-term contract with the government as a guarantor. From July 2012 onwards, many domestic and foreign renewable energy producers have entered into the market of electricity from renewable sources since the Japanese government has set a relatively high electricity purchase rate, such as the purchase price of electricity at 40 yen per kilowatt-hour (Excluding VAT) for geothermal power producers that are smaller than 15 megawatts.

In year 2012, METI stated in the document "Feed-In Tariff Scheme in Japan" that Japan has the world's third largest of geothermal energy resource for 20,540 MW which is less than Indonesia at 27,791 MW and USA at 23,000 MW. However, Japan uses only 10% of its energy resources because it has installed geothermal power only 0.54 million kilowatts. Japan has much more potential to generate electricity from geothermal energy.

From the website of Asia Biomass Office of New Energy Foundation of Japan, geothermal power generation from hot springs requires knowledge of local geological conditions. It takes at least 10 years to explore the right resources, Environmental Impact Assessment and the construction of the power plant. Therefore, the electricity from the hot springs which is already used can save the budget and it can be started in a much shorter time.

Because the temperature of the hot springs is below 100 degrees Celsius, the steam cannot be used directly for turbine rotation compared to geothermal power plants with higher temperatures. Hot spring power plants require a two-cycle generator or "Binary Power Generation" by passing hot water into a heat exchanger to heat the second liquid with a low boiling point such as ammonia, freon, isobutaneisopentane, etc., which then becomes vapor and then enters the turbine and returns

to the new heat exchanger. As for the hot water, after transferring heat to the second liquid, it will condense and be injected back into the energy source"

Asia Biomass Office also compares electricity production from solar power that the construction is widespread in Japan with the electricity from the hot springs. It is found that the use of solar energy is at a rate of 12%, while the use of heat from the hot spring is about 70%, so it is the more stable electricity generator.

The Company will receive a power purchase agreement with a major private power producer in Japan for 40 yen per kilowatt (Excluding VAT) for 15 years. After the expiry date of contract, the price will be reduced by the Ministry of Economy, Trade and Industry, or the Ministry of Economy, Trade and Industry (METI) at that time.

**Procurement of Products or Services** The Company has two manufacturing factories

- The Petchaburi factory

No. 62 Moo 2, U-Tapao Road, Nong Chumphon Sub-district, Khao Yoi District, Phetchaburi 76140

Tel. 0-3289-9881-4 Fax. 0-3289-9985 is a shrimp feed factory with a capacity of 80,400 tons per year and the fish and pet feed factory with a capacity of 61,000 tons per year.

- The Songkhla factory

No. 98 Moo 13, Petchakasem Road, Km 1232, Bang Rieng, Khuan Niang, Songkhla 90220

Tel: 074-890-765-7 Fax: 074-890-769 has a capacity of fish and livestock feed at 72,000 tons per year and shrimp feed at 60,000 tons per year (shrimp feed will be commenced in year 2017).

The Company has set the production policy for the factories as follows:

1. Produce quality products and meet the needs of customers.
2. Maintain production standards and quality in accordance with the quality policy of the Company.
3. Selection of new and good quality raw materials to produce fresh products.
4. Use advanced technology to develop production systems.
5. Reduce the amount of loss in the production process to the minimum.
6. Use the full capacity of machine.
7. Compliance with ISO 9001: 2008, ISO 14001: 2004, HACCP, GMP and ISO / IEC 17025: 2005 and BAP.

**Summary table of production capacity and quantity of aquatic animal feed production from years 2019 to 2021**

**1) Phetchaburi Factory**

Shrimp feed	2019	2020	2021
Shrimp feed production capacity (Ton)	39,600	39,600	39,600
Actual Production (Ton)	23,704	19,132	1,823
Production capacity use (%)	59.86	48.31	4.60
Production capacity increase rate (%)	-0.30	-19.29	-90.47

Fish and Pet feeds	2019	2020	2021
Fish and Pet feed production capacity (Ton)	37,440	37,440	37,440
Actual Production (Ton)	34,377	29,819	16,215
Production capacity use (%)	91.82	79.64	43.31
Production capacity increase rate (%)	-4.48	-13.26	-45.62

Total Capacity Output of Phetchaburi Factory	2019	2020	2021
Feed production capacity (Ton)	77,040	77,040	77,040
Actual Production (Ton)	58,081	48,950	18,038
Production capacity use (%)	75.39	63.54	23.41
Production capacity increase rate (%)	-2.82	-15.72	-63.15

## 2) Songkhla Factory\*

Shrimp feed	2019	2020	2021
Shrimp feed production capacity (Ton)	60,000	60,000	60,000
Actual Production (Ton)	4,080	1,634	-
Production capacity use (%)	6.80	2.72	-
Production capacity increase rate (%)	34.03	-59.94	-100.00

Fish and Pet feeds	2019	2020	2021
Fish feed production capacity (Ton)	30,000	30,000	30,000
Actual Production (Ton)	15,119	11,560	8,633
Production capacity use (%)	50.40	38.53	28.78
Production capacity increase rate (%)	6.49	-23.54	-25.32

Total Capacity Output of Songkhla Factory	2019	2020	2021
Feed production capacity (Ton)	90,000	90,000	90,000
Actual Production (Ton)	19,199	13,195	8,633
Production capacity use (%)	21.33	14.66	9.59
Production capacity increase rate (%)	11.36	-31.27	-34.57

\* Commenced in year 2015

As for capacity management, the Company has two feed factories in Phetchaburi and Songkhla provinces. The production plan is to support the production and meet the needs of the market continuously to avoid over-capacity or lower-capacity and manage to receive more or less orders consistent and suitable with current production capacity.

## Reduction of the impact of production processes that may affect environment

In addition to emphasis on quality and manufacturing standards, the Company also pays attention to environmental maintenance very well. The factory of company complies with the requirements of factory inspection division and environment department, Ministry of industry all the time and strictly in the field of industrial waste treatment and natural wastewater treatment including other operations as follows:

1. Modify the operation such as opening raw material bags. Originally, the bags are cut in which they will become garbage. Now the bags are opened so that they can be reused.
2. Waste separation from the production process of hazardous waste (chemicals) to be disposed according to the standards of Department of Industrial Works to reduce environmental pollution.

3. The installation of Jet filters in the production process to prevent dust spread in the production process affecting the neighboring communities.
4. Installing the odor removal system by spraying water to absorb odors and pass it through the cooling system before release to outside.
5. Continuous process improvement to reduce the amount of energy used to warm the machines.
6. Installation of wind turbines in front of the Company to bring the wind energy replacing electricity consumption.
7. Installation of solar cells in wastewater treatment tank to produce electricity for aerator for wastewater treatment.
8. Installing the RO system to produce water for boiler use to reduce energy consumption and waste water drained out of boiler.
9. Aerated Lagoon wastewater treatment system for wastewater treatment from factory activities using water in sufficiency economy Park inside the factory and it will not leave to the communities.

In the past three years, the Company has complied with the factory inspection division and environment department, Ministry of industry according to the law. The Company does not receive any disputes or lawsuits in any matters about environment.

#### Raw material procurement

The main raw materials in aquatic animal production are fish meal which is an important source of protein in animal feed production. The ingredients are derived from trash fish, small fish or fish heads from the sea and the remains of a canned fish factory. The raw materials can be found in the country. Fish meal production is diverse in quality. Therefore, in fish meal trading, it is divided according to protein percentage in fish meal.

Wheat flour is produced from wheat pellets and processed to obtain wheat flour that meets the requirements of the user. Some imported from Turkey which is a major wheat producer of the world market.

For soybean meal, due to the inadequate productivity of domestic demand, raw materials must be imported from other countries such as Brazil, Argentina and USA.

Corn is an important crop for the livestock industry because of its high energy. The production volume of corn depends on season/harvest Raw materials can be found in the country.

Cassava in forms of chips and pellets where raw materials can be found in the country is a high carbohydrate plant and high-energy.

The raw materials for the production of the Company's products will come from both domestic and foreign. In the procurement of raw materials, the Company has a policy to buy sufficiently to meet the needs to keep the production continuously and gain the fresh raw materials including purchasing to meet the characteristics specified by the food regulator. The Company purchases both directly from the manufacturer and through a brokerage company to obtain a reasonable price compared to the overall market.

For the relationship with suppliers of raw materials, the Company will contact the supplier listed on the Company's lists approved that raw materials are acceptable in quality and standards. The Company will purchase with a company that offers the right price compared to the market price. For raw materials from overseas, the Company will make contracts with manufacturers or distributors to set prices in advance for 3-6 months. This may be affected If the order is in the monsoon period. The goods will arrive late. The Company has prevented by storing the raw materials in the warehouse more than the normal consumption of about 25%

### Geothermal power plant business

For geothermal power plant business, the excessive consumption of fossil fuels causes global warming and environmental pollution. People are turning their attention to renewable energy. This binary power system will use the heat that was left unused and utilize in efficient and cost-effective power generation.

The Company has geothermal power plant projects using binary power generation technology, for example, passing the heat from hot water or steam through heat exchanger and transferring the heat to coolant with low boiling point to become gas and turning the turbine into electricity. Coolant is used as a substance that is not toxic to the body even inhaled into the body. It is inert gas not flammable and no adverse effects on the ozone layer. It has a boiling point of 15 °C at 1 atmospheric pressure. When heated at 100 degrees Celsius, it becomes gas and it is used to spin the turbine for electricity generation. Therefore, the use of heat from geothermal power in the form of steam or hot water passing through the heat exchanger to heat the hot water in the system and heat the coolant to become a gas to turn the turbine of a binary power generator module. The obtained 125 kW electric power is applied to a 19 kW power plant and delivered 106 kW of power to the transmission line, with a cooling system of 240 tons / hr of cooling water, which allows the coolant to change in the liquid state and it can be reused in the system.

Advantages of the binary power system are:

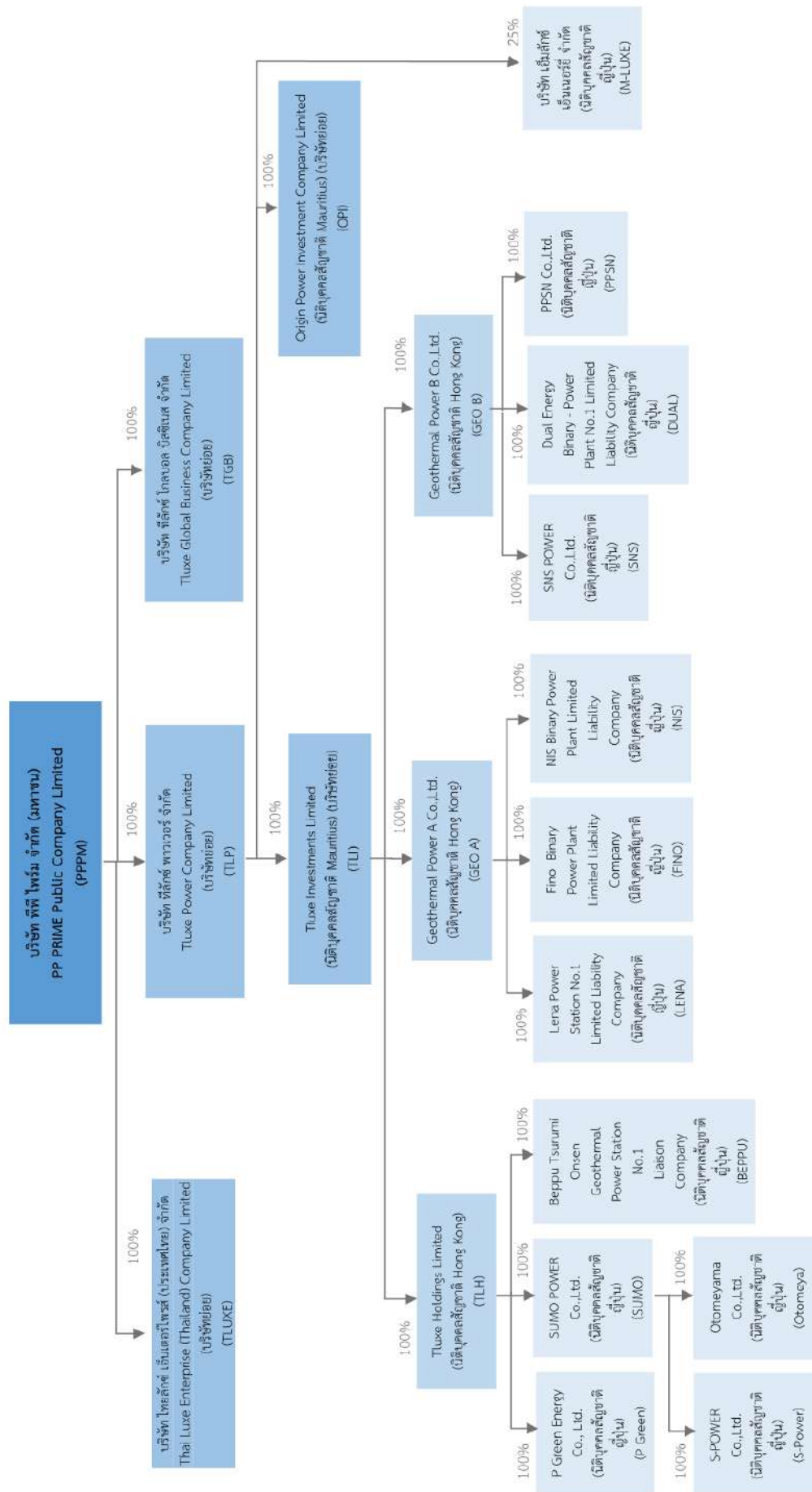
- It has more than 150 machines submitted worldwide.
- Use low friction magnetic bearings in the turbine generator. No need to maintain or add lubricant.
- Compact design and high speed rotation.
- High energy saving with high PE coefficient, low loss
- Designed to fit the customer's power plant according to customer requirements.
- Systematic production / distribution / after-sales service since there is a production base in Japan.

However, the Company has insured all-risk property protection projects. Currently, the Company the company has 23 geothermal electricity generating units and revenue recognition 15 units.

For geothermal heat from hot springs (onsen) which is estimated to be about 100 years old, it is sufficient for electricity generation during the 15-year contract period.

At present, the company has 15 geothermal power plants capable of supplying electricity to the commercial system (COD). Currently, there are 5 power plants capable of generating electricity.

## Business Structure



## General information of the Subsidiary

Company Name	Type of Business	Paid Up Capital	% of Shareholder
<b>The Subsidiary</b>			
<b>Thai Luxe Enterprise (Thailand) Company Limited</b> 62 Moo 2 Utapao Road, Kaoyoi District, Petchburi 76140	Operate aquatic feed production business and pet food	789,385,630 Baht	100
<b>TLuxe global business Company Limited (Formerly known as Thai Demeter Company Limited)</b> 486 People Park , E1 Building 3rd Floor , On Nut Road , On Nut , Suan Luang , Bangkok 10250 Tel: (66) 2029-1480 Fax: (66) 2029-1482 ext. 777	Distributing of aquafeed raw materials	3,000,000 Baht	100
<b>TLuxe Power Company Limited</b> 486 People Park , E1 Building 3rd Floor , On Nut Road , On Nut , Suan Luang , Bangkok 10250 Tel: (66) 2029-1480 Fax: (66) 2029-1482 ext. 777	Investment of Energy Business	1,100,000,000 Baht	100
<b>TLuxe Investments Limited</b> 10thFloor,Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius.	Investment of Energy Business	10,000 USD	100 (By TLP)
<b>Origin Power Investment Co.,Ltd.</b> Mauritius.	Investment of Wind Energy Business	100 USD	100 (By TLP)
<b>TLuxe Holdings Limited</b> 1901, 19/F Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investment of Energy Business	10,000 USD	100 (By TLI)
<b>Geothermal Power A Company Limited</b> 1901, 19/F Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investment of Energy Business	10,000 USD	100 (By TLI)
<b>Geothermal Power B Company Limited</b> 1901, 19/F Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investment of Energy Business	10,000 USD	100 (By TLI)
<b>PPSN Co., Ltd</b> 1-2-20 Kaikan Minato Tokyo Japan	Geothermal power plant	12,000,000 JPY	100 (By Geo B)
<b>SUMO POWER Co., Ltd.</b> 6-4-9 Minamiaoyama MinatoTokyo Japan	Geothermal power plant	1,000,000 JPY	100 (By TLH)

Company Name	Type of Business	Paid Up Capital	% of Shareholder
<b>บริษัทย่อย</b>			
<b>OTOMEYAMA ENERGY Co., Ltd</b> 1-1-21 Toranomong Minato Tokyo Japan	Geothermal power plant	500,000 JPY	100 (By SUMO)
<b>S POWER Co., Ltd</b> 6-12-4 Roppongki MinatoTokyo Japan	Geothermal power plant	500,000 JPY	100 (By SUMO)
<b>SNS POWER Co., Ltd</b> 3-24-6 Nichichimbachi MinatoTokyo Japan	Geothermal power plant	500,000 JPY	100 (By Geo B)
<b>Fino Binary Power Plant Limited Liability Company</b> 2-2-21, Nihonbashi 2-Chome Building 4TH Floor, Chou-Ku, Tokyo	Geothermal power plant	10,000 JPY	100 (By Geo A)
<b>NIS Binary Power Plant Limited Liability Company</b> 2-2-21, Nihonbashi 2-Chome Building 4TH Floor, Chou-Ku, Tokyo	Geothermal power plant	10,000 JPY	100 (By Geo A)
<b>Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company</b> 2-2-21, Nihonbashi 2-Chome Building 4TH Floor, Chou-Ku, Tokyo	Geothermal power plant	10,000 JPY	100 (By TLH)
<b>Dual Energy Binary -Power Plant No.1 Limited Liability Company</b>	Geothermal power plant	100,000 JPY	100 (By Geo B)
<b>Lena Power Station No.1 Limited Liability Company</b> 2-16-4 โดงงซากา ชิบูยา โตเกียว	Geothermal power plant	5,000,000 JPY	100 (By Geo A)
<b>P Green Energy Co., Ltd</b> 24-6, Nishi Shinbashi 3-Chome, Minato-ku, Tokyo	Consultant and manage business	1,000,000 JPY	100 (By TLH)
<b>The Associate</b>			
<b>M – Luxe Energy Co., Ltd</b> 1st Oriaon Building 2-13 Temmungjo Beppu Oita Japan	Development real asset to Geothermal power plant	10,000,000 JPY	25 (By TLP)

## Shareholders Structure

As of 7 January 2022, the list of the first 10 major shareholders, including the related person under section 258 of the Securities and Exchange Act B.E.1992

	Name of shareholders	Number of shares held	% held
1.	LGT BANK (SINGAPORE) LIMITED	249,953,598	11.71
2.	Mr. Parin Chanuntranont	205,039,008	9.61
3.	Jindasombatcharoen family		
	3.1 Mr.Pongrak Jindasombatcharoen	121,165,512	5.68
	3.2 Mr.Pongsapak Jindasombatcharoen <sup>(1)</sup>	3,419,420	0.16
	3.3 Mr.Nopruj Jindasombatcharoen <sup>(2)</sup>	27,156,910	1.27
	Total Jindasombatcharoen family	151,741,842	7.11
4.	Mr. Theera Kittijarurat	92,265,430	4.32
5.	Mr. Akarapon Pornnoppadol	80,181,500	3.76
6.	Ms. Yuvadee Vachiraprapa	73,632,900	3.45
7.	Thai NVDR Co., Ltd.		
	7.1 MR. SHOGO FUKUOKA	28,100,000	1.32
	7.2 BARCLAYS CAPITAL SECURITIES LIMITED A/C SBL/PB	11,273,100	0.53
	7.3 Ms. Sudarat Wannamanee	8,700,000	0.41
	7.4 Mr. Kittisak Saengchuentanom	2,015,700	0.09
	7.5 Mr. Poonsak Poonsapmanee	1,000,000	0.05
	7.6 Mr. Wiwat Charanvas	1,000,000	0.05
	7.7 MR. SOHAN KUMAR DUBEY	959,000	0.04
	7.8 SOCIETE GENERALE	896,600	0.04
	7.9 MERRILL LYNCH INTERNATIONAL-LONDON	869,900	0.04
	7.10 Mr. Natthiti Teerapattanasiri	715,000	0.03
	7.11 Other	6,903,852	0.32
	Total Thai NVDR Co., Ltd.	62,433,152	2.93
8.	UOB KAY HIAN PRIVATE LIMITED	59,897,700	2.81
9.	Mrs. Natanong Pornnoppadol	52,000,000	2.44
10.	Thailand Securities Depository Co., Ltd.	31,448,242	1.47
Total		1,028,017,042	48.18

Source : Shareholder registration book closing (XO) as of 7 January 2022

Computed from common stocks already issued and paid-up totaling 2,133,643,872 shares

Remark: (1) and (2) Mr. Pongrak Jindasombatcharoen's son who have already reached legal age

## Registered and paid-up capital

As of 7 January 2022, the company has registered capital 3,095,942,424 baht and paid 2,133,643,872 baht divided into ordinary shares 2,133,643,872 shares, par value of 1.00 baht per share

## issuance of other securities

### 1) Convertible Securities

#### Warrant

The Extraordinary General Meeting of Shareholders No. 1/2019, held on June 10, 2019, resolved to issue and allocate warrants to purchase ordinary shares of the Company No. 4 (PPPM-W4) in the amount not exceeding 281,525,344 units to Existing shareholders of the company According to the shareholding proportion free of charge, in the ratio of 3 ordinary shares per 1 warrant, the details of the warrants are as follows:

Warrant	
Warrant Name	Warrants to purchase newly issued ordinary shares of PP Prime Public Company Limited, No. 4 (PPPM-W4)
Warrant type	Type specifying the name of the holder and can change hands
Number of warrants	Not more than 229,350,678 units
Number of ordinary shares issued forSupport for the exercise of rights (laterfrom the adjustment of rights)	Not more than 229,350,678 shares (par value of 1.00 baht per share)
Date of issuance of warrants	The first exercise date is Thursday 31 October 2019
Term of Warrants	5 years from the date of issuance and offer for sale
Date of issuance and offering of warrants	1 August 2019
The expiration date of the warrants	31 July 2024
Exercise period	The last business day of October every year throughout the life of the warrants
Exercise ratio (after the adjustment of rights)	1 unit of warrant per 1 new ordinary share (May change later according to the conditions for the adjustment of rights)
Exercise price (after the adjustment of rights)	The exercise price of the warrants will be equal to 1.00 baht per share (par value of 1.00 baht per share), adjusting the rights from the Extraordinary General Meeting of Shareholders No. 2/2021, held on October 4, 2021, changing the exercise price of the warrants. Warrants equal to 0.439 baht per share.

## Convertible Bonds

On October 21, 2021, the Company issued convertible bonds to specific investors, namely Advance Opportunities Fund (“AO Fund”) and Advance Opportunities Fund 1 (“AO Fund 1”), details as follows:

Convertible Bonds	
Types of convertible bonds	Convertible debentures that give the right to convert into the Company's ordinary shares Unsubordinated and unsecured (Senior Unsecured Convertible Debentures)
Total principal amount of all convertible bonds	Not more than 300,000,000 baht
Interest rate	1.00% per annum, with quarterly interest payment from the date of issuance of convertible debentures
Term of Convertible Bonds	3 years from the date of issuance of convertible debentures
Right to redeem convertible bonds before the due date	The bondholders may or may not have the right to request the Company to redeem the convertible bonds prior to maturity and/or the Company may or may not have the right to redeem the convertible bonds prior to maturity. The redemption of the convertible bonds shall be in accordance with the terms and conditions of the convertible bonds to be issued each time. by complying with applicable laws, rules, regulations or announcements including asking for permission from any government agency related
Conversion ratio	The principal amount of the convertible bond divided by the convertible price.
Convertible price	Not less than 90% of the market price
Period for exercising the right to convert	Each convertible bond holder can exercise their right to convert the convertible debentures every day from the date of issuance of the convertible debentures until the close of business hours one week prior to the convertible debenture maturity date.

## 2) Debt Securities

### Promissory notes from financial institutions

Unredeemed amount and value	47 million baht
Maturity date	Due 28 January 2022
Guarantee	<ul style="list-style-type: none"> <li>Land and buildings at Chumphon Province #Chor.75186</li> <li>Business collateral Trade accounts receivable Ownership PP Prime Public Company Limited</li> <li>Business collateral Inventory Ownership Thai Luxe Enterprises (Thailand) Co., Ltd.</li> </ul>

## Bond

As of December 31, 2021, the Company has 3 tranches of debentures that have not yet matured, totaling 596.40 million baht, which are debentures offered to institutional investors and/or high net worth investors (II & HNWI), with details as follows:

Bond No.	Bond	Initials of Bond	Value of Bond as of the issuance date (million baht)	Bond value as of 31 Dec 20 (million baht)	Maturity date of Bond	Interest rate (per year)
1/2018	Debentures of Thai Luxe Enterprises Public Company Limited No. 1/2018 maturity in the year 2023	TLUXE205A	200	138.00	8 May 2023	7.06%
2/2018	Debentures of Thai Luxe Enterprises Public Company Limited No. 2/2018, maturity year 2023, in which the issuer has the right to redeem the debentures before the maturity date.	TLUXE198A	319.50	250.80	2 Jul 2023	7.83%
1/2019	Debentures of PP Prime Public Company Limited No. 1/2019, maturity year 2023, in which the issuer has the right to redeem the debentures before the maturity date.	PPPM213A	207.60	207.60	18 Mar 2023	8.59%
			727.10	596.40		

## Dividend Policy

The company paid dividend is not less than 60% of net profit after tax, and also after the company's financial losses deduction and legal reserve (if any). However, the company may pay dividends at a rate less than the rate specified, depending on the need for working capital for operations, expansion and other factors involved in the management of the company. The resolution of Board of Directors approved the payment of dividends will be represented for approval at a meeting of shareholders, except interim dividend. The Board of Directors has approved payment of interim dividends will report to the shareholders which will receive in the next meeting.

	2019	2020	2021
Net Profit Ratio Per Share (Baht)	(2.34)	(0.48)	(0.13)
Dividend Ratio Per Share (Baht)	0.00	0.00	0.00
Dividend Payout Ratio Per Net Profit (%)	0.00	0.00	0.00

## Risk Management

The corporation understands that it must continue to develop steadily and responsibly. The company is confronted with a variety of risks. As a result, in order to manage the Company's risks in accordance with international standards, This will enhance the ultimate outcome in terms of customer happiness as well as positive returns for shareholders and other stakeholders. It is run in compliance with excellent corporate governance principles. As a result, the following is the philosophy and risk management policy:

### Philosophy of Risk Management

"The Company believes and recognizes the necessity of adequate risk management and control in order to operate its operations consistently and reliably." There is a certain degree of danger that is acceptable. It is utilized as a management tool to improve the company's chances of success as much as feasible. Reduces the likelihood of failure and loss, as well as the uncertainty in the Company's overall performance, resulting in the attainment of the Company's objectives."

### Risks to the Business Operations of the Company

- **Strategic Risk**

#### The risk of the incidence of serious epidemics in humans

Due to the current outbreak of Coronavirus Disease 2019 (Covid-19), which has harmed the safety and health of persons in the supply chain. producing widespread harm that has an impact on the company's operations

As a result, the corporation manages its risks by regularly monitoring and following the news including informing and staff members about disease and disease prevention measures, with a focus on ensuring that preventative and surveillance procedures are followed at all times.

#### The risk of the changes in client behavior or needs

The business is categorised as a medium-sized enterprise. It has a market share of between 5-20% of 5-6 companies with a total share of around 50-60% of the global aquatic feed sales The market leader in aquatic feed products has a market share of roughly 20-30% of all aquatic feed sales each year. There will also be a number of small businesses.

As a result, the corporation manages its risks by establishing short- and long-term marketing plans, such as enhancing and creating products to suit the needs of customers to the greatest extent possible. Farmers, users, and dealers who sell items to clients can all benefit from employing high-quality raw resources. Simultaneously, a wide range of items has been added to satisfy the needs of clients in a variety of situations. It is critical to consider the costs incurred by farmers. It also promotes contests with unique discounts. Exhibits at a variety of trade exhibitions Putting together customer appreciation events Organizing academic seminars to increase aquaculture knowledge among farmers, and so forth. Furthermore, the company highlights the effectiveness of its services in order to motivate dealers and demonstrate the efficacy of shrimp feed quality to farmers. In addition, when compared to similar food, the company's fish food is of good quality. As a result, the Company has been able to consistently maintain market share in shrimp and fish feed. Always fresh and fresh in terms of food quality. Contaminants and microorganisms are not present.

### **The risk of rely on big clients**

Due to the current outbreak of Coronavirus Disease 2019 (Covid-19), causing farmers to reduce the rate of shrimp and fish farming. As a result, the corporation has increased its pet food contract manufacturing (OEM). In the past, the Company has always had a good relationship with this customer and has a sales contract with them. If the coronavirus disease outbreak of 2019 (Covid-19) declines and the situation in fish and shrimp farming returns to normal, the intake of aquatic animal food has improved. There are already existing markets and customer bases, sales of aquatic feed are expected to increase following the relaxing of government regulations.

As a result, the corporation manages its risks by which will begin producing various types of animal feed, such as shrimp feed, will have the potential to enter the market for basic grade pet food manufacture from the aforementioned OEM pet food production

### **The risk of image and reputational damage**

The Company attaches great importance to the Code of Conduct and Code of Conduct for employees. whistleblowing and complaints. In addition, routes and methods for reporting grievances, communicating suggestions, and whistle-blowing have been developed. including keeping up with the news and responding to it, as well as providing clarification to those affected Because the image of the company affects the confidence of its stakeholders, it is important to track and manage the company's reputation and image. This can have a quick and severe short- and long-term impact As a result, the stakeholders' reputation and trust may be eroded.

As a result, the corporation manages its risks by disclosing information that is both correct and appropriate taking into consideration stakeholders in accordance with good corporate governance principles.

- **Operational Risk**

### **The risk of shortage of raw materials or inputs**

In the production of aquatic feed and pet food, natural raw materials are needed. brought through the production process in order to come out as a quality and standardized animal feed product The major raw materials used in production are fish meal, soybean meal, wheat flour and corn, which are mostly commodities which are priced by supply and demand in the global market. As a result, the company's production cost of aquatic feed will inevitably increase accordingly.

As a result, the corporation manages its risks by by following up on news and situations related to raw material prices to closely analyze the situation Price, quantity and delivery lead times are targeted with certain raw material suppliers. To prevent the risk of fluctuations in raw material prices for appropriate risk management and in accordance with the business plan In addition, the company has a policy to procure raw materials to be diversified and distributed in different regions as well as to find new sources of raw materials. always increase

### **The risk of Security of information or computer systems and cyber attacks**

At present, information technology systems are part of business operations. which has the potential to pose a risk of information security If there is a defect in the information technology system May allow malicious access to information in the system or technology threats. Or it may be caused by inadequate or incomplete protection and security monitoring systems. It can cause serious damage. especially for important information or systems

As a result, the corporation manages its risks by complying with the security policy of information systems and corporate networks Measures are in place to control access to information and the use of network systems and to increase information security measures.

### **The risk of damage from the partner or contractual party's non-compliance with the agreement**

Due to the current outbreak of Coronavirus Disease 2019 (Covid-19), In the past, it affected many trade partners or counterparties, trade accounts receivable. There is a chance or probability that the parties will not be able to fulfill the agreed upon agreement. and causing more outstanding trade accounts receivable As a result, the company does not receive repayment in the amount and time period specified. which caused overdue debts Nonperforming or Bad Debt as well as affecting the cash flow and income of the company which is a very important risk Because it is related to income and business costs.

As a result, the corporation manages its risks by focusing on selling products to customers with good financial standing Short term credit which will result in working capital reduce bad debt in the future

### **The risk of Safety, Occupational Health and Working Environment**

The company is constantly developing and improving the efficiency of its safety operations. To reduce the risk of illness, injury or death and take care of the quality of life of employees or employees appropriately In addition, there is support Encourage employees to be aware of working with safety as well as supervise the operations of employees, business partners, contractors, and those who come in contact or work within the company to strictly comply with the safety and occupational health regulations set forth in order to ensure maximum safety in every process. perform work

As a result, the corporation manages its risks by developing employees at all levels to have knowledge and create safety awareness and announcing the safety policy Occupational health and working environment for employees to be informed and manage the risks of various hazards and environmental impacts Every effort will be taken to ensure that risk prevention and mitigation systems are effectively implemented. as well as procure appropriate safety-related resources and equipment for the implementation of the Occupational Safety, Health and Environment Management System.

### **The risk of Climate change and disasters**

This is because the Company's main income is from the production and distribution of ready-made food, aquatic feed and pet food. Therefore, if in any year the demand for aquaculture feed in the country decreases due to environmental conditions or unfavorable climatic conditions for aquaculture. It will have a significant impact on the company's sales volume and sales revenue. which the sales volume will fluctuate according to the season and if there is a severe drought or flood or epidemic This will result in a decrease in demand for aquatic feed and affect the company's sales. which may cause unforeseen disasters such as earthquakes, tsunamis

As a result, the corporation manages its risks by following up on news, situations and surveillance of disasters and epidemics for projects in Japan The company therefore manages the risk by taking income insurance to compensate for the damage that may occur.

### **The risk of environmental impact**

Because the company is a manufacturer of instant food, aquatic feed and pet food. The problem of odor, dust and noise pollution must inevitably arise. and sometimes may affect the surrounding community

As a result, the corporation manages its risks by adopting odor removal technology, the wet scrubber system is used as a device for removing gas and vapor as well as small particles. By using water as a trap by spraying liquid or water into small droplets to disperse.

- **Compliance Risk**

**The risk of Violation of relevant rules and laws**

The Company is committed to conducting business in accordance with relevant regulations and laws. At present, the relevant regulations and laws tend to be more stringent. Violations of rules and laws can affect operations and reputation.

As a result, the corporation manages its risks by stipulating measures to determine the operating policies of the subsidiaries Policy for controlling and auditing the operations of subsidiaries including sending a representative of the Company to be a director in a subsidiary in order to have the most efficient operation To prevent actions that violate relevant rules and laws

**The risk of corporate governance**

The Company realizes the importance of good corporate governance and believes that a good management system Having a Board of Directors and Executives with Vision have responsibility There is control and balance of power. In order for the management to be transparent, verifiable, respect for the rights and equality of shareholders and responsibility to stakeholders

As a result, the corporation manages its risks by complying with the corporate governance policy of everyone in the organization As a result, the company received the results of the corporate governance assessment of listed companies for the year 2021 organized by the Thai Institute of Directors Association (IOD) together with the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. and received the results of the quality assessment of the Annual General Meeting of Shareholders for the year 2021 organized by the Thai Investors Association. Association of Listed Companies and the Securities and Exchange Commission

- **Financial Risk**

**The risk of Lack of suitable and sufficient funding sources**

The inability to pay debts and obligations when they are due to inability to provide sufficient funds to meet the demand for money in a timely manner or can provide funding or costs that are higher than acceptable levels which may affect income both from the change of internal and external factors

As a result, the corporation manages its risks by controlling the adequacy of liquidity Procurement of funding sources at costs that are consistent and suitable for short-term and long-term use of funds (Asset & Liability Management) with monitoring of net liquidity (Liquidity Gap Report) and estimating liquidity in advance in order to be ready to support the crisis Potential liquidity and confidence that there is sufficient liquidity to support various situations.

**The risk of exchange rate volatility interest rate inflation**

The Company imports some raw materials such as soybean meal, squid liver, fish steamed water, which are important raw materials used to enhance the value of aquatic feed. It helps in enhancing protein and fat for aquatic animals. The company will pay for raw materials in US dollars and Japanese yen, so the fluctuation of exchange rates directly affects the company's production and operating costs. This is because the Company's main income comes from selling products to domestic customers, which are dealers and farmers groups. Therefore, the company has income in baht while some expenses are in foreign currency.

As a result, the corporation manages its risks by It has a policy to hedge against foreign exchange risk by agreeing on forward contracts with the bank for both import and export. For risk insurance from time to time, each time 3 - 6 months,

depending on the period of receipt or sale of the Company's products. The statistical data of exchange rate fluctuations in each currency is studied in order to analyze each time in making a decision on foreign exchange forward contracts. However, the Company has not imported raw materials from abroad since 2020.

As for the exchange rate risk on the cost of the geothermal power plant business that the Company borrows in foreign currency The Company may be exposed to risks in future revenue recognition and foreign currency conversion. But because it is a currency with less volatility. The company is careful to follow up. to consider the appropriate risk prevention guidelines.

#### **The risk of The volatility of returns on assets or investments**

The company considers the decision to bring cash from the company's financial liquidity. to invest in debt and equity instruments to generate returns in the future that are higher than normal savings Financial investments include deposits, savings, bills of exchange (BE), debentures of public limited companies or companies listed on the stock exchange. Both the Stock Exchange of Thailand and the Market for Alternative Investment (MAI) to benefit from the difference in interest income that is higher than interest expenses. or to reduce the interest expense of the overall loan at a particular time or to invest in the purchase of shares of a public limited company or a stock listed on the stock exchange Both the Stock Exchange of Thailand and the Market for Alternative Investment (MAI) have invested in bonds. which will have a risk arising from the default of the debt issuer, that is. The bond issuer may not be able to meet certain conditions, such as being unable to pay interest or repay the principal to the debt holder in a specified amount or at a specified time.

As a result, the corporation manages its risks by investing in debt and equity securities through securities companies with expertise that can provide investment advice

#### **Investment risk of securities holders**

Because the company has accumulated loss affect the financial position causing the shareholders' equity to be less than 50 percent of the paid-up capital which is lower than the criteria set by the Stock Exchange of Thailand Due to the impairment of assets in Japan The impact of the coronavirus disease 2019 (COVID-19) epidemic situation, the lack of working capital and the decline in investment property valuations. As a result, it is unable to provide a return that is worthwhile for the investment of investors.

As a result, the corporation manages its risks by restructuring debt by selling non-operating assets to reduce interest burden Negotiate with banks or find business partners (Strategy Partners) to resolve the lack of working capital (Working Capital) due to the epidemic situation of the Coronavirus Disease 2019 (Covid-19) that results in lack of income. sales of pet food decreased Issuing convertible debentures to increase liquidity and adjust marketing strategies Emphasis is placed on selling products to customers with good financial standing and short term credit. to fix the problem

## Sustainability Management Policies and Goals

### Sustainable Development Goals (SDGs)

We will continue to pursue real and ongoing social responsibility programs in order to achieve our goals through collaboration from all sectors of society. Leading to benefits that will happen to the nation Ready to lead the economic, social and environmental sectors to sustainability along the same path as well as being a part in contributing to the well-being of Thai society. By adopting the Sustainable Development Goals (SDGs), an international development direction. Of the United Nations (UN) as the basis for the implementation of the PP Prime Public Company Limited's social responsibility program, as the development agenda after 2015, 17 SDGs were adopted. It is the key to implementing 5 social responsibility projects of PP Prime Public Company Limited, which are:

## Business Driving for Sustainability



2 : Eliminate hunger Achieve food security Promote sustainable agriculture

Focusing on children and the disadvantaged Providing access to adequate and nutritious food Along with promoting Sustainable agriculture Improve the quality of life and productivity of small-scale agriculture. Through projects that we create concrete and sustainable, such as the school fisheries project, the self-sufficiency building project To Fisheries, Thai Border Patrol Police School



3 : Good health and well-being.

Good health and well-being Ensuring that people live a healthy life, promoting welfare for all people of all ages. Through the Happy Kids project with kind adults, a project to share smiles to the elderly and a campaign to reduce accidents



4 : Equal and Comprehensive Education Promote sustainable learning

Support and promote Thai youth in education to be one of the powerful drivers for sustainable development with the aim to reach disadvantaged youth and educational institutions who are disadvantaged in need Through the Social Responsibility Program (CSR) by awarding scholarships in Thai Luxe Graduate Program From primary school to higher education for children who study well, behave well, but lack funds both outside and within the organization, including educational institutions as well. Distributed to all regions across the country



14 : use of oceans and marine resources

Protect the coastal ecosystem Strengthen the conservation and sustainable use of marine resources through the mangrove planting, conservation, release, and protection project. Which not only is the restoration of the mangrove forest to remain Increase ozone by air It also increases the habitat for coastal marine life. Has propagated and results in treating water according to natural methods This will help trap sediment. Filter the waste water to be clearer and clean It is also a food source. And plays an important role in preventing erosion in the coastal areas



16 : Society is peaceful, fair, non-discriminating.

Promote a peaceful, fair, non-discriminatory society for sustainable development. Through the Happy Kids project with kind adults, a project to share smiles to the elderly and campaign to reduce accidents.

## Managing impact on stakeholders in the business value chain

### Business value chain

#### 1) Procurement of raw materials

Quality agricultural products are procured both domestically and imported from abroad, such as fish meal, wheat flour and soybean meal, corn, cassava, etc., to be produced in the form of instant food in the form of pellets. The company purchases both directly from manufacturers and through brokerage firms in order to obtain reasonable prices in comparison to the overall market. For raw materials from abroad, there will be contracts with manufacturers or dealers to set the price in advance.

#### 2) Production process

Production lines are separated by products as follows: Shrimp Food Production Department Fish Food Production Department and pet food including the storage of raw materials separately To achieve maximum efficiency in the production and storage of raw materials of each product. Other administration There is a central support in various fields such as sales and marketing administration departments, purchasing departments and quality assurance departments, etc. There are 2 animal feed factories in Phetchaburi province. and Songkhla Province by planning the production to be able to support the production and meet the market demand continuously and in accordance with and appropriate to the current production capacity It also emphasizes on the production of quality products and standards according to the company's policy. Produced with efficient machines and modern production technology together with product quality checks at every step Therefore, the company's products Certified to international quality standards

#### 3) Distribution channels

Products are sold through dealers, together with other companies' aquatic feed. which are distributed in all districts across the country (dealers) and sell directly to farmers who own farms Or farmers grouped into clubs or cooperatives, where all distribution is carried out through offices and distribution centers.

#### 4) Marketing and Sales

A comprehensive marketing strategy has been established by allowing customers to become partners. Emphasis is placed on the quality of products and services. This ensures that the product contains the ingredients, properties and nutrition that meet the product label. although raw materials have increased But the company did not adjust the animal feed price according to the raw material price. Because animal feed is a commodity that has to be price controlled by the Department of Internal Trade. The company still focuses on producing products. in order to obtain quality products suitable for aquaculture

#### 5) Service

The delivery service to customers focuses on the freshness and freshness of the product. by adding direct delivery from the factory to the customer and also having 2 distribution centers to support customers more thoroughly and more conveniently

## Business Value Chain Stakeholder Analysis

Stakeholder	Stakeholder expectations	Meeting the expectations of stakeholders
Internal stakeholders		
Shareholder	Management with good governance	<ul style="list-style-type: none"> <li>- Supervise the business and manage the business with good governance</li> <li>- Comply with business ethics and treat shareholders equally</li> </ul>
Employee	<ul style="list-style-type: none"> <li>- non-discriminatory respect the difference</li> <li>- Providing compensation in the form of wages and benefits</li> <li>- Stable advancement in duty</li> <li>- There is training and knowledge development. Promote potential and ability to work</li> <li>- Manage a good working environment safe and hygienic</li> </ul>	<ul style="list-style-type: none"> <li>- Treat employees equally</li> <li>- Rules are set Reasonable and fair compensation standards</li> <li>- Provide training, develop knowledge, promote potential and ability to work on a regular basis.</li> <li>- Provide a good, safe working environment with good hygiene. Improve the quality of working life of employees and workers</li> </ul>
External stakeholders		
Customer	<ul style="list-style-type: none"> <li>- Quality and standard</li> <li>- Deliver products within the specified time</li> <li>- Fair pricing</li> <li>- Build confidence in the product</li> </ul>	<ul style="list-style-type: none"> <li>- Committed to continually improving quality and standards</li> <li>- Regulated and fair pricing</li> <li>- Maintain strict relationship with and supervise the implementation of agreements with customers with integrity.</li> </ul>
Partner	<ul style="list-style-type: none"> <li>- Fair pricing</li> <li>- Comply with the repayment conditions</li> <li>- Cooperate in preventing corruption.</li> </ul>	<ul style="list-style-type: none"> <li>- Build business trust</li> <li>- Arrange for an internal audit to conduct an audit</li> <li>- Control the compliance with anti-corruption policy.</li> </ul>
Community and society	Operate business with community and society in mind. both nearby and public	<ul style="list-style-type: none"> <li>- Organize activities for the community and society</li> <li>- Build relationships with nearby communities to achieve mutual understanding</li> </ul>

## Sustainability Management in Environmental Dimensions

### Environmental Policies and Practices

Environmental policies as part of business operations. The company has developed and created a quality system in the organization in order to be able to produce quality products and able to create satisfaction for customers with the determination to continuously develop the business by focusing on producing quality products and at the same time giving importance to participation in preserving the environment. It will operate under the following commitments:

- Committed to complying with laws and regulations government and other rules or agreements that the company is involved with that comes out of control Strictly supervise the environmental work.
- Focus on environmental protection and pollution prevention. especially to reduce waste Energy and Resource Conservation and the control of hazardous substances from various activities of the company.
- Establish and review environmental objectives and goals with continuous improvement.
- Cultivate an awareness of environmental protection among employees to be aware of and help each other to maintain and comply with the environmental management system.

In addition, an energy conservation policy has been established. to be used as a guideline for energy operations Promote the use of energy for maximum efficiency and benefits as follows:

- Implement the development of an appropriate energy management system. By making energy conservation a part of the company's operations in accordance with the law and other requirements. related.
- Continuously improve the efficiency of the organization's energy resource utilization and appropriate business, technology used and good practice practices.
- Establish annual energy conservation plans and goals and communicate them so that all employees understand and act correctly.

### Environmental performance

The company is aware of various problems. that happened to the environment It is committed to adopting the Environmental Management Standards System (ISO 14001) as a mechanism or key engine in the implementation of the environmental policy setting. establishing objectives Environmental Management Goals and Programs as well as to examine, review, to improve and develop the system to be effective continuously. It is hoped that the company will be one that has the potential of human resources, technology, and quality production processes. without aggravating or increasing the burden on society and the environment for sustainable development of the country.

The company has focused on improving the quality of products and services. for consumers along with environmental management Academic team was established Responsible for research and development of product quality focusing on the use of raw materials To reduce the impact that may cause problems to the environment as much as possible and consumers still receive quality products and services

#### 1. Power management

Implementation of production system development The entire production process and building were designed using SKY Light panels to increase daylight while reducing electricity consumption. In addition, the company insulated the steam generators and all heat conductors in the production process. to reduce the use of steam As a result, the amount of coal used was reduced. and has also prepared a project to install a switch in an office building due to conventional switches when we turn on the lamp make the bulbs light up at the same time This causes a waste of electricity, because at some point we don't want to use all the light, so the switch jerks. Will be created to use to turn on the electric lamp to light as we want to use, for example, if we want to use it, pull the switch. Working area, the light will be on, which is a device. that helps promote energy conservation in office buildings which can be opened according to the needs of users in each area, at any time

### Fish feed production

In 2021, the company uses a total of 4,359,360 kilowatt-hours of electricity. Able to save electricity costs in the amount of 11,660,722.56 baht or 55.30% compared to the previous year.

### The energy consumption data.

Year	Set goals		Used electrical energy	
	Amount (kilowatt-hour)	Percentage	Amount (kilowatt-hour)	Percentage
2019	-	-	7,903,640	-
2020	20,440	0.26	7,883,200	99.74
2021	3,523,840	44.70	4,359,360	55.30

### The fuel consumption data of Grade C fuel oil.

Year	Set goals		Used fuel consumption	
	Amount (liters)	Percentage	Amount (liters)	Percentage
2019	-	-	554,557	-
2020	126,741	22.85	427,816	77.15
2021	62,325	14.57	365,491	85.43

### The fuel consumption in the type of coal, betuminous

Year	Set goals		Used fuel consumption	
	Amount (kg)	Percentage	Amount (kg)	Percentage
2019	-	-	3,539,068	-
2020	-859,683	124.29	4,398,751	-24.29
2021	1,938,052	44.06	2,460,699	55.94

### Shrimp food production

In 2021, the company uses a total of 750,570 kilowatt-hours of electricity. can save electricity bill amount 10,611,802.38 baht or 21.26% compared to the previous year

### The energy consumption data.

Year	Set goals		Used electrical energy	
	Amount (kilowatt-hour)	Percentage	Amount (kilowatt-hour)	Percentage
2019	-	-	3,983,490	-
2020	452,610	11.36	3,530,880	88.64
2021	2,780,310	78.74	750,570	21.26

The fuel consumption data of type C grade fuel.

Year	Set goals		Used fuel consumption	
	Amount (liters)	Percentage	Amount (liters)	Percentage
2019	-	-	180,603	-
2020	111,323	61.64	69,280	38.36
2021	62,960	89.95	6,960	10.05

The fuel consumption in the type of coal, betuminous

Year	Set goals		Used fuel consumption	
	Amount (kg)	Percentage	Amount (kg)	Percentage
2019	-	-	2,279,275	-
2020	331,850	85.44	1,947,425	14.56
2021	1,810,625	7.02	136,800	92.98

## 2. Water management

The company focuses on water resource management in every work process covering upstream to downstream. including plans and projects for efficient use of water This will reduce the potential impact on the environment and surrounding communities. by taking actions to prevent water pollution such as

1) Establishment of a water treatment system from the production process, with strict control, supervision and adjustment of water quality to meet the requirements of the law. The water quality has been inspected by a private agency that is certified to international standards. along with surveillance of water management emergencies that do not affect the community and the environment

2) The company has a water management system for both the water used within the company and the wastewater treatment system. Which uses water from a natural water source, which is groundwater, therefore sees the importance of sustainable use of resources. Wet land wastewater treatment system has been established to adjust the quality of wastewater to be reused in environmental management within the factory. And there is an area to support rainwater. for water to replace groundwater in the production process to reduce the use of groundwater It also prevents the release of wastewater into the community.

## Fish feed production

The combined use of raw water and tap water accounted for 100% of the total amount of water used. Therefore, the company has continuously maintained and inspected the condition of the water distribution system within the production process to meet the standards. For the office building, the water flow rate at the wash basin and sanitary ware is adjusted within the building. along with effective wastewater management with 100% treated wastewater of the total amount of effluent These can be used in sanitation systems and utilities within the building. In 2021, the Company's total water consumption was 136,025.17 cubic meters, a decrease of 28,268.87 cubic meters or 17.21 percent compared to the previous year.

The consumption of raw water and tap water.

Year	Set goals		Use of raw water and used tap water	
	Amount (cubic meter)	Percentage	Amount (cubic meter)	Percentage
2019	-	-	174,306.73	100.00
2020	10,012.69	5.74	164,294.04	94.26
2021	28,268.87	17.21	136.025.17	82.79

The wastewater that has been treated before discarding.

Year	Set goals		Wastewater treated before discarding	
	Amount (cubic meter)	Percentage	Amount (cubic meter))	Percentage
2019	-	-	2,844.44	100.00
2020	3,000.00	100.00	3,106.56	100.00
2021	2,000.00	100.00	1,553.48	100.00

Shrimp food production

The combined use of raw water and tap water accounted for 100% of the total amount of water used. Therefore, the company has continuously maintained and inspected the condition of the water distribution system within the production process to meet the standards. For the office building, the water flow rate at the wash basin and sanitary ware is adjusted within the building. along with effective wastewater management with 100% treated wastewater of the total amount of effluent These can be used in sanitation systems and utilities within the building. In 2021, the company's total water consumption was 7,860.83 cubic meters, a decrease of 25,575.13 cubic meters or 76.49 percent compared to the previous year.

The consumption of raw water and tap water.

Year	Set goals		Use of raw water and used tap water	
	Amount (cubic meter)	Percentage	Amount (cubic meter)	Percentage
2019	-	-	42,439.27	100.00
2020	9,003.31	21.21	33,435.96	78.79
2021	25,575.13	76.49	7,860.83	23.51

The wastewater that has been treated before discarding.

Year	Set goals		Wastewater treated before discarding	
	Amount (cubic meter)	Percentage	Amount (cubic meter)	Percentage
2019	700	100.00	692.55	100.00
2020	700	100.00	632.23	100.00
2021	100	100.00	89.78	100.00

## Management of waste, waste and pollution

The Company has systematically managed waste and waste in its business processes in accordance with the 3R (Reduce Reuse Recycle) principle. There is an efficient waste sorting system. Along with creating awareness and participation with stakeholders to reduce waste disposal by landfill method.

In 2021, the Company had a total waste and waste volume of 75,633 kilograms. In addition, the Company had to measure the environmental quality in the office and around the establishment at least twice a year. In 2021, it was found that the air quality standards, smells, noises, and lights were in the Normal criteria as required by law and no chemical spills from business operations were found.

### The waste

Year	Waste		Recycle waste	
	Dangerous Amount (kg)	Not dangerous Amount (kg)	Recyclable Amount (kg)	cannot Recyclable Amount (kg)
2019	3,017.5	38,150	142,750	-
2020	3,130	45,300	106,920	-
2021	183	21,120	54,330	-

Remark: non-recyclable waste will not be separated. will be combined with non-hazardous waste (general waste), and recyclable waste will be waste from the production process such as used packaging bags, steel drums, etc.

Because the company is a manufacturer of ready-made food products, aquatic animal feed. The problem of odor, dust and noise pollution must inevitably arise. and sometimes may affect the surrounding communities Deodorization technology has been adopted by the wet scrubber system, a device used for the removal of gas and vapor as well as small particles by using water as a trapping by spraying liquid or Water to a small droplet to disperse to collide with the gas stream. by the impact of inertia, which is the main mechanism of interception and diffusion.

- Air, with determination to be a green factory that lives with the community happily The company has set strict goals. standard equivalent by developing and improving to bring suitable technology to manage air quality
- Dust: Prevents dust pollution by installing Jet filter dust collectors at every point in the production process that will cause pollution. And there is also a preventive maintenance plan to keep the machine running efficiently at all times.
- On the noise side, there is a system to prevent noise caused by machines with noise reduction equipment or Air Silencer to reduce problems that may cause noise pollution to employees working and nearby communities. In addition to the installation of efficient machinery and equipment to control the environmental quality from the production process to the specified standard level. There is also regular monitoring of the quality of the air vented from the factory's chimneys, as well as monitoring the efficiency of the machinery. continuous equipment At the same time, there was an activity to explore the smell with the surrounding communities. to access problems and needs to improve and develop the odor treatment system The existing dust and noise to be more efficient.

### Management to reduce greenhouse gas problems

The company does not record or store information on greenhouse gas emissions. There will be only the pollution measurement results. and air quality from the chimney only

### Sustainability Management in Social Dimensions

#### Social Policy and Practice

The company adheres to the corporate philosophy that “People are the key to driving an organization.” Therefore, employees are a valuable asset and key to driving an organization towards success and sustainable growth. Therefore, it is important to take care and treat employees fairly on the basis of respect for human rights. Emphasis is placed on promoting participation and valuing differentiation. To create value for employees and inspire them to work to their full potential. The employment and labor management policies are stipulated in accordance with international human rights guidelines and standards. which consists of United Nation Universal Declaration of Human Rights (UNDHR) and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work) and labor law. of the country in which the company operates Criteria based on international standards that the company adheres to the company's management policies and customer requirements. By using the said policy, conduct business and pass it on to business partners to apply them in their business operations and promote the participation of those involved in the supply chain that have been identified as having priority in the first place to respect human rights for food industry

#### Social Performance

##### (1) Employees and workers

Treatment of employees and workers with regard to human rights may consist of Fair employment and compensation Employee Training and Development Developing employee engagement and satisfaction management of safety, occupational health and working environment, etc., as well as demonstrating efforts to reduce the risk of disputes involving employees and labor. to maintain competitiveness Attract potential interested people to join the event. Develop employee engagement with the organization.

The Company adheres to the principles of human rights from employment to the care of employees and personnel. In order for all employees and personnel to feel that they are connected to the same family as the organization, in 2021 the Company has the following key employee operations:

Employment	Number of employees (person)	
	Male	Female
Full time Staff	269	137
Disabled Staff	1	1
Total	270	138

#### Policy on Remuneration and Welfare of Employees

The company has a policy to determine the appropriate compensation of employees. Sufficient to motivate, attract and retain talented employees. The remuneration is based on experience, expertise, knowledge, and abilities. In addition, the compensation is reasonably comparable to those of other companies in the same industry. and are of similar size.

The company rewards employees for working to the best of their ability. by providing welfare and benefits that employees of the Company should receive Remunerate employees for cooperating with the company well. which are as follows

Social Security Fund	<p>A fund established for our employees in the event of illness, maternity, disability or death which is not due to work.</p> <p>The company will allow all employees at all levels into the social security fund system. Which is a fund that provides security to insurers in order to receive benefits when experiencing danger or illness Disability or death which is not caused by work including cases of giving birth child welfare, old age and unemployment. Will be in accordance with the conditions of the Social Security Fund.</p>
Compensation fund	<p>Fund established for sick employees due to work.</p> <p>The company sends a contribution to the compensation fund annually. By sending a single contribution which the workmen's Compensation Fund will pay compensation to employees suffering from illness or loss of organs, loss of capacity of organs, disability, death or loss of work for the company.</p>
Provident fund	<p>Fund that accumulates money from employees and the company to fund retirement from work.</p> <p>The company uses the accumulated funds of employees who have passed the trial and become members. Sent to the provident fund Along with the company contributions to the employees can choose to pay 3% or 5% or 10% or 15% of their monthly salary to the fund. And the company will contribute to the employees who are members of the fund Equal to 3 percent. Members will receive a 100% cumulative contribution and contributions in accordance with their age in years.</p> <p>Membership is 1 year old but less than 2 years 20%</p> <p>Membership is 2 years old or older but less than 3 years, the company joins 40%</p> <p>Membership is 3 years old but less than 4 years old, company contribution 60%</p> <p>Membership is 4 years old but not over 5 years old, company 80%</p> <p>Member age 5 years and over 100% associate company</p>
Annual health check	<p>All employees receive an annual health check from a reputable hospital.</p> <p>The company sends a contribution to the compensation fund annually. By sending a single contribution which the workmen's Compensation Fund will pay compensation to employees suffering from illness or loss of organs, loss of capacity of organs, disability, death or loss of work for the company.</p>
Infirmary	<p>There is a first aid room and home medicine for employees who may have an accident or illness.</p>
Training	<p>Believe that good people are the factor that will lead the company to success.</p> <p>Therefore, we allow employees to increase their knowledge and expertise in working better. by training both inside and outside the company</p>
Offsite seminar	<p>The company organizes seminars in various tourist attractions for employees to have the opportunity to relax annually. And there are activities to enhance teamwork skills for employees as well.</p>

Health insurance and accident insurance	<p>In order to reduce conflicts in severance pay between employers and employees. In the event that an employee has lost his life, lost an organ or paid for medical treatment If the employer does not have group insurance Must be compensated with the employer's own money. or if the employee receives compensation in an amount that is less than the employee expected May cause dissatisfaction, negatively affect the image of the organization.</p> <p>The company will provide group health insurance in case of serious illness to hospitalization, accident and life insurance. By grouping as follows:</p> <ul style="list-style-type: none"> <li>- Offsite mobile workers at risk of accidents</li> <li>- Full time staff</li> </ul>
Education fund	<p>The fund is divided into Scholarships for the education of employees' children In order to reduce the burden of employees and scholarships for employees' education To encourage employees to have the opportunity to learn more and more knowledge. There are rules and conditions In order to promote the education for the future of the employees' children who have worked for 1 year or more and have the greatest benefit according to the policy</p>
Bonus	It is a reward for the gift and strength of the employees.
Grants for various occasions	The company has various subsidies to alleviate troubles, such as subsidies for visiting sick employees. funeral expenses wedding allowance and child support.
Uniform	For orderliness and reducing costs for employees
Annual Diligent Award	To reward employees who are committed to performing their duties on a regular basis.
Year-long Service Award	To reward employees who have worked with the company for a long time and retain employees with the company.
Early Retirement Program (Early)	To assist employees who wish to retire early to have a reserve fund for life after retirement
Staff meal	To assist employees who come to work on holidays
Water for drinking	The company is aware of the health of its employees. Therefore, a water cooler was installed. as well as clean drinking water for staff at various points and agencies thoroughly
Canteen	To provide employees with a clean and hygienic eating place Therefore, the company has prepared a cafeteria with a TV set. to entertain employees during their leisure time
Shuttle bus	The company is aware of safety Convenience and speed in commuting to and from employees in order to reduce travel expenses for employees.
New year party	The company arranges a New Year's party for employees. by focusing on organizing the event to promote unity among employees
Diligent allowance	The company awards monthly diligent allowance to full-time employees who come to work and record their working hours according to the rules.

### Human resource development policy

The Company develops human resources by providing continuous education and training so that all employees have the skills and knowledge appropriate to the tasks assigned to them.

1. Develop teamwork by engaging employees at all levels in solving problems and suggesting guidelines for the implementation of the established policies.
2. Develop from employee to professional management.  
Develop from employees to experts.

### Staff training

In 2021, the Company organized 30 training courses for employees to enhance their skills and work potential, with an average number of training hours or knowledge development activities for employees of 6 hours per person per year from the target of 10 hours per person per year.

### Safety, Occupational Health and Work Environment

The company is committed to conducting business under safety. Environment and quality of life of employees The company will operate under the company policy as follows

1. The company will support to comply with safety laws and regulations. Health and safety.
2. The company will promote and support the development and improvement of the working environment and safe working methods. To ensure safety and occupational diseases
3. The company will develop employees at all levels to have knowledge and create safety awareness. Along with safety policy announcements Occupational health and working environment for employees to be informed
4. The company will provide appropriate resources, budget, time, personnel and related resources for safety, occupational health and working environment.
5. The company will promote and support public relations activities. Security in the company

In 2021, the company continually improves and optimizes safety operations to reduce the risk of illness, injury or death. and take care of the quality of life of employees or employees appropriately The important operations are as follows:

- 1) Support and encourage employees to be aware of working with safety as well as supervise the performance of employees, business partners, contractors and those who come in contact or work within the Company Comply with strictly established safety and health regulations in order to ensure maximum safety in every step of the operation.
- 2) Develop employees at all levels to have knowledge and create safety awareness and announcing the safety policy Occupational health and working environment for employees to be informed
- 3) Manage the risk of various hazards and environmental impacts by taking every effort to ensure that the risk prevention and mitigation system is effectively implemented.
- 4) Provide appropriate safety related resources and equipment for the implementation of the Occupational Safety, Health and Environment Management System.

In 2021, there was 1 work injury case. The company has measures to prevent such accidents as follows:

1. Provision of protective equipment suitable for the nature of the work of the employees.
2. Provide suitable space to move raw materials.
3. Notify seller of safety measures. in procuring equipment suitable for the nature of the job
4. Conduct safety training To make employees more aware of safety

## Labor dispute

As of January 31, 2022, the Company has no labor dispute.

## (2) Customers

The company is a leader in shrimp feed quality. It is the first shrimp feed manufacturer in Thailand that supports all standards including ISO 9001, ISO14001, GMP & HACCP production standards and Q Mark certification. These standards can guarantee good product quality. and safety for consumers This can ensure that the company's products are worthwhile and can meet all needs perfectly.in that price The product is regulated by the Department of Internal Trade. and referring to trading prices from the fishery market therefore rest assured that The price of the product is fair to the customer without any exploitation. The packaging has a variety of packaging sizes. to suit the needs of customers and to be registered on all products available Including information on the use of the product in accordance with the rules of the Department of Fisheries in all respects In addition, the company's academic team has also prepared a manual on aquaculture in each stage of the growth of aquatic animals to distribute to farmers as well.

Product safety and quality assurance The company produces under the process of the Good Manufacturing Practice or GMP standard system, which is the rules and practices of good food production. To ensure safety and confidence in consumption, the principles of GMP cover from the location of the establishment. building structure A good production system with safety and quality standards, a good management system in terms of sanitation (Sanitation and Hygiene) and using the HACCP Hazard Analysis Critical Control Point system to analyze hazards and critical control points as a management system. Safety quality which is used to control the production process to ensure food is free from three hazards namely chemical, physical and biological hazards that may affect food from raw material receiving to delivery to the customer.

The company has developed Quality Assurance provides the laboratory's test results with quality according to international standards with accuracy, speed, and reliability, as well as developing quality testing. continually to meet customer satisfaction and benefits Our laboratory has the standard ISO/IEC17025 that was certified in 2014 by the Department of Science Service as a criteria for quality management of the laboratory. In addition, the company also open a channel for customers to ask questions complaints about the product.

Environmentally, companies have reduced the amount of chemicals used in product inspections by using product inspection NIRs. for speedy reporting of results and environmentally friendly

## (3) Community and Society

The company has built a good relationship. and promote the good image of the organization to the local government agencies and communities in nearby areas To reduce the environmental impact caused by the production process, both directly and indirectly, such as odors, noise, dust that are not harmful. and may cause air pollution that affect the livelihood of people in the community through community relations projects with government agencies in the area, people and the environment in the community as well as organizing activities for employees To strengthen relationships, create positive energy, generate extra income Distribution of revolving income within the organization and share the guidelines for further career advancement including building a good relationship with the company's dealer customers through projects in line with the United Nations Sustainable Development Goals (SDGs) and covers all 3 areas: Environment, Society and Economy (ESG: Environment Social and Governance).



## Project Social Responsibility of “PP Prime” of the year 2021

Empowering For Sustainability

Throughout the past 34 years in business With a vision that is moving forward relentlessly, PP Prime Public Company Limited and its affiliates believe that "people" are the main force of every business. The ultimate goal of the company is to make people's lives in society have stability and sustainability therefore conducting business related to sustainability provide stable returns and has high growth potential in the future coupled with social responsibility as well as building confidence among all groups of stakeholders, such as shareholders, investors, customers, trading partners, mass media, communities, and personnel in the organization.

There has been a concrete social responsibility project (Corporate Social Responsibility: CSR) for more than 15 years. Corporate Social Responsibility Committee (CSR Committee) in 2016 to supervise, formulate policies, strategies, guidelines to be on target as well as supporting, controlling, monitoring and evaluating operating results. Social responsibility to be in accordance with the goals set and in 2019, the name of the faculty has been changed to Sustainable Development Committee to upgrade and extend sustainable development in line with corporate policies “PP Prime” is also involved in creating a better future for youth and Thai farmers. including the surrounding communities through the Company's corporate social responsibility program which is held continuously, concretely and sustainably both nationally and community level in line with the United Nations Sustainable Development Goals (SDGs) and covers all 3 areas: Environment, Society and Economy (ESG: Environment Social and Governance). But because in the past 2021, with the epidemic situation of the coronavirus disease 2019 (COVID-19), there is still a new wave of outbreaks continuously. which is a strain that can spread faster than normal The government by General Prayut Chan-o-cha, Prime Minister and Director of the Center for Covid-19 Situation Administration Has announced the Government Gazette publishing the Center for Management of the Situation of the Coronavirus Disease 2019 (Covid-19) situation, with the determination of various provinces according to the situation, which are designated as the highest control areas. and upgrading the enforcement of disease prevention measures. The Company realizes the importance of social, economic, environmental responsibilities as well as stakeholders. with ethical principles and good corporate governance principles Therefore, there is a policy to postpone travel to undertake Corporate Social Responsibility (CSR) projects outside the province. to comply with the announcement of the Government Gazette and comply with measures to prevent infection and reduce the spread of coronavirus disease 2019 (COVID-19), but continue to operate social responsibility projects in the province which is the location of the establishment including nearby communities to build a good relationship and publicize the good image of the organization to external agencies as well as to reduce the environmental impact caused by both direct and indirect production processes of the factory



It is a Corporate Social Responsibility (CSR) project aimed at environmental sustainability. which has the main objective to cultivate awareness of conservation, protection, rehabilitation, as well as sharing knowledge and experience about living with the mangrove forest and coastal ecosystems to maintain natural balance to rely on each other sustainably as well as to promote and develop the quality of life of local people to be able to create a career by using mangrove forest resources with value bring in circulating income within the community The main goal is to increase the green area in the mangrove forest by 10 rai and to propagate aquatic animals by releasing aquatic animal cubs into the mangrove forest ecosystem. According to the plan to continue the project for 7 years (2018-2024) in an area of 10 rai and release aquatic species such as white shrimp, macaque crab, and blue crab at Pak Thale Subdistrict, Ban Laem District, Phetchaburi Province, through integrated cooperation throughout the region. The public and private sectors are PP Prime Public Company Limited, Phetchaburi Province, Phetchaburi Provincial Fisheries Agency, Phetchaburi Mangrove Forest Resource Management Center. Office of Marine and Coastal Resources 3, Department of Marine and Coastal Resources Ministry of Natural Resources and Environment, Pak Thale Subdistrict Administrative Organization, Ban Laem District, Phetchaburi Province, other local government agencies, media and people in the area which received the attention of the participants as well Because in the past 2021, with the epidemic situation of the Coronavirus Disease 2019 (COVID-19), the Company has coordinated with relevant government agencies. to follow up on the performance in the past year including the growth of seedlings Plant species that are planted in the mangrove forest area The results obtained were in good condition. Trees have an average growth rate of not less than 80% / area planted / year. and has a height of 4-5 meters. to maintain a good relationship between each other

In addition to corporate social responsibility projects at the national level, the Company has also built good relationships. and promote the good image of the organization to the local government agencies and communities in nearby areas To reduce the environmental impact caused by the production process, both directly and indirectly, such as odors, noise, dust that are not harmful. and may cause air pollution that affect the livelihood of people in the community through community relations projects with government agencies in the area, people and the environment in the community as well as organizing activities for employees To strengthen relationships, create positive energy, generate extra income Distribution of revolving income within the organization and share the guidelines for further career advancement including building a good relationship with the company's dealer customers through projects in line with the United Nations Sustainable Development Goals (SDGs) and covers all 3 areas: Environment, Society and Economy (ESG: Environment Social and Governance).

## Environment

The environmental team, Thai Luxe Enterprises (Thailand) Co., Ltd., a subsidiary of PP Prime Public Company Limited, went to the area to survey the smell from the production process. Every quarter in the area within a radius of 3 kilometers from the company which has been carried out continuously by asking for information from community representatives in the area for management information If a problem is found, it can be solved on the spot. and understanding together, which the company attaches great importance to the local communities ready to be a part of driving the community towards a sustainable society in all dimensions In the past 2021, with the epidemic situation of the Coronavirus Disease 2019 (COVID-19), the Company continues to build good relationships with government agencies in the area. There is regular communication and coordination and follow up on news from the community to ensure the Company's operations. to be efficient and people in the community are happy



Solid waste resulting from neglect of sorting It is a chain that leads to the quality of the environment. The overall health of the body and life has deteriorated. The company realizes the importance of the environment. therefore established a project Waste sorting and recycling waste management within the organization To encourage employees in the organization to separate waste before throwing it into the bin. including waste management that can be recycled to reduce the amount of waste generated as well as in order to have the most efficient rotation and sharing of resources

## Social



over a period of more than 16 years, starting from 2006 to the present We have supported scholarships for students/students who study well, behave well, but lack funds. Including scholarships for educational institutions as well, all regions throughout the country, as well as scholarships for students/institutions in the community. Farmers' children and children of employees in the organization who has received continuous scholarships, totaling more than 2,351 scholarships, with a budget of more than 7,965,000 baht

Because we are aware of the importance of youth education. that will be an important force in the development of the nation in the future along with improving the quality of life of children and is committed to instilling values in the youth to see the value and importance of education as well as to have the ability and receive educational opportunities in order to be the main force and important driving force of the country Strengthen communities, happy society, which is the foundation of empowering people to have knowledge and abilities to pursue a career. create stability for oneself and society in a sustainable way

It is an activity to build relationships in the community. Focus on local children and youth which will be held on the occasion National Children's Day every year in communities near the Company's main production base, Phetchaburi Province. and Songkhla Province which has a form of organizing recreation Give away gifts/prizes and feed to the participants



It is an activity to build relationships in the community as well. but focusing on local elderly people It will be held on the occasion of the National Elderly Day every year in communities near the main production base of the Company, Phetchaburi Province. and Songkhla Province which has a form of organizing recreation Give away gifts/prizes and provide food for the elderly who attend the event



activity campaign to reduce accidents During important festivals such as New Year's Day and Songkran Day in collaboration with local government agencies Highway Police Station in the area near the Company's main production base, Phetchaburi Province. and Songkhla Province which operating model as a gift (Car sunshade) around the highway facade or a public service stop To create awareness for people who use cars to use the road Awareness of driving safety, both for oneself and others. Because in the past 2021, with the epidemic situation of the Coronavirus Disease 2019 (COVID-19), the Company has coordinated and discuss with government agencies in the area Related to the Delighted Children and Kind Adults Project, the Smile Sharing Project to the elderly and the campaign to reduce accidents to find guidelines for the implementation of the project above and came to a common conclusion: To postpone the implementation of the various projects first. However, the company continues to coordinate with government agencies that organize the event regularly. and follow the news to maintain a good relationship between them



## Social



By sharing good quality items for charity from the company's kind management team. Join the auction and sell within the organization. The objective is to bring income to help fund. Flood victims heal and rehabilitate their southern brothers and sisters. and dealer customers in the next order

Management and staff join blood donation with the Red Cross, Phetchaburi Province for use in King Mongkut's Hospital Phetchaburi Province To reserve blood in normal conditions and prepare to cope with the crisis that has urgent need for blood to help patients in various hospitals timely and create the highest benefits for human beings at Nong Chumphon Subdistrict Administrative Organization, Khao Yoi District, Phetchaburi Province



White Factory Project The company has the intention of being one of the participating organizations. white factory project according to government policy and requesting cooperation from all employees to cooperate with the activities of the project This is to jointly eliminate drug problems and to cooperate with the government. In order to prevent and solve drug problems, the Company has established a drug prevention and suppression policy. and cooperate with government agencies in checking the orderliness of every step in the process

The company supports drinking water to government agencies in the area To be given to the medical team and staff who perform preventive duties. and watch out for the coronavirus disease 2019 (Covid-19)



# Governance

The company has been operating continuously for more than 12 years, starting from 2009 until the present. by support aquatic food and recommending farming techniques to schools in rural areas that lack funds in the implementation of the Agriculture for Lunch project Most of them are schools under the Office of the Basic Education Commission (OBEC), which have operated more than 110 schools in all regions across Thailand. Total value of aquatic feed It is a total budget of more than 4,100,000 baht, which has been received excellently all along.In the past 2021, with the epidemic situation of the coronavirus disease 2019 (COVID-19), the government has to strictly follow the measures to prevent the spread of the government image. by refraining from traveling to deliver aquatic food However, the company continues to build good relationships with the agencies involved in the project to continuously monitor the results of raising By coordinating with those responsible for the fishery project of each school by social distancing via telephone and online channels such as Application : LINE , Social Media : Facebook , E-mail



The Company adheres to the Sufficiency Economy Philosophy. of His Majesty King Bhumibol Adulyadej Maha Bhumibol Adulyadej the Great, Borommanatbophit, the reign of King Rama IX, and continued the royal initiative of King Kanitthathirat. Department of Her Royal Highness Princess Maha Chakri Sirindhorn Her Royal Highness Princess Maha Chakri Sirindhorn who initiated “Agriculture for Lunch Project” is the source of the idea. “Sufficiency continuation project to fisheries at the Thai Border Patrol Police School” by organizing school fisheries activities to the Border Patrol Police Schools (Royal Thai Police) across the country, totaling 220 schools, which the company has operated continuously since 2017 until the present. In the past, the company has completed 78 schools with a total value of more than 940,000 baht of aquatic feed.In the past 2021, with the epidemic situation of the coronavirus disease 2019 (COVID-19), the government has to strictly follow the measures to prevent the spread of the government image. by refraining from traveling to deliver aquatic food However, the company continues to build good relationships with the agencies involved in the project to continuously monitor the results of raising by coordinating with those responsible for the project of each school by social distancing via phone and online channels such as Application : LINE , Social Media : Facebook , E-mail



Provide opportunities for employees in the organization can bring consumer products - consumables to be sold at a friendly price The purpose is to strengthen relationships, create positive energy, generate extra income. Distribution of revolving income within the organization and share ways to extend additional careers from the aforementioned project, which is one of the responsibilities to the stakeholders and the good corporate governance policy of the organization in the part of "employees" In the event, there are various types of products. Including special activities such as collecting purchases to redeem many prizes and win special prizes from the voucher

In 2021, with the economic situation caused by the impact of the Coronavirus Disease 2019 (COVID-19) outbreak situation, the Company has seen problems with the daily expenses of employees. Therefore, there are guidelines to assist operations and reduce employee expenses. by selling the company's aquatic products From the operation of the Research and Development Department (RD) by allowing employees to buy the company's aquatic products at a cheap price without having to go through middlemen. To reduce costs and employees receive quality raw materials for consumption as well.



## Management Discussion and Analysis

Year ended 31 December 2021

In 2021, PP Prime Public Company Limited (“the Company”) and its subsidiaries had total sales of Baht 649.79 million, comprising of aquatic feed business, pet food business, and electric power business was Baht 89.57 million, Baht 538.44 million and Baht 21.78 million, which accounted for 13.79%, 82.86% and 3.35% of total revenue from sales, respectively. Total income was decreased by 54.37% compared to the previous year. The main business had revenue decreased 59.83% compared to the previous year.

In 2021, the Company and its subsidiaries had a total net loss of Baht 186.27 million, decreased 43.48% YoY. The major reason was the Company had impairment loss on assets of Baht 181.83 million.

### Management Discussion and Analysis: MD&A

PP Prime PCL. and its subsidiaries Statement of comprehensive income (Unit: Million Baht)	2021	2020	Change increase (decrease)	Percentage
Revenue from sales	649.79	1,617.64	(967.85)	(59.83)
Other incomes	105.34	37.24	68.10	182.87
<b>Total Revenues</b>	<b>755.13</b>	<b>1,654.88</b>	<b>(899.75)</b>	<b>(54.37)</b>
Cost of Sales	690.00	1,406.99	(716.99)	(50.96)
Selling and Administrative Expenses	186.50	268.29	(81.79)	(30.49)
Impairment loss on assets	-	114.64	(114.64)	(100.00)
Impairment loss on loan	-	67.19	(67.19)	(100.00)
Impairment loss on investment properties	-	32.24	(32.24)	(100.00)
Others	-	7.01	(7.01)	(100.00)
Loss (profit) and reversal of impairment loss TFRS 9	(4.95)	6.44	(11.39)	(176.86)
<b>Total expenses</b>	<b>871.55</b>	<b>1,902.80</b>	<b>(1,031.25)</b>	<b>(54.20)</b>
<b>Loss from operating activities</b>	<b>116.42</b>	<b>247.92</b>	<b>(131.50)</b>	<b>(53.04)</b>
Finance costs	74.46	86.18	(11.72)	(13.60)
<b>Loss before income tax expenses</b>	<b>190.88</b>	<b>334.10</b>	<b>(143.22)</b>	<b>(42.87)</b>
Tax expenses (tax income)	(4.61)	(4.52)	0.09	1.99
<b>Loss for the period</b>	<b>186.27</b>	<b>329.58</b>	<b>(143.31)</b>	<b>(43.48)</b>

## Explanation and Analysis of Financial Status and Operating Results for 2021

### 1.1 Income

#### Aquatic business selling

In 2021, the Company had revenue from the aquatic feed business of Baht 89.57 million, a 93.23% decrease compared to the previous year.

Due to the situation of Coronavirus Disease 2019 (COVID-19) between 2020 and 2021 affect the company had to stop production and sales. As a result, the revenue from sales decreased in the amount mentioned above. The shrimp farming industry dropped by 90.99 % compared to the same quarter of the previous year, and the fish farming industry dropped by 95.92% compared to the same quarter of the previous year

#### Pet Food Business

The Company had revenue from pet food business equal to Baht 538.44 million, growing approximately 96.79% compared to the previous year.

#### Electric Power Plant Business

The Company operates the business of producing and distributing electricity from geothermal energy in Japan. Revenue from electricity sales from subsidiaries in 2021 amounted to Baht 21.78 million, a 1.68% decrease compared to the previous year. The Company has 5 revenue-generating power plants out of 15 commercially operated power plants.

### 1.2 Cost of sales

Most of the Company's cost of sales comes from raw material costs in production. In 2021, the Company had cost of sales of Baht 690 million, a 50.96% decrease compared to the previous year. It was in line with the lower sales revenue.

### 1.3 Gross profit (loss)

Gross loss in 2021 was Baht 40.21 million, a decrease from the previous year of Baht 250.86 million, or 119.09%.

### 1.4 Selling and administrative expenses

Selling and administrative expenses in 2021 were Baht 186.50 million, a decrease of Baht 81.79 million or 30.49% compared to the previous year. While the Company had impact on the spread of COVID-19, the Company has a policy to control unnecessary expense, resulting in lower selling and administrative expenses.

### 1.5 Net profit (loss)

In 2021, the Company and its subsidiaries had a net loss of Baht 186.27 million or equivalent to Baht 0.13 per share.

## Financial status

### 2.1 Assets

As of 31 December 2021, the Company and its subsidiaries had total assets of Baht 1,615.44 million, a decrease of Baht 274.20 million from 31 December 2020 or a 14.51% decrease, the decreasing was mainly due to sales land and building which the book value equal to Baht 139.53 million, and account receivable Bath 84.80 million decrease in line with the lower sales revenue and collection debt from prior period.

## 2.2 Liabilities

As of 31 December 2021, the Company and its subsidiaries had total liabilities of Baht 1,516.61 million, a decrease from 31 December 2020 by Baht 299.97 million or 16.51%, mainly due to the repayment loan from the financial institute of Baht 201.30 million and payment account payable Baht 87.01 million.

The ratio of debt to equity as of 31 December 2021 and 31 December 2020 are 15.35 times and 24.86 times, respectively.

## 2.3 Shareholders' Equity

As of 31 December 2021, the Company and its subsidiaries have shareholders' equity of Baht 98.83 million, an increase from 31 December 2020 of Baht 25.77 million or 35.27%, mainly from increase capital amount of Baht 182.40 million, loss from operation in 2021 amount of Baht 186.27 million and loss from translate adjustment from foreign currency financial statements amount of Baht 41.57 million.

## Liquidity

In 2021, the Company and its subsidiaries had net cash flows used in operating activities of Baht 137.63 million, cash flow from investing activities of Baht 229.24 million, cash flows used in financing activities totaling Baht 10.78 million, and the impact of the exchange rate decreased Baht 41.58 million, resulting in an increase in cash and cash equivalents of Baht 39.25 million, resulting in remaining of cash and cash equivalents at the end of the period of Baht 77.64 million.

## Other

### Advance payment for construction of geothermal power plants

On December 13, 2017, a meeting of the Board of Directors of the Company passed a resolution to approve investment in 9 units of geothermal power plant in Japan, with a total project value of Yen 2,700 million (Baht 786 million).

As at December 31, 2018, Sumo Power Company Limited, a subsidiary, has paid a deposit for a power plants amount of Yen 50 million and a private company amount of Yen amount 53 million.

However, a private company has transferred both of the land to the second private company. Although the first private company it is obliged to transfer these land to Sumo Power Company Limited, the total asset transfer price is Yen 300,000,000, which Sumo Power Company Limited has paid to the first private company amount of Yen 50,000,000.

On May 26, 2020, Sumo Power Company Limited has instituted legal proceeding against regarding the implementation of the ownership transfer of the land to the second private company and a claim of Yen 1,000,000 from the first private company.

On June 11, 2021 PPSN Company Limited apply for assets sharing for a private company to claim the deposit 50 million JPY, which on September 24, 2021, a subsidiary received from the 1st sharing asset amount of Yen 500,000. However, the legal advisor said that there is an opportunity to earn more money from the distribution of assets but the exact time period is unknown because the process is in court and is waiting for auction.

### Advance payment for Riverside Project

Board of Directors Meeting No.8/2018 convened on May 18, 2018, to approved that the Company enters into the joint investment transaction with Rich Partners Co., Ltd. (“Rich Partners”) in the mixed-use development project under the project’s name “Riverside Tower” located in Da Nang City, Vietnam (the “Riverside Project”) which is being developed by Sun Frontier Investment Co., Ltd. (“Sun Frontier Investment”), a company incorporated under Vietnamese law. The Company will invest in the Riverside Project for the investment amount of not more than Yen 3,100 million or equivalent to Baht 911.83 million (based on the exchange rate of Baht 29.4140 per Yen 100 as announced by the Bank of Thailand on May 17, 2018). Under the joint investment agreement which to be entered into between the Company and Rich Partners (the “Joint Investment Agreement”), the Company will be entitled to the rights to sell the residential units and receive the consideration from the sale of residential units in the Riverside Project selected by the Company and agreed with Rich Partners the approximate area of which will be not less than 50 percent of the total residential area of the Riverside Project, whereby the Company’s investment return shall be guaranteed at the rate of not less than six percent per annum in respect of the total investment amount of the Company, the terms and conditions of which are currently being negotiated and shall further be executed by the Company and Rich Partners Co., Ltd.

On June 25, 2018, the Company has paid a deposit amount of Yen 210 million (approximately of Baht 62.31 million), whilst the remaining investment amount shall be payable to Rich Partners upon completion of all the conditions precedent so specified under the Joint Investment Agreement. If any of the conditions precedent cannot be completed within the specific timeframe, the Company shall be entitled to receive full amount of deposit from Rich Partners.

According to the Board of Directors meeting No. 15/2019, on July 30, 2019, resolved to issue the Company letter of cancellation of such investment and requesting a deposit in the amount of Baht 65.57 million because the development of the said project agreed has delayed, together with the cost of developing the project higher.

The Company recorded expected credit loss for loss on the deposit due to an uncertainty in the collection from joint investor.

On November 1, 2019, the Company received deposit of Yen 171 million (equivalent to Baht 47.10 million) from Rich Partners Company Limited.

On May 1, 2020, the Company received deposit of Yen 5 million (equivalent to Baht 1.48 million) from Rich Partners Company Limited.

Currently, the company will send the demand notice if the party still ignore the company will take legal action.

### Short-term loan from and loan to Aulux Power Co., Ltd.

Loan from Aulux Power Co., Ltd. amount of THB 0.30 million, which related company bear interest at the rate of 3 percent p.a. and has maturity on January 2020. The company will not make a new contract and in the future this will be offset with loan to related company.

Loan to Aulux Power Co., Ltd. amount of THB 90.87 million, which related company bear interest at the rate of 3 percent p.a. and has maturity in 2020 - 2021. When the company has better liquidity, the company will continue to follow up by using legal counsel.

## Summary of Shrimp Industry Situation 4Q2021

In the November 2021 has the shrimp production from farming to the market 19,453.18 tons the quantity has decreased from last month 23,494.99 tons and decreased 12.06% when compare the last year at the same month. The shrimp production separated to The Pacific White Shrimp 18,072.92 tons (92.90%) and Tiger Prawns 1,380.24 tons (7.10%), to separate by geographic the north of southern 30.18%, the southern Andaman coast 25.76%, the eastern 16.04%, Gulf of Thailand coast 15.09% and Middle 12.93%.

The proportion for shrimp farming, the farmer still feed the Pacific White Shrimp around 90% because it short rearing period, high productive and have the market, the Tiger Prawns 5%, and the remaining feed the Giant Freshwater Prawns in the middle area and Chachoengsao province. For the farming of shrimp in Quarter 4'21 has decreased because of flood in the middle area and spread of white spot disease in the southern and eastern area, it has effect to decline price continuously

The export and import of Thailand since January to November 2021, Thailand was imported the shrimp 39,984.89 tons amount 5,692.89 million Baht, it was increased by 79.12% and 103.58% respectively when to compare with the same period of previous year. Thailand was exported the shrimp 140,635.25 tons amount 44,895.16 million Baht, it was increased by 1.71% and 9.15 respectively when to compare with the same period of previous year. If consideration from the proportion of export, found that the main market of export of Thailand are USA 31.70%, Japan 24.73%, China 16.04% South Korea 6.65%, Taiwan 3.89% and other counties 16.99%

## Shrimp Industry Outlook 1Q2022

For the production of shrimp in overview of this year, it has 280,000 tons, it has increased from previous year 4% and expect in shrimp production in 2022 around 300,000 tons. The production of shrimp has decreased since 2002 to current year because of disease and uncertainty plan of government to develop the shrimp industry, it is the important factor that effect to Thailand cannot be the leader for producing shrimp of the world that was be No.1 in 10 years ago

During January to February 2022, the farmer slowed down to farm new crop of shrimp to avoid the white spot disease. The expectation, farmer will feed the shrimp in March 2022 on going which it has the suitable temperature and the salty of water is increased, it effect to the survival rate and growth rate. From Quarter 4'21, the price of shrimp was increased continuously in the 5 years as the result of farmer has the incentive to feed the shrimp increased 10% – 15%

The world situation Thailand was No.1 for producing and exporting of the world, make the money to country 100,000 million Baht per year, but nowadays it lose Vietnam. The overview of industry feed the shrimp of the world, The America region that was the underdog, but it has overtaken Thailand by Ecuador. In Asia region, Vietnam is the star. The expectation the production of shrimp of the world in year 2022 will be increased 8% - 10% if the world economic is stable as current situation.

### Summary of Fish Farming Situation 4Q2021

Even it has turn into rainy season, the level of water has slightly increased, but it not enough for the Northern area and Northeast area, it has effect to market in some area. The level of natural water has increased, it better for feeding. The most of farmer still feed the tilapia 70% because it has the market and more popular for consumer than other type catfish 10% and other fish 10%. Overview has better than Quarter 3'21, but still have the problem lack of fish fry to the farmer wants and the fish feed increased 3% - 6% because of the main raw material price has increased continuously, it has effect to the farmer slowed down the feed

The price of fish has increased from previous Quarter the tilapia price at 70 – 75 Baht/kg, catfish price at 45 – 48 Baht/kg, and Asian seabass price same as Quarter 3 at 55 – 60 Baht/kg.

The most of tilapia has domestic consumer around 95% and export 5% in the frozen form which is the small size, cheap price, and it has the low market share in USA which the big consumer of the world just 1% of the amount of tilapia product that imported by USA.

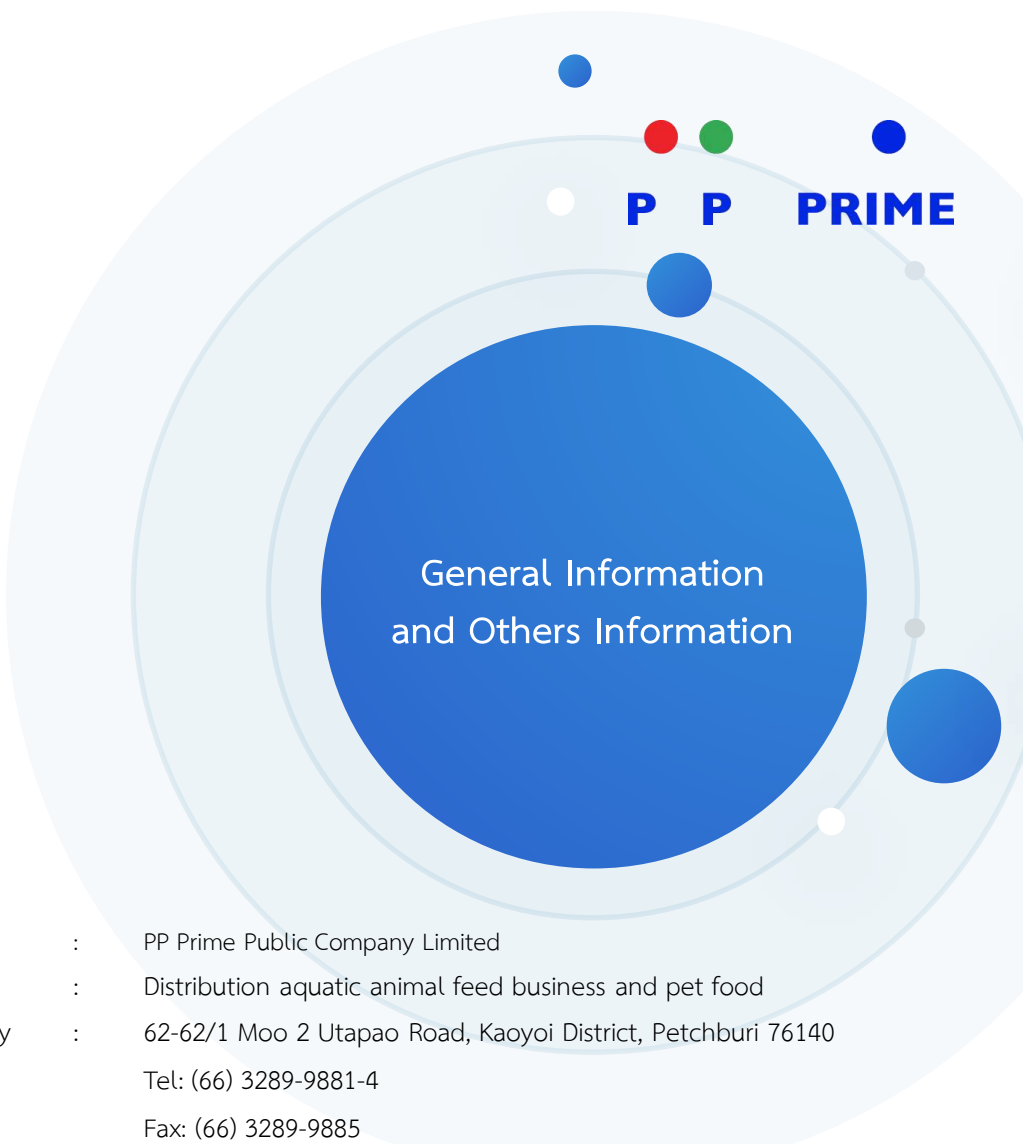
### Summary of Pet Situation Quarter 4Q2021

Under the return of spread of COVID-19 situation in the end of the year. However, the pet must be usually consume food and the owner treat the pet as the member of family, it effect to buy the reserve pet food same as other necessary goods. The market of pet food in domestic has the minor impact. The people can buy the pet food in convenient store and wholesales, the airline business has operated therefore the export pet food to Asian which a big market has increased

### Pet Food Trends Quarter 1Q2022

The pet food market in domestic will increase from previous Quarter around 10% -15%, even the decline of economic, but owner pet in domestic want the convenient and reduce the time of prepare the food therefore the pet food still popular especially dry food that has 80% of market share the other is wet food

The export market of Southeast Asia has growth. The market in Europe and America have exported continuously, even it has the problem to spread of COVID-19, but the severity has decreased, so it does not hinder to export. The China and Japan is the big market in Asia, it still want the pet food continuously, that effect to the exported will be increased.



## General Information and Others Information

### General Information

Company Name	:	PP Prime Public Company Limited
Type of Business	:	Distribution aquatic animal feed business and pet food
Head Office/Petchburi Factory	:	62-62/1 Moo 2 Utapao Road, Kaoyoi District, Petchburi 76140 Tel: (66) 3289-9881-4 Fax: (66) 3289-9885
Songkhla Factory	:	98 Moo 13 Petchkasem Road, KM 1232 Bang Rieng, Khuan Naing, Songkhla 90220 Tel: (66) 7489 0765-8 Fax: (66) 7489 0769
Bangkok Office	:	486 People Park , E1 Building 3rd Floor , On Nut Road , On Nut , Suan Luang , Bangkok 10250 Tel: (66) 2029-1480-1 Fax (66) 2029-1482 ต่อ 777
Registration Number	:	0107537000670
Website	:	<a href="http://www.ppprime.co.th">www.ppprime.co.th</a>
Registered Capital	:	3,095,942,424 Baht (As of 31 December 2021)
Paid Up Capital	:	2,133,643,872 Baht (As of 31 December 2021)

### Registrar

#### Thailand Securities Depository Company Limited

4th, 6-7th Floor, The Stock Exchange of Thailand Building, 62 Rachadapisek Road, Klongtoey, Bangkok 10110

Tel: (662) 229-2800 Fax: (662) 359-1259

## Auditor

### A.M T. Associates

491/27 Silom Plaza, Silom Road, Si Lom, Bang Rak 10500 Bangkok 10500

Tel: (662) 234-1678 Fax: (662) 237-2133

The list of authorized auditors

- |                                   |  |
|-----------------------------------|--|
| 1. Mr. Chaiyuth Angsuwittaya      | Certified Public Accountant Registration No. 3885  |
| 2. Mrs. Natsarak Sarotnuncheen    | Certified Public Accountant Registration No. 4563  |
| 3. Ms. Daranee Somkamnerd         | Certified Public Accountant Registration No. 5007  |
| 4. Ms. Jarunee Nuammae            | Certified Public Accountant Registration No. 5596  |
| 5. Mr. Siramet Aukkarachotkulanun | Certified Public Accountant Registration No. 11821 |

## Legal Consultant

### Insight Legal Company Limited

89/369 Moo 5, 345 Road, Bangtanai, Pak Kret, Nonthaburi 11120

Tel.: 02-838-1750

Fax.: 02-838-1795

## Araya & Partners Company Limited

973 President Tower, 6 Floor, Room no. 6G., Ploenchit Road, Lumpini, Pathumwan, Bangkok

Tel.: (662) 656-0606

## Financial institutions that communicate on a regular basis

### Registrar

#### Siam Commercial Bank Public Company Limited

9 Ratchadaphisek Rd, Khwaeng Chatuchak, Khet Chatuchak, Bangkok 10900

Tel.: (662) 544-5631

### Bond/Debenture Holders' Representative

#### Siam Commercial Bank Public Company Limited

9 Ratchadaphisek Rd, Khwaeng Chatuchak, Khet Chatuchak, Bangkok 10900

Tel.: (662) 544-5631

### KTBSecurities (Thailand) Public Company Limited

87/2 CRC Tower, All Seasons Place, 9th, 18th, 39th and 52nd Floor,

Wireless Road, Lumpini, Pathumwan, Bangkok 10330

Tel.: (662) 648-1111

## Legal issue

As of December 31, 2021, the Company is not involved in any legal disputes that could result in a loss of more than 5% of its shareholders' equity, and it is not involved in any other legal issues that could have a substantial impact on its business operations.

## Overview of Corporate Governance Policy and Practices

### Corporate Governance Policy

PP Prime Public Company Limited realizes the importance of good corporate governance and believes that good management system Having a Board of Directors and Executives with Vision have responsibility There is control and balance of power. In order for the management to be transparent, verifiable, respect for the rights and equality of shareholders and responsibility to stakeholders

### Corporate Governance Policy

In 2021, due to compliance with the corporate governance policy of everyone in the organization, the company Received the results of the corporate governance assessment of listed companies for the year 2021 organized by the Thai Institute of Directors Association (IOD) together with the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. and received the results of the quality assessment of the Annual General Meeting of Shareholders for the year 2021 organized by the Thai Investors Association. Association of Listed Companies and Office of the Securities and Exchange Commission

In addition, the company is still certified as a member of the Collective Action Coalition : CAC of the Thai private sector against corruption, and the company has not found any issues or significant flaws in litigation related to anti-competitiveness. destroying credibility monopoly discrimination event Corruption as well as no fines or penalties that are not fines due to inconsistent with applicable laws or regulations and violations of the Code of Business Conduct in any way

### Policies and Practices Relating to Board of Directors and Executives

In 2021, the company has a total of 8 directors, comprising independent directors, executive directors and non-executive directors. to counterbalance the power between directors and management such as non-executive directors Can freely comment on the management's work.

for personnel development The Board of Directors is encouraged to provide training and knowledge to all stakeholders at all levels. in order to have continuous improvement of operations

The Company has established a good corporate governance policy of the Company. under the rules of the Stock Exchange of Thailand and has been adjusted to be in line with the Good Corporate Governance Principles for Listed Companies 2017 (CG Code) issued by the Office of the SEC to serve as a guideline for business operations for directors, executives and employees. of the company and requires that policies and guidelines be reviewed annually. To accommodate changes that may be caused by business practices, environment, circumstances or laws, details are available on the Company's website. [www.ppprime.co.th](http://www.ppprime.co.th) under the topic of Corporate Governance which are divided into 5 categories:

## Chapter 1 Right of Shareholders

The Company has given the opportunity to shareholders to propose agenda and to nominate a person to be elected as the Company's director in advance. Between 9 November 2020 and 31 January 2021, and upon the expiration of the aforementioned period, it was found that no shareholder proposed any agenda and nominated person to be elected as a director of the Company in advance of the meeting.

The Company has published the invitation letter for the 2021 Annual General Meeting of Shareholders, both in Thai and English. through the SET's news system and the company's website on investor relations Sub-topic of the shareholders' meeting From April 7, 2021 and the company assigns the company Thailand Securities Depository Co., Ltd. which is a securities registrar. Sending the invitation letter to shareholders via registered mail since April 15, 2021, counting 14 days in advance of the meeting date. Including disseminating the minutes of the 2021 Annual General Meeting of Shareholders, both in Thai and English. through the news system of the Stock Exchange of Thailand and company website From May 12, 2021, counted within 14 days from the date of the shareholders' meeting.

## Chapter 2 Equitable Treatment of Shareholders

The Company allowed any shareholder who was unable to personally attend the meeting to authorize a third party, or select any independent director, to attend on his/her behalf using the letter of authorization sent by the Company with the invitation letter for ease of shareholders' participation in the meeting The company has used the barcode system to register for the meeting. This reduces the amount of time it takes to register shareholders.

In the meeting, the Chairman of the meeting allowed shareholders to express their opinions and inquire on matters related to that taken up for consideration in that agenda item, and allowed shareholders to elect directors individually under the agenda item on election of directors to replace those vacating office at the end of their term.

The Company recognizes the significance of the internal audit system, both at the managerial level and the operative level, by establishing an internal audit section carrying the audit to ensure that the main operation and significant financial transactions of the Company were performed efficiently in accordance with guidelines established, including the audit on compliance control. To ensure that the internal audit section is independent and capable of fully auditing and balancing, the Board of Directors, therefore, requires the internal audit section to report on the auditing results directly to the Audit Committee, and to be evaluated on its performance by the Audit Committee as well.

### Measures to prevent the use of inside information

The Company has a policy on the use of inside information which is limited to the highest level management only. and disclose to the company's employees As necessary to the knowledge of the operation and requiring management to report the holding of the company's securities. according to the announcement of the Securities and Exchange Commission and according to the announcement of the Stock Exchange of Thailand as well as having internal controls on the use of the Company's inside information. There is a policy forbidding directors, executives, including those holding executive positions in accounting or finance at the level of departmental managers or higher or equivalent, and employees who are in the department that receives internal information. Trading in the Company's securities within 30 days before the disclosure of the financial statements or information that affects the securities prices to the public and at least 3 business days after the disclosure of the financial statements or information to the relevant agencies.

### Conflict of interest

Directors and employees do not take the opportunity to become directors or employees of the Company. which manages other people's money seeking personal benefit and including not seeking business benefits

## Chapter 3 Roles of Stakeholders

### Shareholder

The company has a policy to conduct business honestly, correct and ethical and will use their best efforts to develop the business to grow and create a good return on the investment of shareholders continuously and sustainably by adhering to the principles of fairness and not using inside information for personal gain

### Employees

The company recognizes that employees are the most valuable factor in the success of the company's achievements and fairly, in terms of the opportunity, remuneration, appointment, organizing training for personnel development; to establish the Staff Provident Fund, to provide scholarship to children of the personnel with good study record including the scholarship to be given to the personnel of the Company including the development of their potential. The Company shall not act discriminately, the care for the working environment to ensure safety of life and property, listening to the opinion and recommendations of the personnel via the Opinion Reception Center through the Company's website or to act as a whistleblower in the event of fraud happening in the organization. The said opinion will be forwarded directly to the Audit Committee. Strict compliance with the law and various regulations relating to the personnel; avoidance of any act which may be unfair that may be impacting job security of the personnel or impacting on or creating psychological pressure on the personnel.

### Customers

The Company is aware of the importance of the customer satisfaction it has on the business success of the Company, the Company is therefore seeking method to respond to the need of the customer increasingly efficiently and effectively all the times, such as the delivery of goods and provision of service of quality corresponding to the requirement or higher than the expectation of the customer at fair price; provision of correct and adequate and timely data, information to the customer; making contact with the customer politely, efficiently and winning the trust of the customer; keeping confidential secrets of the customer and do not use the information for own self-interest or for the interest of persons involved unlawfully.

### Suppliers

The Company has the policy on treating the trading partners equally and fairly by taking into account the maximum interest of the Company. There are purchases of goods and services from the trading partners according to the trading terms including compliance with the contract entered into with trading partner in accordance with the terms of agreement strictly and on the basis of reciprocal return for both sides; shunning the situation that gives rise to conflict of interest including compliance with the obligation; provision of true information and make correct report; entering into negotiations to solve the problem and find a solution on the basis of business relation.

### Creditors

The Company strictly complied with conditions and agreements related to goods trading and loan without circumventing to delay payment or to be in default of payment.

### Rivals

The Company has a policy to treat trading competitors in consistent with the universal principle within the framework of the law governing the principle of trading practice; not to breach the secrecy nor privy to trade secrets of the competitors by means of fraud. The Company behaves within the framework of good competition rules, to maintain the benchmark of competition practice, to shun the dishonest method as to gain unfair competitive advantage or destruction of competitors.

### Society and environment

The company has a policy to conduct business that is beneficial to the economy and society. Paying attention to environmental stewardship as well as the local customs and traditions in which the company's offices are located and adhere to behave as a good citizen. both in terms of environmental protection and safety from company activities Comply with all applicable laws and regulations Committed to making reasonable efforts to carry out environmental improvements and safety stewardships both personally and collaboratively with the state and community. and including taking actions to return a portion of the profits to activities that contribute to the creation of society and cultivating an awareness chart of employees at all levels to have serious and continuous social responsibility.

The company is responsible for the environment of the community and society. Environmental management is carried out within the organization and society. There are measures to maintain the equipment and equipment in the company's operations. to protect the environment from pollution The company has also established an internal unit and assigns people to be directly responsible for CSR activities.

### Chapter 4 Disclosure and Transparency

The Board of Director recognized the importance of disclosure of accurate, complete, transparent and thorough information, both financial and general, as well as those with impacts upon the Company's securities prices, by disseminating such information for awareness of investors and parties concerned through various channels and communications of the Stock Exchange accurately and completely within the prescribed time and in accordance with criteria prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Company disclosed the annual report, both in the Thai and the English versions, through the Company's website at [www.ppprime.co.th](http://www.ppprime.co.th) The Board of Directors also required the report on responsibilities of the Board of Directors upon the financial statement to be included together with the auditor's report in the annual report.

## Anti-Corruption Policy

The company has a commitment to create measures to prevent and combat corruption within the organization. By adhering to responsibility to all groups of stakeholders in accordance with good corporate governance and business ethics. Announcement is a policy for employees of the company acknowledged thoroughly until it becomes the values and culture of the organization that everyone must adhere to and practice.

On 12 February 2018, the company was certified by the Private Sector Collective Action Coalition Against Corruption (CAC).

However, the company have training and orientation of anti-corruption, with training and communication content covering the anti-corruption policy Policy on Receiving Complaints and Protection And guidelines for receiving-giving gifts Rearing or other benefits for directors, executives and staff at the Phetchaburi Provincial Factory office and Songkhla province

As well as anti-corruption communication to various groups of stakeholders including directors, executives, employees, representatives from business partners and outsiders and the company was renewed to be a member of Thailand's Private Sector Collective Action Coalition against Corruption on December 31, 2020 for a period of 3 years from the date of the approval 31 December 2020 and due on 31 December 2023

## Chapter 5 Board Responsibilities

The Board of Directors plays an important role in corporate governance by defining guidelines such as the Board structure. Roles, Duties and Responsibilities of the Board of Directors and Sub-Committees More information can be found in the topic "Corporate Governance Structure and Information about the Board of Directors, Sub-Committee, the Executives and Employees"

## Business Ethics

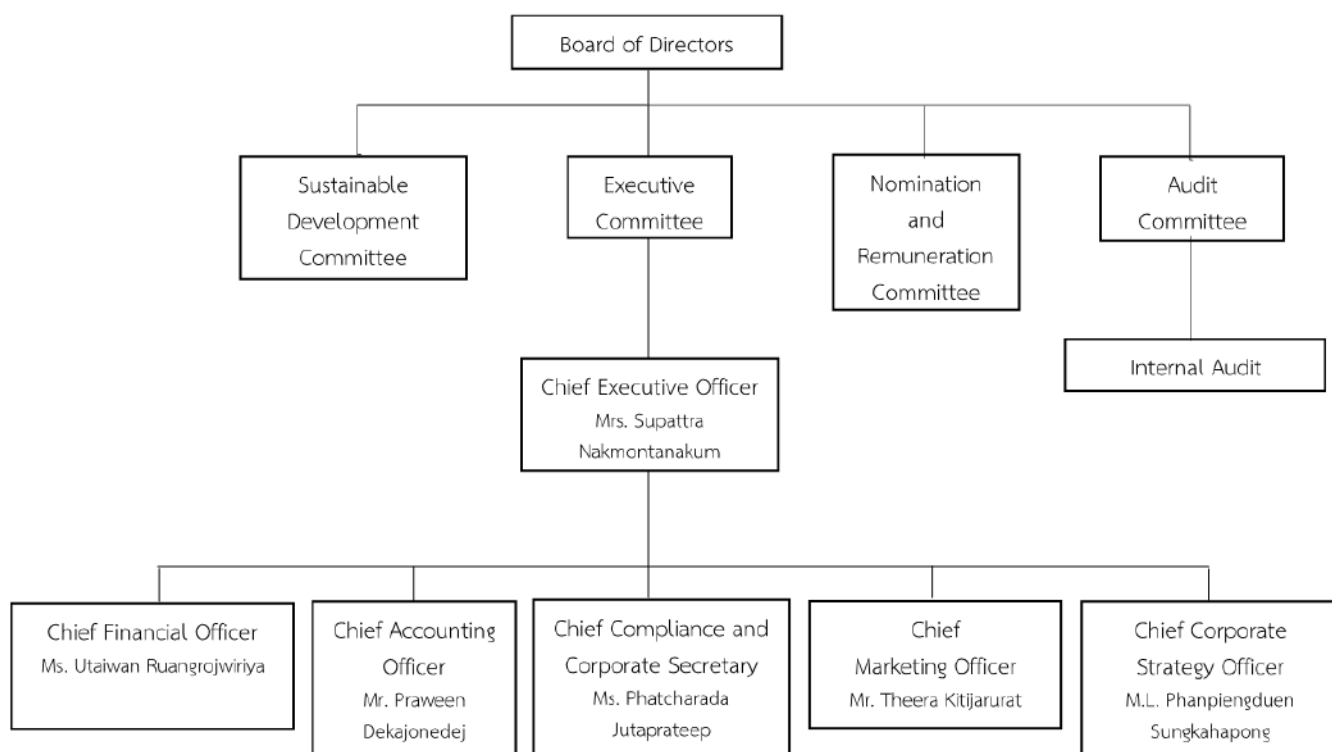
### Business Ethics Policy

PP Prime Public Company Limited adheres to the principles of honesty in doing business. Have morals and ethics as well as complying with relevant laws, rules and regulations. Taking into account the rights of stakeholders, i.e. shareholders, employees, customers, trading partners, creditors, competitors, communities, society and the environment equally It also promotes free trade competition. Avoid actions that may cause conflicts of interest and infringements of intellectual property rights. Against all forms of corruption including promoting social responsibility in every business chain Details are on the website. [www.ppprime.co.th](http://www.ppprime.co.th) under the topic Sustainable Development in the sub-topic Policy

# Corporate Governance Structure and Information about the Board of Directors, Sub-Committee, the Executives and Employees

## Corporate Governance Structure

As of December 31, 2021, the Company's management structure consists of Board of Directors and 4 sub-committees, namely the Audit Committee Nomination and Remuneration Committee Sustainable Development Board and the Executive Committee



Remark: The Board of Directors Meeting No. 16/21, held on 29 October 2021, resolved to approve the termination of the Overseas Investment Committee.

## Board of Directors

As of 31 December 2021 the board of the company consists of 8 directors

Name	Position
1. Mrs. Namkang Pungthong	Chairman of the Board of Director
2. Mr. Aran Permpiboon <sup>(1)</sup>	Independent Director / Chairman of the Audit Committee
3. Pol.Col. Thienrath Vichiensan	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of Audit Committee
4. Lt.Gen. Krisana Waropas	Independent Director / Chairman of the Sustainable Development Committee / Member of Audit Committee / Member of Nomination and Remuneration Committee
5. Mr. Waiwit Udayachalerm <sup>(2)</sup>	Independent Director / Member of Audit Committee
6. Dr. Denchai Akaradechachai	Director / Member of Executive Committee / Member of Nomination and Remuneration Committee
7. Mrs. Supattra Nakmontanakum <sup>(3)</sup>	Director / Chairman of the Executive Committee / Chief Executive Officer
8. M.L. Phanpiengduen Sungkahapong	Director / Member of Executive Committee / Chief Corporate Strategy Officer

Remark :

- (1) The Board of Directors Meeting No. 17/21, held on 9 November 2021, resolved to appoint Mr. Aran Permpiboon as a Director.
- (2) The Board of Directors Meeting No. 17/21, held on 9 November 2021, resolved to appoint Mr. Waiwit Udayachalerm as a Director
- (3) The Board of Directors Meeting No. 20/2021 held on 29 November 2021 resolved to appoint Mrs. Supattra Nakmontanakum as a Director.

Directors who resigned during the year 2021

Name	Position
1. Mrs. Kanokwan Wannabuit	Director / Member of Executive Committee / Member of Sustainable Development Committee
2. Ms. Phatcharada Jutaprateep <sup>(1)</sup>	Director / Member of Executive Committee / Member of Sustainable Development Committee
3. Mr. Theerawit Thanakijsumton	Independent Director / Chairman of the Audit Committee / Nomination and Remuneration Committee
4. Mr. Theera Kitjarurat <sup>(2)</sup>	Director / Member of Executive Committee

Remark :

- (1) Still holding the position of Member of Sustainable Development Committee
- (2) Still holding the position of Member of Executive Committee

#### Director authorized to sign on behalf of the company

Authorized Director To be binding on behalf of the company, namely Mr. Denchai Akaradechachai or Mrs. Namkang Pungthong or M.L. Phanpiengduen Sungkahapong or Mrs. Supattra Nakmontanakum, two of these four directors sign and affix the company's seal.

#### Information about the Board of Directors

##### Composition of the Board of Directors

- 1) The Board of Directors must consist of at least 5 people and not more than 12 people.
- 2) The Board of Directors must have the number of directors not less than half of the total number of directors must reside in the Kingdom of Thailand.
- 3) The Board of Directors must have at least 3 independent directors and not less than one-third of the entire Board of Directors. (According to the rules set forth in the announcement No. TorJor.4/2009)
- 4) Chairman of the Board are not the same person as the Chairman of the Executive Committee and the Chief Executive Officer which perform duties independently, clearly separating duties and responsibilities between each other and the proportion of independent directors is not less than half of the total number of directors. which can balance the power between the Board of Directors and the management

As of December 31, 2021, the Company has a total of 8 directors as follows:

- 1) 4 independent directors (accounting for 50% of the total number of directors of the Company)
- 2) 6 non-executive directors and 2 executive directors (representing 75% and 25% of the total number of directors of the Company).
- 3) 3 female directors and 5 male directors (equivalent to 37.5% and 62.5% of the total number of directors of the Company).

#### Authority of the board of director

Apart from the authority vested in the board by the Company's Articles of Association, the board shall have the following authority:

1. The authority vested by the Public Company Act 1992 and other any law in the board or the board of public companies.
2. To perform duties with accountability, precautions and honesty, and comply with the laws, objectives and the Company's Articles of Association, and execute the shareholder meeting's resolutions.
3. Determine business policies, financial policies, funding policies, capital management and risk management policies for the management to implement.
4. Assume the authority to determine and revise the authorized directors.
5. Direct the business to achieve the set goals or beyond, and determine mitigation measures when an encumbrance arises.
6. Arrange to have general reports, financial budget data for the shareholders and general stakeholders accurately, transparently and according to the laws.
7. Acknowledge important audit reports, and determine improvement guidelines when a significant defect is found.

## Information about the sub-committees

### sub-committees

The Company has 4 sub-committees, namely the Audit Committee. Nomination and Remuneration Committee Sustainable Development Board and the Executive Committee, with the scope, powers, duties and responsibilities according to the charter of each sub-committee. which was disclosed on the company's website at [www.ppprime.co.th](http://www.ppprime.co.th) on investor relations Subheading Charter.

### Audit Committee

As of 31 December 2021 the Audit Committee of the company consists of 4 directors

Name	Position
1. Mr. Aran Permpiboon	Chairman of the Audit Committee / Independent Director
2. Pol.Col. Thienrath Vichiensan	Member of Audit Committee / Independent Director
3. Lt.Gen. Krisana Waropas	Member of Audit Committee / Independent Director
4. Mr. Waiwit Udayachalerm *	Member of Audit Committee / Independent Director

\* Audit Committee members who have sufficient knowledge and experience to review the reliability of financial statements.

### Independent Director Qualifications

1. Shareholdings not more than 1% of the available number of shares with the Company in the Major Company, Subsidiary, Joint Venture Company. Major shareholders or the persons with power to control the Company are all part of the Company including the directors.
2. There is no director holding interests in the management, or employee, staff of consultant earning salary regularly or the person with power of control of the Company, Major Company, Subsidiary, Joint Venture Company or Juristic Person who may have contradictory interests currently and 2 years previously serving in the management of the Company.
3. It is not a person having blood relations or by legal registration by way of being parent, spouse, sibling, offspring including spouse of offspring and executives serving as major shareholder , exercising power of control of the Company or person to be proposed to serve as executive or person to exercise power of control of the Company or its Subsidiary.
4. Having no business relations with the Company, major Company, Subsidiary, Joint Venture Company, major shareholder or person with power of control of the Company who may act to thwart the independent status of the Company and it has never been shareholder likely to exercise power of control of person having business relations with the Company, Major Company, Subsidiary , Joint Venture Company , major shareholder or person with power of control of the Company currently or 2 years previously.
5. Never served as auditor of the Company, Major Company, Subsidiary, major shareholder, person with power of control of the Company and not being shareholder with power of control, or partner, manager of the auditor's office which has an auditor of the Company, major company, Subsidiary, joint venture company, major shareholder or person with power of control of the Company, Subsidiary currently or 2 years previously.
6. Never been provider of occupational services, legal services or financial services in receipt of service fee exceeding two million baht annually from this Company, Major Company, Subsidiary, Joint Venture Company, major shareholder or person having power to control the Company and not being shareholder with power of control or being manager, provider of occupational services currently or 2 years previously.
7. Not being director elected to serve as representative of the director of the Company, major shareholder or shareholder with relations with a major shareholder.

8. Not engaged in business that operates on the same lines as this Company and competed with this Company, or being partner in limited partnership or director of another Company that is engaged in business the same as this Company and competing with this Company.
9. No having any other characteristics that would prevent independent opinion in the interests of this Company.

#### Authorities and Responsibilities of Audit Committee

1. Review to ensure that the Company makes financial report accurately and adequately.
2. Review to ensure that the Company has appropriate and effective internal control system and internal audit system and determine independence of the internal audit agency, and approve appointment, transfer and termination of chief of the internal audit or any other agency with internal audit responsibility.
3. Review to ensure that the Company complies with law governing securities and stock exchange, regulations of the stock exchange and laws applicable to the Company's business.
4. Consider, screen and nominate independent individuals for appointment as auditors of the Company and propose remuneration for such people, and participate in meetings with auditors at least once a year without participation by the Management.
5. Consider related transactions or those with possible conflict of interest to ensure their compliance with laws and regulations of the Stock Exchange of Thailand to ascertain that such transactions are reasonable and most beneficial to the Company.
6. Prepare report of the Audit Committee and include it openly in the annual report of the Company. Such report must be signed by the Audit Committee Chairman and contain the following information.
  - a) Comments on accuracy, completeness and reliability of financial report of the Company.
  - b) Comments on adequacy of the internal control system of the Company.
  - c) Comments on compliance with law governing securities and stock exchange, regulations of the stock exchange or laws applicable to the Company's business.
  - d) Comments on suitability of the auditors.
  - e) Comments on transactions with possible conflict of interest.
  - f) Number of meetings of the Audit Committee and participation of each member of the Audit Committee.
  - g) Comments or observations in whole obtained by the Audit Committee from performance of duties in accordance with the charter.
  - h) Other transactions deemed desirable for shareholders and general investors to know under the scope of duties and responsibilities assigned by the Board of Directors of the Company.
7. Perform any other duty assigned by the Board of Directors of the Company with approval of the Audit Committee.

#### Nomination and Remuneration Committee

As of 31 December 2021 the Nomination and Remuneration Committee of the company consists of 3 directors

Name	Position
1. Pol.Col. Thienrath Vichiensan	Chairman of the Nomination and Remuneration Committee / Independent Director
2. Lt.Gen. Krisana Waropas	Member of Nomination and Remuneration Committee / Independent Director
3. Dr. Denchai Akaradechachai	Member of Nomination and Remuneration Committee / Director

## Scope of powers and duties of the Nomination and Remuneration Committee

### Recruiting

1. Determine policies, criteria and methods for recruiting as well as selecting and nominating company directors and sub-committees to replace the position of the company director / sub-committees vacant, regardless of the reason that the position becomes vacant. Propose to the Board of Directors for consideration and appointment or propose to the Board of Directors for their names to be presented to the shareholders' meeting, as the case may be.
2. Carefully verify that the nominated person meets the established eligibility criteria.
3. Conduct an overture of persons who meet the specified eligibility criteria. in order to ensure that such person is willing to take up the position of director of the Company If appointed by the shareholders
4. Consider the nomination, selection and nomination of suitable persons to be the Chief Executive Officer. including determining the remuneration in both monetary and non-monetary and presented to the Board of Directors for approval.
5. Perform any other tasks related to nomination as assigned by the Board of Directors.

### Remuneration

1. Consider the criteria for considering the remuneration Determination of both monetary and non-monetary compensation of directors and sub-committees by presenting to the shareholders' meeting for approval
2. Consider the criteria for assessing and evaluating the Chief Executive Officer's annual performance. and present to the Board of Directors for consideration and approval.
3. Consider the criteria for considering the remuneration Determining the annual remuneration of the Chief Executive Officer both in monetary and non-monetary by considering the results of the performance assessment of the Chief Executive Officer by presenting it to the Board for approval.
4. Consider the conditions and details of the offering of new securities or warrants to purchase shares. to directors and employees (if any)
5. Perform any other tasks related to nomination as assigned by the Board of Directors.

## Sustainable Development Committee

As of 31 December 2021 the Sustainable Development Committee of the company consists of 4 directors

Name	Position
1. Lt.Gen. Krisana Waropas	Chairman of the Sustainable Development Committee / Independent Director
2. Ms. Patcharada Jutaprathet	Member of Sustainable Development Committee
3. Mr. Praween Dekajonedej	Member of Sustainable Development Committee
4. Mr. Chanchai Nuchruean	Member of Sustainable Development Committee

## Scope of Authority and Responsibilities of the Sustainable Development Committee

1. Supervise and formulate a policy framework and guidelines for sustainable development.
2. Determine strategies, scorecards, work plans, guidelines and tools. including monitoring operations to support and provide operational advice
3. Approve the sustainable development work plan that is consistent with the business operations in terms of economy, society and environment of the organization.

4. Appoint a sustainable development working group to assist operations of the Sustainable Development Committee as it deems appropriate
5. Report the operating results to the Board of Directors at least once a year and a summary report at the end of the fiscal year.
6. Approve the report or sustainable development information to be disclosed to the public
7. Other actions as assigned by the Board of Directors

#### Overseas Investment Committee\*

On October 29, 2021, the Overseas Investment Committee consists of 3 members, consisting of

Name	Position
1. Dr. Denchai Akaradechachai	Chairman of Overseas Investment Committee
2. M.L. Phanpiengduen Sungkahapong	Member of Overseas Investment Committee
3. Mr. Theera Kitjarurat	Member of Overseas Investment Committee

Remark :

The Board of Directors Meeting No. 16/21, held on October 29, 2021, resolved to cancel the Overseas Investment Committee.

#### Executive Committee

As of 31 December 2021 the Executive Committee of the company consists of 5 directors

Name	Position
1. Mrs. Supattra Nakmontanakum <sup>(1)</sup>	Chairman of the Executive Committee
2. M.L. Phanpiengduen Sungkahapong	Member of Executive Committee
3. Dr. Denchai Akaradechachai	Member of Executive Committee
4. Mr. Praween Dekajonedej	Member of Executive Committee
5. Mr. Theera Kitjarurat	Member of Executive Committee

Remark :

- (1) The Board of Directors Meeting No. 21/21, held on 24 December 2021, resolved to appoint Mrs. Supattra Nakmontanakum as a Chairman of the Executive Committee

#### Scope of powers and duties of the Executive Committee

1. Consider formulating strategies and business plans including the management structure and various administrative powers of the Company to propose to the Board of Directors for further consideration.
2. Examine, monitor, and implement policies and guidelines for management in various aspects of the company that have been set forth as assigned by the Board of Directors with efficiency.
3. Consider and approve the Company's annual budget and investment. before proposing to the Board of Directors for further consideration and approval.
4. Consider and present matters that the Executive Committee deems appropriate to inform the Board of Directors for acknowledgment or consideration for approval or approval.

5. Consider setting the compensation rate policy and salary structure. including annual bonuses for employees
6. Have the power to make legal acts binding the company within the scope specified in the company's policies and procedures. Regarding the authority to approve the operation
7. Other actions as assigned by the Board of Directors

### Executives

As of 31 December 2021 the Executives of the company consists of 6:

Name	Position
1. Mrs. Supattra Nakmontanakum	Chief Executive Officer
2. M.L. Phanpiengduen Sungkahapong	Chief Corporate Strategy Officer
3. Ms. Utaiwan Ruangrojwiriya <sup>(1)</sup>	Chief Financial Officer
4. Mr. Praween Dekajonedej <sup>(2)</sup>	Chief Account Officer
5. Mr. Theera Kitjarurat	Chief Marketing Officer
6. Ms. Patcharada Jutaprateep	Chief Compliance and Corporate Secretary
7. Mr. Suthawut Navikapan	Senior Account Manager

1-6 Company executives According to The Notification of Capital Market Supervisory Board number Tor.Jor. 23/2008, shall mean the manager or the next four executives succeeding the manager, the persons holding equivalent position to the fourth executive and shall include the persons holding the position of manager or equivalent in accounting or finance departments.”

Remark :

(1) Ms. Uthaiwan Ruangrot Wiriya took the position of Finance Director with effect from 1 January 2022

(2) Mr. Praween Deekajohndej resigned from being the Director of Accounting and Finance. by changing the position to be the Director of Accounting with effect from 1 January 2022.

### Authority of the Chief Executive Officer

Authority and duties related to management of the company and subsidiaries as assigned by the company’s board. To manage the company according to work plans and budgets approved by the company’s board with honesty and precautions, protect the company’s and stakeholders’ interests. The authority shall include the following matters or activities:

1. Screen the goals, business plans, including budgets and projects of the company and subsidiaries to ensure that the business and management are carried out according to the defined policies, business goals, in order to present to the company board for approval.
2. Direct operations of the company and subsidiaries to ensure connections and mutual supports in the production lines, aquatic animal food sales, aquatic animal breeding, and other related businesses.
3. Control operations of the company and subsidiaries to maintain the company’s interests, consistency with policies defined by the board, and report performance results directly to the company’s board.
4. Arrange organizational structures and management to protect interests of the company and its subsidiaries, covering procurements, trainings, employments and terminations of non-executive employees or senior management, by acting as the authorized person on behalf of the company in executing employment contracts, issuing instructions, regulations, announcements, memorandums to ensure that the operations are carried out according to the company board’s policies.

5. Control and support the company's budgeting and allocations of projects to ensure that the budgets are spent correctly and efficiently.
6. Lead the company in establishing a learning culture.
7. Take a role in maintaining a good image of the company, communicate and publicize the company to the public.
8. Authorize one person or more to perform any action deemed appropriate by granting the authority and/or assigning within the authorization scope specified in the issued authorization letter and/or as according to the rules, regulations or instructions given by the directors and/or boards and/or board of the company which the Chief Executive Officer is eligible to change or amend such authorizations.
9. Consider the profit and loss of the company, mid-term dividend payment proposals or yearly dividend for the company board's approval.
10. Assume other authorities necessary to maintain the company's operations as assigned by the board meetings and/or the company board.

Provided that the authority vested in the Chief Executive Officer and other persons approved by the Chief Executive Officers, not including any authority and/or authorization held by them that may introduce a conflict, equity or any other conflict of interests (according to regulations of the Capital Market Supervisory Board) with the company or the subsidiaries, which such authorizations must be presented to the company board and/or the shareholder meeting for approval according to the company's articles or related laws, except authorizations for normal business operations of the company that are consistent with the policies and protocols approved by the company board.

#### Executive Compensation Policy

The company has a policy to pay compensation to executives. in accordance with the knowledge and ability Work Experience and Responsibilities Compensation is also set based on performance such as salary, bonus, social security fund. Provident funds, other income and other long-term benefits, etc.

#### Remuneration for the executives

##### 1) Monetary remuneration of the executives

Year 2019, 2020 and 2021 The Company has paid compensation to the management of the company as follows;

Unit : Baht

Remunerations of the executives	2019	2020	2021
Persons	6	6	8
Total salary	11,410,301	12,662,883	12,980,240
Total bonus	-	-	-
Others	1,557,655	1,190,156	1,043,733
Total	12,967,956	13,853,039	14,023,973

Remark: "executive" shall mean in the announcement of the definition in the announcement regarding the issuance and offer for sale of securities. This does not include accounting or finance managers.

##### 2) Other remunerations of executives

#### Provident Fund : PVD

The Company has provided a provident fund for the management in which the Company contributes at the rate of 3% of the salary. In 2021, the Company has paid the provident fund for 6 executives in the amount of 1,188,532 baht.

## Securities holding report of PP Prime Public Company Limited of Directors and Executives as of 30 December 2021

List of Directors and Executives	Number of shares					
	As of 30 December 2020		As of 30 December 2021		Increase / decrease	% Shareholding
	Direct	Indirect	Direct	Indirect		
1. Mrs. Namkang Pungthong	-	-	-	-	-	-
2. Mr. Aran Permpiboon	-	-	-	-	-	-
3. Pol.Col. Thienrath Vichiensan	12,500	-	12,500	-	-	0.002
4. Lt.Gen. Krisana Waropas	-	-	-	-	-	-
5. Mr. Waiwit Udayachalerm	-	-	-	-	-	-
6. Dr. Denchai Akaradechachai	-	-	-	-	-	-
7. Mrs. Supattra Nakmontanakum	-	-	-	-	-	-
8. M.L. Phanpiengduen Sungkahapong	-	-	-	-	-	-
9. Ms. Utaiwan Ruangrojwiriya	-	-	-	-	-	-
10. Mr. Praween Deekajonedej	-	-	-	-	-	-
11. Mr. Theera Kitjarurat	28,151,335	-	92,265,430	-	-	4.091
12. Ms. Patcharada Jutaprateep	-	-	-	-	-	-
Remark: Indirect shareholding Which includes shares held by spouses and underage children						

### information on employees

At the end of 2019 - 2021, the Company has employees of the Group. This includes employees of the Company and employees of subsidiaries. (Excluding executives) totaling 507 persons, paid remuneration in cash totaling 116,325,195.78 baht.

### The number of employees separated by different departments of the company.

Unit : Person

	2019	2020	2021
Operation	360	303	261
Accounting and Finance	29	26	17
Marketing	62	48	32
Law	3	4	4
Compliance and Corporate Secretary office	5	5	6
Management	11	12	11
Supply Chain Management	14	55	41
Management office	50	46	36
<b>Total</b>	<b>534</b>	<b>499</b>	<b>408</b>

Unit : Baht

	Listed Companies	Subsidiaries	Total
1. Salary, bonus, overtime pay, diligence allowance, uniform	32,626,795	70,727,825	103,354,620
2. Social Security contributions	743,668	1,687,319	2,430,987
3. Provident fund contributions	279,610	666,103	945,713
<b>Total</b>	<b>33,650,073</b>	<b>73,081,247</b>	<b>106,731,320</b>

### Provident Fund : PVD

The Company has provided a provident fund for its employees. This includes employees of the Company and employees of subsidiaries in Thailand as follows:

Company's name/subsidiary	with/without PVD	Number of employees participating in PVD (person)	Employee participation ratio PVD/All Employees (%)
PP Prime Public Company Limited	With PVD	53	38.41
Thai Luxe Enterprise (Thailand) Company Limited	With PVD	81	29.35

### Accounting Supervisor

The company assigned Mr. Sutawut Navikphan to be a senior account manager since 1 October 2020 by qualifications of the person holding the position in charge of accounting appears in attachment 1.

### Company Secretary

The Board of Directors has appointed Ms. Phatcharada Jutaprateep to be the secretary of the Board of Directors since 30 December 2019 by the qualifications of the person holding the position as the company secretary appears in attachment 1.

### Authority scope of the company secretary

The company board has appointed the company secretary to supervise the company board's meetings, shareholder's meetings and other activities of the company board to ensure that related rules and laws are complied, and support to ensure that the business are carried out according to the company's ethics.

- Encourage understandings and provide information for the company board to direct the business.
- Ensure that newly appointed directors are informed on the law issues, procedures, regulations and roles in directing the business.
- Prepare company board's meetings and shareholder's meetings to ensure compliance with the company's articles and good practices of the board.
- Record minutes of the company board's meetings and shareholder's meetings, and coordinate to inform the resolutions and policies of the boards, shareholders to related executives, follow up on the results of the resolutions and policies.
- Prepare and retain the board registration, annual reports, shareholder's meeting notifications, company board's meeting notifications, minutes of the company board meetings and shareholder meetings.
- Ensure that the directors and executives prepare their own and related persons' equity reports, and retain the equity reports according to the law.
- Ensure that the secretariat office is the center of the company board's business management communication in order to provide business related information.
- Oversee activities of the company board and other activities according to the law or as assigned.

## Internal Audit

The company has appointed Ms. Laddawan Kanjanaphusit to be the manager of the internal audit unit of the company. and hired Ascent Wisery Co., Ltd. to perform the duties of the Company's internal auditor, with Ms. Phakaorn Asawatajchapohnp as the main responsible for performing the duties of the Company's internal auditor. with the qualifications of the Company's internal auditors appears in attachment 3.

## Auditor's Remuneration

The Company's auditors for the year 2021 are auditors from A.M.T. Associates Office, with the list of auditors as follows:

1. Mr. Chaityuth Angsuwittaya Certified Public Accountant Registration No. 3885 or
2. Mrs. Natsarak Sarotnuncheon Certified Public Accountant Registration No. 4563 or
3. Ms. Daranee Somkamnerd Certified Public Accountant Registration No. 5007 or
4. Ms. Jarunee Nuammae Certified Public Accountant Registration No. 5596 or
5. Mr. Siramet Aukkarachotkulanun Certified Public Accountant Registration No. 11821

Auditor's remuneration comprises audit fees and other expenses. accounted for the total amount in 2019, the total amount is 3,800,316 baht, in 2020 the total amount is 4,190,000 baht, and in 2021 the total amount is 3,321,000 baht, respectively.

The auditor's fees for the year 2021 of the subsidiaries and associated companies are shown in the table below.

Company's name	Baht	Yen	Hong Kong Dollar
Thai Luxe Enterprise (Thailand) Company Limited	910,000	-	-
Tluxe Global Business Company Limited	125,000	-	-
Tluxe Power Company Limited	125,000	-	-
Tluxe Investments Limited (Mauritius)	816,000	-	-
Tluxe Holdings Limited (Hong Kong)		-	20,000
Geothermal Power A Company Limited (Hong Kong)		-	21,000
Geothermal Power B Company Limited (Hong Kong)		-	21,000
P Prime Singapore Pte. Ltd. (Singapore)		-	-
Origin Power Investment Company Limited (Mauritius)		2,160,000	-
PPSN Company Limited (Japan)		330,000	-
Otomeyama Company Limited (Japan)		1,040,000	-
SUMO POWER Company Limited (Japan)		330,000	-
S-POWER Company Limited (Japan)		1,040,000	-
SNS POWER Company Limited (Japan)		1,040,000	-
M-Luxe Energy Company Limited (Japan)		1,040,000	-
Fino Binary Power Plant Limited (Japan)		1,040,000	-
Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison (Japan)		1,040,000	-
Dual Energy Binary - Power Plant No.1 Ltd. (Japan)		1,040,000	-
Lena Power Station No.1 Ltd. (Japan)		1,340,000	-
P Green Energy Ltd. (Japan)		1,040,000	-
Wind Power A Co., Ltd. (Hong Kong)		-	12,500
	3,321,000	12,480,000	74,500



## Corporate Governance Report

### Summary of the performance of the Board of Directors in the past year

The Board of Directors consists of 8 directors, 4 of which are independent directors, 6 non-executive directors and 2 executive directors. Guidelines and goals that bring the greatest benefit to shareholders Under the framework of having good ethics and taking into account the interests of all stakeholders, in 2021, the Board of Directors held a total of 21 meetings.

### Board performance appraisal

The Company requires regular evaluation of the performance of the Board of Directors and sub-committees. At least once a year, divided into Evaluation of the performance of the whole committee and all sub-committees and the self-assessment of the individual committees. In 2021, the assessment of the whole committee There are 6 assessment topics as follows:

1. Structure and qualifications of the Board of Directors
2. Roles, duties and responsibilities of the Board of Directors
3. Board meeting
4. Directors' duties
5. Relationship with management
6. Self-development of directors and executive development

Individual Board Self-Assessment part. There are 3 assessment topics as follows:

1. Structure and qualifications of the Board of Directors
2. Board meeting
3. Roles, duties and responsibilities of the Board of Directors

In addition, the self-assessment of the sub-committees consists of the Audit Committee. Nomination and Remuneration Committee and the Executive Committee Performance appraisal of the board and sub-committees to assess the operations in the past year The Office of the Company Secretary will send the Board of Directors' self-assessment form to all directors to assess the performance of the Board of Directors and sub-committees in which they hold positions, both individually and individually. After that, the Company Secretary Office will summarize the results and present the assessment results to the Board of Directors for acknowledgment.

### Chief Executive Officer Performance Assessment

The Board of Directors requires an annual assessment of the Chief Executive Officer's performance on the topic of Leadership. Strategy implementation Financial Planning and Performance Relationship with the Board relationship with outside Management and personnel relations succession product and service knowledge and personal features using the assessment guidelines from the Stock Exchange of Thailand

Performance appraisal of the Chief Executive Officer To assess the operations in the past year and to lead to the strengthening and development of mission-driven capacity to achieve the strategic goals. The secretary of the Nomination and Remuneration Committee will summarize and present the assessment results to the Board of Directors for acknowledgment.

### Nomination of Directors and Top management

#### Criteria for Recruitment of the Company's Directors:

In the selection of persons to be appointed as directors. The Nomination and Compensation Committee is responsible for considering the selection of qualified persons and has no prohibited characteristics as specified by law. In order to get a professional and diverse committee. In which the number proposed would be equal to or greater than the number of directors retiring which will propose to to the Board of Directors' meeting and/or the shareholders' meeting (as the case may be) to consider to appoint directors Which can be summarized as follows:

The Board of Directors consisted of at least 5 members; whereas, at least one half of the total number of directors shall be residing in the Kingdom of Thailand; and the Company's directors shall have qualifications as prescribed by laws.

The Board of Directors shall be appointed by the meeting of shareholders under the following criteria and procedures:

1. Each shareholder shall have one vote for each share
2. Each shareholder shall exercise all votes applicable, one vote for each share, in appointing one or more person to be a director, provided that any of the votes shall not be divisible
3. A person who has the most respective vote shall be elected to be the directors equivalent to the required number of directors but in case where the following persons so elected have equivalent vote, the chairman shall have a casting vote.

At every annual general meeting, one-third of the directors or if their number is not a multiple of three, then the number nearest to one-third shall retire from office. The directors in the first and second year after company registration will be offered a draw to resign. In each subsequent year, those directors who have been longest in the office shall retire. The directors who have been resigned are able to be re nominated.

Each director who would like to resign must submit the resignation letter to the company. The resignation will be effected at the date the company received the letter. The resigned director may report his willing ness to the registrar, if needed.

In cases where there is any vacancy among the directors other than a retirement by rotation, the Board of Directors shall elect a person who is qualified under the law to be a new director at the next meeting of the Board of Directors unless the period to which new director is entitled shall be less than two months. The person who is elected as the new director shall retain the office during such period only as the vacating director was entitled to retain the same. The resolution of the Board of Directors as specified in the first paragraph above shall consist of votes of not less than three-fourths of the remaining directors.

The meeting of shareholders may resolve to remove any director from the office before the expiration of his period of office with the votes of not less than three-fourths of the number of shareholders attending the meeting with the voting right and holding in aggregate not less than one-half of the shares held by those shareholders attending the meeting with the voting right

The directors must nominate the chairman of board of directors. The chairman will be both the chairman of board of directors and chairman of shares holders meeting. The chairman can take the position as long as he is being the director of the company. If needed, one or more vice chairman can be nominated.

### Principle for Choosing Audit Committee

Audit committee will be nominated by the directors or the shareholders. The audit committee must be composed of at least 3 audit committees, by selecting from independent directors. The term of audit committee is 3 years, but can be reappointed by the directors or the shareholders. At least one of audit committee must have knowledge and experience in financial and accountant, and is able to audit the financial statement.

### Term of Directors

1. The term of each director is 3 years, which will be resigned at every annual general meeting. The directors who have been resigned are able to be renominated.
2. The term of the members of subcommittee will be the same as the term of each director, and can be renominated from the Board of Director.
3. The term of Independence of Director should not more than 3 consecutive terms.

### Criteria for selecting the top management

To select top executives, the company attaches importance to the organization in the first place, the selection criteria are as follows:

1. Not in possession of prohibited characteristics pursuant to section 68 of the public company ACT 1992.
2. Possession of adequate knowledge, ability and experience in animal feed industry and secondary industry including the ability to make assessment of various work performances in the course of operation the business.
3. Possession of the resourcefulness and experience in the management of mega-size organization .
4. Holding job positions or used to hold job positions not below the Assistant Managing Director, the Vice President and the organization's turnover is not less than 2,000 million baht per year with the balance sheet or the organizational structure or the annual report while holding the position to be made available for presentation. In the case of being or having used to be the executive from the government sector organization at the departmental or equivalent level, the position held must not be lower than the Deputy Top Executive.
5. Having the resourcefulness, high caliber in making decision, in giving order, solving problems and lead the organization towards the direction and target according to the policy assigned by the board of directors of the company.
6. Having a vision of an animal feed business and related business; judicious and clever planning of the business operation, control of the situation and solving the problems with relevancy and in timely manner.
7. Possessing leadership, good human relations among executives, among the persons under command or even with the outsiders; ability for good liaison and work coordination both domestically and abroad.

Board of Director and Sub-committee meeting attendance of the year 2021

Name	Position	Attendance of all meetings / Meetings							
		Annual General Meeting of Shareholder	Extraordinary General Meeting of Shareholder	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Sustainable Development Committee	Overseas Investment Committee <sup>(1)</sup>	Executive Committee
1. Mrs. Namkang Pungthong	Chairman of the Board of Director	1/1	1/3	20/21	-	-	-	-	-
2. Mr. Aran Permipboon <sup>(2)</sup>	Independent Director / Chairman of the Audit Committee	-	1/1	4/4	2/2	-	-	-	-
3. Pol.Col. Thienrath Vichiensan	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of Audit Committee	1/1	3/3	21/21	10/10	4/4	-	-	-
4. Lt.Gen. Krisana Waropas	Independent Director / Chairman of the Sustainable Development Committee / Member of Audit Committee / Member of Nomination and Remuneration Committee	1/1	1/3	21/21	10/10	3/3	0/0	-	-
5. Mr. Waiwit Udayachalerm <sup>(3)</sup>	Independent Director / Member of Audit Committee	-	1/1	4/4	1/2	-	-	-	-
6. Dr. Denchai Akaradejdechachai	Director / Chairman of the Overseas Investment Committee / Member of Executive Committee / Member	1/1	3/3	21/21	-	4/4	-	15/15	20/20

Name	Position	Attendance of all meetings / Meetings							
		Annual General Meeting of Shareholder	Extraordinary General Meeting of Shareholder	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Sustainable Development Committee	Overseas Investment Committee <sup>(1)</sup>	Executive Committee
	of Nomination and Remuneration Committee								
7. Mrs. Supattra Nakmontanakum <sup>(4)</sup>	Director / Chairman of the Executive Committee / Chief Executive Officer	-	-	1/1	-	-	-	-	2/2
8. M.L. Phanpiengduen Sungkahapong	Director / Member of Executive Committee / Member of Overseas Investment Committee	1/1	1/3	21/21	-	-	-	15/15	20/20
9. Mr. Praween Dekajonedej	Executive Committee / Member of Sustainable Development Committee				-	-	0/0	-	20/20
10.Mr. Chanchai Nuchruan	Member of Sustainable Development Committee				-	-	0/0	-	-
Resigned directors in 2021									
1. Mrs. Kanokwan Wannabuit <sup>(5)</sup>	Director / Member of Executive Committee / Member of Sustainable Development Committee	-	-	2/2	-	-	0/0	-	1/1
2. Ms. Phatcharada Jutaprateep <sup>(5)</sup>	Director / Member of Executive Committee / Member of Sustainable Development Committee	-	-	2/2	-	-	0/0	-	1/1

Name	Position	Attendance of all meetings / Meetings							
		Annual General Meeting of Shareholder	Extraordinary General Meeting of Shareholder	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Sustainable Development Committee	Overseas Investment Committee <sup>(1)</sup>	Executive Committee
3. Mr. Theerawit Thanakijjuntorn <sup>(6)</sup>	Independent Director / Chairman of the Audit Committee / Member of Nomination and Remuneration Committee	1/1	2/2	14/14	8/8	1/1	-	-	-
4. Mr. Theera Kitjarurat <sup>(7)</sup>	Director / Member of Executive Committee / Member of Oversea Investment Committee	1/1	3/3	20/20	-	-	-	15/15	20/20

Remark :

- (1) The Board of Directors Meeting No. 16/21, dated October 29, 2021, resolved to appoint and cancel the Overseas Investment Committee.
- (2) The Board of Directors Meeting No. 17/21, held on November 9, 2021, resolved to appoint Mr. Arun Pempiboon as a director of the Company.
- (3) The Board of Directors Meeting No. 17/21, dated November 9, 2021, resolved to appoint Mr. Waiwit Uthachalerm to be a director of the Company.
- (4) The Board of Directors Meeting No. 20/2021 held on November 29, 2021 resolved to appoint Mrs. Supattra Nakmontanakum to be a director of the Company.
- (5) Mrs. Kanokwan Wannabutr and Ms. Phatcharada Jutaprateep resigned from the position of directors of the Company on February 17, 2021.
- (6) Mr. Theerawit Thanakijjuntorn resigned from the position of the Company's director on October 15, 2021.
- (7) Mr. Theera Kitjarurat resigned from the position of the Company's director on December 1, 2021, but retained the position of Executive Director

## Remuneration for the directors

### 1) Monetary remuneration

The company has set a policy on director's remuneration clearly and transparently, and offers to the company board to present to the shareholders for approval at an appropriate rate comparable to director's remunerations of registered companies in the agricultural and food industries. The company board's remunerations consist of monthly remuneration and meeting allowance, when the company board's remunerations combine with the sub boards' remunerations of the year 2021, the total amount is 2,304,000 Baht as the following details:

#### Remunerations of Board of Director and Sub-committee of 2021

Name	Remunerations (Baht)						
	Board of Director	Audit Committee	Nomination and Remuneration Committee	Sustainable Development Committee	Overseas Investment Committee	Executive Committee	Total
1. Mrs. Namkang Pungthong	300,000	-	-	-	-	-	300,000
2. Mr. Aran Permpiboon	60,000	30,000	-	-	-	-	90,000
3. Pol.Col. Thienrath Vichiensan	210,000	100,000	24,000	-	-	-	334,000
4. Lt.Gen. Krisana Waropas	210,000	100,000	15,000	0	-	-	325,000
5. Mr. Waiwit Udayachalerm	40,000	10,000	-	-	-	-	50,000
6. Dr. Denchai Akaradejdechachai	210,000	-	20,000	-	90,000	200,000	520,000
7. Mrs. Supattra Nakmontanakum	10,000	-	-	-	-	0	10,000
8. M.L. Phanpiengduen Sungkahapong	210,000	-	-	-	0	0	210,000
9. Mr. Praween Dekajonedej	-	-	-	0	-	0	-
10. Mr. Chanchai Nuchruean	-	-	-	0	-	-	-
Resigned directors in 2021							
1. Mrs. Kanokwan Wannabuit	20,000	-	-	0	-	0	20,000
2. Ms. Patcharada Jutaprateep	20,000	-	-	0	-	0	20,000
3. Mr. Theerawit Thanakijsumton	210,000	120,000	5,000	-	-	-	335,000
4. Mr. Theera Kitjarurat	200,000	-	-	-	0	0	200,000
Total	1,700,000	360,000	64,000	0	90,000	200,000	2,414,000

Remarks :: (1) Executive Directors will not receive meeting allowances for meetings of sub-committees.

(2) The Company does not contribute to the provident fund for Board of Director and Sub-committee

The Annual General Meeting of Shareholders 2021 held on April 30, 2021 approved the remuneration of the Board of Directors and Sub-Committees for the year 2021 as follows:

#### Meeting allowance payment

	Chairman (Baht/person/time)	Member (Baht/person/time)
Board of Director	15,000	10,000
Audit Committee	15,000	10,000
Nomination and Remuneration Committee <sup>(1)</sup>	6,000	5,000
Overseas Investment Committee <sup>(1)</sup>	6,000	5,000
Executive Committee <sup>(1)</sup>	15,000	10,000

Remarks : (1) Executive Directors will not receive meeting allowances

#### 2) Other remunerations

- None -

#### Overseeing the operations of its subsidiaries

The Company controls the management of the subsidiary companies as to maintain the interest of the company in accordance with the policy laid down by the Company's board of directors and has the duty to report the operating result directly to the company's board of directors through representative of the company to hold the directorship in the subsidiary company as to formulate the policy and protect the interest of the company to ensure the company and its subsidiary operate in the same direction which would result in the management of the cost to maximum efficiency as well as the operation to maximum efficiency including the use of the policy on good corporate governance of both the company and its subsidiary.

The subsidiary is required to seek approval from shareholders in the transaction, and the acquisition or disposition of key assets same as the Company's criteria, and comply with the requirements of the Stock Exchange of Thailand which included the data and accounting records that can be monitored and collected within the consolidated financial statement deadline.

#### Monitoring to ensure compliance with corporate governance policies and practices

The company realizes the importance of good corporate governance. Having a Board of Directors and Executives with Vision have responsibility There is a control and balance mechanism. In order for the management to be transparent, verifiable, respect for the rights and equality of shareholders and be responsible to the stakeholders. It will be a key factor in maximizing value and yield. to the shareholders of the Company in the long run. In 2021, the Company has fully complied with the principles of good corporate governance. No history of submitting Section 56, Form 56-1 and Form 56-2 reports, and delayed quarterly and annual financial reports.

In addition, the Company does not have any incidents that directors, executives, employees and related persons Conduct in violation of the Internal Information Protection Measures

#### Prevention of conflicts of interest

The company strives to do the right thing and uphold the best interests of the company. under the legality and ethics Therefore, the work of employees must avoid acts that cause conflicts of interest that may affect decision-making. Do not seek benefits from information or what oneself or others know Due to the position, job duties and responsibilities

## Internal Information Control

The Company has set up the policy on the use of inside information, which is recognized only limited to executives only and disclosure to employees as necessary as they need to know in practice.

The company has policies and procedures to take care of directors and management not to use internal company information, which was not been disclosed to the public, for personal gain, including trading securities as follows:

- To educate the directors as well as the executive position to report the holding number of the company securities, including the holding of their spouse and minor children to SEC, and SET under Section 59 and penalty provisions under section 275 of the Securities and Exchange Act of 1992 within 3 days after the day of the inauguration.
- To educate the directors as well as the executive position to report a change of the holding number of the company securities to SEC and SET under Section 59 of the Securities and Exchange Act of 1992 within 3 days from the date of the change in the holding, and send copies of this report to the Secretary of the Company in same day sent a report to the Securities and Exchange Commission to propose to the Board of Directors acknowledged the next meeting.
- To determine the directors, the executive, the staffs, including with Investor Relations team who received inside information to avoid disclosing such information to outsiders or unrelated parties, and should refrain from trading shares of the company while published or distributed the Company's financial statements, as well as other important information at least 30 days before the disclosure, and 3 days after the disclosure.

The company has set a disciplinary penalty matter for the exploitation of inside information by using or to disclosing the information by considering penalty as appropriate verbal warning, written warning, probation and dismissal until the termination of an employee dismissed.

## Anti-Corruption

The company has a commitment to create measures to prevent and combat corruption within the organization. By adhering to responsibility to all groups of stakeholders in accordance with good corporate governance and business ethics. Announcement is a policy for employees of the company acknowledged thoroughly until it becomes the values and culture of the organization that everyone must adhere to and practice.

On 12 February 2018, the company was certified by the Private Sector Collective Action Coalition Against Corruption (CAC).

However, the company Have training and orientation of anti-corruption, with training and communication content covering the anti-corruption policy on Receiving Complaints and Protection And guidelines for receiving-giving gifts Rearing or other benefits for directors, executives and staff at the Phetchaburi Provincial Factory office and Songkhla province As well as anti-corruption communication to various groups of stakeholders including directors, executives, employees, representatives from business partners and outsiders.

### Complaint Notification / Suggestion Notification / Whistleblower

The company provides opportunities for employees and stakeholders. There is a channel for complaints Expressing suggestions and reporting on illegal actions The secretary of the Audit Committee is assigned to act as a complaints unit as follows:

#### 1) Channels for notifying complaints/notifying suggestions/notifying clues

e-mail : [IA@ppprime.co.th](mailto:IA@ppprime.co.th)

Letter sent by post to the Internal Audit Department.

Suggestions and complaints boxes (solid) at various points of the company  
company website [www.ppprime.co.th](http://www.ppprime.co.th) topic Contact us Independent committee

#### 2) Process when receiving complaints/suggestions/clues

Provide opportunities for employees to have channels for complaints and to express their opinions independently. as a guideline for the development and sustainability of the organization There are steps to follow.

1. Complaint recipient collects information within 30 days.
2. The complainant reports facts to the Audit Committee to investigate facts. to consider complaints by separating relevant matters into issues such as management knowledge development Corruption, etc.
3. Reporting the result The recipient of the complaint has a duty to notify the complainant of the result. If the complainant discloses himself and in cases where it is important and needs to be addressed in a timely manner The complaint recipient must report it to the Audit Committee. and the Audit Committee will immediately report to the Chairman and/or the Board of Directors.

#### 3) Complainant Protection Measures

The Company has established measures to protect complainants in accordance with the following criteria:

1. The complainant can choose to remain anonymous if he or she considers that That revelation would be insecure. But if self-disclosure will allow the organization to report progress and clarify facts.
2. Complainant Will keep the relevant information confidential/security in mind. by establishing measures to protect employees who complain and/or give information and/or cooperation in data verification They will be protected from unfair treatment such as change of position, job description, workplace, work suspension, intimidation, disruption to work, and dismissal due to the cause of complaints.

### Performance of the Audit Committee

In 2021, the Audit Committee of 4 people held a total of 10 meetings. The results of the Audit Committee's performance were summarized as follows:

- Review quarterly financial reports and annual financial statements.
- Review the internal control system and internal audit that are appropriate and effective.
- Review the Company's operations in accordance with the Securities and Exchange Act. regulations of the stock exchange and laws related to the company's business
- Nominate an independent person to act as the Company's auditor. including audit fees
- Review the connected transactions or transactions that may have conflicts of interest to comply with the laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable for the best interests of the Company

### Performance of the Nomination and Remuneration Committee

In 2021, the Nomination and Remuneration Committee of 3 people held a total of 4 meetings. The results of the Nomination and Remuneration Committee's performance were summarized as follows:

- Consider carefully that the nominated person meets the established eligibility criteria.
- Consider the nomination, selection and nomination of suitable persons to be the Chief Executive Officer. including determining the remuneration in both monetary and non-monetary
- Consider the criteria for considering the remuneration Determination of both monetary and non-monetary compensation of directors and sub-committees by presenting to the shareholders' meeting for approval
- Consider the criteria for assessing and assessing the Chief Executive Officer's annual performance. and present to the Board of Directors for consideration and approval.
- Consider the criteria for considering the remuneration Determining the annual remuneration of the Chief Executive Officer both in monetary and non-monetary by considering the results of the performance assessment of the Chief Executive Officer by presenting it to the Board for approval.

### Performance of the Executive Committee

In 2021, the Executive Committee of 5 members held a total of 20 meetings. The results of the Executive Committee's performance were summarized as follows:

- Consider formulating strategies and business plans including the management structure and various administrative powers of the Company to propose to the Board of Directors for further consideration.
- Examine, monitor, and implement policies and guidelines for the management of various aspects of the Company that have been set forth as assigned by the Board of Directors with efficiency.
- Consider and approve the Company's annual budget and investment before proposing to the Board of Directors for further consideration and approval.
- Consider setting the compensation rate policy and salary structure. including annual bonuses for employees

## Internal Control

At the Board of Directors Meeting No. 2/2022 on 28 February 2022, with 4 independent directors (and/or 4 audit committees) attending the meeting as well. The Board of Directors have evaluated the internal control system based on the report submitted by the Audit Committee, there are 5 components, i.e.

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information & Communication
5. Monitoring Activities

## Internal Control and Connected Transactions

The Board of Directors considers that the internal control system of the Company and its subsidiaries is sufficient and appropriate. The Company has an internal control system for monitoring and supervising the operations of the subsidiaries to be able to protect the assets of the Company and its subsidiaries from being misused by directors or executives without authority. including sufficient transactions with persons who may have conflicts of interest and connected persons for internal control in other topics The Board of Directors considers that The company has adequate internal controls as well.

The Company has appointed Ms. Laddawan Kanchanaputit to the position of Deputy Manager of Internal Audit, act as the head of internal audit of the company, as she had the experience to perform the audit and had been trained in courses relevant to operations, including internal audit, such as Internal audits to prepare for the Certified Internal Auditor. She had an understanding of the activities and operations of the Company, it is appropriate to perform such duties appropriately enough.

The approval of the appointment, transfer and dismissal of internal audit of the company must be approved by the Audit Committee.

At the Audit Committee Meeting held on 15 January 2020 No. 1/2020 appointed Ascent Advisory Company Limited to act as an internal auditor of the Company since 15 January 2020. Ascent Company Limited Advisory Co., Ltd. has assigned Ms. Phakaorn Asawatajchapohnp, the position of Managing Director. is primarily responsible for the performance of the Company's internal auditors.

The Audit Committee has considered and opined that are appropriate enough to perform such duties. because they are independent and have experience in internal control system Financial institutions listed on the Stock Exchange of Thailand for more than 20 years, have attended courses related to internal audit operations, such as Certificate Course in Internal Auditors of Thailand (CPIAT), the Association of Internal Auditors of Thailand, courses at financial advisor Association of Thai Securities Companies, Course 7 Operational Risks and Crisis Response Guidelines The company has also set up an internal audit unit. To coordinate with the auditors hired from outside (Outsource) as well.

Qualifications of the person holding the position of Internal Audit Manager of the Company and Ascent Wiseries Co., Ltd., external auditor (Outsource), with Ms. Phakaorn Asawatajchapohnp as the main responsible for the practice. The duties of the internal auditors of the company appears in attachment 3.

### The Connected Transactions

The transactions between the company, subsidiaries and persons that may have some discrepancies in 2019 - 2021

The company and its subsidiaries had transactions between each other by the general business practices and fair trading terms as the following:

### The transactions between the company with subsidiaries

Relevant person/entity	Relationship	The Connected Transactions	Type of transaction	Amount (Baht)			Necessity and feasibility
				As of 31 Dec 2019	As of 31 Dec 2020	As of 31 Dec 2021	
Thai luxe Enterprise (Thailand) Co., Ltd.	Tluxe Enterprise (Thailand) Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company has sales transactions of finished goods and service income.	* Trade and other receivables	44,294,220.27	337,080.14	-	The finished goods transaction is a normal transaction and service fees are in accordance with the mutual agreement.
			* Trade and other payables	433,121,654.20	522,089,399.49	413,741,090.82	
			* Sell goods	6,104,970.87	-	-	
			* Service income	32,781,308.41	16,126,194.40	14,709,356.99	
			* Purchase products	1,592,060,575.38	1,017,195,176.50	85,651,990.43	
			* Accrued interest	-	-	224,153.42	
Tluxe Power Co., Ltd.	Tluxe Power Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company provided loans for Tluxe Power Co., Ltd.	* Interest expense	-	-	224,153.42	transaction of loans, the company charged interest rate between 6 - 8.25 percent per year
			* Interest income	5,128,553.02	369,007.70	1,138,058.39	
			* Accrued interest	67,708.51	436,715.91	1,574,774.29	
			* Loans	3,150,384.00	13,600,384.00	22,670,384.00	
Tluxe Global Business Co., Ltd.	Tluxe Global Business Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company has other receivables from each other.	* Other receivables	366,960.00	769,255.30	769,255.30	
			* Other receivables	344,621.89	479,046.39	539,011.79	

The transactions between the company with subsidiaries

Relevant person/entity	Relationship	The Connected Transactions	Type of transaction	Amount (Baht)			Necessity and feasibility
				As of 31 Dec 2019	As of 31 Dec 2020	As of 31 Dec 2021	
PPSN Co., Ltd.	PPSN Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company provided loans for PPSN Co., Ltd.	* Interest income	30,447,539.28	26,697,781.02	25,545,732.51	transaction of loans, the company charged interest rate between 2.5-8.00 percent per year
			* Accrued interest	122,332,635.97	149,030,417.00	174,576,149.50	
			* Loans	478,599,552.53	450,884,222.47	440,702,966.49	
			* Other receivables	1,627,590.00	1,721,256.00	-	
Sumo Power Co., Ltd.	Sumo Power Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company provided loans for Sumo Power Co., Ltd.	* Interest income	6,698,289.60	6,679,906.94	6,698,289.60	transaction of loans, the company charged interest rate between 8 percent per year
			* Accrued interest	20,718,819.06	27,398,726.00	34,097,015.60	
			* Loans	83,728,620.00	83,728,620.00	83,728,620.00	
Geothermal Power A Company Limited	Geothermal Power A Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company provides loans for Geothermal Power A Co., Ltd.	* Interest income	19,987,967.29	27,569.59	27,778.57	transaction of loans, the company charged interest rate between 6.5 percent per year
			* Accrued interest	67,039,329.24	67,066,898.82	67,094,677.39	
			* Loans	427,362.65	427,362.65	427,362.65	
			* Other receivables	-	182,992.04	182,992.04	
Geothermal Power B Company Limited	Geothermal Power B Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company provided loans for Geothermal Power B Co., Ltd.	* Interest income	17,105,616.27	7,849,932.65	7,828,681.58	transaction of loans, the company charged interest rate between 6.5 percent per year
			* Accrued interest	48,303,403.42	56,153,336.07	63,982,017.65	
			* Loans	120,441,255.02	120,441,255.02	120,441,255.02	
			* Other receivables	-	263,347.94	263,347.94	

The transactions between the company with subsidiaries

Relevant person/entity	Relationship	The Connected Transactions	Type of transaction	Amount (Baht)			Necessity and feasibility
				As of 31 Dec 2019	As of 31 Dec 2020	As of 31 Dec 2021	
P Green Energy Company Limited	P Green Energy Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company provided loans for P Green Energy Co., Ltd.	* Interest income	318,765.30	1,428,595.67	3,002,190.28	transaction of loans, the company charged interest rate between 6.5 percent per year
			* Interest received	681,756.33	2,110,352.00	5,112,542.28	
			* Loans	4,904,082.00	41,069,929.09	52,514,338.99	
Tluxe holding Company Limited	Tluxe holding Co., Ltd. is a subsidiary of the company in which the company holds 100% of the paid capital.	The company provided loans for Tluxe holding Co., Ltd.	* Loans	349,660.35	612,220.35	612,220.35	transaction of loans, the company charged interest rate between 6.5 percent per year
			* Accrued interest	10,349.31	39,685.52	79,479.84	
			* Interest income	10,349.31	29,336.21	39,794.32	
			* Other receivables	-	191,760.61	191,760.61	
Lena Power Station No.1 LLC	Lena Power Station No.1 LLC is a subsidiary of the Company by the Company's subsidiary Holding 100% of registered and paid-up capital	The company has intercompany lending transactions.	* Loans	-	-	79,965.56	transaction of loans, the company charged interest rate between 6 percent per year
			* Accrued interest	-	-	223.47	
			* Interest income	-	-	223.47	

The transactions between the company with associated

Relevant person/entity	Relationship	The Connected Transactions	Type of transaction	Amount (Baht)			Amount (Baht) As of 31 Dec 2020
				As of 31 Dec 2019	As of 31 Dec 2020	As of 31 Dec 2021	
M-Luxe Energy Co., Ltd.	M-Luxe Energy Co., Ltd.is an associated of the company, in which the company holds 25% of the paid capital.	The subsidiary company provides loans for M-Luxe Energy Co., Ltd.	* Interest income	2,179,203.39	2,243,014.72	2,229,993.44	transaction of loans, the company charged interest rate between 3 percent per year
			* Accrued interest	6,568,907.02	9,143,513.52	11,365,592.34	
			* Loans	70,364,572.50	74,123,400.00	74,112,817.50	
			* Other receivables	1,433,616.08	1,410,490.40	1,872,436.21	

The Connected Transactions

Relevant person/entity	Relationship	The Connected Transactions	Type of transaction	Amount (Baht)			Necessity and feasibility
				As of 31 Dec 2019	As of 31 Dec 2019	As of 31 Dec 2019	
Nutrix Public Company Limited	The company jointly shareholder with Nutrix PCL.	The company sale of good and purchase of raw material with Nutrix PCL.	* Product sales and other income	184,716,712.70	311,002,998.24	538,926,380.34	The finished goods transaction is a normal transaction. This is to determine the selling price. Use cost method plus contract rate and service fees are in accordance with the mutual agreement.
			* Buy ingredients	58,453,280.97	191,382,443.44	405,764,914.06	
			* Trade accounts receivable and other receivable	7,348,736.10	25,725,644.84	30,747,017.69	
			* Trade payables and other payables	10,291,820.86	23,770,055.47	13,380,073.47	
Aulux Power Co.,Ltd	The company jointly director with Aulux Power Co.,Ltd	The subsidiary company provides loans for Aulux Power Co., Ltd.	* Consulting fee	759,919.18	-	-	transaction of loans, the company charged interest rate between 3 percent per year
			* Service income	256,376.90	-	-	
			* Interest income	2,575,041.35	2,647,868.98	2,619,149.50	
			* Interest paid	7,817.50	8,794.09	8,742.16	
			* Trade accounts and other payables	117,172.19	123,431.45	-	
			* Accrued interest	4,030,860.47	6,858,066.73	9,468,474.53	
Dual Energy Co., Ltd.	The company jointly director with Dual Energy Co., Ltd.	The subsidiary company has accrued interest items.	* Loans	82,643,880.25	87,058,660.00	87,046,230.75	
			* Loan	275,939.50	290,680.00	290,638.50	
			* Accrued interest	7,572.61	16,695.50	25,409.36	
			* Accrued interest	4,308.80	4,538.97	4,538.32	

PP Prime Public Company Limited (“the Company”) realizes the importance of conducting business with transparency and taking into account all stakeholders. Therefore, a policy on related party transactions has been established. and to create clear guidelines The company therefore deems it appropriate to determine the rules Method for entering into connected transaction In order to enter into such transactions of the Company and its subsidiaries to be transparent. It does not cause conflicts of interest and is in the best interests of the Company and its shareholders.

## objective

The Company has established policies and procedures for making connected transactions as important tools and mechanisms that enable the Company to have good corporate governance. to ensure that All connected transactions of the Company and its subsidiaries are transparent. No conflict of interest has been approved by the Board of Directors or the shareholders' meeting (as the case may be) and has been disclosed accurately and completely.

## Definition

“Connected transaction” means any transaction between the Company or its subsidiaries. with the connected person of the Company or transactions between the subsidiary and the connected person of the subsidiary

“Agreeing to enter into a transaction” means entering or agreeing to enter into a contract. or enter into any agreement, directly or indirectly, for the purpose of acquiring or disposing of assets, leasing or leasing assets; Giving or receiving services Giving or Receiving Financial Assistance and issuing new securities including to create a right or a waiver of the right to do so

“Connected Person” means a person connected with the Notification of the Board of Governors of the Stock Exchange of Thailand. and to include related persons under Section 89/1 of the Securities and Exchange Act (“Securities Act”).

1. Connected persons according to the Notification of the Board of Governors of the Stock Exchange of Thailand are:

- 1.1 Executives Major shareholders controller or a person who will be nominated to be an executive or controlling person of the company or subsidiary including related persons and close relatives of such persons
- 1.2 Any legal entity with a major shareholder or the person having the power to control is the following persons of the company or its subsidiary
  - (a) Executives
  - (b) major shareholder
  - (c) person with control
  - (d) Persons to be nominated as executives or controllers.
  - (e) related persons and close relatives of persons under (a) to (d).
- 1.3 Any person who, by circumstances, can be identified as acting on behalf of or under the influence of persons pursuant to 1.1 to 1.2 to a decision. policy formulation, management, or significant operations or other persons at the Stock Exchange of Thailand (the "SET") is of the same circumstance.

2. Persons related to Section 89/1 of the Securities and Exchange Act

- 2.1 A person who has control over the business of the company and in the case that such person is a juristic person, shall include a director of the company. that juristic person
- 2.2 Spouse, child or adopted child who is not yet sui juris of director, executive or person under 2.1
- 2.3 A juristic person in which the person under 2.1 or 2.2 has control over the business
- 2.4 Other persons having characteristics as specified in the notification of the Capital Market Supervisory Board

When any person acts with an understanding or agreement that If the company conducts transactions that provide financial benefits to such persons, the directors, executives or persons under 2.1 or 2.2 will also receive financial benefits. Such person shall be deemed to be the person involved in the transaction.

**Type of connected transaction** Divided into 6 types as follows:

1. Normal business transactions
2. Normal business support items
3. Rental or lease of real estate not more than 3 years
4. Items related to assets or services
5. Items for giving or receiving financial assistance
6. Connected transactions other than those under (1) to (5)

**Procedures for entering into connected transactions or connected transactions**

If it is a connected transaction under the meaning of the Stock Exchange of Thailand the company will comply with the regulations of the Stock Exchange of Thailand in all respects. The Company has established procedures for related party transactions, or connected transactions as follows:

1. Consideration of connected transactions the company will use the same criteria as other customers, and in accordance with the Company's normal credit granting process to support its business operations, which must be fair and reasonable and for the benefit of the Company, for example, in the event that the Group has a loan request for a loan to be charged at the same interest rate as charged to an individual external
2. Valuation of transactions related to assets or services based on the total value of consideration paid or received, or book value or the market value of that asset or service whichever is higher
3. If there is any related transaction of the Company or its subsidiary with a person who may have a conflict of interest have stake or there may be a conflict of interest in the future The Company will allow the Audit Committee to give opinions on the necessity and appropriateness of the transaction. In the event that the Audit Committee does not have expertise in considering related transactions that may occur The Company will assign an independent expert or the Company's auditor to give an opinion on the said connected transaction, to be used in the decision of the Board of Directors or shareholders as the case may be
4. If the company has connected transactions or other connected transactions that fall under the regulations of the Stock Exchange of Thailand Such requirements must be strictly adhered to.

**Disclosure**

The company must disclose information about transactions that may have conflicts of interest or connected transactions or connected transactions, in accordance with the rules prescribed by the Office of the Securities and Exchange Commission which will be disclosed in the annual registration statement and annual report or any other reports, as the case may be, and disclosure of connected transactions to the Stock Exchange of Thailand according to the rules of the Stock Exchange as well as related transactions with the Company according to accounting standards The connected transactions will be disclosed in the notes to the financial statements which have been audited by the Company's auditors.

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THAILAND

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FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
AND  
INDEPENDENT AUDITOR'S REPORT

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EXPRESSED IN  
THAI BAHT

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## INDEPENDENT AUDITOR'S REPORT

**To The Shareholders and Board of Directors of PP PRIME Public Company Limited**

### **Qualified Opinion**

I have audited the consolidated financial statements of PP PRIME Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of PP PRIME Public Company Limited (the "Company") which comprise the consolidated and separate statements of financial position as of December 31, 2021, and the related consolidated and separate statements of changes in equity, comprehensive income, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects on the matter described in the basis for Qualified Opinion on the Consolidated Financial statement section of my report, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of PP PRIME Public Company Limited and its subsidiaries and of PP PRIME Public Company Limited as of December 31, 2021, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

### **Basis for Qualified Opinion**

#### **(1) Binding of the Geothermal Power Plant Sales Agreement in Japan**

Refer to Note 30 to the consolidated financial statements, on June 21, 2018, the subsidiary entered into a Memorandum of Understanding (MOU) with the first buyer in the sell agreement of 15 geothermal power plants in Japan at a price of Yen 320 million per plant, a total of Yen 4,800 million. with the subsidiary receiving a deposit of Yen 200 million and the remaining Yen 4,600 million. Buyers will pay within February 2019.

On February 21, 2019, the first buyer transferred the rights and obligations under the Memorandum of Understanding (MOU) to the second buyer (which has common director with a subsidiary who sells the property until March 31, 2019) and extended for June 30, 2019.

On February 25, 2019, a subsidiary and the second buyer has entered into agreements, with an agreement that the second buyer will pay second deposit of Yen 400 million and transfer share of 25 percent of the second buyer company to the subsidiary company by March 15, 2019 and the subsidiary company will transfer the ownership of four power plants (part of the 15 plants) to the second buyer within 15 days from receipt of payment.

On April 5, 2019, a subsidiary enters into sell agreement of four geothermal power plants (part of the 15 plants) that consisted of P-Power (2 locations) and Lena - 1 (2 locations) with second buyer value Yen 800 million. Buyer will pay Yen 400 million within 2 weeks after contract signing and Yen 400 million within 1 year after contract signing. With the addition memorandum that second buyer could terminate the sell agreement of four geothermal power plants if the contract is not approved by the Company board of directors. However, until present there is no approval resolution of the board of directors.

On April 11, 2019, the subsidiary received Yen 400 million from the second buyer.

The subsidiary received toalling of Yen 600 million (Baht 165.56 million) and recorded as other current liability.

According to the minute of board of director meeting No. 22/2019 on December 23, 2019, the company requested the second buyer pay the remaining amount of Yen 4,200 million to the subsidiary within January 31, 2020, informed second buyer that if they do not pay, the company will terminate the sell agreement and forfeit the deposit of Yen 600 million, and to seek new investor, to improve production effectiveness, and acknowledged the unpermitted contract approval of a subsidiary in Japan. A Japanese legal advisor suggested the company that by Japanese law it has to prove the true intention of the contract approval. If it did not present a true intention, this contract becomes invalid. If the company could prove that the first director approved the contract instead of second director, this contract is not binding the subsidiary.

On December 25, 2019 the company issued notice to the second buyer to pay the remaining balance, and confirmed the sell value of Yen 320 million per each geothermal power plant, and rejected proposal from second buyer to purchase four geothermal power plant at Yen 200 million per plant. The notice requested the second buyer to pay the remaining balance of the Memorandum of Understanding (MOU) dated June 21, 2018 of Yen 4,200 million within January 31, 2020 otherwise the company will terminate to sell agreement and forfeit the deposit.

According to the minute of board of director meeting No. 1/2020 on February 5, 2020, the company acknowledged the progress of sell agreement of 15 geothermal power plants, at present the second buyer did not pay the remaining balance to the company, therefore the management will consult with legal council to forfeit the deposit of Yen 600 million.

On July 17, 2020, the subsidiary received "Summons for report on first day of announcement and letter of request for response letter" from second buyer. It demanded that a subsidiary pay a second buyer of Yen 40,540,542 with accrued interest at the interest rate of 3 percent per annum from May 2, 2020 until the payment is complete and included all litigation costs. "Summons for report on first day of announcement and letter of request for response letter" required the subsidiary to submit the testimony on August 27, 2020.

On August 6, 2020, the subsidiary received two "Temporary seizure orders" from the Tokyo District Court in Japan, which can be summarized as follows:

Issue 1 states that the second buyer, is appropriate and request the second buyer to provide security of Yen 300,000. Temporary seizure of two lands in the subsidiary has been decided. If the subsidiary deposit Yen 1,404,131, The subsidiary can request suspension of execution or cancellation of the execution disposition.

Issue 2 states that the second buyer, is appropriate and request the second buyer to provide security of Yen 7,900,000. Temporary seizure of electricity revenue generated from the subsidiary Binary plant from July 17, 2020 to July 16, 2021 has been decided. If the subsidiary deposit Yen 39,433,306, the subsidiary can request suspension of execution or cancellation of the execution disposition.

On August 27, 2020, the directors and executives of the subsidiary reported themselves on first announcement, which the subsidiary appointed a lawyer on that date. And the subsidiary has already clarified the information to the court on October 6, 2020 and November 5, 2020.

On December 24, 2020, the second buyer and the subsidiary reported to the court on time, which the second buyer will ask for another addition. The Court therefore required a second buyer to submit an objection to the testimony by February 5, 2021, with the fourth hearing scheduled for February 15, 2021.

On February 15, 2021, the subsidiary and the second buyer have submitted the court proceedings and clarified the information to the court, with the fourth hearing scheduled for fifth hearing on April 13, 2021.

On April 13, 2021, the subsidiary and the second buyer have submitted the court proceedings and clarified the information to the court, with the next hearing scheduled on June 8, 2021.

On June 8, 2021, an off set expenses amount of Yen 40.50 million has been added, with the next hearing scheduled on July 26, 2021.

On July 26, 2021, the second buyer did not file a dispute due to it is in the process of negotiating the settlement. Therefore on the hearing scheduled on September 17, 2021 an November 9, 2021 are still under negotiating the settlement and the next hearing scheduled on January 20, 2022 (At first the Court schedule on Dember 21, 2021 then change to January 20, 2022). On January 20, 2022, the second buyer did not file a dispute due to it is in the process of negotiating the settlement and the next hearing scheduled on March 10, 2022

The management of the Company examination of the above lawsuit found that the Company used to ask for opinions from 2 legal advisors regarding the case. The aforementioned legal advisors agree that the asset purchase agreement dated April 5, 2019 will not be binding on the subsidiary. If the former 2nd director of the subsidiary is not a sign of the contract and there will be no binding on the second subsidiary.

The management of the Company considers that the story in the case does not contain information that differs from the information provided to both law firms. Therefore, the management's opinion remains that the contract dated April 5, 2019, which the second buyer claims is there will be no binding on the subsidiary.

On February 26, 2022, I received the report from the auditor of the subsidiary. The auditor did not make a conclusion on the financial statements of the said subsidiary as of December 31, 2021, because they were unable to find satisfactory audit evidence of the Power Plant Sale Agreement dated April 5, 2019 due to the binding of the geothermal power plant sales agreement of the subsidiary in Japan there is uncertainty and is not yet final.

As mentioned above, the auditors of the subsidiary in Japan have not been able to find sufficient evidence to draw conclusions on such matters and so far the above matters have not been finalised. Therefore, I cannot find sufficiently appropriate auditing evidence regarding the binding of the above contracts. As a result, I cannot conclude that any adjustments that are required to be adjusted due to the binding of such contracts may affect the financial statements, which are constrained by circumstances.

(2) Binding of the advance payment agreement for the construction of geothermal power plants.

Refer to Note 22 to the consolidated financial statements, on December 13, 2017, the Board of Directors' meeting of the Company passed a resolution to invest in 9 geothermal power plants in Japan. The total project value is 2,700 million Yen (Baht 786 million). As of December 31, 2018, a subsidiary paid a deposit for 2 power plants amounting to Yen 103 million.

According to the resolution of the Board of Directors' Meeting No.3/2020 held on March 20, 2020, it resolved to set up an allowance for the expected credit loss for the whole amount. the management of the Company has assessed the opportunity to receive the reimbursement from the transaction. It is likely to be difficult. Therefore, we decided to record the allowance for the expected credit loss for the transaction in the amount of Baht 28 million in the 2019 financial statements.

On February 26, 2022, I received the report from the auditor of the subsidiary. The auditor did not make a conclusion on the financial statements of the said subsidiary as of December 31, 2021. As the auditor reported that on November 27, 2017, the said subsidiary has entered into 2 land property transfer agreements located in Oasa-Tsurumi, Beppu City, Oita Prefecture, Japan with first private company. However, the first private company has transferred both of the land to the second private company, although the first private company is responsible for transferring these land to such subsidiary. The total asset transfer price is Yen 300,000,000, which the said subsidiary has paid to a private company in the amount of Yen 50,000,000. Subsequently, on May 26, 2020, the subsidiary took legal action regarding the transfer of ownership of the two such land to a second private company and claiming Yen 1,000,000 from the first private company. The auditors of the said subsidiary could not find sufficient audit evidence for a property transfer agreement dated November 27, 2017. The consequences of the land transfer agreement in Japan are uncertain and unconvincing. Therefore, we do not find sufficient evidence of proper investigation regarding the binding of the above contracts.

Therefore, I cannot conclude that there are any adjustment that are required to be adjusted due to the binding of such contracts that may have an impact on the financial statements. Which is limited by circumstances.

(3) Fair value of financial asset in equity.

Refer to Note 21 to the consolidated financial statements, The Company has financial asset in equity of listed company which has to state at fair value at the end of the year, but shares of that company had suspension since October 26, 2021 due to company is in the condition of financial and operating improvement, so the management can not find fair value. Therefore the company use a value of closing on October 25, 2021 to calculate fair value. As of December 31, 2021, the financial asset in equity has amounted to Baht 13.42 million.

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 in accordance with the Federation of Accounting Professions under the Royal Patronage of His Majesty the King’s Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Material Uncertainty Related to Going Concern**

I draw attention to Note 1.2 of the consolidated financial statements relating to the going concern of the Group. The consolidated statements of financial position as of December 31, 2021, the Group has current liabilities exceeds current assets amounting to Baht 540 million (the company Baht 795 million), and the Group had continuous operating loss. Situation and circumstance indicated the material uncertainty exists that may cast significant doubt on the Group ability to continue as a going concern. Hereby, my opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the basis for Qualified Opinion section and the matters described in the Material Uncertainty Related to Going Concern section, I have determined the matters described below to be the key audit matters to be communicated in my report.

Key Audit Matters included Audit Procedures are as follows:

Impairment of property, plant and equipment

As describe in notes 4.5, 4.11, 17, 18 and 19 to the consolidated financial statements, the Group’s property, plant and equipment which are stated at cost less accumulated depreciation and impairment losses are significant amount. The management has consistently determined whether there is any indication of impairment by considering and using the related assumption. The recoverable amount of the property, plant and equipment of the Group are determined by external expert. Therefore, I have identified that considering the impairment loss of property, plant and equipment is the significant matter that requires special attention in the audit.

My audit procedure on such matter:

Understanding the process of impairment assessment of property, plant and equipment, read and consider the reasonable and supportable assumptions and approaches in preparation of the recoverable amount of the property, plant and equipment. I evaluated the competence, capacities and objectivity of the external expert and considered the adequacy of the information disclosure related to impairment of property, plant and equipment.

### **Other matter**

The consolidated financial statement of PP PRIME Public Company Limited and its subsidiaries and the separate statement of financial position of PP PRIME Public Company Limited as of December 31, 2020, presented herein for comparison, have been derived from such financial statements, which audited by another auditor and reported in accordance with Standards on Auditing and expressed a qualified opinion about binding of the geothermal power plant sales agreement in Japan and binding of the advance payment agreement for the construction of geothermal power plants and draw attention about material uncertainty relating to going concern of the Group and emphasis of matter about changes in accounting policy for subsequent valuation of investment property and the impact of the COVID-19 on her report dated March 1, 2021. I have not performed any other audit procedures subsequent such report date.

## Other Information

Management is responsible for the other information. The other information comprise the information included in the annual report of the Group, but does not include the financial statements and my auditor's report thereon, which 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 do 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 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 those charged with governance and the management of the Group.

## Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible 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 judgment and maintain professional skepticism 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 management.
- Conclude on the appropriateness of management's 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 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 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 those charged with governance 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 those charged with governance 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 those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year 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.

*Dar SLL*

(DARANEE SOMKAMNERD)  
Certified Public Accountant  
Registration No. 5007

A.M.T. & ASSOCIATES  
Bangkok, Thailand  
February 28, 2022

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2021

(Unit : Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		As at December 31,		As at December 31,	
		2021	2020	2021	2020
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	77,640,666	38,392,268	72,126,982	30,317,196
Trade and other current receivables	6.2, 8	108,310,486	193,113,994	53,393,655	114,534,694
Short - term loans	6.2	-	-	-	-
Inventories	9	71,379,330	78,917,941	572,915	11,337,230
Other current financial assets	10	11,418	11,929	11,418	11,929
Other current assets		11,003,824	15,029,260	1,648,653	3,048,170
<b>Total current assets</b>		<b>268,345,724</b>	<b>325,465,392</b>	<b>127,753,623</b>	<b>159,249,219</b>
<b>Non - current assets</b>					
Other non - current financial assets	11	3,449,590	3,449,590	3,449,590	3,449,590
Investments in subsidiaries and associates	13	-	-	1,472,613,468	1,472,613,468
Trade and other non - current receivables	8	-	-	-	-
Long - term loans	6.2, 14	-	-	165,423,766	168,014,496
Investment property under the fair value method	15	107,493,810	134,649,970	107,493,810	134,649,970
Property, plant and equipment					
Land Revaluation	16	384,742,299	430,417,089	1,544,050	100,368,370
Plant and machine	17	479,489,870	564,784,417	1,993,460	12,291,296
Property, plant and equipment not used in operations	18	241,993,477	264,807,196	647,900	3,364,900
Right-of-use assets	19	22,706,470	23,774,919	22,706,470	23,774,919
Other intangible assets	20	6,698,116	8,498,986	18,872	74,691
Deferred tax assets	34	61,637,771	57,704,569	61,637,771	57,704,569
Non - current non - cash financial assets pledged as collateral	21	22,226,697	46,127,236	22,226,697	46,127,236
Other non - current assets					
Restricted bank deposits	12	7,795,880	17,979,566	-	202,141
Advances payment	22	-	-	-	-
Other		8,857,867	11,982,529	3,327,017	6,242,694
<b>Total other non - current assets</b>		<b>16,653,747</b>	<b>29,962,095</b>	<b>3,327,017</b>	<b>6,444,835</b>
<b>Total non-current assets</b>		<b>1,347,091,847</b>	<b>1,564,176,067</b>	<b>1,863,082,871</b>	<b>2,028,878,340</b>
<b>Total assets</b>		<b>1,615,437,571</b>	<b>1,889,641,459</b>	<b>1,990,836,494</b>	<b>2,188,127,559</b>

## PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION (CONTINUED)

DECEMBER 31, 2021

(Unit : Baht)					
		Consolidated financial statements		Separate financial statements	
		As at December 31,		As at December 31,	
	Note	2021	2020	2021	2020
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	23	66,850,523	84,300,698	47,000,000	60,000,000
Trade and other current payables	6.2, 24	158,043,112	245,052,922	480,865,623	576,428,270
Short - term loans	6.2, 25	15,290,638	10,290,680	15,000,000	10,000,000
Current portion of long - term liabilities	26	334,185,087	525,837,654	333,313,171	525,474,304
Current portion of finance lease liabilities	27	268,681	567,542	268,681	567,542
Current portion of debenture	28	45,840,000	632,231,830	45,840,000	632,231,830
Current income tax payable		9,129,053	15,292,688	-	-
Other current liabilities	30	178,845,975	178,244,694	729,434	1,029,432
<b>Total current liabilities</b>		<b>808,453,069</b>	<b>1,691,818,708</b>	<b>923,016,909</b>	<b>1,805,731,378</b>
<b>Non - current liabilities</b>					
Long - term loans	26	10,390,326	11,263,850	-	-
Liabilities under lease agreements	27	217,154	-	217,154	-
Debenture	28	550,560,000	-	550,560,000	-
Convertible Debenture	29	45,000,000	-	45,000,000	-
Deferred tax liabilities	34	65,273,462	76,978,827	5,949,128	28,284,564
Non - current provisions for employee benefits	31	35,853,988	35,722,016	15,654,150	17,217,565
Other non - current liabilities		861,700	798,700	861,700	798,700
<b>Total non - current liabilities</b>		<b>708,156,630</b>	<b>124,763,393</b>	<b>618,242,132</b>	<b>46,300,829</b>
<b>Total liabilities</b>		<b>1,516,609,699</b>	<b>1,816,582,101</b>	<b>1,541,259,041</b>	<b>1,852,032,207</b>

		(Unit : Baht)			
		Consolidated financial statements		Separate financial statements	
		As at December 31,		As at December 31,	
Note		2021	2020	2021	2020
<b>Shareholders' equity</b>					
Share capital	36				
Authorized share capital					
2021 Registered 3,095,942,424 ordinary shares of Baht 1 each		<u>3,095,942,424</u>		<u>3,095,942,424</u>	
2020 Registered 916,901,123 ordinary shares of Baht 1 each			<u>916,901,123</u>		<u>916,901,123</u>
Issued and paid share capital					
2021 Registered 2,133,643,872 ordinary shares of Baht 1 each		2,133,643,872		2,133,643,872	
2020 Registered 688,066,476 ordinary shares of Baht 1 each			688,066,476		688,066,476
Premium on share capital		612,679,954	612,679,954	612,679,954	612,679,954
Discount on share capital		(1,263,172,717)	-	(1,263,172,717)	-
Capital reserve for share-based payment transactions		41,479,200	41,479,200	41,479,200	41,479,200
Retained earnings					
Appropriated - Legal reserve		56,845,152	56,845,152	56,845,152	56,845,152
Unappropriated		(1,535,939,388)	(1,458,482,927)	(1,054,111,779)	(1,065,318,829)
Other components of shareholders' equity		<u>53,291,799</u>	<u>132,471,503</u>	<u>(77,786,229)</u>	<u>2,343,399</u>
<b>Total shareholders' equity</b>		<u>98,827,872</u>	<u>73,059,358</u>	<u>449,577,453</u>	<u>336,095,352</u>
<b>Total liabilities and shareholders' equity</b>		<u>1,615,437,571</u>	<u>1,889,641,459</u>	<u>1,990,836,494</u>	<u>2,188,127,559</u>

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Baht)					
		Consolidated financial statements		Separate financial statements	
		For the year ended December 31,		For the year ended December 31,	
	Note	2021	2020	2021	2020
<b>Revenues</b>					
Revenues from sales		649,794,670	1,617,637,892	114,000,017	1,253,315,570
Other income					
Gain on investments in securities		15,179,197	745	15,179,197	745
Gain from fair value adjustment		3,515,666	-	3,515,666	-
Gain on sale of property, plant and equipment		32,975,159	-	33,072,350	-
Profit on foreign exchange		41,427,870	32,220,337	-	-
Others		12,237,756	5,021,116	24,797,530	32,164,387
<b>Total revenues</b>		<b>755,130,318</b>	<b>1,654,880,090</b>	<b>190,564,760</b>	<b>1,285,480,702</b>
<b>Expenses</b>					
Cost of sale					
- Cost of goods sold		641,645,896	1,406,990,611	96,359,645	1,059,730,169
- Idle cost		48,351,070	-	-	-
Total Cost of sale		689,996,966	1,406,990,611	96,359,645	1,059,730,169
Cost of distributions		34,337,794	67,935,972	34,337,794	67,935,972
Administrative expenses		152,167,251	200,345,878	81,971,912	119,293,287
Other expenses					
Loss on impairment of assets		-	114,639,440	-	-
Loss on impairment of loans		-	67,189,525	13,003,849	225,178,565
Loss from fair value adjustment		-	32,240,950	-	32,240,950
Loss on foreign exchange		-	-	573,125	28,238,861
Others		-	7,014,724	-	2,999,980
<b>Total expenses</b>		<b>876,502,011</b>	<b>1,896,357,100</b>	<b>226,246,325</b>	<b>1,535,617,784</b>
<b>Profit (loss) from operating activities</b>		<b>(121,371,693)</b>	<b>(241,477,010)</b>	<b>(35,681,565)</b>	<b>(250,137,082)</b>
Finance costs		74,461,194	86,181,486	72,747,710	84,026,673
Impairment loss (impairmen gain and reversal of impairment loss )					
determined in accordance with TFRS 9	8	(4,947,992)	6,436,706	(4,916,817)	6,405,531
Share of loss from investments in associates	13	-	-	-	-
<b>Profit (loss) before income tax expenses</b>		<b>(190,884,895)</b>	<b>(334,095,202)</b>	<b>(103,512,458)</b>	<b>(340,569,286)</b>
Tax expenses (tax Income)	34	(4,616,473)	(4,518,453)	(5,907,547)	(15,760,598)
<b>Profit (loss) for the year</b>		<b>(186,268,422)</b>	<b>(329,576,749)</b>	<b>(97,604,911)</b>	<b>(324,808,688)</b>
<b>Other comprehensive income :</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period :</i>					
Exchange differences on translation of financial statements in foreign currency		(41,570,365)	(444,988)	-	-
<i>Other comprehensive income that will not be reclassified</i>					
Gains (losses) on revaluation of assets		59,650,131	-	17,129,842	-
Gain (losses) on investment in equity designated at fair value through other comprehensive income		11,552,491	(38,287,747)	11,552,491	(38,287,747)
Gains (losses) on remeasurements of defined benefit plans		-	(2,780,527)	-	(518,172)
<b>Other comprehensive income (expense) for the year</b>		<b>29,632,257</b>	<b>(41,513,262)</b>	<b>28,682,333</b>	<b>(38,805,919)</b>
<b>Total comprehensive income (expense) for the year</b>		<b>(156,636,165)</b>	<b>(371,090,011)</b>	<b>(68,922,578)</b>	<b>(363,614,607)</b>
<b>Earning (Loss) per share (Baht: Shares)</b>	38	<b>(0.13)</b>	<b>(0.48)</b>	<b>(0.07)</b>	<b>(0.47)</b>
<b>Diluted earning (Loss) per share (Baht: Shares)</b>	38	<b>(0.13)</b>	<b>-</b>	<b>(0.07)</b>	<b>-</b>

PT PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

Consolidated financial statements													(Unit : Baht)
Equity attributable to owners of the Company													
Note	Issued and fully paid - up share capital	Premium on share capital	Discount on share capital	Capital reserve for share - based payment transactions	Retained earnings		Exchange differences on transition of financial statements in foreign currency	Other components of shareholders' equity					Total shareholders' equity
					Appropriated	Unappropriated		Investment in equity designated at fair value through other comprehensive income	Gains(losses) on remeasurements of defined benefit plans	Revaluation surplus	Total other components of shareholders' equity		
<b>Balance as at January 1, 2020</b>													
Changes in shareholders' equity for the year 2020 :													
Total comprehensive income (expense) for the year													
Transferred to retained earnings													
<b>Balance as at December 31, 2020</b>													
Changes in shareholders' equity for the year 2021 :													
Total comprehensive income (expense) for the year													
36	Issue ordinary shares												
29	Convertible Debtenture												
Transferred to retained earnings													
<b>Balance as at December 31, 2021</b>													

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

Separate financial statements											(Unit : Baht)
Other components of shareholders' equity											
Other comprehensive income											
Gain (losses) on											
investment in equity											
designated at fair											
through other											
comprehensive income											
of defined											
benefit plans											
Revaluation											
surplus											
Total other											
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**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**CASH FLOWS STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

(Unit : Baht)				
	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,		For the year ended December 31,	
Note	2021	2020	2021	2020
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax expenses	(190,884,895)	(334,095,202)	(103,512,458)	(340,569,286)
Adjustments to reconcile profit (loss) to cash received (paid)				
Adjusted financial costs	74,461,194	86,181,486	72,747,710	84,026,673
Adjusted trade accounts and other current receivables (increase) decrease	89,739,926	85,830,720	67,195,620	158,264,430
Adjusted inventories (increase) decrease	10,594,122	129,961,924	10,764,315	42,776,904
Adjusted other assets (increase) decrease	3,419,309	(867,709)	584,404	(384,987)
Adjusted trade accounts and other current payable increase (decrease)	(95,782,506)	(18,593,220)	(105,492,383)	85,841,549
Adjusted other liabilities increase (decrease)	664,281	(555,108)	(236,999)	(8,630,253)
Depreciation and amortization	101,604,432	115,358,759	4,276,602	5,372,125
Adjusted provisions for employee benefits (reversal)	841,972	6,533,542	(1,308,415)	3,566,038
Adjusted unrealised on exchange loss (gain)	(4,222,865)	25,018,524	(4,222,284)	28,238,861
(Gain and reversal) of expected credit loss	-	6,436,706	-	6,405,531
Impairment loss (impairmen gain and reversal of impairment loss )				
determined in accordance with TFRS 9	(4,947,992)	-	(4,916,817)	-
Adjustment for loss (profit) from fair value adjustment	(3,515,666)	32,241,805	(3,515,666)	32,241,805
Adjusted loss from reduce cost of inventories (reversal)	(3,055,511)	2,063,765	-	411,444
Adjusted loss (gain) from disposal of non-current assets				
- Loss (gain) on sales of other current financial assets	(15,179,197)	1,365	(15,179,197)	1,365
- Loss (gain) on sales of equipment	(33,069,572)	(1,156,068)	(33,072,350)	(448,495)
Adjusted other reconcile profit (loss)				
- Expected credit loss for loans and interest receivable	-	67,443,310	13,003,849	225,178,565
- Impairment on investment in subsidiary Company	-	-	-	2,999,980
- Impairment on property	52,000	-	52,000	-
- Loss on impairment of plant and equipment	-	20,263,708	-	-
- Loss on impairment of intangible assets	-	94,313,286	-	-
- Loss on impairment of goodwill	-	6,760,941	-	-
- Reversed allowance of impairment on advance payment for Riverside project	-	(1,746,060)	-	(1,746,060)
- Loss from dissolution of subsidiaries	-	-	-	32,820
- Interest income	(31,990)	(1,904,440)	(1,162,540)	(2,085,196)
<b>Total adjustment to reconcile profit (loss)</b>	<b>121,571,937</b>	<b>653,587,236</b>	<b>(482,151)</b>	<b>662,063,099</b>
<b>Net cash provided by (used in) operating activities</b>	<b>(69,312,958)</b>	<b>319,492,034</b>	<b>(103,994,609)</b>	<b>321,493,813</b>
Interest expenses	(63,709,179)	(72,955,558)	(61,780,255)	(72,929,810)
Tax received (paid)	(3,898,179)	(26,230,917)	3,556,531	-
Cash paid for employee benefits	(710,000)	(815,000)	(255,000)	(330,000)
<b>Net cash provided by (used in) operating activities</b>	<b>(137,630,316)</b>	<b>219,490,559</b>	<b>(162,473,333)</b>	<b>248,234,003</b>

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOWS STATEMENTS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Baht)				
	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,		For the year ended December 31,	
Note	2021	2020	2021	2020
<b>Cash flows from investing activities</b>				
(Increase) decrease in restricted bank deposits	10,183,686	(158,672)	202,141	(1,248)
Cash paid Acquisition of investments in subsidiaries	(4,316,713)	-	(4,316,713)	-
Cash received from sales other equity instrument	52,241,264	20,421	52,241,264	20,421
Cash received from property, plant and equipment	172,600,000	1,156,079	172,600,000	448,499
Cash paid for investment properties	-	(230,000)	-	(230,000)
Cash paid for property, plant and equipment	(1,508,942)	(17,239,752)	(89,865)	(252,977)
Cash received from loans to other person or parties	-	-	10,181,256	27,715,330
Cash paid for loans to related parties	-	-	(20,594,375)	(46,878,407)
Deposit from advance payment for Riverside project	-	1,746,060	-	1,746,060
Interest income	43,564	1,652,547	24,777	1,716,332
<b>Net cash provided by (used in) investing activities</b>	<b>229,242,859</b>	<b>(13,053,317)</b>	<b>210,248,485</b>	<b>(15,715,990)</b>
<b>Cash flows from financing activities</b>				
Cash received from borrowing				
From debenture	45,000,000	-	45,000,000	-
From financial institutions	-	11,627,200	-	-
From other parties	54,500,000	45,000,000	54,500,000	45,000,000
Cash paid for repayment of borrowing				
Cash paid for repayment of bill of exchange	(13,000,000)	(60,000,000)	(13,000,000)	(60,000,000)
Maturity debenture	(36,800,000)	(93,900,000)	(36,800,000)	(93,900,000)
Borrowing from financial institutions	(188,303,226)	(29,787,713)	(187,938,848)	(29,787,713)
Borrowing from other person and other parties	(49,500,000)	(35,000,000)	(49,500,000)	(35,000,000)
Cash paid for repayment of liabilities under long - term lease agreements	(631,195)	(1,659,186)	(631,195)	(1,659,186)
Accounts payable - trust receipts increases	-	(43,957,140)	-	(43,957,140)
Bank overdrafts increase (decrease)	(4,450,175)	561,012	-	-
Increase in share capital	182,404,677	-	182,404,677	-
<b>Net cash provided by (used in) financing activities</b>	<b>(10,779,919)</b>	<b>(207,115,827)</b>	<b>(5,965,366)</b>	<b>(219,304,039)</b>
Net cash and cash equivalents increase (decrease)				
before effect of exchange rate	80,832,624	(678,585)	41,809,786	13,213,974
Effect of exchange rate to cash and cash equivalents	(41,584,226)	(6,465,792)	-	-
<b>Net in cash and cash equivalents increase (decrease)</b>	<b>39,248,398</b>	<b>(7,144,377)</b>	<b>41,809,786</b>	<b>13,213,974</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>7 38,392,268</b>	<b>45,536,645</b>	<b>30,317,196</b>	<b>17,103,222</b>
Cash and cash equivalents from discontinued operations at the end of the year	-	-	-	-
<b>Cash and cash equivalents at ending of the year</b>	<b>7 77,640,666</b>	<b>38,392,268</b>	<b>72,126,982</b>	<b>30,317,196</b>

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

**1. GENERAL INFORMATION**

**1.1 Corporate information**

PP PRIME Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The registered office of the Company is at 62 - 62/1 Moo 2 Rorporchor U-tapao Road, Nong Chumphon Subdistrict, Khao Yoi District Phetchaburi.

The Company was listed on the Stock Exchange of Thailand (the “SET”) on 24 February 1994.

The Company is principally engaged in the distribution of feeds for aquatic animals.

**1.2 Going concern**

As at December 31, 2021, the Group has current liabilities exceeds current assets amounting to Baht 540 million (the Company of Baht 795 million), and the group of the company had continuous operating loss. Most of current liabilities consisted of promissory notes from financial institution amount of Baht 47 million respectively that mature in fourth quarters of 2021, and long-term loan from financial institution of Yen 1,132 million (approximately Baht 333 million), due date in first quarters of 2023.

In addition, during the year 2021, the management of the Group performed the operations as follow:

- The Company disposed of assets and collateral of the debentures, including Investments in securities in type Equity securities, and assets that are not used to operate in order to redeem the debentures and promissory notes from financial institutions and settle its loans from financial institutions and future obligations as they come due.
- During the year 2021, the company held a meeting of debenture holders. The debenture holders resolved to extend the maturity period of the debentures for another 2 years from the original due in 2021 to the maturity of 2023.
- During the year 2021, the company has been extended the repayment period for long-term loans from financial institutions for another one year.
- The Company has been increase share capital as disclosed in note 36 to the consolidated financial statement.

In addition, during the year 2022, the management of the Group performed the operations as follow:

- The Company has plans to dispose of assets and collateral of the debentures, including Investments in securities in type Equity securities, and assets that are not used to operate in order to redeem the debentures and promissory notes from financial institutions and settle its loans from financial institutions and future obligations as they come due.
- The Company plans to negotiate and restore power plants in Japan to re-generating electric power or find a new strategic partner.

These events or circumstances indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. However the management believes that the group will have sufficient fund for operations and future obligations, thus the management of the group believe that the Group has ability to continue as a going concern and using the going concern basis of accounting.

The consolidated and separate financial statements do not include any adjustments to the reclassification or carrying value of assets and liabilities that necessary should if the Group and the Company be unable to continue their operations as going concerns. If the Group and the Company were unable to continue as going concerns, the realizable value of assets may be significantly less than their current carrying value and additional liabilities may be incurred.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

**1.3 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. Nevertheless, the Company's management will continue to monitor the ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

And, in the 1st quarter of year 2021, the Company has decided to discontinue application of the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic for all temporary relief measures on accounting alternatives, which the Company had complied in year 2020, due to the expiration of the period of use of relief measures, which the cancellation of the said Accounting Guidance with no significant impact on the Company's financial statements.

**2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENT**

- 2.1 The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Thailand Federation of Accounting Professions ("TFAC");

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of PP PRIME Public Company Limited. (“the company”) and the following subsidiary companies (“the subsidiaries”) :

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
			Percent	Percent
Subsidiaries directly held by the Company				
Tluxe Global Business Co., Ltd.	Distribution of raw material for animal feed	Thailand	100	100
Tluxe Power Co., Ltd.	Invest in energy business	Thailand	100	100
Thai Luxe Enterprises (Thailand) Co., Ltd	The manufacture and distribution of feeds for aquatic animals and pets	Thailand	100	100
Subsidiary held through Tluxe Power Limited				
Tluxe Investments Limited	Invest in energy business	Republic of Mauritius	100	100
Origin Power Investment Co., Ltd.*	Invest in energy business	Republic of Mauritius	100	100
Subsidiary held through Tluxe Investments Limited				
Tluxe Holdings Limited	Invest in energy business	Hong Kong Special Administrative Region	100	100
Geothermal Power A Co., Ltd.	Invest in energy business	Hong Kong Special Administrative Region	100	100
Geothermal Power B Co., Ltd.	Invest in energy business	Hong Kong Special Administrative Region	100	100
Subsidiary held through Origin Power Investment Co., Ltd.				
Wind Power A Co., Ltd.*	Invest in wind energy business	Hong Kong Special Administrative Region	100	100
Subsidiary held through Tluxe Holdings Limited				
Sumo Power Co., Ltd.	Geothermal power generation business	Japan	100	100
Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company	Geothermal power generation business	Japan	100	100
P Green Energy Co., Ltd.	The business consulting and management	Japan	100	100

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
			Percent	Percent
Subsidiary held through Geothermal Power A Co., Ltd.				
Fino Binary Power Plant LLC.	Geothermal power generation business	Japan	100	100
NIS Binary Power Plant LLC.	Geothermal power generation business	Japan	100	100
Lena Power Station No.1 LLC.	Geothermal power generation business	Japan	100	100
Subsidiary held through Geothermal Power B Co., Ltd.				
PPSN Co., Ltd.	Geothermal power generation business	Japan	100	100
SNS Power Co., Ltd.	Geothermal power generation business	Japan	100	100
Dual Energy Binary - Power Plant No.1 LLC.	Geothermal power generation business	Japan	100	100
Subsidiary held through Sumo Power Co., Ltd.				
Otomeyama Energy Co., Ltd.	Geothermal power generation business	Japan	100	100
S-Power Co., Ltd.	Geothermal power generation business	Japan	100	100

\*According to the resolution of the Board of Directors' Meeting held on January 27, 2021, resolved to approve the dissolution of the subsidiary. At the present, this company is under the process of dissolution.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

- f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **3. NEW FINANCIAL REPORTING STANDARDS**

#### **3.1 Financial reporting standards which are effective for the current year**

During the year, the Company has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company financial statements.

#### **3.2 Financial Reporting Standards which are not effective for the current year**

During the year, the Federation of Accounting professions has revised financial reporting standards, which are effective for financial statements year beginning on or after January 1, 2022, are as follows :

Financial reporting standards

- TFRS 1 First-time Adoption of Financial Reporting Standards
- TFRS 16 Lease

The management of the Company has assessed that TFRS 1 and TFRS 16 will not have impact on the financial statement when they are applied.

### **4. SIGNIFICANT ACCOUNTING POLICIES**

#### **4.1 Revenue recognition**

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Sale of electricity

Income from the sale of electricity is recognised in profit or loss in accordance with delivery units supplied and price as stipulated in the contract. Incomes from the sale of electricity to buyers according to the actual power supply quantity and the rate specified in the purchase contract. Revenue from the sale of electricity is shown at the tax invoice price excluding VAT.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

**Investment income**

Investment income comprises rental income and interest income from investments and bank deposits.

**Rental income**

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

**4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

**4.3 Inventories**

Finished goods and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, packing materials, supplies and spare parts are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

**4.4 Investment properties**

The Company records the initial value of investment properties at cost, including transaction costs. The entity thereafter records the investment property at fair value assessed by an independent appraiser and recognizes the change in fair value in profit or loss. The independent appraiser appraised the fair value of investment property using the consideration method. Based on income, key assumptions used in the valuation of investment properties consist of rental area, rental rate, rental income, discount rate, rate of return, and Long-term growth rate of rent.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

**4.5 Property, plant and equipment**

**Recognition and measurement**

**Owned assets**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses except for land which is measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any impairment losses.

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

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

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss. When there is disposal of revalued assets, the amount recognised in revaluation surplus is reclassified to retained earnings.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

**Revalued land**

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation surplus in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

**Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

**Depreciation**

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

	<u>The Company</u>	<u>Subsidiaries</u>
Buildings and building improvement	5, 20 years	5, 20 years
Machinery and equipment	5, 10 years	5 - 15 years
Furniture and office equipment	5 years	3, 5 years
Motor vehicles	5 years	5 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**Property, plant and equipment not used in operations**

Property, plant and equipment not used in operations are stated at cost net of accumulated depreciation and allowance for loss from impairment of asset.

**4.6 Intangible assets**

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

The intangible assets with finite useful lives are as follows:

	<u>The Company</u>	<u>Subsidiaries</u>
Computer software	10 years	3 years
Patent	8 years	-
Hot spring rights	-	15 years
Power purchase agreement rights	-	15 years

No amortisation is provided on software under installation.

#### **4.7 Leases**

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### The Company as a lessee

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term are as follows:

	<u>useful lives (year)</u>
Buildings	3-18

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

##### Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Company as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss 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 assets and recognised as an expense over the lease term on the same basis as the lease income.

**4.8 Goodwill**

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

**4.9 Related party transactions**

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

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

**4.10 Foreign currencies**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

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Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

**4.11 Impairment of assets is not financial assets**

At the end of each reporting period, the Company and its subsidiaries performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

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**4.12 Employee benefits**

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Company and its subsidiary have obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

**4.13 Provisions**

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**4.14 Equity-settled share-based payment transactions**

The Company recognise the share-based payment transactions at the date on which the options are granted, based on the fair value of the share options. They are recorded as expenses over the vesting period of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

Estimating fair value for share-based payment transactions requires determination relating to appropriate assumptions, including the expected life of the share options, share price volatility and dividend yield.

**4.15 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

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**Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

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

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

**4.16 Financial instruments**

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

**Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

**Financial assets at amortised cost**

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

**Classification and measurement of financial assets**

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

- 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 instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

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At initial recognition, the Group measures a financial asset at its fair value plus or minus, 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 their cash flows are solely payment of principal and interest.

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:** A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial 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 in profit or loss.
- **FVOCI:** A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- **FVPL:** 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.

Dividends from such investments continue to be recognised in profit or loss when the Group's 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 income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Dividends on equity investments are recognised as other income in profit or loss.

#### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

#### **Derecognition of financial instruments**

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A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**Impairment of financial assets**

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

The Group uses the Simplified Approach in accordance with the TFRS 9 to measure value. Expected credit losses Which determines the expected loss over the life of the debt and recognizes Loss since recognition of accounts receivable In determining the expected credit loss. Trade accounts receivable are grouped by the due date. The expected damage rate will depend on your payment history and information. Past credit losses that are adjusted to reflect current information and forward expectations about a range of factors. That affect the ability of the customer to pay the debt. The impairment loss is recognized in profit or loss under administrative expenses.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**Offsetting of financial instruments**

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Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**4.17 Derivatives**

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortized on a straight-line basis over the contract periods.

**4.18 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

**5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from estimates. Significant judgements and estimates are as follows:

Revenue from contracts with customers

Identification of the to-do burden

To specify the obligation to practice in the delivery of goods or services to customers. Management is required to assess the conditions and details of contracts with customers to determine which products or services, each carrying a burden separately or entity is to save or each service separately. When a product or service that can be identified as a separate product or service agreement. And customers benefit from the product or service.

Determining the timing of revenue recognition

In determining the timing of revenue recognition. Management must exercise judgment in determining the terms and details of the contract with the customer to determine whether the obligation to observe the finish over time or completed at any time, the Company will recognize revenue throughout the period. one time When the conditions of any of the following:

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- Clients receive and utilize the results of the operations of the business while the business operations.
- The performance of the Company's assets, causing the customer control while creating assets or.
- The performance of the business entity can not cause the asset to be utilized elsewhere. And the Company's right to receive payment for the work completed to date.

If the conditions listed above the Company will recognize revenue at a time. Management judgment is required to assess whether it has an obligation to act when completed.

To calculate the revenue recognized over a period. Management uses judgment to measure the progress of work to reflect the performance of the business under an obligation to perform to complete. This is calculated by reference to the control of the Group. And a certificate of completion by the customer.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual 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 losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Lease classification - The Group as a lessor

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

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Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**6. RELATED PARTY TRANSACTIONS**

During the period, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and related parties.

Name	Type of Business	Type of Relationship
Thailuxe Enterprises (Thailand) Co., Ltd.	Manufacturing of aquatic animals feed and pet feed	Direct shareholder and common management team
Thluxe Global Business Co., Ltd.	Distribution of material animals feed	Direct shareholder and common management team
Thluxe Power Co., Ltd.	Investment in energy business	Direct shareholder and common management team
Thluxe Investments Limited	Investment in energy business	Direct shareholder via subsidiary
Origin Power Investment Co., Ltd.	Investment in energy business	Direct shareholder via subsidiary
Thluxe Holdings Limited	Investment in energy business	Indirect shareholder via subsidiary
Geothermal Power A Company Limited	Investment in energy business	Indirect shareholder via subsidiary
Geothermal Power B Company Limited	Investment in energy business	Indirect shareholder via subsidiary
Wind Power A Co., Ltd.*	Investment in wind energy business	Indirect shareholder via subsidiary
PPSN Co., Ltd.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
Sumo Power Co., Ltd.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
P Green Energy Company Limited	Consulting, management and Business planing	Indirect shareholder via subsidiary
Fino Binary Power Plant LLC.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
NIS Binary Power Plant LLC.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
Lena Power Station No.1 LLC.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
SNS Power Co., Ltd.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
Dual Energy Binary - Power Plant No.1 LLC.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
Otomeyama Energy Co., Ltd.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary

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Name	Type of Business	Type of Relationship
S - Power Co., Ltd.	Produce electricity from geothermal energy	Indirect shareholder via subsidiary
M-Luxe Energy Co., Ltd.	Hot spring development	Associated company via the Company
Aulux Power Co., Ltd.	Wind power	Common director
Nutrix Pub Co., Ltd.	Manufacture of prepared feeds for pets	Common shareholders
Asia Capital Group PCL.	Financial management consultancy	Common shareholders
Beppu Forest Power Co., Ltd.	Energy	Common director with a subsidiary

\*According to the resolution of the Board of Directors' Meeting held on January 27, 2021, resolved to approve the dissolution of the subsidiary. At the present, this company is under the process of dissolution.

6.1 The significant transactions with related parties for the year ended December 31, 2021 and 2020 are as follows:

(Unit: Million Baht)					
	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
<b>Sales of goods</b>					
Nutrix Pub Co., Ltd.	538.44	311.00	30.69	-	Cost plus contract rate
<b>Service income</b>					
Thailuxe Enterprises (Thailand) Co., Ltd.	-	-	14.71	16.13	Contract prices
<b>Interest income</b>					
Tluxe Power Co., Ltd.	-	-	1.14	0.37	6 - 8.25 percent per annum
<b>Purchase of goods</b>					
Thailuxe Enterprises (Thailand) Co., Ltd.	-	-	85.65	1,017.20	Cost plus contract rate
<b>Purchase of raw materials</b>					
Nutrix Pub Co., Ltd.	405.76	191.38	-	-	Market prices
<b>Consulting fee</b>					
Nutrix Pub Co., Ltd.	-	-	-	-	Contract prices
<b>Interest expense</b>					
Thailuxe Enterprises (Thailand) Co., Ltd.	-	-	0.22	-	6 percent per annum
Aulux Power Co., Ltd.	-	0.01	-	-	5 - 7 percent per annum

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6.2 The balances of the accounts as at December 31, 2021 and December 31, 2020 between the Company and its related parties are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Trade receivables - related parties (Note 8)</b>				
Nutrix Pub Co., Ltd.	30,692	25,726	30,692	-
<b>Other current receivables - related parties (Note 8)</b>				
Nutrix Pub Co., Ltd.	55	-	-	-
PPSN Co., Ltd.	-	-	1,716	1,721
Thailuxe Enterprises (Thailand) Co., Ltd.	-	-	-	337
Geothermal Power A Company Limited	-	-	10,989	10,989
Thuxe Global Business Co., Ltd.	-	-	539	479
Thuxe Power Co., Ltd.	-	-	2,344	1,206
Thuxe Holdings Limited	-	-	192	192
Geothermal Power B Company Limited	-	-	264	264
M-Luxe Energy Co., Ltd.	1,872	1,411	-	-
Aulux Power Co., Ltd.	-	123	-	-
Total other current receivables - related parties	1,927	1,534	16,044	15,188
<b>Total trade and other current receivables - related parties</b>	<b>32,619</b>	<b>27,260</b>	<b>46,736</b>	<b>15,188</b>
<b>Trade payables - related parties (Note 24)</b>				
Thailuxe Enterprises (Thailand) Co., Ltd.	-	-	403,954	512,302
Nutrix Pub Co., Ltd.	13,380	23,770	-	-
Total trade payables - related parties	13,380	23,770	403,954	512,302

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	(Unit : Thousand Baht)			
	Consolidated		Separate financial	
	financial statements		statements	
	December	December	December	December
	31, 2021	31, 2020	31, 2021	31, 2020
<b>Other current payables - related parties (Note 24)</b>				
Thailuxe Enterprises (Thailand) Co., Ltd.	-	-	10,011	9,787
Aulux Power Co., Ltd.	25	17	-	-
Dual Energy Co., Ltd.	5	4	-	-
Related party (Formerly director of subsidiaries)	1,409	1,051	-	-
<b>Total other current payables - related parties</b>	<b>1,439</b>	<b>1,072</b>	<b>10,011</b>	<b>9,787</b>
<b>Total trade and other current payables - related parties</b>	<b>14,819</b>	<b>24,842</b>	<b>413,965</b>	<b>522,089</b>

loans to related parties

As at December 31, 2021, the balance of loans between the Company and those related parties and the movement are as follows:

		(Unit : Thousand Baht)			
		Consolidated financial statements			
Loans to related parties	Type of Relationship	Balance as at January 1, 2021	Increase (decrease) during the year	Translation adjustment	Balance as at December 31, 2021
M - Luxe Energy Co., Ltd.*	Associated company	74,124	-	(11)	74,113
Aulux Power Co., Ltd.**	Common director	87,059	-	(13)	87,046
<b>Total</b>		<b>161,183</b>	<b>-</b>	<b>(24)</b>	<b>161,159</b>
Less : Expected credit loss					
M - Luxe Energy Co., Ltd.		(74,124)	-	11	(74,113)
Aulux Power Co., Ltd.		(87,059)	-	13	(87,046)
<b>Total</b>		<b>(161,183)</b>	<b>-</b>	<b>24</b>	<b>(161,159)</b>
<b>Net</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* As at August 15, 2016, the board of directors No.6/2016 approved the investment transaction approved a plan to invest in the Beppu Binary Power Plant Joint Venture Project in Japan, or M-LUXE Energy Co., Ltd. and approved investment in the form of loans amount of Yen 200 million (approximately Baht 69.56 million) interest rate at 3 percent per annum and has maturity date on August 2018, and mature on demand.

On March 7, 2017, the Executive Committee Meeting No. 3/2017 resolved to give a loan to PPSN Co., Ltd. (A subsidiary company) in the amount of Yen 50 million to allow M-LUXE ENERGY Co., Ltd. to loan for purchase of land in the amount of 1,794 square meters Interest rate at 3 percent per annum and repayment is due in March 2020. Currently, the company has not received payment.

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In the year 2020, the company considered the ability to pay the debt from the financial statements of associated companies and recorded an allowance for doubtful accounts in full amount.

\*\*As at January 25, 2018, the board of directors No.2/2018 approved to invest on Wind Power 20 units. Later, on March 14, 2018 the board of directors No.4/2018 has approved investment in the form of loans amount of Yen 100 million. However, the loan that has interest rate at 3 percent per annum and has maturity date on March 2020, and March 2021.

According to the resolution of the Board of Directors Meeting No. 3/2020, dated March 20, 2020, the meeting approved to set up an allowance for expected credit loss for the total amount, since the management estimated the difficulty of collection therefore decided to record the full provision for doubtful accounts of Bath 83 million.

		(Unit : Thousand Baht)			
		Separate financial statements			
	Type of Relationship	Balance as at January 1, 2021	Increase during the year	Decrease during the year	Balance as at December 31, 2021
Loans to related parties					
Tluxe Power Co., Ltd.	Subsidiary	13,600	9,070	-	22,670
PPSN Co., Ltd.	Subsidiary	450,885	-	(10,182)	440,703
Sumo Power Co., Ltd.	Subsidiary	83,729	-	-	83,729
Geothermal Power A Co., Ltd.	Subsidiary	427	-	-	427
Geothermal Power B Co., Ltd.	Subsidiary	120,441	-	-	120,441
P Green Energy Co., Ltd.	Subsidiary	41,070	11,445	-	52,515
Lena Power Station No.1 LLC.	Subsidiary	-	80	-	80
Tluxe Holdings Limited	Subsidiary	612	-	-	612
Total		710,764	20,595	(10,182)	721,177
Less : Allowance for Expected Credit Loss		(542,750)	(13,003)	-	(555,753)
Net		168,014	7,592	(10,182)	165,424

The loans to subsidiaries are loans used for investing in the geothermal power plant in Japan. These loans carry interest at rates of 3 - 8 percent per annum and mature on demand. However the Company has no plans to recall the loans within one year and therefore classified them as non-current assets in the financial statements.

Year 2021

The Company compared the recoverable amount with the loans. According to the adjusted net book value approach, it was found that the recoverable amount was lower than the book value of the loans. The Company therefore considered additional allowance for impairment of such loan amount of 13 million Baht in profit or loss in the separate financial statements for the year ended December 31, 2021 and consider to stop recognised interest

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Short - term loan

(Unit: Thousand Baht)				
Consolidated financial statements				
	Balance as at January 1, 2021	Increase (decrease) during the year	Translation adjustment	Balance as at December 31, 2021
Aulux Power Co., Ltd.*	291	-	-	291

\* Loan from related company bear interest at the rate of 3 percent p.a. and has maturity on January 2020. The company will not make a new contract and in the future this will be offset with loan to related company.

**6.3 Directors and management's benefits**

For the years ended December 31, 2021 and 2020, the Company and its subsidiaries had employee benefit expenses payable to their directors and managements as below.

(Unit: Million Baht)				
		Consolidated financial statements	Separate financial statements	
		2021	2020	2021      2020
Short - term employee benefits		15	17	13      14
Post - employment benefits		1	-	1      -
Post - employment benefits		1	2	1      1
Total		17	19	15      15

**6.4 According to the Shareholders' Meeting of the Company and subsidiary for Business Transfer of animal feed production business to subsidiary.**

According to the Extraordinary General Meeting of Shareholders No. 1/2018 on July 16, 2018, approve the business reorganization plan by ways of Partial Business Transfer transaction (PBT). Under the PBT, the Company will transfer partial business of the Company i.e. manufacturing of aquatic animal feed (shrimp feed and fish feed) and pet feed including all assets and liabilities, contracts, licenses, promotional certificates in connection with and used for such business operation including all personnel related thereto, to the newly incorporated subsidiary.

The Company is not approved the request to waive the specific business tax (for real estate) and VAT (for not real estate).

The company did not transfer the ownership of land and building, the company will not have any burden or any responsibility will be occurred as at the time to register the ownership transfer such as the transferred tax, the specific business tax. However, the company has anticipated of the tax that is expected to be paid for the amount of Baht 23,584,405.83 in financial statements. (Note 24)

The assets which the Company has transferred to the subsidiaries are not yet able to transfer the legal ownership to the subsidiaries. However, the subsidiary company has the ability to give usage instructions and the benefit from the assets from the normal production of the subsidiary company.

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**7. CASH AND CASH EQUIVALENTS**

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Cash	58	91	43	55
Bank deposits*	77,583	38,301	72,084	30,262
Total	77,641	38,392	72,127	30,317

\* One bank account of the business has obligations as a business guarantee (under the Business Security B.E.2558) for short-term loans from financial institutions with obligations (Note 23).

**8. TRADE AND OTHER CURRENT RECEIVABLES**

8.1 Trade and other current receivables

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Trade receivables</b>				
Trade receivables - related party (Note 6.2)	30,692	25,726	30,692	-
Trade receivables - unrelated parties	43,822	141,522	26,981	127,754
Less: Expected credit loss	(23,835)	(31,438)	(23,835)	(31,407)
Total trade receivables - net	50,679	135,810	33,838	96,347
<b>Other current receivables</b>				
Amounts due from related parties (Note 6.2)	1,927	1,534	3,663	3,945
Amounts due from unrelated parties	56,219	55,770	4,031	3,000
Interest receivable - related parties (Note 6.2)	6,301	6,301	87,495	86,357
Interest receivable - unrelated parties	365	252	-	-
Total	64,812	63,857	95,189	93,302
Less: Expected credit loss				
Amounts due from unrelated parties	(519)	-	(519)	-
Interest receivable - related parties	(6,301)	(6,301)	(75,114)	(75,114)
Interest receivable - unrelated parties	(361)	(252)	-	-
Total	(7,181)	(6,553)	(75,633)	(75,114)
Total other receivables	57,631	57,304	19,556	18,188
Total trade receivables and other receivables	108,310	193,114	53,394	114,535

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Trade accounts receivable are classified by outstanding days as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<u>Trade receivables - related party</u> (Note 6.2)				
Aged on the basis of due dates				
Not yet due	30,692	25,726	30,692	-
Overdue	-	-	-	-
Total	30,692	25,726	30,692	-
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	12,751	78,843	734	65,328
Overdue				
Not over 3 months	4,023	45,571	4,023	45,317
3 - 6 months	380	6,429	380	6,430
6 - 12 months	2,114	5,521	2,114	5,521
Over 12 months	24,554	5,158	19,730	5,158
Total	43,822	141,522	26,981	127,754
Less: Expected credit loss	(23,835)	(31,438)	(23,835)	(31,407)
Total trade receivables - unrelated parties net	19,987	110,084	3,146	96,347
	50,679	135,810	33,838	96,347

**8.2 Trade and other non - current receivables**

These represent the balance of long outstanding debts amounting to Baht 74 million (2020: Baht 72 million) due from various trade debtors against whom the Company has taken legal actions. As at December 31, 2021, the Company has set up an expected credit loss in its accounts by taking into consideration the auction price and the value of the related collaterals.

These represent the balance of long outstanding debts due from various trade debtors against whom the Company has taken legal actions. As at December 31, 2021, the Company has set up an allowance for doubtful accounts in its accounts by taking into consideration the auction price and the value of the related collaterals

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The movement of allowance for doubtful accounts for the year ended December 31, 2021 and 2020 is as follow :

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Beginning balance as at January 1	(103,625)	(97,189)	(103,594)	(97,189)
Increase	4,948	(6,437)	4,917	(6,405)
Ending balance as at December 31	<u>(98,677)</u>	<u>(103,626)</u>	<u>(98,677)</u>	<u>(103,594)</u>

**9. INVENTORIES**

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	1,674	16,421	-	-	1,674	16,421
Raw materials	46,149	40,362	(485)	-	45,664	40,362
Packing materials and supplies	9,754	13,273	(4,163)	(3,074)	5,591	10,199
Spare parts	24,583	31,887	(6,133)	(10,762)	18,450	21,125
Total	<u>82,160</u>	<u>101,943</u>	<u>(10,781)</u>	<u>(13,836)</u>	<u>71,379</u>	<u>88,107</u>

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	573	11,337	-	-	573	11,337
Total	<u>573</u>	<u>11,337</u>	<u>-</u>	<u>-</u>	<u>573</u>	<u>11,337</u>

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Movements in the reduction of inventory to net realisable value account during the year ended December 31, 2021 and 2020, is as follows

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance as at January 1	13,836	15,899	-	411
Increase	1,574	-	-	-
Reversal/ Disposal during the period	(4,629)	(2,063)	-	(411)
Ending balance as at December 31	10,781	13,836	-	-

Allowances for obsolete of inventories presented at cost of sale in statements of income.

**10. OTHER CURRENT FINANCIAL ASSETS**

	(Unit: Thousand Baht)	
	Consolidated / Separate financial statements	
	December 31, 2021	December 31, 2020
Financial assets in the category of debt securities (Mutual Fund)	11	12

**11. OTHER NON-CURRENT FINANCIAL ASSETS**

	(Unit: Thousand Baht)	
	Consolidated / Separate financial statements	
	December 31, 2021	December 31, 2020
Financial assets in the category of equity securities (Mutual Fund)	3,450	3,450

As at December 31, 2021 and 2020, the detail are as follows:

Companies	Nature of business	Shareholding percentage (%)	(Unit: Thousand Baht)	
			Consolidated / Separate financial statements	
			December 31, 2021	December 31, 2020
Thai Textile Printing Public Co., Ltd.	Bleaching and dyeing of textile distribute cans	1.43	5,000	5,000
Less: Allowance for impairment of investment			(1,550)	(1,550)
Total other non-current financial assets			3,450	3,450

**12. RESTRICTED BANK DEPOSITS**

Fixed deposits which the Company and subsidiary pledged with the banks to guaranteed electricity use.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**13. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED**

13.1 Investments in subsidiaries

13.1.1 Investments in subsidiaries as presented in separate financial statements as at December 31, 2021 and December 31, 2020 are as follows:

Company's name	(Unit : Thousand Baht)									
	Paid - up capital		Shareholding Percentage (%)		Cost		Provision for impairment of investments		Carrying amounts based on cost method - net	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Subsidiaries directly held by the Company</b>										
Thuxe Global Business Co., Ltd.	3,000	3,000	100	100	3,000	3,000	(3,000)	(3,000)	-	-
Thuxe Power Co., Ltd.	1,100,000	1,100,000	100	100	1,100,000	1,100,000	(416,772)	(416,772)	683,228	683,228
Thailuxe Enterprises (Thailand) Co., Ltd.	789,385	789,385	100	100	789,385	789,385	-	-	789,385	789,385
Investments in subsidiaries directly held by the Company - net					1,892,385	1,892,385	(419,772)	(419,772)	1,472,613	1,472,613
<b>Subsidiaries held through Thuxe Power Limited</b>										
Thuxe Investments Limited	10*	10*	100	100	-	-	-	-	-	-
Origin Power Investment Co., Ltd.	0.1*	0.1*	100	100	-	-	-	-	-	-
<b>Subsidiary held through Thuxe Investments Limited</b>										
Thuxe Holdings Limited	10*	10*	100	100	-	-	-	-	-	-
Geothermal Power A Co., Ltd.	10*	10*	100	100	-	-	-	-	-	-
Geothermal Power B Co., Ltd.	10*	10*	100	100	-	-	-	-	-	-
<b>Subsidiaries held through Origin Power Investment Co., Ltd.</b>										
Wind Power A Co., Ltd.	0.1*	0.1*	100	100	-	-	-	-	-	-

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Company's name	(Unit : Thousand Baht)									
	Paid - up capital		Shareholding Percentage (%)		Cost		Provision for impairment of investments		Carrying amounts based on cost method - net	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Subsidiaries held through Thuxe Holdings Limited</b>										
Sumo Power Co., Ltd.	1,000**	1,000**	100	100	-	-	-	-	-	-
Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company	10**	10**	100	100	-	-	-	-	-	-
P Green Energy Co., Ltd.	1,000**	1,000**	100	100	-	-	-	-	-	-
<b>Subsidiaries held through Geothermal Power A Co., Ltd.</b>										
Fino Binary Power Plant LLC.	10**	10**	100	100	-	-	-	-	-	-
NIS Binary Power Plant LLC.	10**	10**	100	100	-	-	-	-	-	-
Lena Power Station No.1 LLC.	5,000**	5,000**	100	100	-	-	-	-	-	-
<b>Subsidiaries held through Geothermal Power B Co., Ltd.</b>										
PPSN Co., Ltd.	12,000**	12,000**	100	100	-	-	-	-	-	-
SNS Power Co., Ltd.	500**	500**	100	100	-	-	-	-	-	-
Dual Energy Binary - Power Plant No.1 LLC.	100**	100**	100	100	-	-	-	-	-	-
<b>Subsidiaries held through Sumo Power Co., Ltd</b>										
Otomeyama Energy Co., Ltd.	500**	500**	100	100	-	-	-	-	-	-
S-Power Co., Ltd.	500**	500**	100	100	-	-	-	-	-	-
Total investments in subsidiaries - net			1,892,385	1,892,385	1,892,385	1,892,385	(419,772)	(419,772)	1,472,613	1,472,613

\* Unit: Thousand US dollar

\*\*Unit: Thousand Yen

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Investments in Tluxe Global Business Co., Ltd.

In year 2020, the Company estimated the realizable value of its investment in Tluxe Global Business Co., Ltd. based on a value-in-use calculation using cash flow projections discounted to their present values. It was concluded that the recoverable amount is lower than the carrying amount, and the Company therefore recognised allowance for impairment loss on such investment amount of Baht 3 million in statement of income in the separate financial statements for the year 2020.

Investments in Tluxe Power Co., Ltd.

In 2019, the Company estimated the realizable value of its investment in Tluxe Power Co., Ltd. based on a value-in-use calculation using cash flow projections discounted to their present values. It was concluded that the recoverable amount is lower than the carrying amount, and the Company therefore recognised allowance for impairment loss on such investment amount of Baht 416.77 million.

13.1.2 Dividend income

During the year ended December 31, 2021 and 2020, The Company has not dividend income from the investments in subsidiaries.

13.2 Investment in associate

13.2.1 Details of associate :

				(Unit : Thousand Baht)			
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements	Separate financial statements	
			2021 <u>2021</u> (%)	2020 <u>2020</u> (%)	Carrying amounts based on equity method		Cost
					<u>2021</u>	<u>2020</u>	<u>2021</u>
M-Luxe Energy Co., Ltd.	The land development to construct geothermal power plant	Japan	25	25	-	-	-
Total					-	-	-

- (a) September 12, 2016, PPSN Company Limited establish M-Luxe Energy Company Limited to engage in the land development to construct geothermal power plant in Japan, with a registered share capital of Yen 10 million (1,000 ordinary shares with a par value of Yen 10,000 each). The subsidiary holds a 25 percent interest in this company.

Subsequently, on September 15, 2017, the Company restructured its shareholder of associate company, whereby Tluxe Power Company Limited was to acquire all 250 ordinary shares of M-Luxe Energy Company Limited at a price of Yen 10,000 per share, or for a total of Yen 2.5 million from PPSN Company Limited.

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(b) Investment in an associate M - Luxe Energy Co., Ltd. (M-Luxe) under a Joint Venture Agreement between a subsidiary and a private company in Japan, the agreement specifies the duties of each party, at that time. The subsidiary is only responsible for providing source of funds to M - Luxe Energy Co., Ltd. for land development, and hot springs, and let M - Luxe Energy Co., Ltd. manage the subsidiary, thus granting a loan of Baht 70 million (as discussed in the notes to financial statements No. 6.2) in the proportion of 100%, while such private companies who have business experience in land development and the hot spring will provide business assistance, care and advice in business operations. Developing land and hot springs for M - Luxe Energy Co., Ltd. At present, M - Luxe Energy Co., Ltd. has not conducted exploration. And develop hot springs. Therefore the land has not been sold yet Due to the delay in investment.

The Company is on the discussion process of debt repayment of M - Luxe Energy Co., Ltd. and Seitoushi Natural Energy Co., Ltd.

13.2.2 Dividend received. During the year, the associated company did not pay dividends during the years 2021 and 2020.

13.2.3 Summarised financial information about material associate  
Summarised information about financial position

	(Unit : Thousand Baht)	
	2021	2020
Cash and cash equivalents	-	-
Other current assets	11	19
Property	2,472	2,473
Other payables	(21,440)	(18,299)
Short-term loans	(72,078)	(72,088)
Income tax payable	(20)	(28)
Other liabilities	(8)	-
Long-term loans from related party	(14,532)	(14,534)
Net assets	(105,595)	(102,457)
Shareholding percentage (%)	25	25
Proportion based on equity method in assets - net	(26,399)	(25,614)
Unrecognised share of losses	26,399	25,614
Carrying amounts of associate based on equity method	-	-

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Summarised information about comprehensive income

	(Unit : Thousand Baht)	
	For the year ended December 31	
	2021	2020
Loss for the year	(3,161)	(89,970)
Other comprehensive income	-	-
Total comprehensive income	(3,161)	(89,970)

**13.2.4 Investment in associate with capital deficit**

The Company recognized share of losses from investment in 1 associate, as listed below, until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognized in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognized share of losses is set out below:

Associate company	(Unit : Million Baht)	
	Unrecognized share of losses during the period/the year	
	For the year ended December 31, 2021	For the year ended December 31, 2020
M-Luxe Energy Co., Ltd.	(0.79)	(22.49)

**14. LONG - TERM LOANS**

As at December 31, 2021 and December 31, 2020, are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Long -term loans</b>				
Long - term loans to subsidiaries (Note 6.2)	-	-	165,424	168,014
Long - term loans to related parties (Note 6.2)	-	-	-	-
Total long - term loans	-	-	165,424	168,014
<b>Less : Current portion of long - term loans</b>				
Long - term loans to subsidiaries (Note 6.2)	-	-	-	-
Long - term loans to related parties (Note 6.2)	-	-	-	-
Total current portion of long - term loans	-	-	-	-
	-	-	165,424	168,014

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**15. INVESTMENT PROPERTIES**

The net book value of investment properties as at December 31, 2021 and 2020 are presented below.

	(Unit : Thousand Baht)			
	Consolidated / Separate financial statements			
	Leasehold and building improvement	Land for rent	Office building for rent	Total
Net book value as at December 31, 2020	47,645	61,088	25,917	134,650
Disposals	-	(19,592)	(11,080)	(30,672)
Profit (loss) from fair value adjustment	(965)	4,029	452	3,516
Net book value as at December 31, 2021	46,680	45,525	15,289	107,494

The reconciliations of the net book value of investment properties for the years 2021 and 2020 are presented below.

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	2021	2020
Net book value at beginning of year	134,650	166,661
Additions	-	230
Disposals	(30,672)	-
Profit (loss) from fair value adjustment	3,516	(32,241)
Net book value at ending of year	107,494	134,650

\*According to the meeting of the Board of Directors of PP Prime Public Company Limited No. 2/2016 on February 26, 2016, has approved the investment in the rental of People Park Onnut Project which is a home office building with a total rental area of 8 rooms, with a total area of 1,369.30 square meters, with a lease term of 18 years, a total rental fee of Baht 72 million to extend the pet food business to a PET CENTER or a full service pet center for animal lovers. During the year in 2019 the Company received the rental area of Baht 72 million, therefore the Company transferred the advance payment into property, plant and equipment costs of Baht 24 million, and to investment property cost of Baht 48 million respectively.

On December 22, 2020, the company registered leasehold rights. According to the lease term of 18 years.

In 2021, the Company has rental income from Investment property of Baht 7.37 million with direct operating expenses incurred from investment property which generates rental income for the year. And does not cause Rental income for the year is Baht 2.45 million, respectively.

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent value. The fair value of the land not being used in operation has been determined based on market prices, while that of the land and office using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company have pledge of Investment Properties at cost approximately Baht 60.81 million as collateral against credit line received from financial institutions as disclosed in the Note 23 and 26 to the consolidated financial statements.

**16. LAND REVALUATION**

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	(Unit : Thousand Baht)	
	Consolidated	Seperate
	Land and land improvements	Land and land improvements
<b>Cost:</b>		
As at December 31, 2020	431,666	100,368
Additions		
Disposals	(98,424)	(98,423)
Exchange difference on translation adjustment	(1)	-
Surplus (Revalued) from revaluation	52,802	(349)
As at December 31, 2021	386,043	1,596
<b>Allowance for impairment:</b>		
As at December 31, 2020	1,249	-
Increase / (Decrease)	52	52
As at December 31, 2021	1,301	52
<b>Net book value:</b>		
As at December 31, 2020	430,417	100,368
As at December 31, 2021	384,742	1,544
<b>Other comprehensive income statements:</b>		
Profit from revaluation of assets - net of income tax in 2021	42,241	(279)

As at December 31, 2021 and December 31, 2020, the land of the Company and its subsidiaries are stated at the revalued amounts according to the appraisal reports of independent appraisers of 2021 and 2020. The valuation of land is based on the market value method. There is a surplus from revaluation of fixed assets under "shareholders' equity" in the statement of financial position the surplus from the revaluation of fixed assets cannot be distributed as dividends, which is the fair value at level 2 of the fair value hierarchy.

The Company and subsidiaries recorded land at revalued amount. Capital surplus from the revaluation of fixed assets in the amount of Baht 53 million according to the appraisal report of independent appraisers between January 7, 2022 to January 14, 2022.

Separate financial statements

The assets transferred to the subsidiary company as described Note 6.4

The Company not yet able to transfer ownership according to the law to the subsidiary. However, the subsidiary could order usage. And the benefit from such assets from the use of the normal production of the subsidiary.

At the Board of directors meeting of the Company on March 1, 2021, has approved to sell apart of land.

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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17. PLANT AND EQUIPMENT

	(Unit : Thousand Baht)					
	Consolidated financial statement					
	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress	Total
<b>Cost:</b>						
As at December 31, 2020	579,513	1,274,014	66,858	23,339	-	1,943,724
Additions	-	64	44	-	390	498
Disposals	(106,556)	(135,901)	(36,995)	(20)	-	(279,472)
Transfers in (out)	-	390	-	-	(390)	-
Exchange difference on translation adjustment	-	(39)	-	-	-	(39)
As at December 31, 2021	472,957	1,138,528	29,907	23,319	-	1,664,711
<b>Accumulated depreciation:</b>						
As at December 31, 2020	(345,678)	(851,913)	(57,909)	(20,640)	-	(1,276,140)
Depreciation for the year	(19,991)	(52,529)	(3,771)	(1,799)	-	(78,090)
Depreciation on disposals	96,617	134,164	36,895	20	-	267,696
Exchange difference on translation adjustment	-	54	-	-	-	54
As at December 31, 2021	(269,052)	(770,224)	(24,785)	(22,419)	-	(1,086,480)
<b>Allowance for impairment loss:</b>						
As at December 31, 2020	(2,300)	(100,500)	-	-	-	(102,800)
Increase during year	2,300	1,758	-	-	-	4,058
As at December 31, 2021	-	(98,742)	-	-	-	(98,742)
<b>Net book value:</b>						
As at December 31, 2020	231,535	321,601	8,949	2,699	-	564,784
As at December 31, 2021	203,905	269,562	5,122	900	-	479,489
<b>Depreciation for the year</b>						
2020 (Baht 35 million included in manufacturing cost, and the balance in administrative expenses)						83,325
2021 (Baht 35 million included in manufacturing cost, and the balance in administrative expenses)						78,090

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	Separate financial statements				
	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress
					Total
<b>Cost:</b>					
As at December 31, 2020	109,528	5,945	4,785	20,987	-
Additions	-	-	20	-	20
Disposals/write-off	(106,556)	(5,335)	(1,390)	-	-
Transfers in (out)	-	-	-	-	-
As at December 31, 2021	2,972	610	3,415	20,987	27,984
<b>Accumulated depreciation:</b>					
As at December 31, 2020	(99,136)	(5,705)	(3,525)	(18,288)	-
Depreciation for the year	(337)	(113)	(354)	(1,799)	-
Depreciation on disposals/write-off	96,618	5,323	1,326	-	-
As at December 31, 2021	(2,855)	(495)	(2,553)	(20,087)	-
<b>Allowance for impairment loss:</b>					
As at December 31, 2020	(2,300)	-	-	-	-
Transfers in (out)	2,300	-	-	-	-
Exchange difference on translation adjustment	-	-	-	-	-
As at December 31, 2021	-	-	-	-	-
<b>Net book value:</b>					
As at December 31, 2020	8,092	240	1,260	2,699	-
As at December 31, 2021	117	115	862	900	-
<b>Depreciation for the year</b>					
2020					3,710
2021					2,603

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Leasehold and building improvement

According to the meeting of the Board of Directors of PP Prime Public Company Limited No. 2/2016 on February 26, 2016, has approved the investment in the rental of People Park Onnut Project which is a home office building with a total rental area of 8 rooms, with a total area of 1,369.30 square meters, with a lease term of 18 years, a total rental fee of Baht 72 million to extend the pet food business to a PET CENTER or a full service pet center for animal lovers. During the year in 2019 the Company received the rental area of Baht 72 million, therefore the Company transferred the advance payment into property, plant and equipment costs of Baht 24 million, and to investment property cost of Baht 48 million respectively.

On December 22, 2020, the company registered leasehold rights. According to the lease term of 18 years.

As at December 31, 2021, the Company had equipment and motor vehicles with net book values of Baht 0 million (2020: Baht 2 million), which were acquired under financial lease agreements.

As at December 31, 2021, the Company has certain buildings and equipment which have been fully depreciated but are still in use. Book value before deducting accumulated depreciation and allowance for impairment of such assets amounted to approximately Baht 13 million (2020 : Baht 110 million).

The Company has pledge of property, plant and equipment at cost approximately Baht 693 million as collateral against credit line received from financial institutions and debenture as disclosed in the Note 26 and 28 to the consolidated financial statements.

Separate financial statements - Buildings and building improvement

Assets that the Company transfer to subsidiaries as described in Note 6.4 to financial statements. It appears that there are certain assets which cannot be transferred to each other.

The assets which the Company has transferred to the subsidiaries are not yet able to transfer the legal ownership to the subsidiaries. However, the subsidiary company has the ability to give usage instructions and the benefit from the assets from the normal production of the subsidiary company.

As at 21 May 2021, the Company has entered to land and building purchase agreement with a private company in the amount of THB 174 million by receiving the deposit amount of THB 4 million on 20 May 2021 and will receive the remaining amount of THB 170 million on the date of transfer ownership. The Company classified the mentioned assets as held for sale on the financial statement as of 30 June 2021.

As at 9 July 2021, the Company has transferred ownership of the land and the buildings, and received the remaining amount of THB 170 million.

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**18. PROPERTY, PLANT AND EQUIPMENT NOT USED IN OPERATIONS**

	(Unit : Thousand Baht)		
	Consolidated financial statements		
	Property	Machinery and tools	Total
<b>Cost:-</b>			
As at December 31, 2020	52,184	495,725	547,909
Additions	-	-	-
Disposals	(2,717)	-	(2,717)
Exchange difference on translation adjustment	(7)	(71)	(78)
As at December 31, 2021	49,460	495,654	545,114
<b>Accumulated depreciation:</b>			
As at December 31, 2020	-	114,642	114,642
Depreciation for the year	-	20,096	20,096
Exchange difference on translation adjustment	-	(77)	(77)
As at December 31, 2021	-	134,661	134,661
<b>Allowance for impairment loss:</b>			
As at December 31, 2020	6,614	161,846	168,460
Increase / (decrease)during year	-	-	-
Transfer in (out)	-	-	-
As at December 31, 2021	6,614	161,846	168,460
<b>Net book value:</b>			
As at December 31, 2020	45,570	219,237	264,807
As at December 31, 2021	42,846	199,147	241,993
<b>Depreciation for the year</b>			
2020			20,413
2021			20,096

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	(Unit : Thousand Baht)
	Seperate financial statements
	Property
<b>Cost:</b>	
As at December 31, 2020	3,917
Transfer in (out)	(2,717)
As at December 31, 2021	1,200
<b>Allowance for impairment loss:</b>	
As at December 31, 2020	552
Increase / (decrease) during year	-
As at December 31, 2021	(552)
<b>Net book value:</b>	
As at December 31, 2020	3,365
As at December 31, 2021	648

During the year 2020 and 2021, land not used in operations at a cost of Baht 49.46 million and 41.46 million was revalued according to the independent appraiser.

From the assessment of the impairment of assets mentioned above. The Company and its subsidiaries recognized the impairment loss of the geothermal power plant project amounting to Baht 121.34 million in the consolidated financial statements. In the statement of income for the year ended December 31, 2020.

In this regard, the Group has considered reclassifying geothermal power plants that have ceased operations in the financial statements for the year 2020 with the recoverable amount of the geothermal power plants as at December 31, 2020. (Note 16, 17 and 18)

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**19. RIGHT-OF-USE ASSETS**

Movements of the right-of-use assets accounts during the year ended December 31, 2021 are summarized below:

	(Unit: Thousand Baht)
	Consolidated / Separate financial statements
	Property
<b><u>Cost</u></b>	
Book value as at December 31, 2020	25,370
Additions	549
Book value as at December 31, 2021	25,919
<b><u>Accumulated depreciation:</u></b>	
Book value as at December 31, 2020	1,595
Depreciation for the year	1,618
Book value as at December 31, 2021	3,213
<b>Net book value as at December 31, 2021</b>	
As at December 31, 2020	23,775
As at December 31, 2021	22,706
<b>Depreciation included in the statement of comprehensive income for the year:</b>	
As at December 31, 2020	1,595
As at December 31, 2021	1,618

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**20. OTHER INTANGIBLE ASSETS**

The net book value of intangible assets as at December 31, 2020 and 2019 are presented below.

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Computer software	Patent	Hot spring rights	Power purchase agreement right	Total
<b>Cost:-</b>					
As at December 31, 2020	23,031	470	121,717	274,315	419,533
Disposals	(4,783)	-	-	-	(4,783)
As at December 31, 2021	18,248	470	121,717	274,315	414,750
<b>Accumulated amortization :</b>					
As at December 31, 2020	(14,085)	(423)	(20,656)	(49,141)	(84,305)
Amortization for the year	(1,754)	(47)	-	-	(1,801)
Disposals	4,289	-	-	-	4,289
As at December 31, 2021	(11,550)	(470)	(20,656)	(49,141)	(81,817)
<b>Allowance for impairment :</b>					
As at December 31, 2020	(494)	-	(101,061)	(225,174)	(326,729)
Disposals	494	-	-	-	494
As at December 31, 2021	-	-	(101,061)	(225,174)	(326,235)
<b>Net Book Values:</b>					
As at December 31, 2020	8,452	47	-	-	8,499
As at December 31, 2021	6,698	-	-	-	6,698
<b>Amortization in the statement of comprehensive income :</b>					
For the year ended December 31, 2020					10,027
For the year ended December 31, 2021					1,801

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	(Unit: Thousand Baht)		
	Separate financial statements		
	Computer software	Patent	Total
<b>Cost :-</b>			
As at December 31, 2020	81	470	551
As at December 31, 2021	81	(470)	551
<b>Accumulated amortization :</b>			
As at December 31, 2020	(53)	(423)	(476)
Amortization for the year	(9)	(47)	(56)
As at December 31, 2021	(62)	(470)	(532)
<b>Allowance for impairment :</b>			
As at December 31, 2020	-	-	-
As at December 31, 2021	-	-	-
<b>Net Book Values :</b>			
As at December 31, 2020	28	47	75
As at December 31, 2021	19	-	19
<b>Amortization in the statement of comprehensive income :</b>			
For the year ended December 31, 2020			67
For the year ended December 31, 2021			56

**21. NON-CURRENT NON-CASH ASSETS FINANCIAL ASSEST PLEDGED AS COLLATERAL**

The effect of initially applying TFRS 9 in the Group's financial instruments is described in Note 4.1 Due to the transition method chosen in applying TFRS 9, comparative information has not been restated to reflect the new requirements

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	December 31, 2021	December 31, 2020
Other long - term investments (Note 4.1)	-	-
Non - current - non - cash assets pledged as collateral	22,226	46,127
Total	22,226	46,127

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Non - current - non - cash assets pledged as collateral as at December 31, 2021 are as follows:

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
	December 31, 2021
Financial assets in equity - cost	130,137
Less: Capital surplus from changes in value of investments	(107,911)
Financial assets in equity - fair value	<u>22,226</u>

During the year ended December 31, 2021, the movement is as follows:

	Consolidated / Separate financial statements	
	Number of shares (Thousand Shares)	Amount (Thousand Baht)
Cost as at January 1, 2021	44,023	46,127
Purchase during the year	12,333	4,317
Sale during the year	(22,434)	(14,677)
Decrease from reverse stock	(8,400)	-
Warrant Which expired during the period		
Other comprehensive income (expense) recognized in other components of shareholders' equity	-	(13,541)
Book value as at December 31, 2021	<u>25,522</u>	<u>22,226</u>

The Company has equity financial assets of a listed company which has to show the fair value as the end of the period but the mentioned company was Trading Suspension since 26 October 2021 due to a listed company has to improve financial and operating conditions, therefore, the Company used the closing price as at 25 October 2021 to calculate the fair value without using another method to calculate the fair value, as at 31 December 2021 the Company shown equity financial assets amount of THB 13.42 million.

As at December 31, 2020, the Company has brought such financial assets amount 25.52 million shares (Book value of Baht 22.23 million) as a guarantee for the issuance of debentures as discussed in Note 28 to the consolidated financial statements.

The Company does not received dividend income for the year ended December 31, 2021 and 2020.

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**22. ADVANCES PAYMENT**

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Advance payment for construction of geothermal power plants	29,936	29,940	-	-
Advance payment for Hot spring rights	34,877	34,882	-	-
Advance payment for Riverside Project	12,997	12,997	12,997	12,997
Advance payment for Wind power plant	67,503	67,513	-	-
<b>Total</b>	<b>145,313</b>	<b>145,332</b>	<b>12,997</b>	<b>12,997</b>
<b>Less : Expected credit loss</b>				
Impairment on advance payment for construction of geothermal power plants	(29,936)	(29,940)	-	-
Impairment on advance payment for Hot spring rights	(34,877)	(34,882)	-	-
Impairment on advance payment for Riverside project	(12,997)	(12,997)	(12,997)	(12,997)
Impairment on advance payment for Wind power plant	(67,503)	(67,513)	-	-
<b>Total</b>	<b>(145,313)</b>	<b>(145,332)</b>	<b>(12,997)</b>	<b>(12,997)</b>
	-	-	-	-

Advance payment for construction of geothermal power plants

On December 13, 2017, a meeting of the Board of Directors of the Company passed a resolution to approve investment in 9 units of geothermal power plant in Japan, with a total project value of Yen 2,700 million (Baht 786 million).

As at December 31, 2018, Sumo Power Company Limited, a subsidiary, has paid a deposit for a power plants amount of Yen 50 million and a private company amount of Yen amount 53 million.

According to the meeting of the Board of Directors No. 3/2020 on March 20, 2020, has resolved to recognize expected credit loss the whole amount. The management of the Company has assessed the opportunity to receive reimbursement liable to be difficult. Therefor, decided to record the allowance for doubtful accounts for the whole amount of Baht 28 million in financial statement year 2019.

However, a private company has transferred both of the land to the second private company. Although the first private company it is obliged to transfer these land to Sumo Power Company Limited, the total asset transfer price is Yen 300,000,000, which Sumo Power Company Limited has paid to the first private company amount of Yen 50,000,000.

On May 26, 2020, Sumo Power Company Limited has instituted legal proceeding against regarding the implementation of the ownership transfer of the land to the second private company and a claim of Yen 1,000,000 from the first private company.

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On June 11, 2020, PPSN Company Limited apply for assets sharing from a private company to claim deposit of Yen 50 million, which On September 24, 2021, a subsidiary receive from the 1st sharing amounted to Yen 500,000. However, the legal advisor said that there is an opportunity to earn more money from distribution of assets but the exact time period is unknown because the process is in court and is waiting for auction.

Advance payment for Hot spring rights

In accordance with the resolution of the Board of Directors Meeting No. 5/2016 held on June 24, 2016, it was resolved to approve the Company Invested in geothermal energy business in 8 projects with the acquisition of Sumo Power Company Limited in the amount of Yen 495 million and the purchase of 8 power plants at the price of Yen 220 million per power plants (excluding tax). Advance payment for hot springs rights, totaling 4 power plants, valued at Yen 120 million. (Baht 33 million)

According to the meeting of the Board of Directors No. 3/2020 on March 20, 2020, has resolved to recognize expected credit loss the whole amount. The management of the Company has assessed the opportunity to receive reimbursement liable to be difficult. Therefor, decided to record the allowance for doubtful accounts for the whole amount of Baht 33 million in financial statement year 2019.

Advance payment for Riverside Project

Board of Directors Meeting No.8/2018 convened on May 18, 2018, to approved that the Company enters into the joint investment transaction with Rich Partners Co., Ltd. ("Rich Partners") in the mixed-use development project under the project's name "Riverside Tower" located in Da Nang City, Vietnam (the "Riverside Project") which is being developed by Sun Frontier Investment Co., Ltd. ("Sun Frontier Investment"), a company incorporated under Vietnamese law. The Company will invest in the Riverside Project for the investment amount of not more than Yen 3,100 million or equivalent to Baht 911.83 million (based on the exchange rate of Baht 29.4140 per Yen 100 as announced by the Bank of Thailand on May 17, 2018). Under the joint investment agreement which to be entered into between the Company and Rich Partners (the "Joint Investment Agreement"), the Company will be entitled to the rights to sell the residential units and receive the consideration from the sale of residential units in the Riverside Project selected by the Company and agreed with Rich Partners the approximate area of which will be not less than 50 percent of the total residential area of the Riverside Project, whereby the Company's investment return shall be guaranteed at the rate of not less than six percent per annum in respect of the total investment amount of the Company, the terms and conditions of which are currently being negotiated and shall further be executed by the Company and Rich Partners Co., Ltd.

On June 25, 2018, the Company has paid a deposit amount of Yen 210 million (approximately of Baht 62.31 million), whilst the remaining investment amount shall be payable to Rich Partners upon completion of all the conditions precedent so specified under the Joint Investment Agreement. If any of the conditions precedent cannot be completed within the specific timeframe, the Company shall be entitled to receive full amount of deposit from Rich Partners.

On July 2, 2018, the Company has memorandum of agreement with shareholder and Rich Partners Co., Ltd., the shareholder of Rich Partners Co., Ltd. agrees to transfer all of the shares in Rich Partners Co., Ltd. at its par value (Yen 10 million) as security against payment of deposit and to ensure that Rich Partners Co., Ltd. and its shareholder shall comply with all conditions precedent under the Joint Investment Agreement which include inter alia Rich Partners Co., Ltd. or its subsidiary acquiring the entire equity stake in Sun Frontier Investment Co., Ltd. Upon all conditions precedent having been completely fulfilled by Rich Partners Co., Ltd. the Company shall transfer the shares of Rich Partners Co., Ltd. back to Rich Partners' shareholder at its par value, On July 10, 2018, the Company has paid amount of Yen 10 million (approximately of Baht 3 million).

According to the resolution of the Board of Directors Meeting No. 2/2019 on February 7, 2019, the resolution was signed in the letter to extend the project period. There are important conditions as follows.

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- 1) Various licenses in the implementation of the project Must be completed by March 31, 2019.
- 2) The Company has the right to continue the project or not which the Company will consider and notify within May 31, 2019.
- 3) Extend the duration of "Joint Investment Agreement" to be dated June 30, 2019.

According to the meeting of the Board of Directors No. 14/2019 on June 28, 2019, has approved the Due Diligent Project until the end of July 2019.

According to the Board of Directors meeting No. 15/2019, on July 30, 2019, resolved to issue the Company letter of cancellation of such investment and requesting a deposit in the amount of Baht 65.57 million because the development of the said project agreed has delayed, together with the cost of developing the project higher.

The Company recorded expected credit loss for loss on the deposit due to an uncertainty in the collection from joint investor.

On November 1, 2019, the Company received deposit of Yen 171 million (equivalent to Baht 47.10 million) from Rich Partners Company Limited.

On May 1, 2020, the Company received deposit of Yen 5 million (equivalent to Baht 1.48 million) from Rich Partners Company Limited.

At present , the Company will send request letter, if the party still ignore, the Company will continue to take legal action.

Advance payment for investment in wind power plant

The Board of Directors' meeting No.2/2017 on February 6, 2017 had approved to invest on Wind Power at Aomori prefecture, Japan to establish the new Company in Japan with registered capital of 10 million yen approximately 3,147,830 Baht. (Applicable exchange rate of 0.314783 Baht/yen announced by the Bank of Thailand on February 3,2017) Company hold 60% of the total shares (Subsidiary); and AURA Green Energy Co., Ltd. ("AURA" ) (Japanese corporation); holds 40% of the total shares and invest on Wind Power 5 Units amount 175 million yen approximately 55,087,025 Baht. (Applicable exchange rate of 0.314783 Baht/yen announced by the Bank of Thailand on February 3, 2017).

The Board of Directors' meeting No.3/2017 on March 7, 2017 had approved invest on Wind Power at Aomori prefecture, Japan 1 Units amount of Yen 36 million or approximately amount of Baht 10.99 million.

And the Board of Directors' meeting No.10/2017 on December 2, 2017 had approved invest on Wind Power at Aomori prefecture, Japan 1 Units amount of Yen 36 million or approximately amount of Baht 13 million. Total of the Wind Power invested by the Company is 7 units amount of Yen 247 million.

In year 2017, the Company has paid advance payments for Wind Power construction 7 units amount of Yen 232 million. Present, Wind Power 7 units able to recognize revenue from sales since the year 2017 to the present. Therefor, revenue from power generation not recognized in the consolidated financial statements. And the Group Company an unable to check the amount of the said electricity bill sold. Present, the Group Company has not yet received the transfer of ownership in the Wind Power.

On December 2019, the Company had assigned the legal advisor to send the demand letter to Aura Green Energy Co., Ltd. who is the juristic person and joint venture with PPSN Co., Ltd. Nevertheless, Aura Green Energy Co., Ltd. informed that Aura Green Energy Co., Ltd. had already delivered the electricity power plants which is against with the fact. The Company presently assigned the legal advisor to study the direction to proceed litigation in order to follow up Aura Green Energy Co., Ltd., the co-contract to deliver the electricity power plants together with the electricity fee received earlier to PPSN Co., Ltd.

According to the resolution of the Board of Directors Meeting No. 3 / 2020, held on 20 March 2020, it was resolved to set up an expected credit loss for the whole amount.

Since the management of the company has assessed the opportunity to receive reimbursement from that transaction tend to be difficult, therefore decided to record the expected credit loss for the whole amount of the transaction in the amount of Baht 64 million in financial statement year 2019.

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At present , the Company will notify the subsidiary to send request letter, if the party still ignore, the Company will continue to take legal action.

**23. BANK OVERDRAFT AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS**

		(Unit : Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
	Interest rate (% per annum)	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Bank overdrafts	MOR	19,850	24,301	-	-
Promissory note from financial institutions	5.99	47,000	60,000	47,000	60,000
		<u>66,850</u>	<u>84,301</u>	<u>47,000</u>	<u>60,000</u>

Bank overdrafts

On July 17, 2019 the company's subsidiary was granted credit facility from a commercial bank, consisted of revolving credit of bank overdraft of Baht 25 million, that's guaranteed by land and building (on such land) of the company and raw material and/or inventory and fixed deposit bank account of the company's subsidiary.

Promissory note from financial institution

On July 9, 2019, the company redeemed promissory notes that due totaling of Baht 150 million and issued 2 new promissory notes as follow:

- 1) Promissory note from a financial institution No. 1 in the amount of Baht 100 million at interest rate of 4.05% per annum with due date on October 9, 2019.

As at October 9, 2019, the Company had redeemed the redemption promissory note amount of Baht 100 million. After that the Company renewed the promissory note amount of Baht 80 million at interest rate of 5.25% per annum with due date on January 31, 2020.

- 2) Promissory note from a financial institution No. 2 in the amount of Baht 50 million at interest rate of 4.05% per annum with due date on July 31, 2019.

At the present, the Company had repaid in the amount of Baht 10 million, the remaining unpaid amount of Baht 40 million and the Company had negotiated to waiver with the lender bank to request a waiver of payment and on August 14, 2019, the lender bank approved the renewal of promissory note of Baht 40 million, starting from August 16, 2019 to October 31, 2019 and requesting to collect default interest between August 1, 2019 and August 16, 2019.

As at October 31, 2019, the Company redeemed promissory note that due totaling of Baht 40 million and issued new promissory note with interest rate 5.25% per annum, maturity date on January 31, 2020.

Later, on January 31, 2020 the Company was negotiating with the bank lenders to extend the 2 promissory notes total Baht 120 million, which is grant an extension to pay promissory notes, by increase the interest rate is 6% per annum, as detailed below:

1. Payment of Baht 12 million. On January 31, 2020 (the Company paid successfully)
2. Payment of Baht 12 million. On March 31, 2020 (the Company paid successfully)

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3. Payment of Baht 12 million. On April 30, 2020 (the Company paid successfully)
4. Payment of Baht 12 million. On May 29, 2020.
5. Payment of Baht 12 million. On June 30, 2020.

For the promissory note, the remaining amount of Baht 60 million to be paid on July 31, 2020.

However, the financial institution will gradually reduce the promissory note due to the payment of a promissory note of Baht 40 million and to reduce the promissory note to Baht 80 million.

The Company made repayment on the promissory notes for 3 installments, totaling Baht 36 million.

However, due to the outbreak of Corona virus disease 2019 (COVID-19), the government has policy for the financial institutions to suspend the debt for 6 months, resulting the company is able to postpone the repayment. The financial institutions basically informed the company to start the repayment in November 2020 onwards as following details:

1. Payment of Baht 12 million. On November 2020 (the Company paid successfully)
2. Payment of Baht 12 million. On December 2020 (the Company paid successfully)
3. Payment of Baht 60 million. On January 2021.

The promissory note guarantees a total credit line of Baht 120 million and a credit limit of Baht 44 million, the credit limit has been guarantees as follows:

1. Mortgage of land and buildings of the Company's fair value of Baht 18 million.
2. Business security agreement - trade receivables are the Company's ownership of Baht 230 million.
3. Business security agreement - inventories are the subsidiary company's ownership of Baht 100 million.
4. Business security agreement - fixed deposit is the subsidiary company's ownership of Baht 10 million.
5. The subsidiary company guaranteed.

On February 5, 2021, the Company received credit considerations from financial institutions. Approved the Company's financial support proposal as follows:

1. To suspend the principal payment of promissory note 7 months, paying interest as usual From January 2021 - July 2021 and due for repayment in full by 31 August 2021.
2. Reduce the registered value of the claimed business collateral agreement in the trade receivables. Ownership of the Company from of Baht 230 million, remaining of Baht 75 million and reducing the registered value of the company's ownership inventory business collateral contract. Thai Luxe Enterprise (Thailand) Co., Ltd. from of Baht 100 million, remaining of Baht 75 million.
3. Bring business collateral Type of claim in a fixed deposit account of Baht 10 million, ownership of Thai Luxe Enterprise (Thailand) Co., Ltd., pay the outstanding balance of promissory note and reduce the limit of promissory note to Baht 50 million.
4. Approval of the letter of guarantee for the payment of additional electricity in the amount of 0.20 million baht at the rate of 1.5% per annum and the original collateral as follows:
  - 4.1 Mortgage the land and buildings Company ownership.
  - 4.2 Registration of business collateral agreement, claim type in trade receivables, ownership of the Company amounting to Baht 75 million.

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4.3 Registered business collateral contract, inventory type, ownership of Thai Luxe Enterprise (Thailand) Co., Ltd., amounting to Baht 75 million.

4.4 Thai Luxe Enterprises (Thailand) Company Limited is the guarantor.

5. Cancel the forward contract limit of USD 17.307 million.

As at 3 December 2021, the Company was approved credit by the financial institute, which is granted an extension to pay promissory notes as detailed below:

1. Payment of Promissory Note as follows:
  - 1.1 Payment of Baht 3 million in December 2021, the remaining amount of THB 47 million.
  - 1.2 Payment of Baht 2 million in January 2022, the remaining amount of THB 45 million.
2. The period of each promissory note is not over 30 days.
3. Consideration the credit limit next time by March 2022.

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**24. TRADE AND OTHER CURRENT PAYABLES**

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Trade payables - related party (Note 6.2)	13,380	23,770	403,954	512,302
Trade payables - unrelated parties	56,152	155,393	78	126
Other payables - related parties (Note 6.2)	1,409	1,051	9,787	9,787
Other payables - unrelated parties	24,549	16,022	6,363	1,533
Other payables for purchases of assets	471	1,482	-	70
Accrued interest - related party (Note 6.2)	30	21	224	-
Accrued interest - unrelated parties	22,706	12,930	22,706	12,930
Accrued expenses - related party (Note 6.2)	-	-	-	-
Accrued expenses - unrelated parties	15,762	19,989	14,170	16,096
Accrued specific business tax	23,584	23,584	23,584	23,584
Total trade and other current payables	158,043	254,242	480,866	576,428

**25. SHORT - TERM LOAN**

As at December 31, 2021 and December 31, 2020, are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Short - term loan from related parties (Note 6.2)	291	291	-	-
Short - term loan from other person and other parties	15,000	10,000	15,000	10,000
Total	15,291	10,291	15,000	10,000

Short - term loan from other person and other parties

Movement of the short - term loan from other person and other parties for the year ended December 31, 2021 are as follows:

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
Beginning balance as at January 1, 2021	10,000
Add Borrowing during for the period	42,000
Less Payment during for the period	(37,000)
Ending balance as at December 31, 2021	15,000

Loans from other parties as follows :

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Contract No. 1

On December 24, 2020, the Company signed a loan agreement from other person totaling amount of Baht 10 million with interest rate at 10 per annum and have maturity date within March 23, 2021.

The Company entered into an extension of the repayment period to June 22, 2021. Subsequently, The Company entered into an extension of the repayment period to July 7, 2021. (the Company paid successfully)

Contract No. 2

On March 18, 2021, the Company signed a loan agreement with other party totaling amount of Baht 2.5 million with interest rate at 8 per annum and have maturity date within March 31, 2021. (the Company paid successfully)

Contract No. 3

On April 29, 2021, the Company signed a loan agreement from other person totaling amount of Baht 20 million with interest rate at 10 per annum and have maturity date within July 29, 2021. (the Company paid successfully on July 15, 2021)

Contract No. 4

On June 10, 2021, the Company signed a loan agreement from other person totaling amount of Baht 4.50 million with interest rate at 10 per annum and have maturity date within July 10, 2021. (the Company paid successfully on July 9, 2021)

Contract No. 5

On October 29, 2021, the Company signed a loan agreement from other person totaling amount of Baht 15.00 million with interest rate at 10 per annum and have maturity date within January 29, 2022. (the Company paid successfully on January 28, 2022)

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**26. LONG - TERM LOAN**

As at December 31, 2021 and December 31, 2020 are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Long - term loan</b>				
Long - term loan from financial institutions	344,575	537,102	333,313	525,474
Less : Current portion of long - term	(334,185)	(525,838)	(333,313)	(525,474)
	<u>10,390</u>	<u>11,264</u>	<u>-</u>	<u>-</u>

**26.1 Long - term loan from financial institutions**

Movements of the long - term loan from financial institutions account during the year ended December 31, 2021 are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statement	Separate financial statements
Balance as at January 1, 2021	537,102	525,474
<u>Less Payment</u>	<u>(188,304)</u>	<u>(187,939)</u>
Exchange differences on translation adjustment	(4,223)	(4,222)
Balance as at December 31, 2021	<u>344,575</u>	<u>333,313</u>

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		(Unit : Thousand Baht)			
Interest rate (% per annum)	Maturity date	Consolidated financial statement		Separate financial statements	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
JPY LIBOR (3 months) plus 3%	Repayable in monthly installments commencing from the fourth month after the loan is drawn down (November 2017), with 1 to 35 installments of YEN 14.5 million each and the balance payable in the 36 installment. (the 36th installment will due in February 2021) Installment No. 36 to 41 and 43 to 45 suspense of repayment of the principal amount of loans. Installment No. 42 to 46 payable amount with 11.80 million Yen or 3.42 million Baht, and Installment No. 47 payable amount with 3.42 million Baht. Repayment of the remaining amount of debts on Installment No. 48.	333,313	525,474	333,313	525,474
- 0.46% per annum	- Repayment of principal on the 15th of the month, 100 installments, payable 100,000 Yen per installment, the first installment in August 2021	2,761	2,907	-	-
- After the date of the 3 year loan agreement, the rate is 1.36% per annum.	- Interest payment is made on the 15th of the month, the first installment is in September 2020.				
- 0.65% per annum	- Repayment of principal on the 15th of the month, 200 installments, payable 150,000 Yen per installment, the first installment in August 2021	8,501	8,721	-	-
- After the date of the 3 year loan agreement, the rate is 1.55% per annum.	- Interest payment is made on the 15th of the month, the first installment is in September 2020.				
Total		344,575	537,102	333,313	525,474

In accordance with the conditions specified in the agreement, this loan amounting to Yen 1,785 million (equivalent to Baht 525 million) is secured by the pledge of land and buildings of the Company and the Company has to mortgage property of the geothermal power plant projects in Japan, pledge power purchases agreements and shares of the companies that own the geothermal power plant projects,

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pledge or transfer the rights in the electricity revenue accounts of 4 of the companies, which consist of 8 power plants. The loan agreements contain several covenants which, among other things, require the Company to maintain a debt-to- equity ratio.

On August 16, 2019, the Company had received notice of delay of exercising call default from the lender bank as follows. As the event that the Company defaulted on paying Debentures No. 1/2019 in the amount of Baht 319.50 million, which is considered as the default event / breach of the loan contract that the Company has signed with the bank. Currently, the bank will not exercise the right to call default due to the event that the company defaulted on paying the debentures as described above. Provided that if there are any events considered by the bank that May affect the ability to pay the debt that the company has to the bank, such as (but not limited to) other creditors of the company exercising the right to recall debt or exercise the right to enforce debt repayment, etc. The bank is required to immediately use the right to call default with the Company.

As at December 31, 2020, the Company was unable to maintain the debt-to-equity ratio stipulated in the loan agreement, which constitutes a breach of the agreement. As a result, the bank may demand payment of the loan immediately. Therefore, showing loans from financial institutions in the amount of Yen 1,785 million (equivalent to Baht 525 million), as liabilities due within one year in full amount.

Later on February 9, 2021, the lender bank announced the results of the approval for the change of credit limit conditions. By extending the repayment term of the loan for another one year. Cancelled debt to equity ratio and the Company can settle the mortgaged land to pay the loan.

On July 9, 2021 the proceed from sale of the said land have been paid for the loan.

As at December 31, 2021, loans from financial institution in the amount of Yen 1,132 million (equivalent to Baht 333 million), represent as liabilities due within one year in full amount.

Event after the reporting period

On January 12, 2022, there is amended contract that since January 16, 2022 interest reference to “JPY TIBOR” in stead of “JPY LIBOR” and amended term of payment from 48 installment to 60 installment( Final installment will due in February 2023)

Subsidiary Company

On August 5, 2020, a subsidiary in Japan received a loan from a financial institution in Japan in the form of promissory notes (Promissory Notes), divided into two credit lines totaling Yen 40 million, which is a guideline for the government of Japan to assist entrepreneurs from the situation of the Coronavirus 2019 (COVID - 19). That aims to repair machines in Japan. By the said loan amount the interest rate is 0.46 - 1.55 percent per annum due on November 15, 2029 and March 15, 2038.

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**27. LIABILITIES UNDER LEASE AGREEMENTS**

The net book value of lease liabilities and the movement for the year ended December 31, 2021 are as follow :

	(Unit : Thousand Baht)
	Consolidated /Separate
As at January 1, 2021	568
Increase	549
Payments	(631)
As at December 31, 2021	486
Less current portion	(269)
Lease liabilities - net of current portion	217

The Company and subsidiaries have obligations to be paid minimum rental under lease as follows :

	(Unit : Million Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Within 1 year	1	3		1
Present value of lease liabilities	1	3		1

The following are the amounts recognized in profit or loss for the year ended December 31, 2021 and 2020.

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
For the year ended December 31,				
Depreciation of right-of-use assets	1,618	1,595	1,618	1,595
Interest expense on lease liabilities	18	47	18	47
Expense relating to short-term lease	795	1,318	707	1,172
Expenses related to lease agreements in which underlying assets are low	42	42	42	42
Expenses relating to the contract are considered as a service contract	2,981	3,683	341	550
Total	5,454	6,685	2,726	3,406

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**28. DEBENTURES**

As at December 31, 2021 and December 31, 2020, are as follows:

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	December 31, 2021	December 31, 2020
Debentures	596,400	633,200
Less : Deferred arrangement fee for debentures	-	(968)
Debentures - net of arrangement fee	596,400	632,232
Less : Portion due within one year	(45,840)	(632,232)
Debentures - net of current portion	550,560	-

Movements of the debentures accounts during the year ended December 31, 2021 are as follows:

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
Balance as at January 1, 2021	633,200
Issuance of debentures	-
Redemption of debentures	(36,800)
Total	596,400
Deferred arrangement fee for debentures	-
Balance as at December 31, 2021	596,400

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As at December 31, 2021, the balance of the debentures issued by the Company is Baht 596 million. Such debentures has offered to investors by private placement. The debentures pay interest every 3 months. Significant details are as follows:

Time	Issue date	Units	Par value per unit	Total value	Interest rate	Maturity date
			(Baht)	(Million) Baht)	(% per annum)	
<u>Registered holders of Debentures unsubordinated and unsecured debentures, which do have a debenture holders' representative.*</u>						
2/2018	August 2, 2018	250,800	1,000	250.80	7.83	July 2, 2023
<u>Registered holders of Debentures unsubordinated and secured debentures, which do have a debenture holders' representative.*</u>						
1/2018	May 8, 2018	138,000	1,000	138.00	7.06	May 8, 2023
1/2019	March 21, 2019	207,600	1,000	207.60	8.59	March 18, 2023

On December 31, 2019, the Company is unable to maintain the debt to equity ratio as according to the terms and conditions of the debenture issuers and debenture holders. Which is considered as a violation of the conditions causing the bondholders to have the right to call back the said debentures immediately, therefore showing the debenture No. 1/2019 in the amount of Baht 207.60 million as a debt due within one year in the whole amount.

Debentures No. 2/2018

As at August 2, 2019, the Company is unable to pay the due debenture.

According to Board of Directors in the meeting No. 16/2019 on August 6, 2019 therefore resolved to notify the event of default on the payment of the Debentures No.2/2018, amounting to Baht 319.50 million and resolved to call the meeting hold the debentures on September 2, 2019 to extend the repayment period of 330 days from the date of redemption. This will be due on July 2, 2020. The Company will pay the normal interest of the period on August 2, 2019, amounting to approximately Baht 5.71 million on September 2, 2019 and the Company will request to change the normal interest rate from the interest rate of 7.25 percent per annum, increased by 0.50 to 7.75 percent per annum. The Company will pay the interest that will be approved by the debenture holders' meeting in the next period on November 2, 2019, amount of Baht 6.11 million, February 2, 2020, amount of Baht 6.11 million and July 2, 2020, amount of Baht 10.18 million, including the total interest paid from the due date (August 2, 2019) to July 2, 2020, amounting to Baht 22.39 million.

On August 27, 2019, one of bondholder has filed a lawsuit with the Civil Court ordered the Company to pay principle and default interest of bond, totaling Baht 4,098,438.39.

Anyhow to the bondholders' meeting No. 1/2019 on September 2, 2019 to consider the debenture extension plan, worth of Baht 319.50 million and requesting a waiver of the default interest rate. The meeting has approved the plan to extend the principal redemption of the debenture No. 2/2018, worth of Bath 319.50 million, which was redeemed on August 2, 2019 with an extension of the principal redemption period of this debenture until July 2, 2020 or extended to 330 days at the interest rate of 7.75% per annum but the meeting does not approve the waiver, except for the default interest rate from August 2, 2019 to September 2, 2019.

On September 5, 2019, the Company has processed a 2% default interest payment (in addition to the 7.25% paid from the Company) of the debenture which calculated from the date of August 2, 2019 to September 5, 2019 in the amount of Baht 0.61 million.

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The above - mentioned default payment event does not cause the event of default in payment of debentures in accordance with the rights and obligations of the debenture issuer and the debenture holders of the debentures No.1/2018 and Debentures No. 1/2019 specified in the terms and conditions on the rights and obligations of the issuers and the debenture holders funding, the default payment or any debt payment as mentioned above is called to be due before the original deadline. Must have a combined amount of more than Baht 400 million or other currency equivalent amount. The resolutions of the debenture holders' meeting No. 1/2020, (the debentures No.2/2018) on February 27, 2020 are as follows:

1. Resolved to approve the amendment of the terms and conditions of the bond issuers and bondholders and to extend the maturity date no.2 (the debentures No.2/2018), valued Baht 319.50 million, from the original date July 2, 2020 to July 2, 2021.
2. Resolved not to approve the amendment of the terms and conditions of the bond issuers and bondholders by requesting an exemption of conditions for maintaining the debt to equity ratio (D/E Ratio) of 3:1. Therefore, the Company shall maintain the debt to equity ratio (D/E Ratio) as previously specified.

In this regard, the Company explained to the bondholders' meeting further as follows:

The Company to exercise the right to redeem some debentures before maturity date amount of Baht 63,900,000 (20% of the debentures of each unit the proportion of debentures held by the holder). On June 17, 2020, which is the exercise of the rights and obligations of the debenture issuer and the debenture holder, No.9. redemption and repurchase of debentures.

Later, on June 12, 2020, the Company would like to postpone the exercise of redemption rights for some of the debentures to July 2, 2020, that was not as informed in the meeting; however, it will be in accordance with the terms and conditions of the rights and obligations No. 9.3, stating that "the bond issuer has the right to redeem the debenture either the whole or partial (and at one time or many times) prior to the redemption date of the bond".

Later, On July 2, 2020, the company has redeemed debentures a mount of Bath 63,900,000.

Accordance to Debenture holders' meeting No. 2/2020 (Debenture No. 2/2018) on March 24, 2020 approved to amend the terms, rights and obligations of the issuer and debenture holders. By adjusting the conditions for maintaining the debt to equity ratio from 3: 1 to 7: 1 in accordance with the proposal of the Issuer proposed to the debenture holders' meeting.

The resolutions of the debenture holders' meeting No. 1/2021, (the debentures No.2/2018) on February 5, 2021 are as follows:

1. Approved the extension maturity date for 2 years and revision of the redemption date from July 2, 2021 to July 2, 2023 and dividing the repayment of the Debentures' principal into 2 installments i.e. July 2, 2022 and 2 July 2023.
2. Approved the amendment of interest payment Date to be payable twice per annum from 2 July, 2 November, 2 February and 2 May to 2 May and 2 November every year throughout the term of Debentures and the amendment of the interest rate from 7.75 percent to be 7.83 percent per annum.
3. Approved the amendment of the terms and conditions clause 6. representations, Warranties and obligations of the Issuer by cancel clause 6.2.11 Financial Covenants which the Issuer shall maintain net debt to equity ratio of not exceeding 7:1 at the end of the quarter or the end of fiscal year of the Issuer and approved the amendment of Terms and Conditions by adding clause 6.4.4, The issuer's obligation, by stipulating that the Issuer agree to not make any loan with interest either single or multiple transaction with accumulated amount of not exceeding Baht 1,500,000,000.

In this regard, the company has informed the bondholders' meeting as follows:

The Company agrees to provide the company's asset i.e. ordinary shares of T-Luxe Power Company Limited which the company held in an amount of 65,204,082 shares (equivalent to 60

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percent of total shares in T-Luxe Power Company Limited), having a par value at Baht 10 and having a book value at Baht 4.90 per share, which equivalent to the total of Baht 319,500,000 and calculated to be 1.25 times of the total outstanding amount of Debentures, to be the collateral of the TLUXE198A. The Company will proceed with pledging of such collateral shares with the Debenture holders' representative.

The lawsuit is being processed

**Case 1**

On August 27, 2019, one of debenture holder has filed a lawsuit with the Federal Court ordered the Company to pay the debenture with interest total of Baht 4,098,438.39.

On December 20, 2019 the Federal Courts have judgment the Company pay Baht 4,000,000 with interest at the rate of 9.25% per annum from the date of filing onwards until the payment is completed.

On January 16, 2020 the Company applies a petition to suspend execution. And appealed the decision to the court. The Appeal Court made a listen to judgment on May 19, 2020.

On May 19, 2020 the Appeal Court ruled in accordance with the judgment of the Court of First Instance but to amend the interest payment from the original, calculated from the date of filing as from September 6, 2019 onwards until payment is complete. In addition to the amendment to comply with the judgment of the Court of First Instance and the appeal court fees shall be vested the court. With respect to the judgment of the Court of First Instance and the Court of Appeal, the Company does not agree because the such judgment does not comply with the judgment of the Supreme Court according to the implications and the Company will exercise the right to petition the such judgment with the Supreme Court.

On June 12, 2020, the Company has submitted a request for permission to petition, a petition, a request for suspension of execution. The Supreme Court appointed to hear the order of the Supreme Court on February 10, 2021.

On November 17, 2020, the company has submitted a request to suspend the execution.

On February 10, 2021, the Samut Songkhram Provincial Court read the order of the Supreme Court and issued an order not to allow the petition. Dismiss the request for relief of enforcement As a result of the said order, the judgment of the Court of Appeal Region 7 to the end of the law On February 10, 2021, and the company, as the defendant, has the duty to pay interest at 9.25 percent per annum from September 6, 2019 until the July 2, 2020 of the principal of Baht 4,000,000 and interest payment of 9.25 percent per annum from July 3, 2020 on the principal of Baht 3,200,000 until payment is completed. Including deducting the interest paid.

On June 29, 2021, the Company has already paid the principal and interest as the Court of Appeal's judgment.

**Case 2**

On November 14, 2019, the second debenture holder filed a lawsuit with the Federal Court ordered the Company to pay the debenture with interest totaling Baht 2,012,835.61. At the present, the case is under consideration by the Court. And scheduled the hearing of evidence for the plaintiff and the defendant on March 23, 2020.

On March 23, 2020, It appears that the second debenture holder has appointed a lawyer. And the lawyer submitted a request to postpone the case claiming that Stick to the examination of the case that was scheduled at the Criminal Court. And requested to postpone the case. The company does not oppose the request to postpone the case. And Samut Songkhram Provincial Court has

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scheduled the hearing of plaintiff's witnesses on June 8, 2020.

On June 11, 2020, the Court has postponed the schedule of the examination of the plaintiff and defendant to July 10, 2020.

On July 10, 2020, plaintiffs and the defendants brought witnesses to testimony until the case was completed by the Court of First Instance. The court scheduled a hearing for the judgment on October 14, 2020.

On October 14, 2020, the Court ordered the defendant to pay the plaintiff Baht 1,600,000 with interest at the rate of 9.25 percent per annum from July 3, 2020, onwards until the payment is completed to the plaintiff. And interest at the rate of 9.25 percent per annum of the principal of Baht 2,000,000 from August 2, 2019 onwards until payment is completed to the plaintiff. By taking the amount of interest that the defendant paid to the plaintiff and deducted from the interest the defendant paid to the plaintiff.

On February 3, 2021, the Company filed an appeal of the judgment.

Then on August 5, 2021 the Appeal Court ruled in accordance with the judgment of the Court of the defendant to pay the plaintiff Baht 1,600,000 with interest at the rate of 9.25 percent per annum from July 3, 2020, onwards until the payment is completed to the plaintiff. And interest at the rate of 9.25 percent per annum of the principal of Baht 2,000,000 from August 2, 2019 to July 2, 2020. By taking the amount of interest that the defendant paid to the plaintiff and deducted from the interest the defendant paid to the plaintiff.

On December 15, 2021, the Company has already paid the principal and interest as the Court of Appeal's judgment.

Debentures No. 1/2018

Guarantee by pledge investment available for sale amount 62.14 million shares (book value of Baht 66.31 million) and pledge investment property, book value Baht 48 million, under the regulation of right and duty of issuer, the Company has to follow some financial condition such as the value of the collateral not less than 1.10 times of loan.

According to the debenture holders meeting No. 2/2019 on November 12, 2019, the meeting has resolution to accept common share of TLUXE Power Company Limited as additional collateral of 7.50 million shares (book value of Baht 75 million).

The resolutions of the debenture holders' meeting No. 1/2020, (the debentures No.1/2018) on February 27, 2020 are as follows:

1. Resolved to approve the amendment of the terms and conditions of the bond issuers and bondholders and to extend the maturity date of the bond No. 1 (the debentures No.1/2018) from the original due date of May 8, 2020 to May 8, 2021.
2. Resolve to approve the amendment of terms and conditions of the bond issuers and bondholders by redeeming investments in available-for-sale securities that the Company owns and as the guarantee for bond (the debentures No.1/2018). The Company will sell those via the Stock Exchange of Thailand and pay for debt to bondholders of Baht 60 million.
3. Resolve to approve the amendment of terms and conditions of bond issuers and bondholders with the exception to maintain the debt to equity ratio (D/E Ratio) from the originally specified at the D/E Ratio of 3:1 to no longer fixed the condition of D/E Ratio.

In this regard, the Company explained to the bondholders' meeting further as follows:

The Company is an exercise the right to redeem some debentures before maturity date amount of Baht 30 million, (15% of the debentures of each unit the proportion of debentures held by the holder). On April 23, 2020, which is the exercise of the rights and obligations of the debenture issuer and the debenture holder, No.10 redemption and repurchase of debentures.

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On April 23, 2020 the Company exercised the right to redeem some of the debentures, and made the payment of Baht 30 million, representing 15 percent of the number of debentures held by each bondholder together with the interest rate of 7 percent per annum, equivalent to Baht 2.88 million and the fee at the rate of 0.15 percent of the above payment, amounting Baht 0.05 million, which is the exercise of the right to early redemption in accordance with the terms and conditions of the rights regarding the debenture issuer and debenture holder- Item 10.5

According to the debenture holders meeting No. 2/2020 on June 9, 2020, the meeting has resolution to approve the land and building redemption as well as the 2 parcels of land in Samutsongkram together with the security of TLuxe Power out of the guarantee and brought of the machine for the amount of Baht 129.41 at Songkla to be the guarantee instead.

The resolutions of the debenture holders' meeting No. 1/2021, (the debentures No.1/2018) on February 1, 2021 are as follows:

1. Approve the extension of the maturity period of the debentures for another 2 years by revising the maturity date of the debentures. From the original date of May 8, 2021 to May 8, 2023 by dividing the principal repayment in 2 installments: 8 May 2022 and 8 May 2023.
2. Approved to amend the payment date of the debentures every 6 months by paying interest. From every 8 May, 8 August, 8 November and 8 February of each year throughout the life of the debentures to every 8 February and 8 August of each year throughout the life of the bonds. And amend the interest rates of debentures from 7 percent per annum to 7.06 percent per annum.
3. Approved to change the location of machinery used as collateral for debentures from the factory in Songkhla province, moved to install at Phetchaburi factory. And to bring the machine registration to proceed with the registration of change of location with the relevant machinery registration office.

In June 2021, the Company has released the investment available for sale as debentures' collateral to be sold in the Stock Exchange and will use the total amount that proceed from the sale to repay the debt according to the debenture.

Debentures No. 1/2019

Guarantee by pledge ordinary share of Thai Luxe Enterprises (Thailand) Co., Ltd. (subsidiary) amount 62.97 million shares (book value of Baht 638.50 million).

The resolutions of the debenture holders' meeting No. 1/2020, (the debentures No.1/2019) on February 28, 2020 are as follows:

Resolved to approve the amendment of the terms & conditions and the duties of the bond issuer and bondholders by revising the maintenance of debt to equity ratio (D/E Ratio) from originally 3:1 to 7:1 as proposed by the bond issuer that proposed to the bondholders' meeting, and also to fix the additional terms & conditions that if the maintenance of the debt to equity ratio (D/E Ratio) is more than that specified above, the bondholder representative shall consider and comment under the scope in case of the effect on impairment of assets and investment of the company only.

The resolutions of the debenture holders' meeting No. 1/2021, (the debentures No.1/2019) on February 1, 2021 are as follows:

1. Approved the extension maturity date for 2 years and revision of the redemption date from March 18, 2021 to March 18, 2023 and dividing the repayment of the Debentures' principal into 2 installments i.e. 18 March 2022 and 18 March 2023.
2. Approved to amend the payment date of the debentures every 6 months by paying interest. From every 21 June, 21 September, 21 December and 21 March of each year throughout the life of the bonds to 21 March and 21 September of each year

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throughout the life of the bonds. And amend the interest rates of debentures from the original 8.50 percent per annum to the interest rate of 8.59 percent per annum.

Resolved to approve the amendment to Clause 7 of the terms of rights, representations, warranties and duties of the Issuer by repealing Clause 7.2.11, the financial condition stipulating that the Issuer will maintain the ratio of "Net Debt to Equity Ratio" (Net Debt to Equity Ratio) in a ratio not exceeding 7: 1 at the end of the quarterly accounting period or the fiscal year end of the debenture issuer. And approved to increase the terms and conditions, Clause 7.4.4 the duties of the issuer of debentures by stating The Issuer agrees to incur an interest-bearing loan burden of more than of Baht 1,500 million.

Debentures payment plan to be redeemed in the future.

The company will pay the normal interest and repay the debt within the specified period, with the source of payment as follows:

Unsubordinated debentures (Unit : Million Baht)			Source of payment
No.	Amount	Due date	The Company has determined to sell equity securities and sell assets that are not used for business operations, as well as to use proceeds from working capital and liquidity to redeem the debentures.
1/2018	138.00	May 8, 2023	
2/2018	250.80	July 2, 2023	
1/2019	207.60	March 18, 2023	

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**29. Convertible debentures**

On 24 November 2021, Extraordinary General Meeting of Shareholders No.3/2564 approve the issuance and offering of the Convertible Debentures not exceeding THB 300,000,000 divided into 3 tranches, as follows:

1 Convertible Debentures Tranche 1 has the value of not more than THB 100 million divided into 20 sets.  
 THB 5 million per set.

2 Convertible Debentures Tranche 2 has the value of not more than THB 100 million divided into 20 sets.  
 THB 5 million per set

3 Convertible Debentures Tranche 3 has the value or not more than THB 100 million divided into 10 sets.  
 THB 10 million per set.

Allocate specific investors i.e. Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1")

However, the timeframe of the conversion is within 1 year after shareholder's meeting

approved the issuance. If the Company did not issue all the Convertible Debentures within 1 year, the Company may request a resolution of the shareholders' meeting to issue the unissued convertible debentures according to the Company's financial needs.

Name of convertible debentures	Convertible debentures of PP Prime Public Company Limited's long term 1.0 % No. 1 / 2 0 2 1, matured for redemption in 2024	Convertible debentures of PP Prime Public Company Limited's long term 1.0 % No. 2 / 2 0 2 1, matured for redemption in 2024
Type of convertible debentures	Convertible debentures can be converted to new ordinary shares of the Company, unsubordinated and unsecured.	Convertible debentures can be converted to new ordinary shares of the Company, unsubordinated and unsecured.
Offering price	Baht 50,000,000	Baht 50,000,000
Number of convertible debentures	50,000 units	50,000 units
Face Value	Baht 1,000 per 1 convertible debenture	Baht 1,000 per 1 convertible debenture
Interest rate	1% per annum	1% per annum
Issuance date	21 December 2021	30 December 2021
Maturity date of redemption	3 years after the insurance of each set ( 21 December 2024 )	3 years after the insurance of each set ( 21 December 2024 )
Interest payment	31 December / 30 June	31 December / 30 June

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Convertible price	In case of the weighted-average price of the ordinary shares of the company of the SET for the not less than 7 day but past 1 5 consecutive business days before date of conversion	In case of the weighted-average price of the ordinary shares of the company of the SET for the not less than 7 day but past 1 5 consecutive business days before date of conversion
Conversion ratio	The principle of convertible debentures divided by Convertible price (1 convertible debenture : 1,388 ordinary shares)	The principle of convertible debentures divided by Convertible price (1 convertible debenture : 1,766 ordinary shares)
Conversion date	22 December 2021	10 January 2022 – 15 February 2022

Convertible debenture – liability component state at amortize cost till conversion to ordinary share or maturity of the debenture. Convertible debenture equity component which is determined on the issuance date, there will be no change in the next accounting period.

For the year ended December 31, 2021, There are convertible debenture holders exercising their right to convert to ordinary shares in accordance with the term and conditions of the convertible with a principal of Baht 50 million or 50% of the convertible debenture offered to be 69.44 million ordinary shares these make the Company to have increase share capital of Baht 2,064 million to Baht 2,134 million and share premium (Discount) on share capital decrease from Baht 626 million to Baht 650 million (Note 36), also have conversion convertible debenture of Baht 50 million or 50% of the convertible debenture offered.

Movements of convertible debentures during the year ended 31 December 2021 are summarized below.

	(Unit:Thousand Baht)
	Consolidated / Separate financial statements
	Convertible debenture – the liability component
Balance as at 1 January 2021	-
Transactions for present value of convertible debentures	100
Debenture expenses	(10)
Conversion to ordinary shares (Note 36)	(45)
Balance as at 31 December 2021	45

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**30. OTHER CURRENT LIABILITIES**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Advance received from sales of Geothermal Energy	174,383	174,408	-	-
Other	4,463	3,837	729	1,029
Total other current liabilities	178,846	178,245	729	1,029

Advance received from sales of Geothermal Energy

The Board of Directors Meeting No. 8/2018 convened on May 18, 2018, to approved that the Company disposes of the 15 geothermal power plant projects located in the same vicinity in Oasa-Tsurumi, Beppu city, Oita prefecture, Japan which have already commenced their commercial operations (the “Power Plant Projects”) at the purchase price of approximately Yen 320 million per one power plant project or equivalent to approximately Baht 91.71 million per one power plant project, making a total purchase price for the Power Plant Projects of not less than Yen 4,800 million or equivalent to approximately Baht 1,375.69 million ( based on the exchange rate of Baht 28.6602 per Yen 100 as announced by the Bank of Thailand on May 17, 2018) to Relocation Group, a company incorporated under the laws of Japan (the “Buyer”). This transaction may be undertaken by way of disposition of shares in the Company’s subsidiaries or disposition of assets of the Power Plant Projects.

Then on June 21, 2018, the Company has the Memorandum of under Understanding, MOU with the buyer (Relocation Group) for the sale of 15 geothermal power plant projects in Japan in amount of Yen 320 million, the Company has received the deposit amounting of Yen 200 millions, according to sale contract indentify that the buyer (Relocation Group) will pay remaining amounting of Yen 4,600 millions within February 2019.

On February 21, 2019, Relocation Group transferred the right and obligation under the Memorandum of under Understanding (MOU) to Beppu Forest Power Co., Ltd. (which has common director with a subsidiary who sells property until March 31, 2019) and extent to June 30, 2019.

On February 25, 2019, PPSN Co., Ltd. and Beppu Forest Power Co., Ltd. entered into agreements, with an agreement that Beppu Forest Power Co., Ltd. will pay second deposit of Yen 400 million and transfer 25 percent of Beppu Forest Power Co., Ltd. to PPSN Co., Ltd. within March 15, 2019 and PPSN Co., Ltd. will transfer the ownership of the four power plants (part of the 15 plants above) to Beppu Forest Power Co., Ltd. within 15 days from receive payment.

On April 5, 2019, the subsidiary enters into sell agreement of four geothermal power plants (part of the 15 plants) that consisted of P-Power (2 locations) and Lena - 1 power plant (2 locations) with Beppu Forest Power Co., Ltd. value Yen 800 million. Beppu Forest Power Co., Ltd. will pay Yen 400 million within 2 weeks after contract signing and Yen 400 million within 1 year after contract signing. With the addition memorandum that Beppu Forest Power Co., Ltd. could terminate the sell agreement of four geothermal power plants if the contract is not approved by the Company board of directors. However, until present there is no approval resolution of the board of directors.

On April 11, 2019, the subsidiary received the deposit amount of Yen 400 million from Beppu Forest Power Co., Ltd.

The Company received deposit of Yen 600 million (approximately Baht 165.56 million) classified as deposit received in other current liability.

On July 23, 2019, PPSN Co., Ltd. received documents from Beppu Forest Power Co., Ltd. to PPSN Co., Ltd. to pay Yen 16.96 million (approximately Baht 4.75 million) to two companies which is a creditor of Beppu Forest Power Co., Ltd., which the company has made full payment which shown under other current assets.

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On December 23, 2019, the Board of Directors' meeting No.22/2019 considered progress on the sale of 15 geothermal power plant projects in Japan and conclude event are as follows:

According to the Company's resolution on May 15, 2018, disposes of the 15 geothermal power plant in Japan at the price of the Yen 320 million per location, and according to the Memorandum of Understanding, MOU on June 21, 2018, later, Japanese companies entered into 3 contracts are as follows:

On February 25, 2019, the first contract has the essence of Beppu Forest Power Co., Ltd. will also pay 2nd deposit along amount of Yen 400 million with a transfer of 25% shares to the PPSN Co., Ltd. And the PPSN Co., Ltd. will transfer the right and obligation in four power plants under the agreement to Beppu Forest Power Co., Ltd. within 15 days since receiving payment.

On April 5, 2019, the second contract is memorandum of agreement between Beppu Forest Power Co., Ltd. and PPSN Co., Ltd., agreed that Beppu Forest Power Co., Ltd. has the right to terminate the contract if the contract for transfer of property (Contract 3) is not approved by the board of directors.

On April 5, 2019, the third contract has 4 parties as follows Beppu Forest Power Co., Ltd., PPSN Co., Ltd., Lena Power Station No.1 LLC. and the Company which the contract was signed only by Beppu Forest Power Co., Ltd. and PPSN Co., Ltd. which mentions the purchase and sale of power plants at a price of Yen 200 million per location, ownership of PPSN Co., Ltd. 2 locations and Lena Power Station No.1 LLC. 2 locations totaling 4 locations in amount of Yen 800 million and did not mention the transfer of 25% shares in the amount of 25%, which was contrary to the first contract.

The Company has consulted with the Japanese legal counsel in the case of three contracts that are binding on the Company, which the Japanese legal counsel has Legal Opinion, these are conclusion as follows:

1. In the case of Lena, if it proves that Lena has not authorize PPSN Co., Ltd. to act on its behalf, there will not be binding on Lena Power Station No.1 LLC.
2. If the Company can prove that the Company has not authorize PPSN Co., Ltd. to act on its behalf, there will be no binding on the Company.

PPSN Co., Ltd. by the former director No.2 at that time notice privately that he did not sign it. But the former director No.1 signed instead which the Japanese legal counsel informed that according to Japanese law, this case is considered True Intention, which is the true intent of the contract. If contrary to the intention of the signatory this contract will be invalid, which, if proven, that the former director No.2 didn't sign this contract but was signed by the former director No.1 instead this contract will not bind PPSN Co., Ltd. either.

On December 23, 2019, the Board of Directors' meeting No.22/2019 has resolved to send a notice to Beppu Forest Power Co., Ltd. to pay the remaining amount of Yen 4,200 million to the Company within January 31, 2020. If Beppu Forest Power Co., Ltd. ignores the remaining payment, the Board of Directors requires the Company to exercise the right to cancel contract and confiscate the entire deposit of Yen 600 million (Or approximately Baht 176 million). And urgently find other investors interested as well as speeding up production efficiency and acknowledge the arbitrary contract of the contracted company in Japan.

On December 25, 2019, the Company sent the letter in accordance with the resolution of the meeting to Beppu Forest Power Co., Ltd.

By stating that the company insists on selling the power plant at a price of Yen 320 million per plant, not accepting the contract that the Beppu Forest Power Co., Ltd. later created to buy four power plants at the price of Yen 200 million per plant and requesting the Beppu Forest Power Co., Ltd. to pay the remaining balance according to the MOU, suitable for Yen 4,200 million within January 31, 2020, otherwise the company will cancel the contract and confiscate the deposit.

Later on January 24, 2020 and February 20, 2020, the Company was informed by a subsidiary of the electricity generating group that the electricity buyer has notified the subsidiary that the electricity buyer

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has brought the electricity payment to the subsidiary in 2020, in total of Yen 11,383,944 and Yen 16,599,528 respectively. A total of four plants that consisted of P-Power (2 locations) and Lena - 1 power plant (2 locations) put it at the Oita Legal Affairs Bureau because Beppu Forest Power Co., Ltd., which has entered into an agreement to purchase 15 power plants from the electricity generating group of companies asked the electricity buyer pay electricity bills to Beppu Forest Power Co., Ltd. Electricity buyers therefore have questions about the right to receive payment for electricity bills for the period of January to July 2020 which is due in February to August 2020 put it at the Oita Legal Affairs Bureau. (P-Power and Lena stopped producing electricity in August 2020 and June 2020 respectively)

According to the resolutions of the Board of Directors' Meeting No. 1/2020 held on February 5, 2020, the resolution to acknowledge the progress of the sale of 15 power plants, Beppu Forest Power Co., Ltd. has not paid the remainder to the Company, so management will proceed with the seizure of a deposit of Yen 600 million.

On June 18, 2020, PPSN Co., Ltd. received a letter from Beppu Forest Power Co., Ltd., a counterparty to acquire PPSN Co., Ltd.'s geothermal power plant by Beppu Forest Power Co., Ltd. Referring to the 2nd contract dated April 5, 2019, the contents of this agreement will sell four power plants at a price of Yen 200 million each, totaling 800 million yen by Beppu Forest Power Co., Ltd. Amount of Yen 400 million will be paid within 2 weeks, and the remaining of Yen 400 million will be paid within a year. Four of the power plants are owned by PPSN Co., Ltd. 2 and 2 are owned by Lena Power Station No. 1 LLC. Beppu Forest Power Co., Ltd. will cancel the purchase of 2 power plants of Lena Power Station No. 1 LLC, A 100% subsidiary of the company.

And on July 17, 2020, PPSN Co., Ltd. received a "summons to report on the 1st verbal press release and response letter requesting letter" from Beppu Forest Power Co., Ltd. demanding PPSN Co., Ltd. pays to Beppu Forest Power Co., Ltd. in an amount of 40,540,542 yen plus accrued interest at the rate of 3% per annum from May 2, 2020 until the payment is completed and paid. In this regard, "the summons for reporting on the day of the 1st oral statement and the letter of response," requires PPSN Co., Ltd. to submit the testimony on August 27, 2020.

On August 6, 2020, PPSN Co., Ltd. received two "Temporary seizure orders" from the Tokyo District Court in Japan, which can be summarized as follows:

1. Issue 1 states that Beppu Forest Power Co., Ltd., is appropriate and request Beppu Forest Power Co., Ltd. to provide security of Yen 300,000. Temporary seizure of two lands in PPSN Co., Ltd. has been decided. If PPSN Co., Ltd. deposit Yen 1,404,131, PPSN Co., Ltd. can request suspension of execution or cancellation of the execution disposition.
2. Issue 2 states that Beppu Forest Power Co., Ltd., is appropriate and request Beppu Forest Power Co., Ltd. to provide security of Yen 7,900,000. Temporary seizure of electricity revenue generated from PPSN Co., Ltd. Binary plant from July 17, 2020 to July 16, 2021 has been decided. If PPSN Co., Ltd. deposit Yen 39,433,306, PPSN Co., Ltd. can request suspension of execution or cancellation of the execution disposition.

The company has assigned Momo-o, Matsuo & Namba (MMN), a lawyer responsible for the case submitting a petition against the attachment of both copies, which are expected to be completed within the first quarter of 2021.

On August 27, 2020, the directors and executives of PPSN Co., Ltd. reported themselves on first announcement, which PPSN Co., Ltd. appointed a lawyer on that date. And PPSN Co., Ltd. has already clarified the information to the court on October 6, 2020 and November 5, 2020.

On December 24, 2020, the second buyer and the subsidiary reported to the court on time, which the second buyer will ask for another addition. The Court therefore required a second buyer to submit an objection to the testimony by February 5, 2021, with the fourth hearing scheduled for February 15, 2021.

On February 15, 2021, the subsidiary and the second buyer have submitted the court proceedings and clarified the information to the court. with the fourth hearing scheduled for fifth hearing on April 13, 2021.

The Company has informed about the incident to the Stock Exchange of Thailand as follows:

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The Company also has agreed to transfer ownership of the power plant to a subsidiary to Beppu Forest Power Co., Ltd. Because Beppu Forest Power Co., Ltd. has not paid the remaining Yen 4,200 million (or approximately Baht 1,143 million) to the Company within the time limit previously agreed with the Company (June 30, 2019). The Board of Directors meeting passed a resolution on December 23, 2019, the management rush to send a letter notifying Beppu Forest Power Co., Ltd. to pay the remaining Yen 4,200 million to the Company and the power plant transfer is in accordance with the conditions previously agreed to be completed within January 31, 2020, till the present, Beppu Forest Power Co., Ltd. still ignored the remaining payment. However, the Company proceeded according to the legal procedure to seize a deposit of Yen 600 million.

The Company hereby declares that the Company does not know the reason why in Beppu Forest Power Co., Ltd., informed the cancellation of the purchase of 2 power plants of Lena Power Station No. 1 LLC., But in the indictment filed by Beppu Forest Power Co., Ltd. A local court in Tokyo, Beppu Forest Power Co., Ltd., said it had paid of Yen 400 million for the power plant transaction settlement of two P-Power plants to PPSN Co., Ltd. Has been completed, Beppu Forest Power Co., Ltd. has therefore notified the cancellation of the purchase of 2 power plants of Lena Power Station No. 1 LLC. And Beppu Forest Power Co., Ltd. have requested the court to judge PPSN. Co., Ltd., of 2 plants at Beppu Forest Power Co., Ltd., said that a settlement of Yen 400 million was settled.

1. PPSN Co., Ltd. make payment for electricity between June 2019 and June 2020, the amount is Yen 40,540,542 with interest at the rate of 3% per annum from May 2, 2020 until payment is made to Beppu Forest Power Co., Ltd. After June 2020 will have to wait for an order from the court.

2. PPSN Co., Ltd. bear the costs of the lawsuit.

Beppu Forest Power Co., Ltd. has not requested PPSN Co., Ltd. to return the amount of Yen 400 million, which the company does not know why Beppu Forest Power Co., Ltd did not make this claim. However, the Board of Directors and the Audit Committee is pending the legal advisor and the lawyer commented and laid out strategies for further prosecution.

The management of company examination of the above lawsuit found that the Company used to ask for opinions from 2 legal advisors regarding the case. The aforementioned legal advisors agree that the asset purchase agreement dated April 5, 2019 will not be binding on the subsidiary. If the former 2nd director of the subsidiary is not a signatory of the contract and there will be no binding on the second subsidiary.

The management of PP Prime Public Company Limited considers that the story in the case does not contain information that differs from the information provided to both law firms. Therefore, the management's opinion remains that the contract dated April 5, 2019, which the second buyer claims is there will be no binding on the subsidiary.

On February 15, 2021, the subsidiary and the second buyer have submitted the court proceedings and clarified the information to the court. with the fourth hearing scheduled for fifth hearing on April 13, 2021.

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On April 13, 2021, the subsidiary and the second buyer have submitted the court proceedings and clarified the information to the court. with the next hearing scheduled on June 8, 2021.

On June 8, 2021, an off set expenses amount of Yen 40.50 million has been added, with the next hearing scheduled on July 26, 2021.

On July 26, 2021 the second buyer did not file a dispute due to it is in the process of negotiating the settlement. Therefore on the hearing scheduled on September 17, 2021 an November 9, 2021 are still under negotiating the settlement and the next hearing scheduled on December 20, 2021(At first the court schedule on December 21, 2021 then change to January 20, 2022).

On January 20, 2022, the second buyer did not file a dispute due to it is in the process of negotiating the settlement. The court made next hearing scheduled on March 10, 2022.

**31. NON - CURRENT PROVISIONS FOR EMPLOYEE BENEFITS**

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company and subsidiary and other long-term employee benefit plan, namely long service awards, were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate financial	
	financial statements		statements	
	2021	2020	2021	2020
<b>Provision for long-term employee benefits at beginning of year</b>	35,722	27,093	17,218	12,583
Transfer provision for benefit employees to subsidiaries	-	-	-	751
<u>Included in profit or loss:</u>				
Current service cost	4,418	4,183	2,343	2,080
Interest cost	488	726	236	362
Historical cost	-	-	-	730
Past service costs due to changing benefit plans	(4,065)	1,624	(3,888)	395
<u>Included in other comprehensive income:</u>				
Actuarial gain arising from				
Financial assumptions changes	-	3,778	-	1,620
Experience adjustments	-	(867)	-	(973)
Benefits paid during the year	(710)	(815)	(255)	(330)
<b>Provision for long-term employee benefits at ending of year</b>	<u>35,854</u>	<u>35,722</u>	<u>15,654</u>	<u>17,218</u>

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Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2021	2020	2021	2020
Cost of sales	418	3,354	-	-
Selling and administrative expenses	424	3,179	(1,309)	3,566
Total expenses recognised in profit or loss	842	6,533	(1,309)	3,566

Significant actuarial assumptions are summarised below:

	Consolidated / Separate financial statements	
	2021	2020
	(% per annum)	(% per annum)
Discount rate	0.53 - 2.97	0.53 - 2.97
Salary increase rate	5	5
Turnover rate	0.00 - 35.00	0.00 - 35.00
	100 of The Thai	100 of The Thai
	Mortality Act B.E.	Mortality Act B.E.
Mortality rate	2560	2560

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2021 are summarized below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	2021		2020	
	Increase	Decrease	Increase	Decrease
Discount rate (Increase/Decrease 1%)	(3,642)	4,179	(3,499)	4,022
Salary increase rate (Increase/Decrease 1%)	4,058	(3,552)	3,556	(3,117)
Turnover rate (Increase/Decrease 20%)	(2,788)	3,516	(2,427)	3,028
Mortality rate (Increase/Decrease 1%)	148	(166)	130	(146)

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	(Unit: Thousand Baht)			
	Separate financial statements			
	2020		2019	
	Increase	Decrease	Increase	Decrease
Discount rate (Increase/Decrease 1%)	(1,710)	1,935	(1,649)	1,874
Salary increase rate (Increase/Decrease 1%)	1,945	(1,725)	1,701	(1,509)
Turnover rate (Increase/Decrease 20%)	(1,096)	1,367	(957)	1,179
Mortality rate (Increase/Decrease 1%)	60	(67)	52	(58)

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As at December 31, 2021, the maturity analyses of undiscounted cash flows of benefit payments are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Within 1 year	1,085	422
Over 1 and up to 5 years	13,264	5,502
Over 5 years	90,077	42,054

### 32. STATURY RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

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**33. EXPENSES BY NATURE**

Significant expenses classified by nature are as follow:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Salaries and wages and other employee benefits	127,858	155,202	57,782	73,780
Depreciation	101,604	105,332	4,220	5,305
Raw materials and consumables used	469	1,053	-	-
Changes in inventories of finished goods and work in process	(8,808)	29,003	(10,764)	(43,600)
Credit losses for loans and interest receivable	-	67,443	13	225,179
Credit losses for investment in subsidiary company	-	-	-	3,000
Loss on impairment of land	-	-	52	-
Loss on impairment of plant and equipment	-	20,263	-	-
Loss on impairment of intangible assets	-	94,313	-	-
Loss on impairment of goodwill	-	6,761	-	-

**34. INCOME TAX**

Income tax expenses for the years ended December 31, 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Current income tax charge	1,465	22,794	174	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(6,082)	(27,312)	(6,082)	(15,761)
<b>Income tax expense reported in the statement of comprehensive income</b>	<b>(4,617)</b>	<b>(4,518)</b>	<b>(5,908)</b>	<b>(15,761)</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended December 31, 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2021	2020	2021	2020
Deferred tax on (gain) loss from the change in value of available-for-sale investments	2,708	107	2,708	107
Deferred tax on (gain) from actuarial estimates	-	130	-	130
Deferred tax on (gain) from revaluation of fixed assets	28,109	-	17,479	-
	<u>30,817</u>	<u>237</u>	<u>20,187</u>	<u>237</u>

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The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	19,736	20,719	19,736	20,719
Allowance for impairment on plant and equipment	121	-	121	-
Provision for long-term employee benefits	3,131	3,444	3,131	3,444
Provision for long-term employee benefits transfer to subsidiary	1,957	-	1,957	-
Unrealised loss from revaluation of available-for-sale securities	24,477	23,050	24,477	23,050
Accumulated deficit	12,216	10,492	12,216	10,492
<b>Total</b>	<b>61,638</b>	<b>57,705</b>	<b>61,638</b>	<b>57,705</b>
<b>Deferred tax liabilities</b>				
Deferred arrangement fees for loans and debentures	-	200	-	200
Gain from revaluation of fixed assets	59,387	66,238	63	17,544
Surplus from investment property revaluation	5,886	10,541	5,886	10,541
<b>Total</b>	<b>65,273</b>	<b>76,979</b>	<b>5,949</b>	<b>28,285</b>

As at December 31, 2021 the subsidiaries have tax deductible temporary differences unused tax losses totaling Yen 964 million (2020 : Yen 502 million), on which deferred tax assets have not been recognised as the subsidiaries believes future taxable profits may not be sufficient to allow utilisation of the tax deductible temporary differences and unused tax losses.

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**35. PROMOTIONAL PRIVILEGES**

The Company and its subsidiaries has received promotional privileges which approved by the Board of Investment for the manufacture and distribution of feeds for aquatic animals, pursuant to the investment promotion certificate No. 2091 (2)/2011 issued on August 31, 2011. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (June 1, 2012) with the corporate income tax exempted capped at the amount of capital investment made, excluding in land and working capital. They also include a reduction of import duty on imported machinery as approved by the Board of Investment and an exemption from income tax on dividend paid to the shareholders from the profit of the promoted activities during the corporate income tax exemption period.

In addition, the Company has received promotional privileges which approved by the Board of Investment for the manufacture and distribution of feeds for aquatic animals, pursuant to the investment promotion certificate No. 1856 (2)/2013 issued on June 19, 2013 and the investment promotion certificate No. 1131 (2)/2015 issued on February 4, 2015. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (the investment promotion certificate No. 1856(2)/2013 has not yet generated revenues on May 16, 2018 and the investment promotion certificate No. 1311(2)/2015 has revenues generate on April 30, 2015) with the corporate income tax exempted capped at the amount of capital investment made, excluding in land and working capital. They also include a reduction of import duty on imported machinery as approved by the Board of Investment, an exemption from income tax on dividend paid to the shareholders from the profit of the promoted activities during the corporate income tax exemption period, and permission to deduct 25% of the amount in invested in the installation of facilities in addition to normal depreciation.

On July 16, 2018 the Extraordinary General Meeting of Shareholders No.1/2018 of PP PRIME PUBLIC COMPANY LIMITED, approved the transfer rights in the investment promotion certificate No.1131(2)/2015, No.1856(2)/2013 and No. 2091(2)/2011 category 1.6: Manufacture of animal feeds or animal feed ingredients of the company to Thai Luxe Enterprises (Thailand) Co., Ltd. as in Note 6.4 to the financial statements.

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The Company's operating revenues for the years ended December 31, 2021 and 2020, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales						
Domestic sales	210,737	305,864	417,275	1,290,355	628,012	1,596,219
Export sales	-	-	21,783	21,419	21,783	21,419
Total sales	210,737	305,864	439,058	1,311,774	649,795	1,617,638

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales						
Domestic sales	-	-	114,000	1,253,316	114,000	1,253,316
Export sales	-	-	-	-	-	-
Total sales	-	-	114,000	1,253,316	114,000	1,253,316

### 36. SHARE CAPITAL

#### 36.1 Year 2020

1. According to the resolution of the Annual General Meeting of Shareholders No. 1/2020 on June 4, 2020, has passed significant resolutions as follows:

- 1.1 Resolved to approve the reduction of the company's registered capital of Baht 209,200,252 from the registered capital of Baht 1,126,101,375 to Baht 916,901,123 by cutting 209,200,252 ordinary shares that have not been sold, with a par value of 1 baht each.
- 1.2 Resolved to approve the amendment of Clause 4 of the Memorandum of Association in order to be in line with the reduction of the company's registered capital.

Subsequently, on June 16, 2020, the Company has completely registered the reduction of registered capital together with the amendment to Clause 4 of the Memorandum of Association of the Company to be accorded with the reduction of the registered capital as detailed above, with the Department of Business Development, the Ministry of Commerce.

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**36.2 Year 2021**

1. According to the resolution of the Extraordinary General Meeting of Shareholders No.1/2564 on June 4, 2021, has passed significant resolutions as follows:

- 1.1 Resolved to approve the increase of the company's registered capital of 1,669,041,301 Baht. From the original registered capital of 916,901,123 Baht to the registered capital of 2,585,942,424 Baht By issuing 1,669,041,301 newly issued ordinary shares at a par value of 1 baht per share (one baht) for (1) offering the said ordinary shares to the existing shareholders in proportion to their shareholding (Right Offering) ) At the ratio of 1 existing share to 2 newly issued ordinary shares (Fractions of shares shall be discarded) 1,376,132,952 shares at the offering price of Baht 0.10 per share, which is the value of the issuance 137,613,295.20 Baht and (2) Supporting the adjustment of the exercise ratio of the warrants to purchase ordinary shares of PP Prime Public Company Limited, No 4 (PPPM-W4), the amount of 292,908,349 shares.
- 1.2 Resolved to approve the amendment of Clause 4 of the Memorandum of Association in order to be in line with the reduction of the company's registered capital.

Subsequently, on June 30, 2021, the Company has completely registered the increase of registered capital together with the amendment to Clause 4 of the Memorandum of Association of the Company to be accorded with the reduction of the registered capital as detailed above, with the Department of Business Development, the Ministry of Commerce.

- 1.3 Approved the allocation of the Company's newly issued ordinary shares to rights offering (RO) of not exceeding 1,376,132,952 newly issued ordinary shares with par value of Baht 1 per share.

The existing shareholders by way of right offering (RO) are as follows:

Allocation to	Amount of Shares (shares)	Ratio (Old : New)	Offering Price (Baht per share)	Share Subscription and Payment Date and Time
The existing shareholders	Not exceeding 1,376,132,952 shares	1 existing ordinary shares: 2 new ordinary shares	Baht 0.10 per share, totaling Baht 137,613,295.20	June 21 -25, 2021 (5 business days)

During June 21 -25, 2021, the existing shareholders has right to purchase newly issued ordinary share in proportion of their existing shareholding (RO) of 1,376,132,952 shares, totaling of Baht 137,613,295.20. As a result, the Company registered the increase of its issued and paid-up capital of Baht 688 million (divided into 688 million ordinary shares at Baht 1 par value) to Baht 2,064 million (divided into 2,064 million ordinary shares at Baht 1 par value) with the Ministry of Commerce on June 30, 2021.

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2. According to the resolution of the Extraordinary General Meeting of Shareholders No.3/2564 on November 24, 2021, has passed significant resolutions as follows:

- 2.1 Resolved to approve the increase of the company's registered capital of 510,000,000 Baht. From the original registered capital of 2,585,942,424 Baht to the registered capital of 3,095,942,424 Baht By issuing 510,000,000 newly issued ordinary shares at a par value of 1 baht per share (one baht) for supporting the conversion of convertible debenture.

The Company registered the increase capital with the Department of Business Development, the Ministry of commerce on December 23, 2021.

Movement of share capital for the year ended December 31, 2021 are as follow :

	Ordinary Share	Paid – up Capital	Discount on Share Capital
	Thousand Share	Thousand Baht	Thousand Baht
As of January 1, 2021	688,066	688,066	612,679
Increase from issuance share capital	1,376,133	1,376,133	(1,238,658)
Increase from conversion on convertible debenture (Note 29)	69,445	69,445	(19,514)
As of December 31, 2021	<u>2,133,644</u>	<u>2,133,644</u>	<u>(645,493)</u>

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**37. WARRANTS**

According to the Extraordinary General Meeting of Shareholders No. 1/2019 of PP PRIME Public Company Limited ("the Company") on June 10, 2019, received approval for the Company's ordinary shares, No. 4 ("Warrants" or "PPPM-W4") not exceeding 281,525,344 units to the existing shareholders of the Company in proportion to their shareholding (Warrant-RO) without charge at the ratio of 3 shares per 1 unit Rights Whereby the fraction of the warrants shall be discarded and scheduled for July 17, 2019 to be the date of determining the list of shareholders who have the right to subscribe for the said warrants (Record Date). The warrants to purchase ordinary shares of the Company No. 4 or PPPM-W4 are summarized as follows:

<b>Type of warrants</b>	Warrants to purchase ordinary shares of PP PRIME Public Company Limited, No. 4, allocated to the existing shareholders of the Company at the ratio of 3 ordinary shares per 1 unit of warrants. ("Warrant" or "PPPM-W4")
<b>Type</b>	Named and transferable warrants
<b>Number to be issued</b>	Not exceeding 229,350,678 units
<b>Number of ordinary shares reserved for the exercise of warrants</b>	Not exceeding 229,350,678 shares ( par value of Baht 1.00 per share), representing 33.33 percent of the total issued shares of the company as of July 9, 2019, amounting to 688,052,034 shares (par value of Baht 1.00 per share).
<b>Offering Method</b>	Allocated to the existing shareholders of the Company at the ratio of 3 ordinary shares per 1 unit (in the case that there is a fraction To round off) In this regard, the company determines the list of ordinary shareholders of the company. With the right to receive allotment of warrants issued at this time (Record Date) on July 17, 2019.
<b>Offering Price per unit</b>	Baht 0.00.
<b>Tenure</b>	5 years from the issuance date of the Warrants.
<b>Issuance and Offering Date</b>	September 23, 2019
<b>Exercise Ratio</b>	1 unit of the Warrants is entitled to purchase 1 newly issued ordinary share (unless the exercise ratio is adjusted by the conditions of right adjustment).

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<b>Exercise Price</b>	Baht 1 per share (unless the exercise ratio is adjusted by the conditions of right adjustment).
<b>Exercise Period</b>	The holders of the Warrants may exercise the Warrants once every year on the last business day of October of each year during the period from 9.00 hours to 15.30 hours during the term of the Warrants, with the first exercise date on Thursday, October 31, 2019 and the last exercise date on the fifth anniversary of the issuance date of the Warrants (the "Exercise Date"). If the Exercise Date falls on any non- business day of the Stock Exchange of Thailand, the Exercise Date shall be postponed to the business day preceding such Exercise Date.
<b>Exercise Notice Period</b>	The holders of the Warrants wishing to exercise their rights to purchase the Company's newly issued ordinary shares shall give notice of intention to purchase the Company's newly issued ordinary shares within 5 business days prior to the Exercise Date, except for the notice of intention on the last exercise, such notice of intention to purchase the Company's newly issued ordinary shares shall be given at least 15 days before the last Exercise Date.
<b>End date of warrants</b>	July 31, 2024
<b>Warrant Registrar</b>	Thailand Securities Depository Co., Ltd.
<b>Secondary Market for the Warrants</b>	The Company shall list the Warrants as listed securities on the Stock Exchange of Thailand ("SET").
<b>Secondary Market for the Newly Issued Ordinary Shares for Exercise of the Warrants</b>	The Company shall list the newly issued ordinary shares to accommodate the exercise of the Warrants as listed securities on SET.

According to the Extraordinary General Meeting of Shareholders No.2/2564 on October 4, 2021, Shareholders approved the revision of the exercise price of warrants PPPM-W4 to purchase the ordinary shares of the company to be effective on May 6, 2021, then the new exercise price will be as follow;

<b>PPPM-W4</b>	<b>Before Adjustment</b>	<b>After Adjustment</b>
Exercise Price (Baht per share)	1.00	0.439
Exercise Ratio (warrant per ordinary share)	1 Unit : 1 Share	1 Unit : 2.280 Share

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**38. BASIC EARNINGS (LOSS) PER SHARE**

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

The following table sets forth the computation of basic earnings (loss) per share for the year ended December 31, 2021 and 2020 as follows:

	For the year ended December 31			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit (loss) attributable to equity holders of the parent company (Million Baht)	(186,268)	(329,577)	(67,605)	(324,809)
Number of ordinary shares as at January 1	688,066	688,066	688,066	688,066
Effect of share issued during the period	695,244	-	695,244	-
Weighted average number of common shares	1,383,310	688,066	1,383,310	688,066
Basic earnings (loss) per share (Baht / Share)	(0.1347)	(0.4790)	(0.0706)	(0.4721)

Diluted earnings (loss) per share weighted average number of ordinary shares in issue during the year is adjusted by the number of dilutive potential ordinary shares, assuming that the dilutive potential ordinary shares are exercised. Converted to ordinary shares. The Company has diluted ordinary shares, is warrants to purchase ordinary shares. The Company calculates the equivalent of the discounted shares based on the fair value based on the par value of the share option price accompanying the warrants to purchase the ordinary shares. (The calculation is based on the weighted average number of ordinary shares in issue during the year.) This calculation is made to determine the number of ordinary shares to be added to ordinary shares held by third parties in the calculation of diluted earnings (loss) per share. Without any improvement in net profit. However, the Company does not calculate diluted earnings per share for the year ended December 31, 2021 and 2020, because the fair value of ordinary shares is less than the exercise price.

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The following table sets forth the computation of basic and diluted earnings per share.

(Unit: Thousand Baht)

Consolidated financial statements						
	Net profit (loss) (Baht)		Number of ordinary shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
<b>Basic earning (loss) per share</b>						
Profit of ordinary shareholders assuming	(186,268)	(329,577)	1,383,310	688,066	<u>(0.13)</u>	<u>(0.48)</u>
Effect of dilutive potential ordinary shares						
- Convertible debenture	-	-	242	-	-	-
- Warrants	-	-	85,323	-	-	-
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential						
ordinary shares	<u>(186,268)</u>	<u>(329,577)</u>	<u>1,468,875</u>	<u>688,066</u>	<u>(0.13)</u>	<u>(0.48)</u>
Separate financial statements						
	Net profit (loss) (Baht)		Number of ordinary shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
<b>Basic earning (loss) per share</b>						
Profit of ordinary shareholders assuming	(97,605)	(324,809)	1,383,310	688,066	<u>(0.07)</u>	<u>(0.47)</u>
Effect of dilutive potential ordinary shares						
- Convertible debenture	-	-	242	-	-	-
- Warrants	-	-	85,323	-	-	-
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential						
ordinary shares	<u>(97,605)</u>	<u>(324,809)</u>	<u>1,468,875</u>	<u>688,066</u>	<u>(0.07)</u>	<u>(0.47)</u>

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**39. SEGMENT INFORMATION**

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

For management purposes, the Company and its subsidiaries are organized into business units based on its products and services and have three reportable segments as follows:

1. Aquatic animal feed segment
2. Pets food segment
3. Production and distribution of electricity segment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for outsider transactions.

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The following tables present revenue and profit (loss) information regarding the Company's and its subsidiaries' operating segments for the year ended December 31, 2021 and 2020, as follow:

	For the year ended December 31,										(Unit : Million Baht)	
	Domestic				Overseas							
	Production and distribution											
	Aquatic animal feed		Pets food		of electricity		Total segments		Eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue form external customers	147	2,338	570	322	36	35	753	2,695	(103)	(1,031)	650	1,664
Total revenues	147	2,338	570	322	36	35	753	2,695	(103)	(1,031)	650	1,664
Results												
Segment profit (loss)	(123)	34	(30)	10	(75)	(124)	(228)	(80)	(5)	16	(233)	(64)
Gain (loss) on investments in securities											15	-
Interest income											-	2
Other income (expenses)											49	29
Foreign exchange gains and losses											42	3
Allowance for impairment											-	(187)
Loss from fair value adjustment											5	(32)
Share of loss from investments in associates											-	-
Finance cost											(74)	(86)
Impairment loss (impairmen gain and reversal of impairment loss ) determined in accordance with TFRS 9											5	-
Loss before income tax expenses											(191)	(335)
Tax expense											(5)	(5)
Loss for the period											(186)	(330)

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Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	2021	2020
Thailand	628,012	1,596,219
Japan	21,783	21,419
Total	649,795	1,617,638

Non-current assets

(other than financial instruments, deferred tax assets, net defined benefit assets and rights arising under insurance contracts)

	(Unit: Thousand Baht)	
	2021	2020
Thailand	841,653	993,036
Japan	410,329	445,879
Total	1,251,981	1,438,915

Major customers

For the years 2021 and 2020, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues

#### 40. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by American International Assurance Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 1 million (2020 : Baht 1 million) were recognised as expenses.

#### 41. COMMITMENTS AND CONTINGENT LIABILITIES

##### 41.1 Power purchase agreements

As at December 31, 2021 a subsidiary entered into PPA with an unrelated company. The PPA is effective for a period of 15 years starting from scheduled commercial operation date. The sales quantity and its price must be complied with the agreement.

##### 41.2 Hot springs service agreement

As at December 31, 2021 the overseas subsidiaries have commitments in respect of power plant hot springs service agreements made with an unrelated company, amounting to approximately Yen 0.4 million per month per power plant for periods of 15 years from the commercial operation dates.

In November 2017 and January 2018, the subsidiaries entered into a memorandum of understanding with an unrelated company to waive hot springs service charges, in accordance with the conditions specified in the agreement.

##### 41.3 Power plant operation and maintenance agreement

As at December 31, 2021, overseas subsidiary has commitments in respect of power plant operation and maintenance agreements made with an unrelated company, amounting to approximately Yen 0.1 million per month per power plant for 5 years starting from a project

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awarded date, which can be extended every 5 years, and has maximum duration of 15 years, under the same conditions.

**41.4 Property rights of land agreement**

As at December 31, 2020, overseas subsidiary has commitments in respect of property rights of land agreement with an unrelated company to operate in a project of electricity production from wind power amounting to approximately Yen 0.1 million per month per power plant. The term of this agreement is 21 years starting from an agreement signing date.

**41.5 Capital Commitments**

As at December, 2021 the overseas subsidiaries had capital commitments of approximately Yen 2,351 million (December 31, 2020: Yen 2,351 million), relating to the construction of power plant.

**41.6 Guarantees**

As at December 31, 2021 the Company and subsidiary were outstanding bank guarantees of approximately Baht 18 million (December 31, 2020 : Baht 18 million), issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee relating to guarantee electricity use.

**42. FINANCIAL INSTRUMENTS**

**42.1 Foreign currency risk**

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, investments, trade and other receivables, restricted bank deposits, loans, short-term loans, trade and other payables, long-term loan, debentures and liabilities under long-term lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

**Credit risk**

The Company and its subsidiaries are exposed to credit risk primarily with respect to other investments, trade and other receivables, and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of other current investments, trade and other receivables, and loans as stated in the statement of financial position.

**Interest rate risk**

The Company and its subsidiaries are exposure to interest rate risk relates primarily to its cash at banks, investments, loans, short-term loans, long-term loans, debentures and liabilities under long-term lease agreements. Most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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As at December 31, 2021 and 2020 financial asset and liabilities can be reclassified by type of interest rate. And financial asset and liabilities that have fixed interest rate can be separated by either due date or date of the re-price were. (If the date of the re-price were determined before) as follows:

Consolidated financial statements														(Unit: Million Baht)	
Fixed interest rates						Floating				Non-interest				Effective	
Within 1 year		1 - 5 years		Over 5 years		Total		Total		Total		Total		interest rate	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020

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Separate financial statements													(Unit: Million Baht)

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**42.2 Foreign currency risk**

The Company exposure to foreign currency risk arise mainly from long-term loan with financial institution contract that are denominated in foreign currencies.

As at December 31, 2021 and 2020, the balances of financial liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Financial liabilities		Average exchange rate	
	December 31, 2021 (Million)	December 31, 2020 (Million)	December 31, 2021 (Baht per 1 foreign currency unit)	December 31, 2020 (Baht per 1 foreign currency unit)
US dollar	-	-	33.42	31.29
Japanese yen	1,132	1,825	0.29	0.29

**42.3 Fair values of financial instruments**

**Fair values**

Fair value is the amount the buyer and seller agree to exchange assets or settle liabilities. While both sides were knowledgeable and willing to exchange. And can negotiate the price freely In the manner of those who are not related to each other Further information about the fair value assumptions is disclosed in the warrant relating to the assets and liabilities.

Financial assets and financial liabilities that are short-term matured are estimated fair value based on the carrying amounts shown in the statement of financial position.

The book value and fair value of each type of financial assets and liabilities as at December 31, 2021 and 2020 are presented as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<b>Financial assets as at December 31, 2021</b>				
Cash and cash equivalents	-	-	77,641	77,641
Trade and other current receivables	-	-	108,310	108,310
Short-term loans	-	-	-	-
Other current financial assets	-	11	-	11
Other non-current financial assets	3,450	-	-	3,450
Non-current non-cash assets pledged as collateral	-	22,227	-	22,227
Restricted bank deposits	-	-	7,796	7,796
<b>Total financial assets</b>	<b>3,450</b>	<b>22,238</b>	<b>193,747</b>	<b>219,435</b>
<b>Financial assets as at December 31, 2020</b>				
Cash and cash equivalents	-	-	38,392	38,392
Trade and other current receivables	-	-	193,114	193,114
Short-term loans	-	-	-	-
Other current financial assets	-	12	-	12
Other non-current financial assets	3,450	-	-	3,450
Non-current non-cash assets pledged as collateral	-	46,127	-	46,127

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

(Unit: Thousand Baht)

	Consolidated financial statements			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Restricted bank deposits	-	-	17,980	17,980
<b>Total financial assets</b>	<b>3,450</b>	<b>46,139</b>	<b>249,486</b>	<b>299,075</b>

(Unit: Thousand Baht)

	Separate financial statements			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<b>Financial assets as at December 31, 2021</b>				
Cash and cash equivalents	-	-	72,127	72,127
Trade and other current receivables	-	-	53,394	53,394
Other current financial assets	-	11	-	11
Other non-current financial assets	3,450	-	-	3,450
Long-term loans	-	-	165,424	165,424
Non-current non-cash assets pledged as collateral	-	22,227	-	22,227
Restricted bank deposits	-	-	-	-
<b>Total financial assets</b>	<b>3,450</b>	<b>22,238</b>	<b>290,945</b>	<b>316,633</b>
<b>Financial assets as at December 31, 2020</b>				
Cash and cash equivalents	-	-	30,317	30,317
Trade and other current receivables	-	-	114,535	114,535
Other current financial assets	-	12	-	12
Other non-current financial assets	3,450	-	-	3,450
Long-term loans	-	-	168,014	168,014
Non-current non-cash assets pledged as collateral	-	46,127	-	46,127
Restricted bank deposits	-	-	202	202
<b>Total financial assets</b>	<b>3,450</b>	<b>46,139</b>	<b>313,068</b>	<b>362,657</b>

As at 31 December 2020, the Company and its subsidiaries have not required any financial liabilities to be measured at fair value through profit or loss.

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

**42.4 Determination of fair values**

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair values have been determined for measurement and/or disclosure purposes based on the following methods (when applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability).

The fair value of cash and cash equivalents, trade and other accounts receivable, short-term loans, other current assets, bank overdrafts, short-term borrowings, trade and other accounts payable and other current liabilities is taken to approximate the carrying value.

The fair value of investments in equity securities - available-for-sales, are determined by reference to their quoted bid prices at the reporting date.

The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rates.

Fair values and the carrying values of financial assets and liabilities other than the aforementioned were book value and fair value as at December 31, 2020 and 2019 are as follows:

The Company has assets and liabilities that are measured at fair value or disclosed in fair value classified according to the fair value hierarchy as follows:

(Unit: Million Baht)							
Consolidated financial statements							
Level 1		Level 2		Level 3		Total	
2021	2020	2021	2020	2021	2020	2021	2020
<b>Financial assets measured at fair value</b>							
<b>as at December 31,</b>							
Financial asset at fair value through Other comprehensive income							
Equity instruments	22	46	-	-	-	22	46
Debt instruments*	-	-	0.01	0.01	-	0.01	0.01
Investment properties	-	-	107	135	-	107	135
Land revaluation	-	-	385	430	-	385	430

\* Level 2 - The fair value determined by using the net asset value as published by the Asset Management

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

(Unit: Million Baht)

	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Financial assets measured at fair value</b>								
Financial asset at fair value through Other comprehensive income								
Equity instruments	22	46	-	-	-	-	22	46
Debt instruments*	-	-	0.01	0.01	-	-	0.01	0.01
Investment properties	-	-		135	-			135
Land revaluation	-	-	107			-	107	
	-	-	2	100	-	-	2	100

\* Level 2 - The fair value determined by using the net asset value as published by the Asset Management

The current year, there were not transfer within the fair value hierarchy.

#### 43. LITIGATION

##### Subsidiary

On September 10, 2021, a creditor has filed a complaint to the Court requests a subsidiary to pay debts amounted to Baht 6,809,572 and interest at the rate 5% p.a. of principal of Baht 6,809,572 from filing date to the payment is completed, The case is under the Court's hearing in November 2021.

On January 5, 2022, a subsidiary sent a compromise letter to the plaintiff. In which the plaintiff has considered to give 10% discount from the outstanding principal amounted to Baht 6,471,000. Then the subsidiary has fully paid this loan amounted to Baht 5,823,900 on January 28, 2022.

#### 44. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximize shareholder value. As at December 31, 2021 the Group's debt - to - equity ratio was 15.35 : 1 (December 31, 2020 : 24.86: 1) and the Company's was 3.43 : 1 (December 31, 2020 : 5.51 : 1).

**PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2021**

**45. RECLASSIFICATION OF ACCOUNTS**

Certain accounts in the consolidate and separate statement of financial position as at 31 December 2020 and statement of comprehensive income for the year ended 31 December 2020 which are included in the financial statements of financial position for the year ended 31 December 2021 for comparative purposes, have been reclassified to conform to the presentation in the financial statements are as follows:

(Unit : Thousand Baht)			
Consolidated financial statements			
	Before Reclassification	Reclassification	After Reclassification
<b>Statement of financial position as at 31 December 2020</b>			
Inventories - Net	88,107	(9,189)	78,918
Trade and other current payables	254,242	(9,189)	245,053
<b>Statement of comprehensive income for the year end 31 December 2021</b>			
Revenues from sales	1,663,836	(46,198)	1,617,638
Cost of sales	1,453,189	(46,198)	1,406,991
Administrative expenses	206,783	(6,437)	200,346
Impairment loss (impairmen gain and reversal of impairment loss ) determined in accordance with TFRS 9	-	6,437	6,437
(Unit : Thousand Baht)			
Separate financial statements			
	Before Reclassification	Reclassification	After Reclassification
<b>Statement of comprehensive income for the year end 31 December 2021</b>			
Administrative expenses	125,699	(6,406)	119,293
Impairment loss (impairmen gain and reversal of impairment loss ) determined in accordance with TFRS 9	-	6,406	6,406

**46. APPROVAL OF FINACIAL STAEMENTS**

These financial statements were authorized for issue by the Company's authorized director on February 28, 2022.

## Attachment 1

### Information of Directors, Executive, Authority Persons and Company Secretary

Name	Mrs. Namkang Pungthong
Position	Chairman of the Board of Directors
Date of Appointment	5 February 2020
Age (Year)	61
Education	- Master's degree in Economics Policy and Planning Northeastern University, Boston, USA - Bachelor's degree from Assumption University (ABAC)
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -
Working Experiences	
2020 - Present	Chairman of the Board of Directors, PP Prime Public Company Limited
Current positions in other Listed Companies	
2009 – 2013	Chairman of the Board of Directors, Absolute Impact Public Company Limited
Current positions in other (Not Listed Companies)	
2019 - Present	Chairman of the Police Administration Audit and Monitoring Committee, Hua Mak Police Station
2019 - Present	Sub-Committee for Inspection and Monitoring of Police Administration, Metropolitan Police Division 4
2002 - Present	Director and Deputy Managing Director, M-PE Insulation Company Limited
2000 - Present	Director and Deputy Managing Director, M-PE Industry Company Limited

Name	Mr. Aran Permpiboon
Position	Independent Director / Chairman of the Audit Committee
Date of Appointment	9 November 2021
Age (Year)	78
Education	<ul style="list-style-type: none"> <li>- Master's degree : Public Administration, National Institute of Development Administration</li> <li>- Bachelor's degree : Electrical Engineering, Chulalongkorn University</li> </ul>
Training Program	Training organized by Thai Institute Of Directors (IOD) <ul style="list-style-type: none"> <li>- Directors Certification Program (DCP) Batch#23/2002 Thai Institute of Directors (IOD)</li> <li>- Audit Committee Program (ACP) Batch#33/2010 Thai Institute of Directors (IOD)</li> <li>- Advanced Audit Committee Program No. 9/2012 Thai Institute of Directors (IOD)</li> </ul> Other Training <ul style="list-style-type: none"> <li>- National Institute of Development Administration, Faculty of Public Administration, Personnel Management (NIDA), Special No.1</li> <li>- Higher Diploma Course in Politics and Governance in Democracy for Executives, Class 3, King Prajadhipok's Institute (Por Por Ror. 3)</li> </ul>
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -
Working Experiences	
2021 - Present	Independent Director / Chairman of the Audit Committee, PP Prime Public Company Limited
Current positions in other Listed Companies	
2004 - 2019	Independent Director / Chairman of Nomination and Remuneration / Audit Committee, Internet Thailand Public Company Limited
2009 - 2013	Director /Chairman of Audit and Risk Management Committee, Absolute Impact Public Company Limited
2003 – 2004	Acting President and Senior Vice President, TOT Corporation Public Company Limited
Current positions in other (Not Listed Companies)	
- None -	

Name	Pol.Lt.Col. Thienrath Vichiensan	
Position	Independent Director / Member of Audit Committee / Chairman of the Nomination and Remuneration Committee	
Date of Appointment	28 April 2017	
Age (Year)	63	
Education	<ul style="list-style-type: none"><li>- Master of Arts Teaching (Government), University of Texas, USA</li><li>- Bachelor of Public Administration, Royal Police Cadet Academy</li><li>- Bachelor of Laws, Sukhothai Thammathirat Open University</li></ul>	
Training Program	<p>Training organized by Thai Institute Of Directors (IOD)</p> <ul style="list-style-type: none"><li>- Director Certification Program (DCP) Batch#243/2017, Thai Institute of Directors (IOD)</li><li>- Advance Audit Committee Program (AACP) Batch#28/2018, Thai Institute of Directors (IOD)</li></ul> <p>Other Training</p> <ul style="list-style-type: none"><li>- Graduate Diploma in Public Law, Thammasat University</li><li>- Records Management Course, National Archive, Sweden</li><li>- Senior curriculum, Prince Damrongrajanubhap Institute of Research and Development</li><li>- Administrative Justice for Executives</li><li>- National Defence College of Thailand</li></ul>	
Number of shares (%) (as of 31 December 2021)	0.002	
Relationship with the Executives	- None -	
Working Experiences		
2020 - Present	Independent Director / Audit Committee / Chairman of the Nomination and Remuneration Committee, PP Prime Public Company Limited	
2017 - 2020	Independent Director / Chairman of the Audit Committee / Chairman of the Nomination and Remuneration Committee, PP Prime Public Company Limited	
Current positions in other Listed Companies		
2021 - Present	Audit Committee, TV Direct Public Company Limited	
Current positions in other (Not Listed Companies)		
Present	Inspector-General, Office of the Permanent Secretary, Office of the Prime Minister	
2014	Director, The Bureau of Legal Affairs and General Regulations, Office of the Permanent Secretary, Office of the Prime Minister	
2012	Director, Office of the official information commission	

Name	Mr. Waiwit Udayachalerm
Position	Independent Director / Member of Audit Committee
Date of Appointment	9 November 2021
Age (Year)	59
Education	<ul style="list-style-type: none"> <li>- Master's degree : Faculty of Economics , International Economics and Finance, Chulalongkorn University</li> <li>- Bachelor's degree : Faculty of Commerce and Accountancy, Finance and Banking, Chulalongkorn University</li> </ul>
Training Program	<p>Training organized by Thai Institute Of Directors (IOD)</p> <ul style="list-style-type: none"> <li>- Director Certification Program (DCP) Batch#276/2019 ,Thai Institute of Directors (IOD)</li> </ul> <p>Other Training</p> <ul style="list-style-type: none"> <li>- Business administration course in the digital age For the new generation of executives, 3rd generation</li> <li>- Public-Private-Public Society Management Course, Class 6, Education HQ National Police Agency</li> <li>- Executive Program on Urban Development Management, Class 6, Bangkok</li> <li>- Network Security Relationship Development Course Executive Level, Class 7 ISOC</li> <li>- Security Psychology Course, Class 114, Institute of Security Psychology</li> <li>- Fundamentals course and dispute mediation techniques Nonthaburi District Court</li> <li>- Higher Certificate Program in Public Law For senior executives, class 12, King Prajadhipok's Institute</li> <li>- Digital Marketing Mini-MBA, Class 1, Nation University</li> <li>- Executive Relations Development Course, Class 18, Department of Military Affairs</li> <li>- Higher Diploma in Public Economic Administration For senior executives, class 8, King Prajadhipok's Institute</li> <li>- Securities Valuation Course Class 10, Real Estate Business School</li> <li>- Institution Selling Training Program ING Group – NEW YORK</li> <li>- Bangkok Bank's Banking Program, Class 3, Bangkok Bank</li> </ul> <p><u>license</u></p> <ul style="list-style-type: none"> <li>- Investment advisor , SET</li> <li>- Investment Manager , SET</li> </ul>
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -
Working Experiences	
2021 - Present	Independent Director/Audit Committee member, PP Prime Public Company Limited
Current positions in other Listed Companies	
2021 – Present	Director and Chief Marketing Officer, Solartron Public Company Limited
2018 – 2020	Director and Chief Executive Officer AEC Securities Public Company Limited

Current positions in other (Not Listed Companies)

2020 – Present	Advisor to the Court Affairs Commission Independent organizations, prosecutors, state enterprises, public organizations and the Senate Fund
2014 – 2018	President of Smart Traffic Company Limited
2011 – 2012	Chief Executive Officer, Kim Eng Asset Management Company Limited (A subsidiary of Kim Eng Securities Public Company Limited)
Aug 2011 – Oct 2011	Managing Director Seamico Asset Management Company Limited
Nov 2009 - Jul 2011	Managing Director, PCL Planner Company Limited (A subsidiary of Ploenchit Capital)
Jan 2008 – Oct 2009	Deputy Managing Director, Ploenchit Capital Company Limited
2007 - 2007	Assistant Managing Director BT Asset Management Company Limited
2004 – 2006	Department director ING Asset Management Company
2001 – 2004	Director of Thai Administrative Services Company Limited
1999 - 2001	Assistant Department director, UOB Rattanasin Bank
1998 - 1999	Marketing Manager, Shell Thailand Company Limited
1996 – 1997	Assistant Department director, Sitka Securities Company Limited
1993 - 1996	Marketing Manager, Diners Club Company Limited
1990 – 1993	Vusiness development staff, Citibank
1986 – 1990	Unit Head, Siam Commercial Bank Public Company Limited

<b>Name</b>	<b>Lt.Gen. Krisana Waropas</b>		
Position	Independent Director / Chairman of Sustainable Development / Member of Audit Committee r / Member of Nomination and Remuneration Committee		
Date of Appointment	22 July 2020		
Age (Year)	63		
Education	<ul style="list-style-type: none"> <li>- Thai Bar Association Legal Training Bureau of the Thai Bar Association</li> <li>- Master of Political Science, Kasetsart University</li> <li>- Bachelor of Laws, Ramkhamhaeng University</li> </ul>		
Training Program	Training organized by Thai Institute Of Directors (IOD) <ul style="list-style-type: none"> <li>- Directors Accreditation Program (DAP) Batch#172/2020, Thai Institute of Directors (IOD)</li> </ul> Other Training <ul style="list-style-type: none"> <li>- Military Officer Course for the Elementary of the Constitution, Class 12, Military School of the Constitution</li> <li>- Air Force Training Course, Class 144, Special War Center School</li> <li>- Officer Course, Early Statute, Class 10</li> <li>- Military Judiciary Course, Class 5</li> </ul>		
Number of shares (%) (as of 31 December 2021)	- None -		
Relationship with the Executives	- None -		
Working Experiences			
2020 - Present	Independent Director / Chairman of Sustainable Development / Audit Committee / Nomination and Remuneration Committee member, PP Prime Public Company Limited		
Current positions in other Listed Companies	- None -		
Current positions in other (Not Listed Companies)			
2017 - 2019	Special luminaries, Army (Lieutenant)		
2016 - 2017	Expert, Army (Air Force)		
2013 - 2016	Director of the Council of State, Office of the Constitution, Royal Thai Army		

Name	Dr. Denchai Akaradajdachachai
Position	Director / Member of Executive Committee / Member of Nomination and Remuneration Committee
Date of Appointment	21 January 2015
Age (Year)	58
Education	<ul style="list-style-type: none"> <li>- Doctoral's Degree : Doctor Of Public Administration (DPA), University of Northern Philippines</li> <li>- Master's Degree : MBA, Kasetsart University</li> <li>- Bachelor's Degree : Economics – Industry, Ramkhamhaeng University</li> </ul>
Training Program	<p>Training organized by Thai Institute Of Directors (IOD)</p> <ul style="list-style-type: none"> <li>- Director Certification Program (DCP) Thai Institute of Directors (IOD)</li> <li>- Anti-Corruption:The Practical Guide (ACPG) Thai Institute of Directors (IOD)</li> <li>- Ethical Leadership Program (ELP) Thai Institute of Directors (IOD)</li> </ul> <p>Other Training</p> <ul style="list-style-type: none"> <li>- Course of Promotion of Peaceful Society (4s) Batch#4 King Prajadhipok's Institute</li> <li>- Thailand National Defence College DSI Batch#56 The National Defence College of Thailand (NDC)</li> <li>- Course of Management in Social Order Police Education Bureau Batch#2 Royal Thai Police Department</li> <li>- Course of Environmental Governance for Executive Officer Batch# 4 Department of Environmental Quality Promotion (DEQP) Ministry of Natural Resources and Environment</li> <li>- Course of Democratic Governance Politics for Executives Batch #20</li> <li>- Course of Thailand Insurance Leadership Program Batch#7 Office of Insurance Commission (OIC)</li> </ul>
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -
Working Experiences	
2020 - Present	Member of Nomination and Remuneration Committee, PP Prime Public Company Limited
2017 - Present	Director / Member of Executive Committee, PP Prime Public Company Limited
Current positions in other Listed Companies	
2017 - 2019	Director, Filter Vision Public Company Limited
2015 - 2017	Independent Director / Chairman of the Audit Committee, Thai Luxe Enterprises Public Company Limited
Current positions in other (Not Listed Companies)	
2020 - Present	The host of TV, Kit Dee Sangkhom Dee Show, Channel True Vision TNN2
2017 - Present	Director, TLuxe Global Business Company Limited
2017 - 2019	Director, Hi Healthcare Center Company Limited
1994 - Present	Chairman of Board of Directors, M.B.C. Center Company Limited
1994 - Present	Chairman of Board of Directors, I.E.Q. Company Limited
1994 - Present	Chairman of Board of Directors, ComputerSqaur Company Limited
2013 – 2020	The host of TV, Love Thailand Show, Channel True Vision TNN2
2012 - 2017	Conciliator, Appeal Court 7
2014 - 2015	An expert member of the National Reform, Council
2012 - 2013	Scholar Working Group, Deputy Speaker of the House of Representatives

Name	M.L.Phanpiengduen Sungkahapong	
Position	Director / Member of Executive Committee / Chief Corporate Strategy Officer	
Date of Appointment	1 August 2020	
Age (Year)	59	
Education	<ul style="list-style-type: none"> <li>- Master's degree : Business Administration National Institute of Development Administration</li> <li>- Bachelor's degree : Accounting, Thammasat University</li> </ul>	
Number of shares (%) (as of 31 December 2021)	- None -	
Relationship with the Executives	- None -	
Working Experiences		
2021 - Present	Director / Member of Executive Committee / Chief Corporate Strategy Officer, PP Prime Public Company Limited	
2020 - 2021	Director / Chairman of Executive Committee / Member of Foreign investment Committee / Chief Executive Officer, PP Prime Public Company Limited	
Current positions in other Listed Companies	- None -	
Current positions in other (Not Listed Companies)		
2020 - Present	Director, Thai Luxe Enterprises (Thailand) Company Limited	
2020 - Present	Director, Tlux Power Company Limited	
2020 - Present	Director, Tlux Global Business Company Limited	
2010 - 2019	Assistant Managing Director, Serenity Assets Company Limited	
1999 - 2010	Business Development Manager, President Hotel and Tower Company Limited	

Name	Mrs. Supattra Nakmontanakum	
Position	Director / Chairman of Executive Committee / Chief Executive Officer	
Date of Appointment	1 December 2021	
Age (Year)	52	
Education	<ul style="list-style-type: none"> <li>- Master's degree : Finance and Banking, Assumption University</li> <li>- Bachelor's degree : Finance and Banking, Assumption University</li> </ul>	
Number of shares (%) (as of 31 December 2021)	- None -	
Relationship with the Executives	- None -	
Working Experiences		
2021 – Present	Director / Executive Committee / Chief Executive Officer, PP Prime Public Company Limited	
Current positions in other Listed Companies	- None -	
Current positions in other (Not Listed Companies)		
2015 – Present	Director, 125 Glory Cuisine Company Limited	
1999 – 2006	Assistant to Managing Director, Beauty Siah Company Limited	
Nov 1997 – May 1999	Associate Director, Indosuez W.I. Carr Securities (Thailand) Limited	
Jan 1993 – Oct 1997	Investment Banker (Investment Banking Department), Union Securities Company Limited (a member of the Saha Union Group)	
Jun 1992 – Dec 1993	Analyst (Research Department), Union Securities Company Limited (a member of the Saha Union Group)	

## Information of Chief Financial Officer and Chief Accounting Officer

Name	Miss Utaiwan Ruangrojwiriya
Position	Chief Financial Officer
Date of Appointment	1 January 2022
Age (Year)	48
Education	<ul style="list-style-type: none"> <li>- Master's degree : Accounting Chulalongkorn University</li> <li>- Bachelor's degree : Accounting Thammasat University</li> </ul>
Training Program	<ul style="list-style-type: none"> <li>Training organized by Thai Institute Of Directors (IOD)</li> <li>- Directors Accreditation Program (DAP), Thai Institute of Directors (IOD)</li> <li>Other Training</li> <li>- CPA (Certified Public Accountant) The Federation of Accounting Professions under the Royal Patronage of his Majesty the King</li> <li>- Strategic CFO in Capital Market #8</li> </ul>
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -
Working Experiences	
2022 - Present	Chief Financial Officer, PP Prime Public Company Limited
Current positions in other Listed Companies	
2019 – 2021	Chief Financial Officer, Chukai Public Company Limited
2018 - 2019	Vice President – Accounting, JSP Property Public Company Limited
Current positions in other (Not Listed Companies)	
2007 - 2018	Accounting Manager, Baansukhumvit1 Company Limited
2003 - 2007	Assistant Accounting Manager, Beauty Siah International Company Limited
1997 - 2003	Senior Auditor, PricewaterhouseCoopers ABAS Limited

Name	Mr. Praween Deekajonedej	
Position	Chief Accounting Officer	
Date of Appointment	1 January 2022	
Age (Year)	32	
Education	Bachelor of Business Administration, Major in Accounting, Assumption University	
Training Program	Training organized by Thai Institute Of Directors (IOD)	
	- None –	
	Other Training	
	- Investor relations & Financial Communications , Omega world class, 2019	
	- Certificate of CFO Orientation, The Stock Exchange of Thailand, 2019	
Number of shares (%) (as of 31 December 2021)	- None -	
Relationship with the Executives	- None -	
Working Experiences		
2022 - Present	Chief Accounting Officer, PP Prime Public Company Limited	
2019 - 2021	Chief Financial Officer, PP Prime Public Company Limited	
2017 - 2019	Accounting-Oversea Manager, PP Prime Public Company Limited	
Current positions in other Listed Companies		
- None -		
Current positions in other (Not Listed Companies)		
Nov 2014 - Mar 2017	Senior Assistance Auditor, Thai Info Co.,Ltd.	
Sep 2013 – Oct 2014	Semi-Senior Assistance Auditor, Sam Nak-Ngan A.M.C. Company Limited	

## Information of Senior Account Manager

<b>Name</b>	<b>Mr. Suthawut Navikapan</b>	
Position	Senior Account Manager	
Date of Appointment	Began to be appointed as a Senior Account Manager 1 October 2020	
	*Being an accountant with the qualifications and conditions of being an accountant in accordance with the rules prescribed in the Notification of the Department of Business Development	
Age (Year)	33	
Education	Bachelor of Business Administration, Major in Accounting, Rajamangala University of Technology Krungthep	
Training Program	<ul style="list-style-type: none"> <li>- Accounting Standards and Financial Reporting Standards Year 2019</li> <li>- Financial Reporting Standards for Non-Public Interests 2019</li> <li>- Budget for planning and making profit for 2020</li> <li>- Business health check through financial statements year 2020</li> <li>- Accounting Revenue Recognition Issues, CAS Accounting and Law Co., Ltd.</li> <li>- Production cost system and inventory problems GTO Training Co., Ltd.</li> </ul>	
Number of shares (%) (as of 31 December 2021)	- None -	
Relationship with the Executives	- None -	
Working Experiences		
2020 - Present	Senior Account Manager, PP Prime Public Company Limited	
Current positions in other Listed Companies	- None -	
Current positions in other (Not Listed Companies)		
2010 - 2019	Assistant Audit Manager, Sam Nak-Ngan A.M.C. Company Limited	

## Information of Company Secretary

<b>Name</b>	<b>Miss Phatcharada Jutaprateep</b>
Position	Chief Corporate Secretary/ Company Secretary
Date of Appointment	30 December 2019
Age (Year)	44
Education	<ul style="list-style-type: none"> <li>- Master of Business Administration in Finance Assumption University</li> <li>- Bachelor of Accountancy, Thammasat University</li> </ul>
Training Program	Training organized by Thai Institute Of Directors (IOD) <ul style="list-style-type: none"> <li>- Director Certification Program (DCP) Batch# 221, Thai Institute of Directors (IOD)</li> </ul> Other Training <ul style="list-style-type: none"> <li>- Caution course in accounting and financial statement preparation by Info Consultants Place Co., Ltd.</li> <li>- Course on tax issues in the situation of COVID-19 by Sripatum University Chonburi Campus</li> <li>- Accounting Issues Course for NPAEs by Sripatum University Chonburi Campus</li> <li>- Foundation Course for Company Secretary, Year 2017, Thai Listed Companies Association (TLCA)</li> </ul>
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -
Working Experiences	
2019 - Present	Company Secretary, PP Prime Public Company Limited
2017 - Present	Chief Corporate Secretary, PP Prime Public Company Limited
2560 – 2021	Director, PP Prime Public Company Limited
Current positions in other Listed Companies	
- None -	
Current positions in other (Not Listed Companies)	
2017 - 2019	Director, Geothermal Power A Company Limited
2017 – 2019	Director, Geothermal Power B Company Limited
2016 - Present	Director, T Luxe Power Company Limited
2016 - 2019	Director, Tluxe Investments Company Limited
2016 – 2019	Director, Tluxe Holdings Company Limited
2010 – Present	Director, LT Miracle Company Limited
2015 – July 2017	Chief Finance Officer, Thai Luxe Enterprises Public Company Limited
2015 - 2016	Director, Thai Luxe Foods Products Company Limited
2015 - 2016	Director, NPP Foods Incorporate Company Limited

Attachment 2

Information of the subsidiary director

Details of directors and the person having control over the subsidiary, associated company or related company of the Company

List of Directors of Subsidiaries	Subsidiaries																			Associate
	1)	2)	3)	4)	5)	6)	7)	8)	9)	10)	11)	12)	13)	14)	15)	16)	17)	18)	19)	
1. Mr. DENCHAI AKARADECHACHAI		/, //																		
2. M.L. PHANPIENGDUEN SUNGKAHAPONG	/, //	/	/																	
3. Mr. THEERA KITIJARURAT		/																		
4. Mr. PRAWEEN DEKAJONEDJ			/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
5. Mr. TAKUCHI HAMANO									/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //

Remark X = Chairman / = Director // = Executive

- 1) Thai Luxe Enterprise (Thailand) Company Limited

2) Tluxe global business Company Limited

3) Tluxe Power Company Limited

4) Tluxe Investments Limited

5) Origin Power Investment Co.,Ltd.

6) Tluxe Holdings Limited

7) Geothermal Power A Company Limited

8) Geothermal Power B Company Limited

9) PPSN Co., Ltd

10) SUMO POWER Co., Ltd.
- 11) OTOMEYAMA ENERGY Co., Ltd

12) S POWER Co., Ltd

13) SNS POWER Co., Ltd

14) Fino Binary Power Plant Limited Liability Company

15) NIS BinaryPower Plant Limited Liability Company

16) Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company

17) Dual Energy Binary -Power Plant No.1 Limited Liability Company

18) Lena Power Station No.1 Limited Liability Company

19) P Green Energy Co., Ltd

20) M – Luxe Energy Co., Ltd



## Attachment 3

### Details of Internal Audit Manager

The company has appointed Ms. Laddawan Kanjanaphusit to be the Internal Audit Manager, who have knowledge of accounting and internal audit and had been trained in courses related to internal audit operations, namely Internal auditing to prepare to be an internationally licensed internal auditor and have an understanding of the activities and operations of the Company, therefore, it is appropriate to perform such duties appropriately and adequately.

In this regard, the consideration of approving, appointment, dismissal, and transfer of the Internal Audit Manager must be approved by the Audit Committee.

#### Information about the qualifications of the person holding the position of Internal Audit Manager

Name	Ms. Laddawan Kanjanaphusit
Position	Internal Audit Manager
Age (year)	48
Education	- Bachelor's degree : Faculty of Accounting, Sripatum University
Training Program	- Comprehensive internal audit course - Internal Audit Management Course - Anti-Corruption for Executive Program (ACEP), Thai Institute of Directors (IOD) - Internal audit's challenge in value adding
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -
Working Experiences	
2015 - present	Internal Audit Manager, PP Prime Public Company Limited
1997 - 2014	Manager of Credit and Legal, Thai Luxe Enterprises Public Company Limited

In addition, the Company has hired Ascent Advisory Company Limited as an internal auditor, which is independent of the entity's operations, possesses the qualifications, skills and experience that can be internally audited in accordance with the COSO 2013 Framework principles; operates independently and ethically for the best interests of the entity and has experience related to the system. Accounting, Finance, Internal Control System internal control system audit According to the internal control system adequacy assessment form of the Office of the Securities and Exchange Commission (SEC) and J-SOX

Name	Ms.Phakaorn Asawatajchapohnp
Position	Managing Director
Age (year)	49
Education	- Master's degree : Faculty of Accounting, Khon Kaen University
Training Program	- Certificate Program in Internal Auditing (CPIAT), Association of Internal Auditors of Thailand - Financial advisor course Association of Thai Securities Companies - Course 7 Operational Risks and Crisis Response Guidelines
Experience in internal control and audit systems	Industrial plants and financial institutions listed on the Stock Exchange of Thailand for more than 20 years.
Number of shares (%) (as of 31 December 2021)	- None -
Relationship with the Executives	- None -

## Attachment 4

### Assets for Business Operation and Details about the Property Appraiser

#### Assets

As of December 31, 2021, the Company and subsidiaries' assets used in business operations have a net value after deducting accumulated depreciation equal to 1,243.12 million baht, which are shown in the investment property, land, building and equipment, and leasehold rights in the consolidated statement of financial position. The details are as follows.

	Property Type/ Characteristics	Ownership type	Value (million)	Obligation
1	Land	Owner	473.11	-
2	Buildings and building improvements	Owner	288.58	-
3	Machinery and equipment	Owner	468.71	-
4	Decoration and office equipment	Owner	5.12	-
5	Vehicle	Owner	0.90	-
Total			1,236.43	

Land

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Land of Samut Songkhram	Bang Khan Taek Subdistrict, Mueang District, Samut Songkhram	11 Sq.wa.	28,050.00	Owner	Unused	Mortgaged with the Export-Import Bank of Thailand
2. Land of Chanthaburi	2/50-51, Village No. 2, Raksakhamun Road, Tha Chang Subdistrict, Mueang District, Chanthaburi	81.8 Sq.wa.	818,000.00	Owner	Unused	-
3. Land of Phetchaburi	Tha Yang District, Phetchaburi	3 Ngan 49 Sq.wa.	698,000.00	Owner	Unused	-
4. Land of Phatthalung	Pa Bon Subdistrict, Pa Bon District, Phatthalung	4 Ngan 24 Sq.wa.	425,900.00	Owner	Unused	-
5. Land of Phatthalung	Mae Khiri Subdistrict, Tamot District, Phatthalung	2 Ngan 88.30 Sq.wa.	222,000.00	Owner	Unused	-
Total			2,191,950.00			

Land (investment property)

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Land of Chumphon	119/11-12, Village No. 3, Wang Phai Subdistrict, Mueang District, Chumphon	4 Rai 61.70 Sq.wa.	13,293,600.00	Owner	For lease	Mortgaged with Kasikorn bank
2. Land of Surat Thani	95/126 Village No. 1, Bypass Road, Bang Kung Subdistrict, Mueang District, Surat Thani	1 Rai 3 Ngan 105.8 Sq.wa.	32,232,000.00	Owner	Triple T Broadband Public Company Limited for lease	Mortgaged with the Export-Import Bank of Thailand
Total			45,525,600.00			

#### Building (investment property)

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Surat Thani Center	95/126 Village No. 1, Bypass Road, Bang Kung Subdistrict, Mueang District, Surat Thani	-	10,375,650.00	Owner	Triple T Broadband Public Company Limited for lease	Mortgaged with the Export-Import Bank of Thailand
2. Chumphon Center	124-124/1-3 Village No. 7, Tak Daet District, Mueang District, Chumphon	-	4,912,560.00	Owner	For lease	Mortgaged with Kasikorn bank
3. People Park Building	486, Sukhumvit 77 Road, Onnut Subdistrict, Suan Luang District, Bangkok		69,386,470.10	Owner	For lease	-
Total			84,674,680.10			

#### Building

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Chanthaburi Center	2/50-51, Village No. 2, Raksakhamun Road, Tha Chang Subdistrict, Mueang District, Chanthaburi	-	116,557.99	Owner	-	-
Total			116,557.99			

#### Factory

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
Samut Songkhram Factory	69/5, Village No. 5, Rama 2 Road (Km.71), Bang Khan Taek Subdistrict, Mueang District, Samut Songkhram	-	0.00	Owner	-	Mortgaged with the Export-Import Bank of Thailand
Total			0.00			

Machinery

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
Phetchaburi Factory	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	-	113,831.27	Owner	-	-
		Total	113,831.27			

Decoration and office equipment

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
Phetchaburi Factory	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	-	863,005.08	Owner	-	-
		Total	863,005.08			

Vehicle

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
Samut Songkhram Factory	69/5, Village No. 5, Rama 2 Road (Km.71), Bang Khan Taek Subdistrict, Mueang District, Samut Songkhram	-	900,065.57	Owner	-	-
		Total	900,065.57			

List of Subsidiary Assets

Land

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Samut Songkhram farm	Khao Yisan Subdistrict, Amphawa District, Samut Songkhram	243 Rai 3 Ngan 15.15 Sq.wa.	121,895,625.00	Owner	Farm	Mortgaged with Siam Commercial bank
2. Phetchaburi Factory	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	58 Rai 2 Ngan 93 Sq.wa.	56,778,480.00	Owner	Animal feed factory	Mortgaged with the Export-Import Bank of Thailand
3. Songkhla factory	98, Village No. 13, Bang Rieng Subdistrict Khuan Niang District, Songkhla	49 Rai 3 Ngan 96 Sq.wa.	199,960,000.00	Owner	Animal feed factory	Mortgaged with the Export-Import Bank of Thailand
4. PPSN Company Limited	Japan		8,036,204.74	Owner	Geothermal power generation	-
5. Sumo Power Company Limited	Japan		9,620,201.90	Owner	Geothermal power generation	-
6. SNS Power Company Limited	Japan		1,757,824.95	Owner	Geothermal power generation	-
7. Fino Binary Power Plant Limited Liability Company	Japan		5,812,770.00	Owner	Geothermal power generation	-
8. NIS Binary Power Plant Limited Liability Company	Japan		5,812,770.00	Owner	Geothermal power generation	-
9. Beppu Tsurumi Onsen Geothermal Power Station No.1 Liasion Company	Japan		5,812,770.00	Owner	Geothermal power generation	-
10. Dual Energy Binary Power Plant No.1 Liability Company	Japan		5,812,770.00	Owner	Geothermal power generation	-
11. Lena Power Station No.1 Limited Liability Company	Japan		4,096,104.38	Owner	Geothermal power generation	-
Total			425,395,520.98			

#### Building

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Phetchaburi Factory	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	-	9,427,938.06	Owner	Animal feed factory	Mortgaged with the Export-Import Bank of Thailand
2. Songkhla factory	98 Village No. 13, Bang Rieng Subdistrict, Khuan Nang District, Songkhla	-	20,852,613.83	Owner	Animal feed factory	Mortgaged with the Export-Import Bank of Thailand
3. Samut Songkhram Farm	Khao Yisan Subdistrict, Amphawa District, Samut Songkhram	-	5,833,348.32	Owner	-	-
Total			36,113,900.21			

#### Factory

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Phetchaburi Factory	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	-	29,846,524.34	Owner	Animal feed factory	Mortgaged with the Export-Import Bank of Thailand
2. Songkhla factory	98 Village No. 13, Bang Rieng Subdistrict, Khuan Nang District, Songkhla	-	134,828,304.69	Owner	Animal feed factory	Mortgaged with the Export-Import Bank of Thailand
Total			167,674,829.03			

Machinery

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Phetchaburi Factory	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	-	38,770,162.49	Owner	Animal feed factory	-
2. Songkhla factory	98 Village No. 13, Bang Rieng Subdistrict, Khuan Niang District, Songkhla	-	71,622,972.53	Owner	Animal feed factory	Mortgaged with Siam Commercial bank
3. Samut Songkhram Farm	Khao Yisan Subdistrict, Amphawa District, Samut Songkhram	-	32,991.28	Owner	Farm	-
4. PPSN Company Limited	Japan	-	106,034,646.29	Owner	Geothermal power generation	-
5. Sumo Power Company Limited	Japan	-	30,556,070.52	Owner	Geothermal power generation	-
6. SNS Power Company Limited	Japan	-	20,743,928.15	Owner	Geothermal power generation	-
7. Fino Binary Power Plant Limited Liability Company	Japan	-	52,772,267.94	Owner	Geothermal power generation	Mortgaged with the Export-Import Bank of Thailand
8. NIS Binary Power Plant Limited Liability Company	Japan	-	31,113,823.98	Owner	Geothermal power generation	Mortgaged with the Export-Import Bank of Thailand
9. Beppu Tsurumi Onsen Geothermal Power Station No.1 Liasion Company	Japan	-	33,914,111.16	Owner	Geothermal power generation	Mortgaged with the Export-Import Bank of Thailand
10. Dual Energy Binary Power Plant No.1 Liability Company	Japan	-	30,048,103.29	Owner	Geothermal power generation	Mortgaged with the Export-Import Bank of Thailand
11. Lena Power Station No.1 Limited Liability Company	Japan	-	52,967,776.03	Owner	Geothermal power generation	-
Total			468,576,853.67			

Decoration and office equipment

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
1. Phetchaburi Factory/Song khla Factory/Farm	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	-	4,279,126.26	Owner	-	-
2. Tluxe Global Business Company Limited		-	-	Owner	-	-
Total			4,279,126.26			

Vehicle

Asset	Location	Area	Book Value (Baht)	Ownership type	Objective	Obligation
Phetchaburi Factory/Song khla Factory/Farm	62-62/1 Village No. 2, Nong Chumphon Subdistrict, Khao Yoi District, Phetchaburi	-	6.00	Owner	-	-
Total			6.00			

## Trademark

PP Prime Public Company Limited owns the trademark “THAILUXE” for animal feed products and has registered the trademark with the Trademark Office, Department of Intellectual Property since 24 July 2009

## Lease Agreement

As of 31 December 2020, the Company has land and building lease agreements as follows:

Contract	Contract parties	rental period	Detail
1. PP Prime Public Company Limited			
1.1 Leasehold right of Bangkok office building	People Society Company Limited	18 year	The contract starts on 29 April 2019, ends on 28 April 2037
2. Thailuxe Enterprise (thailand) Company Limited			
2.1 Mrs. Sommat Aromrit (Rent accommodation for employees in Songkhla)	Apartment U Dee Place (Ms.Sunee Shantikanawong) Mrs. Sommat Aromrit	1 year	The contract starts on 1 January 2020, ends on 31 December 2020

## Investment Policy in Subsidiaries and Associated Companies

### Investment Policy in Subsidiaries

The company restructured its investment by establishing TLUXE Power Company Limited “TLUXE POWER” on February 18, 2016 with a 100% stake to operate a geothermal power plant in Beppu. Oita Prefecture Japan, where TLUXE POWER holds shares of TLUXE Investment Company Limited (subsidiary) “TLUXE INVESTMENTS” (Merritian juristic person) TLUXE INVESTMENTS holds shares in 3 companies in Hong Kong as follows: TLUXE Holding Company Limited (subsidiary) “TLUXE HOLDING”, Geothermal Power A Company Limited (subsidiary) “GEO A” and Geothermal Power B. Company Limited (Subsidiary) “GEO B” (Hong Kong Juristic Person) to hold shares in the Company that operate geothermal power plants in Japan are

1. PPSN Company Limited “PPSN” (Japanese juristic person) which has a geothermal power plant project of 3 units (as of December 31, 2018, able to commercial operation date (COD) 3 units)
2. Sumo Power Company Limited “SUMO” (Japanese juristic person) which has a geothermal power plant project of 9 units (as of December 31, 2018, able to commercial operation date (COD) 1 unit)
3. SNS Power Company Limited “SNS” (Japanese juristic person) which has a geothermal power plant project of 1 unit (as of December 31, 2018, able to commercial operation date (COD) 1 unit)
4. Fino Binary Power Plant Limited Liability Company “FINO” (Japanese juristic person) which has a power plant project 2 units of geothermal heating (as of December 31, 2018, able to commercial operation date (COD) 2 units)
5. NIS Binary Power Plant Limited Liability Company “NIS” (Japanese juristic person) which has a power plant project 2 units of geothermal heat (as of December 31, 2018, 2 units can be recognized)
6. Beppu Tsurumi Onsen Geothermal Power Station No.1 Liasion Company “Beppu” (Japanese juristic person) which has a geothermal power plant project of 2 units (as of December 31, 2018, 2 units can be recognized).

7. Dual Energy Binary Power Plant No.1 Liability Company “Dual” (Japanese juristic person) which has a power plant project 2 units of geothermal energy (as of December 31, 2018, 2 units can be recognized)
8. Lena Power Station No.1 Limited Liability Company “Lena” (Japanese juristic person), which has a project 2 units of geothermal power plant (as of December 31, 2018, able to commercial operation date (COD) 2 units)
9. Otomeyama Energy Company Limited “Otomeya” was established to support the geothermal power plant project. that will happen in the future
10. S-Power Company Limited “S-Power” was established to support future geothermal power plant projects.

#### Investment Policy in Associated Companies

According to the company's policy to expand investment in electric power business in Japan. Therefore, foreseeing a business opportunity in the development of land with utilities ready to invest in the construction of a geothermal power plant in Beppu Oita Prefecture Japan therefore, jointly invested with Setouchi Natural Energy Company Limited (Setouchi) to establish a new juristic person named M-LUXE ENERGY Co, Ltd (“M-LUXE”) by allowing PPSN Company Limited to hold 25% share of the registered capital of 10 million yen

## Attachment 5

### Corporate Governance Policy and Practice and Business Ethics

The company shares details about its Corporate Governance Policy and Business Ethics on its website, [www.ppprime.co.th](http://www.ppprime.co.th), under the heading "Sustainable Development" and the subheading "Policy."

## Attachment 6

### Report of the Audit Committee

The Board of Directors appointed the Audit Committee as per resolutions of the Board of Directors. All directors had proper qualifications as prescribed by the Stock Exchange of Thailand (SET); and the Board of Directors determined components of the qualifications and term in office of the Audit Committee that consisted of only 4 independent directors who have knowledge of finance and accounting as follows:

- |                                     |                                 |
|-------------------------------------|---------------------------------|
| 1. Mr. Aran Permpiboon              | Chairman of the Audit Committee |
| 2. Pol.Lt.Col. Thienrath Vichiensan | Member of Audit Committee       |
| 3. Lt.Gen. Krisana Waropas          | Member of Audit Committee       |
| 4. Mr. Waiwit Udayachalerm          | Member of Audit Committee       |

The Audit Committee had its powers, duties and responsibilities as specified in writing in the Charter of the Audit Committee.

In the accounting period of 2021, the Audit Committee operated its duties independently and completely as assigned; and convened meetings with the Management, auditors and Internal auditors from outside agencies (Outsource) and the head of the internal audit department according to the relevant agenda. Which can be summarized as follows:

1. The Audit Committee reviewed the quarterly and annual financial statements together with the auditors. In order to comply with generally accepted accounting standards That are correct, complete, reliable, in accordance with relevant laws and announcements.
2. The Audit Committee has considered and recommends reviewing the plans. Supervise and internal audit quarterly and annually. Follow up on the correction of defects both from audits by the internal audit department. Internal auditors from outside agencies (Outsource) and auditor as well as suggesting for more effective supervision and internal audit. In accordance with the rules Regulations according to the external governing body and the company has set the standards for professional practice. Including ensuring that the assessment The Company's internal control system There is sufficient and appropriate as well as support the internal supervision and audit department to be independent
3. The Audit Committee has determined the remuneration and selected the auditor by proposing to the Board of Directors. To propose to the shareholders' meeting for approval. Including meeting with the auditors Without the management to attend the meeting to consider suggestions on the internal control system and the annual audit plan of the company and companies in the group.
4. Audit Committee Reviewed and revised the charter of the Audit Committee to cover more operating rules Both in terms of good corporate governance and anti-corruption to ensure that the performance of the past year is complete as assigned and duties and responsibilities are in line with the good practice of the Stock Exchange of Thailand (SET).
5. The Audit Committee evaluated the assessment form of adequacy of the internal control system in accordance with the concepts of COSO (Committee of Sponsoring Organizations of the Tread Way Commission). This assessment form was used as guidelines for assessment or review of adequacy of the internal control system. The availability of good internal control system was essential to the listed companies or public companies and enabling companies to prevent, manage and handle potential risks and damage to the Company and its stakeholders

6. The Audit Committee has reviewed the company's internal control system in line with the self-assessment guidelines with regards to the 71 anti-corruption measures and the company was renewed to be a member of Thailand's Private Sector Collective Action Coalition against Corruption on 31 December 2020 for a period of 3 years from the date of the resolution to approve. Adopted on December 31, 2020 and due on December 31, 2023.
7. The Audit Committee established the whistleblower system in the Company for more efficiency and for providing an easy and convenient channel for its stakeholders to give data to the Audit Committee directly and confidentially
8. The Audit Committee invited the Management to attend meetings for discussions and sharing of ideas continuously and to acknowledge the amendment of work rules and regulations of the Company for efficient performance of duties and for keeping up with potential changes
9. The Audit Committee reviewed with the Management relating to the risk management policy, compliance with policies and guidelines for risk management of the Company and also consider the disclosure of the Company's data, in case, there were related transactions or transactions with potential conflicts of interest, thus, for correctness and completeness

In conclusion, the Audit Committee is of the opinion that in the past year, the company There are adequate financial reporting and disclosure. Carefulness follows generally accepted accounting principles. There is an effective risk management and internal control system. As well as having a good corporate governance system Is sufficiently independent for the benefit of all stakeholders equally and practice in accordance with the law with securities and stock exchange Regulations of the Stock Exchange or the laws relating to the Company's business



Mr. Aran Permpiboon  
Chairman of the Audit Committee  
On behalf of the Audit Committee.



## PP Prime Public Company Limited



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