

รายงานประจำปี

One REPORT 2021



บริษัท เซเว่น ยูทิลิตี้ส์ แอนด์ พาวเวอร์ จำกัด (มหาชน)

Seven Utilities and Power
Public Company Limited



Light up 
YOUR LIFE



Vision



**BE A RENEWABLE ENERGY AND PUBLIC UTILITY COMPANY
THAT IS COMMITTED TO PRODUCE
AND DEVELOP WITH MODERN INNOVATION BY GIVING IMPORTANCE TO
STAKEHOLDERS FOR SUSTAINABLE BUSINESS OPERATIONS
UNDER TRANSPARENCY AGAINST ALL OF CORRUPTION.**



Mission



**MANAGE THE
ORGANIZATION
WITH ETHICS
AND GOOD
GOVERNANCE**



**GENERATE FINE
PERFORMANCE
FOR
SHAREHOLDERS**



**ESTABLISH
STANDARDS AND
TRANSPARENT
FOR SYSTEMATIC
OPERATIONS**



**OPERATE UNDER
ANTI-CORRUPTION
PRACTICES
STRICTLY**



**TAKE CARE AND
DEVELOP HUMAN
RESOURCES
EQUALLY**



**SERVICE TO
PARTNERS AND
SOCIETY WITH
SINCERITY**



CORE VALUE

Ethics

CONDUCT BUSINESS WITH
TRANSPARENCY IN ACCORDANCE
WITH GOOD GOVERNANCE
AND ANTI-CORRUPTION
PRACTICES

Value

MANAGE WORKS
WISELY TO
CREATE VALUE

Energy

PRODUCING AND USING
ENERGY EFFICIENTLY AND
MAXIMIZING BENEFITS

Successful

DRIVEN TO ACHIEVE THE
GOALS OF THE ORGANIZATION

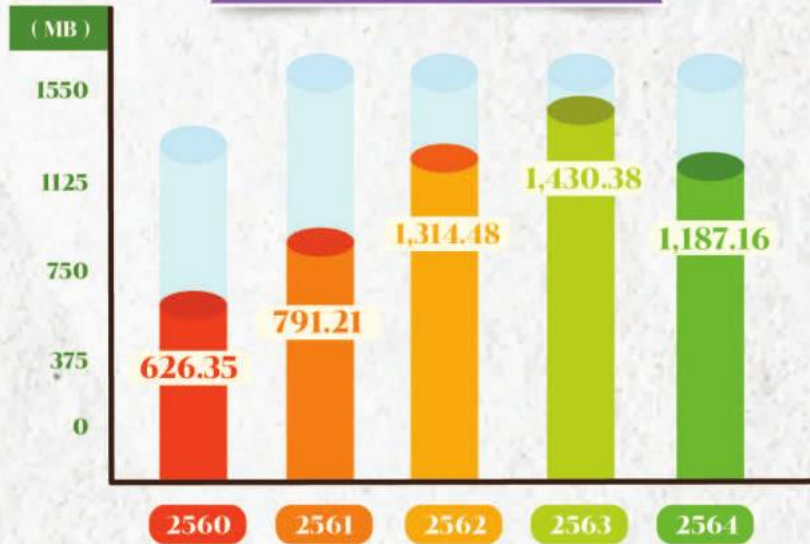
Natural

CREATE INNOVATION WITH
ENVIRONMENTAL FRIENDLY

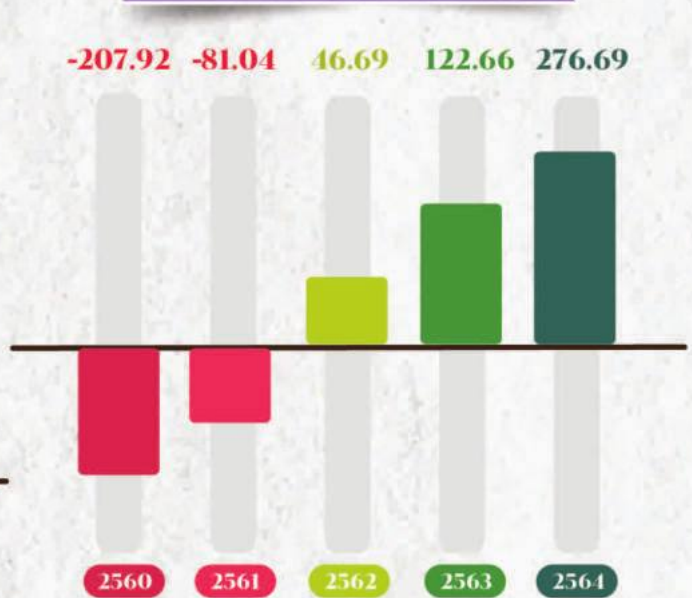


% Financial Highlight %

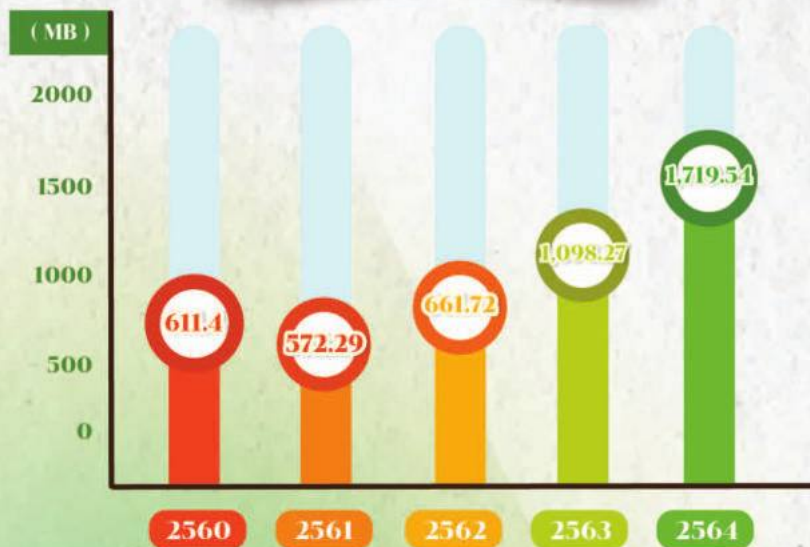
Total Revenue (MB)



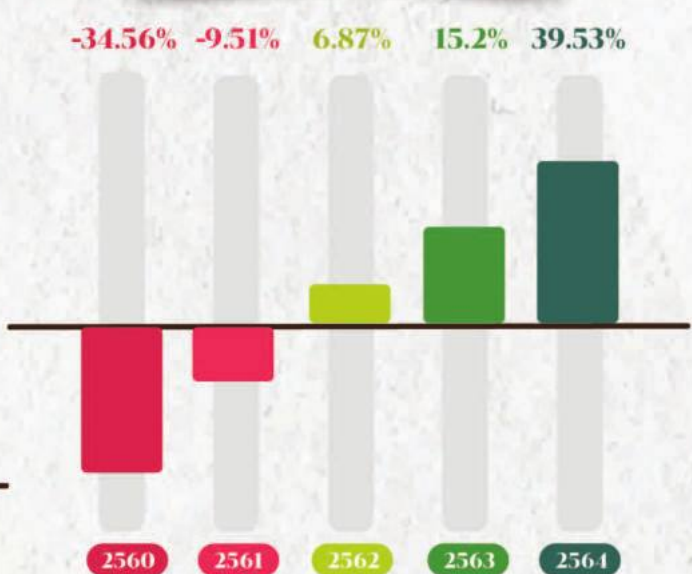
Net Profit (Loss) (MB)



Total Liabilities (MB)



Operating Profit (Loss) Ratio

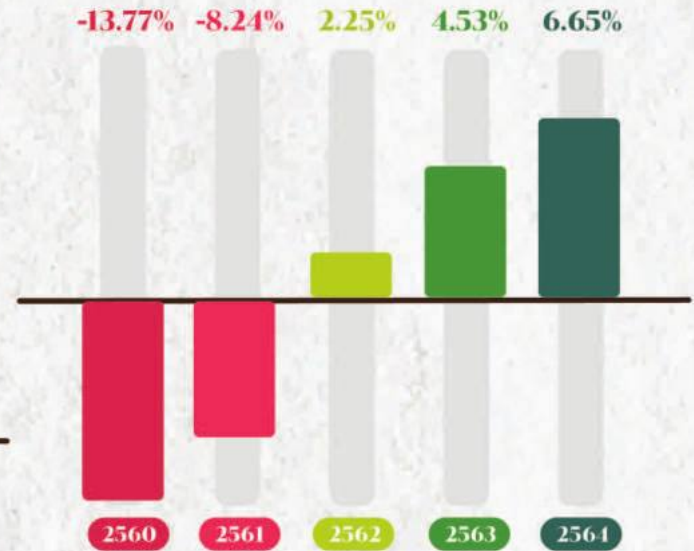


% Financial Highlight %

Total Assets (MB)



Return on Assets



Total Shareholders' Equity (MB)



Return on Equity

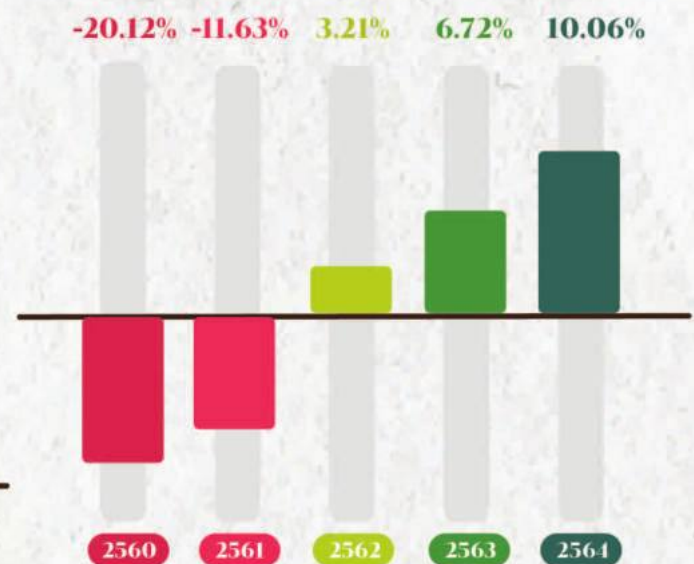


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Message From The Chairman



The current business needs to be prepared for changes and risks. In addition to maintaining business growth, we must also consider stability and long-term sustainability. Seven Utilities and Power Public Company Limited operates under the vision aiming for energy enterprises and infrastructure with modern innovations by giving attention to all stakeholders for sustainable business operations under transparency against all forms of corruption. In the past year, the company have focused on investment in infrastructure projects and expanded the scope of energy business by assessing the possibility of investment and tracking the situation of investment and investment influencing factors and generating future returns.

In 2021, the company received the AGM Checklist quality assessment from the Thai Investors Association on a score of 100 percent, received an assessment of corporate governance of Thai listed companies, CGR, from the Thai Institute of Directors Association, IOD, at a very good level. Moreover, the company certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) reflecting company's commitment and determination to conduct business with sustainability, transparency, under good corporate governance principles.

On behalf of the Board of Directors and the management team, we would like to thank all shareholders and stakeholders for their trust and support throughout the years. We believe that all shareholders believe in our development policy. The board of directors and the management team will focus on giving full play to their abilities for the company to bring the company continue steadily and sustained growth.

(Squadron Leader Sita Divari)

Chairman of the Board of Directors



Part 1

Business and Performance

- COMPANY STRUCTURE AND BUSINESS OVERVIEW
- RISK MANAGEMENT
- BUSINESS MOBILIZATION FOR SUSTAINABILITY
- MANAGEMENT DISCUSSION AND ANALYSIS
- GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION



1. Structure and Business Operations of 7UP

1.1 Policy and business overview

Seven Utilities and Power Public Company Limited, formerly Ferrum Public Company Limited (The company changed name on April 27, 2018), was registered as a juristic person as a limited company with the Ministry of Commerce on September 18, 1995 with the registered capital of 30 million Baht. Later, it became a public limited company on February 11, 2002 and had been listed in the Stock Exchange of Thailand on April 3, 2002. The company has increase capital to support business growth and competitiveness. Currently, the total registered capital is THB 2,773,869,685.50 and issued and fully paid-up of THB 2,571,522,575.50 by issuing 5,143,045,151 the ordinary shares at THB 0.50 par value.

At present, the company is the business that mainly generated revenue from holding shares in other companies as a holding company to recognize income and operating performance by investing in various businesses through shareholding to other companies under 3 main business groups consisting of

1) Gas and petrol service stations business

Operated by Star Gas Co., Ltd. by holding shares 99.99 percent

2) Renewable energy business

Operated by Ferrum Energy Co., Ltd. by holding shares 99.99 percent

3) Utilities business

Operated by Gold Shores Co., Ltd. by holding shares 68.54 percent and

Operated by Sam Water Supply Co., Ltd. by holding shares 51 percent

The company has been looking for opportunities to continuously expand the business. In the year 2021, the company has made additional investments in the following businesses in order to diversify business risks followed the company's business expansion plans.

Gas and petrol service stations business

The Company has invested and operated as a broker of LPG, NGV, petrol distribution business and invested in Non-oil business within the petrol service station area, the businesses generate revenue and profit through Star Gas Company Limited group which can be classified in the following categories.



1. LPG gas station 19 stations
2. NGV gas station 2 stations
3. Fuel station 8 stations
4. Coffee shop (non-oil) 3 branches

Renewable energy business

In 2016, a subsidiary company namely Ferrum Energy Company Limited invested in the 2 megawatts biogas power plant business by purchasing ordinary shares of Phrasaeng Green Power Company Limited representing 60.00 percent of issued and paid-up shares.

Phrasaeng Green Power Company Limited is located at Sin Pun sub-district, Phrasaeng district, Surat Thani province operates the electricity generation and distribution by using wastewater from a palm factory as raw materials. The Provincial Electricity Authority is the buyer under the Power Purchase Agreement (PPA) with the purchase capacity not exceeding 2 Megawatts. The said power plant has been completed and began selling commercial electricity at Commercial Operation Date (COD) April 2016 and received adder for Very Small Power Producer (VSPP) at the rate of 0.30 Baht per kilowatt-hour which support 7 years period from the date of Commercial Electricity Distribution (COD).

Utilities business They are 2 water supply businesses as followed.

7UP has invested in Sam Water Supply Company Limited ("SAM") in July 2018 at 80.00 percent and joint venture from Hong Kong Contract Fund named Resonance Industrial Water Infrastructure Asia Limited in the end of 2020, the Company currently holds 51.00 percent of SAM shares which is operate design, construction, installation and management of water resources and environmental engineering business. Currently, SAM has a contract to sell water that has been treated with ultrafiltration and sterilized by the Ozone generator in the shrimp farm that can receive water in the amount of 124,000 cubic meters per day by delivering water to the Charoen Pokphand Foods Group Public Company Limited ("CPF"). Currently, there are 13 shrimp farms that receive water from the Company under the contract to CPF

7UP has invested in ordinary shares of Gold Shores Company Limited ("GS") which is a local water supply concession company in Mai Khao and Sakhu sub-districts, Phuket province. Currently, 7UP hold GS Shares 68.54 percent after the transaction. 7UP has continually looked for potential investment opportunities by selecting the projects that can generate continuous income and returns to shareholders in the long term.



Therefore, the company realize an opportunity for water supply production business in the area of Mai Khao and Sakhu sub-districts, Phuket province which the study from the demand of water supply in the area shown that Phuket was lacking tap water because of the expansion of household sector and growth of the tourism sector. Along with the study on the feasibility of investing in the water supply concession business of GS, it found that it is a good opportunity to invest in the business to generate sustainable income for the company in the future.

The size of the Company meets the criteria for holding companies

The Company as a holding company complies with the notification of the Capital Market Supervisory Board Re: Application for and Approval of Offer for Sale of Newly Issued Shares and the notification of the Securities and Exchange Commission Re: Consideration of the size of a holding company that offers newly issued shares for sale, as follows:

1. The combined size of the Company's subsidiaries that make up its core business amounts to 87.74% of the total assets.
2. The combined size of all the Company's subsidiaries and associates amounts to 95.09% of the total assets
3. The combined size of the Company's other investments amounts to 12.26% of the total assets.

These figures have been calculated from the Company's financial statement as of 31 December 2021, and comply with the notification of the Capital Market Supervisory Board mentioned above.

Relationships with the major shareholders' businesses

- None -



Vision

“Be a renewable energy and public utility company that is committed to produce and develop with modern innovation by giving importance to stakeholders for sustainable business operations under transparency against all of corruption.”

Mission

- ✓ Manage the organization with ethics and good governance
- ✓ Establish standards and transparent for systematic operations
- ✓ Generate fine performance for shareholders
- ✓ Operate under anti-corruption practices strictly
- ✓ Take care and develop human resources equally
- ✓ Service to partners and society with sincerity

Core Value

Successful >> Driven to achieve the goals of the organization

Ethics >> Conduct business with transparency in accordance with good governance and anti-corruption practices

Value >> Manage works wisely to create value

Energy >> Producing and using energy efficiently and maximizing benefits

Natural >> Create innovation with environmental friendly



Key Milestones for the past 3 years

2021

On February 14, 2021, the company formed the new subsidiary, Star Solar Power Co., Ltd. To support Energy Business.

The Extraordinary Shareholder's Meeting No.1/2021 held on February 3, 2021 approved to increase the Company's registered capital for supporting exercised convertible debenture to 2,922,758,861 Baht, Number of common shares total 5,845,517,722 shares and Par Value 0.50 Baht.



The Board of Director's Meeting No.3/2021 of 7UP held on March 10, 2021 approved for the disposal of assets in Universal Waste Management Company Limited ("UWM") which is Ferrum Energy Co., Ltd ("FER-EN") holds 30.00 percent in UWM. The said transaction is to sell UWM's ordinary share at 30.00 percent of registered capital or 1,350,000 shares at the amount 270 million Baht to Mr. Virote Muttakarn ("the Buyer"). This result in UWM will be terminated from the associated company.



The Board of Director's Meeting No.4/2021 of 7UP held on April 8, 2021 approved for the disposal of assets in PPL Power Company Limited ("PPL") and BIO Energy Satun Company Limited ("BES") which are subsidiaries company of Energy For Society Company Limited ("EFS") by EFS holds 80.00 percent in PPL and BES. The said transaction is to sell PPL's

ordinary share 120,000 shares at the amount 12 million Baht and BES's ordinary share 208,000 shares at the amount 20 million Baht, totaling 32 million Baht to Mr. Suchat Tunlamare ("the Buyer"). This result in PPL and BES terminated from the Company's subsidiary of EFS.

The Board of Director's Meeting No.7/2021 of Shores Company Limited ("GS") by buying Limited total at 2,551,976 shares of GS million baht and has received the completely. At Present, 7UP holds become the subsidiary of 7UP

7UP held on June 15, 2021 approved to invest in Gold shares from Bangkok Dec-Con Public Company from BKD with a total investment value at 550 ordinary shares of GS on December 30, 2021 68.54 percent in GS, resulting GS will

The Board of Director's June 28, 2021 approved for the Company Limited ("IFP") 7UP where 7UP. The said share at 40,207,412 shares Mr. Witapong Yoosook ("the from the Company's subsidiary



Meeting No.8/2021 of 7UP held on disposal of assets in Informatix Plus which is a subsidiary company of transaction is to sell IFP's ordinary at the amount 40 million Baht to Buyer"). This result in IFP terminated of MSO.

Key Milestones for the past 3 years

2021

According to Seven Utilities and Power Public Company Limited ("The Company") has issued and offered warrants at 605,919,620 units to purchase ordinary shares of the Company (7UP-W4) and the second exercise warrants is on June 30, 2021. In this regard, 7UP-W4 holders exercised 201,225,400 units at an exercise price of 1.25 Baht per unit and the remaining unexercised 7UP-W4 is 404,694,220 units. There are 201,225,400 shares resulting from the exercise of rights and the remaining shares reserved for the exercise are 404,694,220 shares.

The Board of Director's Meeting No.8/2021 of 7UP held on June 28, 2021 approved for the disposal of assets in M-Solution Company Limited ("MSO") which is subsidiary company of 7UP. The said transaction is to sell MSO's ordinary share at 99,994 shares at the amount 90 million Baht to S.W.N. Intertrade Company Limited ("the Buyer"). This result in MSO terminated from the Company's subsidiary of 7UP.



The Board of Director's Meeting No.13/2021 of 7UP held on December 15, 2021 approved for the investment in Billion Wellness Company Limited ("BWN"). The entering into the said transaction is an investment of Star Gas Company Limited ("STG") which STG is a subsidiary company of 7UP. The said transaction is to purchase BWN's ordinary share at 9,998 shares at the amount 1.3 million Baht. After the acquisition of all ordinary shares of BWN, the authorized director will change from the representative of BWN to the representative of STG.

2020

On February 14, 2020, the Company changed the subsidiary company's name from Beyond Healthcare Co., Ltd. to Energy For Society Co., Ltd. ("EFS").

The Executive Committee's Meeting No. 4/2020 of Seven Utilities and Power Public Company Limited held on March 23, 2020 resolved that Star Gas Co., Ltd. disposed of an investment in ordinary shares of R.A. Logistic Co., Ltd. ("RAL") at 99.98 percent of registered capital or 9,998 shares worth 14 million Baht to A A A Solution Co., Ltd. ("AAA"), resulting in RAL terminated from a subsidiary company.



On April 3, 2020, the Company cancelled the investment in Seahorse Ferry Co., Ltd. due to the current situation of the outbreak of the 2019 Coronavirus (COVID-19) continues to spread and to post an increasing in many areas so investing in a business dealing with foreign country is highly risky.

The 2020 Annual General Meeting of Shareholders held on May 26, 2020 resolved the significant agenda as follows:

1. Approved the issuance and offering of convertible debenture as such a period of time for the amount of not exceeding 2,000 million Baht.
2. Approve the issuance and offering of convertible debenture by the way of private placement to non-related person in the amount not exceeding 650 million Baht.
3. Approved the increase of the Company's registered capital to reserve the exercise of conversion rights of convertible debentures at 650 million Baht.

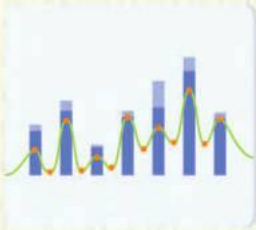




Key Milestones for the past 3 years

2020

The Board of Director's Meeting No.8/2020 of Seven Utilities and Power Public Company Limited held on May 28, 2020 resolved that Energy For Society Co., Ltd. ("EFS"), a subsidiary company invest in PPL Power Co., Ltd. ("PPL") and Bio Energy Satun Co., Ltd. ("BES") by purchase PPL's ordinary share at 80.00 percent of registered capital or 120,000 shares worth 13.2 million Baht which is to build a power plant with a capacity of 3 Megawatts worth 176.60 million Baht and purchase BES's ordinary share at 80.00 percent of registered capital or 208,000 shares worth 16.8 million Baht which is to build a power plant with a capacity of 2 Megawatts worth 159.91 million Baht, resulting in BES and PPL are the subsidiaries of EFS.



The Extraordinary Shareholder's Meeting No.1/2020 held on July 15, 2020 approved the reduction of the Company's registered capital from the original registered capital at 4,285,517,722.00 Baht to a new registered capital of 2,142,758,861.00 Baht and decrease the Company's paid-up capital from the original paid-up capital at 3,029,598,102.00 Baht to a new paid-up capital at 1,514,799,051.00 Baht by reducing the Par Value from 1.00 Baht to 0.50 Baht per share.

The Board of Director's Meeting No.11/2020 of Seven Utilities and Power Public Company Limited held on July 23, 2020 approved the investment in the tap water production project in Phuket. In this regard, the transaction is an investment in Gold Shores Company Limited ("GS") by purchasing shares from World Honor Trading Company Limited ("the Seller") in the total of 2,296,779 shares at the total investment value of 550.00 million Baht with a share price approximately to 239.47 Baht per share equivalent to 36.00 percent of the paid-up capital of GS.



The Extraordinary General Meeting of Shareholders No.2/2020 held on October 27, 2020 resolved the significant agenda as follows :



1. Approved an additional investment in Gold Shores Co., Ltd. in the amount of 550 million Baht.
2. Approved the increase of the Company's registered capital to reserve the exercise of conversion rights of convertible debentures at 425 million Baht.

The Board of Director's Meeting No.17/2020 of Seven Utilities and Power Public Company Limited held on November 12, 2020 resolved that Ferrum Energy Co., Ltd. disposed of assets in ordinary shares of Eco Energy Group Corporation Co., Ltd. ("ECO") accounted for 99.87 percent of the registered capital or 52,375,434 shares worth 132 million Baht to TPC Power Holding Public Company Limited ("TPCH"), resulting in ECO terminated from the Company's subsidiary.





2019

Key Milestones for the past 3 years



On March 4, 2019, the C sign posted on 7UP's securities because the shareholders' equity is less than 50.00 percent of paid-up capital for the yearly financial statements ending December 31, 2018. However, the C sign lifted on 7UP's securities on August 19, 2019 because the shareholders' equity is equal to 50.00 percent or more of paid-up capital for the financial statements quarter 2 ending June 30, 2019.

On April 9, 2019, a subsidiary company invested in ordinary shares of Universal Waste Management Co., Ltd. ("UWM") at 30.00 percent of paid-up capital by operating in the business of non-hazardous industrial waste treatment and disposal in landfills and dispose of hazardous waste through high temperature

The Extraordinary General Meeting of Shareholders No.1/2019 held on May 31, 2019 resolved the significant agenda as follows :

1. Approved the reduction of the Company's registered capital at 243,296,181 shares from the existing registered capital of 3,272,894,283 Baht to 3,029,598,102 Baht by cancelling the unissued shares which were not allocated to accommodate the exercise of the Warrants to purchase the Company's ordinary shares No.1, No.2 and No.3 totaling 243,296,181 shares.
2. Approved the issuance of the Warrants to purchase the Company's ordinary shares No. 4 (7UP-W4) of up to 605,919,620 units.
3. Approved the increase of the Company's registered capital of 605,919,620 Baht from the existing registered capital of 3,029,598,102 Baht to 3,635,517,722 Baht by issuing 605,919,620 newly issued shares with a par value of 1.00 Baht per share.



On June 20, 2019, SET reclassified 7UP's securities to its more appropriate industry group and sector from the industry group "Technology" and sector "Information & Communication Technology" to the industry group "Resources" and sector "Energy & Utilities".

On June 26, 2019, a subsidiary company invested in 2 Pracharat Biomass Power Plant for 3 Southern Provinces by purchasing ordinary share of Eco Energy Group Corporation Co., Ltd. ("ECO") which is accounted for 76.92 percent of paid-up capital.

On September 19, 2019, the Company approved to the disposition of assets in M Link Shop Co., Ltd. ("M-LINK"), a subsidiary company of 7UP at 60.00 percent of registered capital. After the disposition 7UP will hold ordinary shares of M-LINK at 35.00 percent, resulting in M-LINK will be terminated from a subsidiary company but still be the associated company of 7UP.

On September 26, 2019, a subsidiary company invested in Energy Revolution Co., Ltd. ("ERV") by purchase of 25,000 new ordinary shares of ERV which is accounted for 50.00 percent of the registered capital. After that on December 11, 2019, ERV increased the registered capital to 100 million Baht by reducing the shareholding proportion to 30.00 percent of the registered capital.



1.1.3 Report the use of funds by company objectives

According to Seven Utilities and Power Public Company Limited (“Company”) has completely issued and offered of convertible debentures to investors totaling 650,000,000 Baht and received money from the sale of warrants to purchase ordinary shares of Seven Utilities and Power Public Company Limited No.4 (7UP-W4) in June 2021 in the amount of 201,225,400 units at the exercise price of 1.25 Baht per unit worth 251,531,750 Baht. Therefore, the Company would like to report the use of funds from the sale of warrants as of December 31, 2021.

(Unit : million Baht)

| Type of capital increase | Objectives | Balance amount as of 2021 | Amount of money used during the period | Balance amount as of December 31, 2021 |
|--|--|---------------------------|--|--|
| Offering of the convertible debentures | Invest in a utilities business | 60 | 60 | 0 |
| Exercise of the warrants to purchase the Company’s ordinary shares No.4 (“7UP-W4”) | Working capital for companies and affiliates | 251.53 | 23.9 | 0 |
| | To invest in telecommunication business and forest plantation business | | 18.0 | 0 |
| | Invest in a utilities business | | 209.63 | 0 |
| Total | | 311.53 | 311.53 | 0 |

1.1.4 Commitment and Obligation of commitment

- None -



1.1.5 Company information

Seven Utilities and Power Public Company Limited

| | |
|----------------------------|---|
| Abbreviation | 7UP |
| Registration date on SET | April 3, 2002 |
| Registered Capital | 2,773,869,685.50 Baht |
| Issued and Paid-up Capital | 2,571,522,575.50 Baht |
| Paid-up shares | 5,143,045,515 share |
| Par Value | 0.50 Baht per share |
| Market Capitalization | 2,619,164,468.03 Baht (as of February 28, 2021) |
| Head Office Address | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Energy and Utilities |
| Registered Number | 0107545000021 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Website | www.sevenup.co.th |



1.2 Nature Of Business

1.2.1 Revenue Structure

| Type of Business | 2021 | | 2020 | | 2019 | |
|---|---------------|--------|---------------|--------|---------------|--------|
| | (THB million) | % | (THB million) | % | (THB million) | % |
| Gas and petrol service station | 675.10 | 56.34 | 691.97 | 48.38 | 828.95 | 63.06 |
| Telecommunications and Internet of Things (IoT) | 9.56 | 0.80 | 358.45 | 25.06 | 134.87 | 10.26 |
| Renewable energy | 23.33 | 1.95 | 24.34 | 1.70 | 33.51 | 2.55 |
| Utilities | 42.70 | 3.56 | 44.42 | 3.10 | 28.38 | 2.16 |
| Other income | 447.57 | 37.35 | 311.19 | 21.76 | 288.77 | 21.97 |
| Total revenues | 1,198.26 | 100.00 | 1,430.37 | 100.00 | 1,314.48 | 100.00 |

1.2.2 Nature of Products and Services

1.2.2.1 Gas and petrol service stations Business

The Company has invested and operated as a broker of LPG, NGV, petrol distribution business and invested in Non-oil business within the petrol service station area, the businesses generate revenue and profit through Star Gas Company Limited group which can be classified in the following categories



LPG Service Station Business

Star Gas Company Limited (“STG”) operates a retail business providing LPG to automobile in its own LPG service station or “COCO” (Company Own - Company Operate). Currently, there are a total of 23 service stations in Ayutthaya, Bangkok Metropolis and Vicinity located on the main highway road with an average of 10-15 years of right to rent the land which can operates the business with stability and continuously by providing LPG consumption consistently to consumers.



There are two main customer groups which are residents in the servicing area and taxi drivers. STG focuses on building brand recognition by providing good quality gas and customer service in an affordable and competitive price, marketing and promotion that make customers more attractive such as drinking water campaign and co-promotion with premium products etc.

Moreover, STG another focal point is rental area within the gas stations by cooperated with shops such as car wash, coffee shop and convenience store together with the consideration of stations' security and cleanliness of the restrooms in order to meet customers' satisfaction.



List of 23 LPG service stations in the 5 service areas

| Service area | | Name of LPG service station | Location |
|-----------------------------|----|--|---|
| Phra Nakhon Si Ayutthaya | 1 | Sunshine | 28/3 Moo. 8 Chiang Rak Noi, Bang Pa-In |
| | 2 | Mungkorn Siam | 65/1 Moo. 4 LumSai, Wang Noi |
| | 3 | Lim Bang Ban | 41/2 Moo. 3 PhraKhao, Bang Ban |
| | 4 | Lim Bang Pa Han | 75 Moo. 4 Han Sang, Bang Pahan |
| | 5 | Lim Wang Noi | 18 Moo. 2 Chamab, Wang Noi |
| | 6 | Lim Sena | 43 Moo. 3 PhraKhao, Bang Ban |
| | 7 | Lim Ayothaya | 45 Moo. 3 Ta Nim, Bang Pahan |
| | 8 | Siam Sap Rung Rueng | 69/1 Moo. 3 Khayay, Bang Pahan |
| Bangkok Metropolis | 9 | Thupatemi | 315/3 Moo. 6 Phaholyothin Rd., Sai Mai, Sai Mai |
| | 10 | J.R. Gas Corporation Co., Ltd. | 691/5 Luang Phang Rd., Thap Yao, Lat Krabang |
| | 11 | Na Siammedee Co., Ltd. | 101 Seri Thai Rd., Khan Na Yao, Khan Na Yao |
| | 12 | Rung Rueng Rum Ruay Rung Roj Co., Ltd. | 56/4 Moo. 6 Lam Phak Chi, Nong Chok |
| | 13 | Lim Suwinthawong Co., Ltd. | 340 Suwinthawong Rd., Saen Saep, Min Buri |
| | 14 | Siam Sirivanich Co., Ltd. | 123/1 Ramkhamhaeng Rd., Min Buri, Min Buri |
| Pathum Thani | 15 | Klong Luang | 18/9 Moo. 6 Klong Si, Klong Luang |
| | 16 | Nam Pa Ruay Co., Ltd. | 88/88 Moo. 5 Baan Klang, Muang Pathum Thani |
| Nonthaburi | 17 | Pibulsongkram Pa Ruay Co., Ltd. | 9/9 Moo. 8 Pibulsongkram Rd., Suanyai, Muang |
| | 18 | Lim Phraram 5 | 8/1 Moo. 1 Bang Pai, Muang Nonthaburi |
| Samut Sakhon | 19 | Siam Big Gas | 39/8 Moo. 2 Setthakit Rd., Na Dee, Muang |

Marketing and Competition for the LPG service station industry

Due to the demand of LPG customers' consumption for petrol station service has continued to decline in the past five years together with the impact of the new speciation of Coronavirus pandemic 2019 (COVID-19) that is "Omicron" which was scattered over Thailand in June 2021. Thus, the Thailand government released defensive measure to suppress Coronavirus pandemic

2019 (COVID-19) epidemic such as work from home (WFH) measure, restriction of crossing boarder and curfew announcement etc. As a result, consumers have reduced the use of vehicles which will affect the income of LPG service stations. Moreover, there is a rather high competition so the Company distributes LPG at a reasonable price to customers and create an impression including organizing promotional activities to motivate the Company's customers relying on the service of the Company as the first priority in order to maintain profitability for the Company. Moreover, there are the decrease of 4 gas station which were received the effect of Coronavirus pandemic 2019 (COVID-19) for preserving the company profit and performance under the critical situation.



According to the global economic slowdown during the past year, LPG usage accounted for 11.00 percent of the fuel used in the land transportation sector. The usage decreased continuously by 14.28 percent. Though, at the end of November 2021, there are approximately 680,000 registered LPG installed vehicles, most of 97.00 percent are vehicles that use LPG with gasoline and in the first 11

months of 2021, the average of new registered LPG

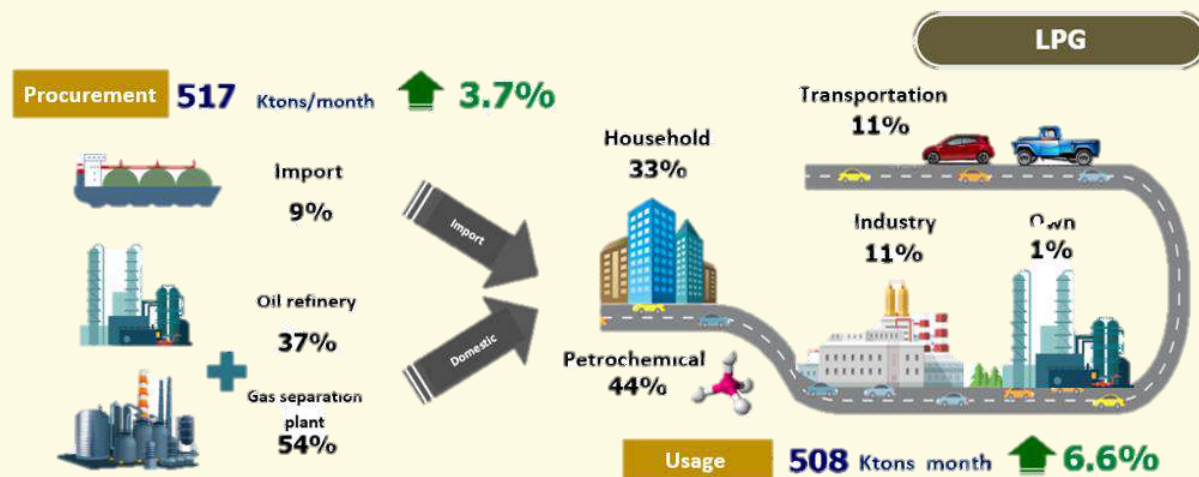
vehicles is 1,078 vehicles per month, while the average retail LPG gas price is 18.87 Baht per kg or 10.19 Baht per liter. It is slightly decrease 41.40 percent compared with the same period of 2020.



However, the current price of crude oil recovering and increasing which will benefit the usage of LPG in transportation sector that is still cheaper than fuel consumption with the attractive saving gap, if the oil price is on the rise so the saving gap will increase consequently.



LPG demand of various industries in the country According to the Energy Policy and Planning Office, the Ministry of Energy illustrated that in the year 2021, Thailand produced and imported about 6.2 million tons per year of LPG which is down 6.89 percent from the year 2020 because LPG will be used as raw materials for various economic sectors such petrochemicals, transportation, industrial and household sectors are divided into the following proportion:



Source: Energy Policy and Planning office (EPPO), the Ministry of Energy, data year ended 2021



The price structure of LPG consists of two parts which are wholesale price from refinery and retail price.

- The wholesale price of the refinery consists of the price at the refinery or the price at the gas separation plant, import price, excise tax, municipal max, oil fund and value added tax.
- The retail price consists of the wholesale price at the refinery, marketing fee and value added tax.

The company's perceived business, liquefied petroleum gas (LPG), will still have constant competition in particular market sectors such as transport. However, in recent years, the demand for LPG is likely to decline, which is a consequence of the oil price in the global market. The decrease is at an average price of 55-65 US dollars per barrel, from its high of more than 100 US dollars per barrel early in the year 2564. As a result, some consumers turn to more oil. In addition, due to the government's support for electrification, it is an important factor that makes the consumer liquefied petroleum gas (LPG) down. Coupled with the spread of the virus corona (COVID-19), They also create an impact on the demand in the domestic market by making economic activity shrink suddenly, which has the effect of making the global economy into a recession, such as the volume distributor of LPG gas from a service station in the year 2564, last revised down slightly from the year 2563, a 46.17 MB

However, in the year 2022, it is predicted that the price of Dubai crude will move higher from the year 2021 story of 90-125 USD/barrel. The price will fluctuate due to concerns that Russia will invade Ukraine. The sanctions of the US and Europe may affect the export of Russia, as the market has already tightened with the agreement of the organization of oil-exporting countries and its allies (OPEC) to achieve the goal of increased production of 400,000 barrels per day (bpd) until March 2021, which, if the deal is unsuccessful, will result in the price of crude oil around the world justify higher prices early in the year 2021. If global oil prices continue to rise, so will the demand for LPG.

The LPG gas station industry is fragmented with most entrepreneur operates as distributors through Dealer Own Dealer Operate (DODO) such as PTT, Siamgas and Petrochemicals, Worldgas which usually choose the main road location because of the high number of users will compete on the same road location or in the same community area which most consumers tend to choose to refill the existing service stations that are frequently refilled.



If comparing the entire country, STG has a relatively small market share. However, the scope of competition in the provinces where the service stations of STG are located, the market share will be ranked first, STG is well-known and be the number one of market share in Ayutthaya while the competition in the Bangkok Metropolis area is quite limited since the business operation license has not yet been added to new entrepreneur and operates as owner of service station or Company Own Company Operate (COCO), enabling STG to gain Economies of Scale compared to other competitors. Besides, there are also various marketing strategies to get new customers and maintain existing customers such as lottery campaign, drinking water, clean restrooms and a variety of stores to serve such as coffee shops, minimart, tire repair shop, etc.

NGV service station business Tawatpinyo Company Limited ("TWP") operates NGV business under the type 3 management agreement with PTT Public Company Limited ("PTT"), in which PTT will be an investor in the station and responsible for all product costs. In respect of TWP, will receive revenue from PTT in the form of station management fee and use of land. Currently, there are two stations namely Rama 2 inbound and Rama 2 outbound.



Marketing and competition for the NGV service station industry

The usage of NGV in the domestic transportation sector is still less popular than LPG because the cost of installing vehicle is quite expensive and it takes more times to fill up at the service stations. The installed vehicle cost of NGV is around 32,000-60,000 Baht/car compared to installed vehicle cost of LPG is 22,000-40,000 Baht, while the average NGV filling time is around 10-15 minutes compared to LPG for only 5-7 minutes. As a result, there are relatively small number of 487 service stations, most of them located in Bangkok Metropolis. Causing NGV equipped cars with NGV to encounter difficulty in find service stations. In addition, the Ministry of Energy's regulation prohibits NGV service stations near communities and requires a lot of space for the construction of compressor buildings and allowing NGV vehicles to enter and exit so this causes the station construction costs of NGV higher than LPG 1-2 times.

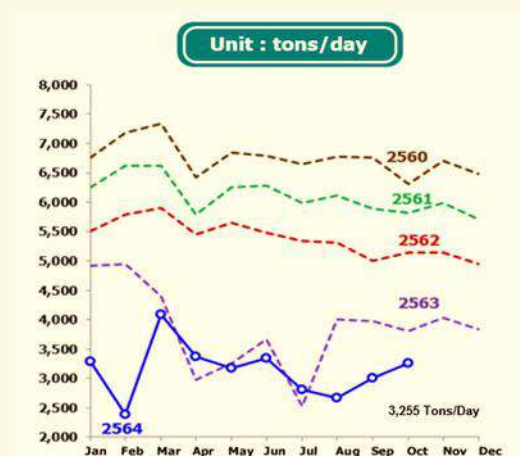


Marketing for the NGV service station industry In the year 2021, the proportion of NGV gas is 4.00 percent of the fuel consumption in the land transport sector. In consequence of the usages decreased 19.80 percent, the travel was reduced which consist of the consumers turn back to use fuel due to the lower oil price and the service stations are more thorough than NGV. So, as the end of November 2021, there is an average of 3.6 hundred thousand registered NGV vehicles and most of the 79.00 percent are vehicles that use NGV with gasoline. During the first 11 months of 2021, there are an average of 648 newly registered NGV vehicles per month and the average retail price of NGV is 13.80 Baht per kg.

However, TWP, a subsidiary Company, have maintained their income levels and Company performance. Also, the construction investment has no risks because the Company has made the type 3 management agreement with PTT by receiving management and rental fees without the investment of the construction. Moreover, TWP plan to renovate the station to be hybrid version between fuel and NGV gas for full-filled the customer consumption and the better service in station.

Average sales volume of NGV in 2020

| Year | Average sales volume of NGV (tons/day) |
|------|---|
| 2015 | 8,452.26 |
| 2016 | 7,734.61 |
| 2017 | 6,752.84 |
| 2018 | 6,137.45 |
| 2019 | 5,146.00 |
| 2020 | 3,839.00 |
| 2021 | 3,255.00 |



Source: Energy Policy and Planning office (EPPO), the Ministry of Energy



Petrol service station business

Star Petroleum Plus Company Limited, a subsidiary Company of STG has acquired the leasehold rights of land and buildings for the six initial petrol service stations, helping to strengthen the business base from the current LPG / NGV service station business to petrol service station with good marketing value for the business including enter to non-oil business that offers an attractive return on investment, generate stable income in the long term. There are currently 6 operating service stations as follow:



1. Chao Pluk Station, Amphoe Maha Rat, Nakhon Si Ayutthaya
2. khao jeen lae Station, Phra Phutthabat, Saraburi
3. Khanu Station, Saen To, Khanu Woralaksaburi, Kamphaengphet
4. Tak Airport Station, Nam Rim, Muang Tak, Tak
5. Tak-Lampang Station, Mai Ngam, Muang Tak, Tak
6. Klong klung station, Tha Phutsa, klong klung, Kamphaengphet
7. Nakhon Luang station, Pak Chan, Nakhon Luang, Nakhon Si Ayutthaya
8. Phiboon Song Kram, Phiboon Song Kram, Suan Yai, Nonthaburi

Fuel consumption in the domestic land transport sector The fuel used in the transportation sector on land, at 129.77 million liters per day, decreased from the same period last year by 5.1%. The use of fuel in the land transportation sector decreased in all groups of fuel. At the end of October 2021, Thailand will have accumulated approximately 42 million cars on its books. The new accumulated in the first 11 months of the year 2021 will be about 1.7 million units, an increase from the same period of the previous year of 8.7%.



For used oil, diesel, with the proportion using the highest thought is 61.00% of the fuel used in the transportation sector, land use fell by 3.90%, partly as a result of the spread of the virus corona video-19 ripple in the country that hasn't been attributed to measures to control the outbreak, strict, resulting in the oil group's diesel in the transportation sector, agricultural output fell, according to requirements, and consumer domestic, which at the end of July 2564 had a diesel car registered at 11.9 million vehicles, mostly by lorry personal (6.6 million) in respect of the use of fuel oil, with the proportion using thought is 32.00% of the fuel used in the transportation sector, land use decreased by 4.60%. Due to circumstances, the spread of the virus corona video-19 rippled at 3 in the mid-2564 in the same period last year, causing a top-using oil transportation sector to continue to decline. At the end of July, 2564 had a gasoline car listed at 28.8 million vehicles, mostly motorcycles (21.6 million vehicles) and passenger cars with no more than 7 people (6.7 million) in the first 7 months of the year. At that point, 2564 had a gasoline car listed at about 1.3 million cars, which rose compared to the same period of the previous year by 8.7%.

Marketing and competition for the petrol service station industry Since the last quarter of the year 2564, crude oil prices around the world rose steadily, resulting in an oil service station rise in all products depending on the demand for oil. The world in the year 2565 will increase from the year 2564 number of 3 million barrels per day under the conditions of world GDP grew by 4.9% and vaccinated cattle-19 have continued, and with international travel, increasingly from Europe and America, while China has not opened the country to make a recovery of oil and gas (JET) is going to take a while, there are limits to increase oil capacity. Causing tight supply and continuing to adjust the price, which oil prices are driven by several factors, including forecasts that oil demand will increase and the conflict in the Middle East, as predicted, the epidemic of videos omicron will unravel in the first half of the year 2565.

The Company estimated that if Thai citizens are vaccinated against the Covid-19 by 2021 so people will back to work normally including the government with focus more about Thailand tourism after releasing lockdown measure. The oil demand, operating results and profits are significant increase because oil considered the essential fuel for industries and people's livelihoods nowadays.



Overview of petrol production and use in Thailand in 2021



Source: Energy Policy and Planning office (EPPO), the Ministry of Energy

Non-oil retail business

Tawatpinyo Company Limited (“TWP”) operates the non-oil retail business including (1) Food and beverage business consists of Café Amazon and (2) other businesses under non-oil retail business are convenience store businesses and facility management business.



The Company operated coffee shop and convenience store business by selling through store network located in the service station and through standalone located outside the service station. The Company sell coffee, other beverages, bakery, and snacks under the brand "Café Amazon" which is the Company owned franchise.



In 2021 The company expanded 1 branches of café that is Phi boon Song Kram branch. Besides, the company planned to expand more branches by 2022 and operate facility for rent in the Company's network of service stations and other areas under the management of the Company such as rest area for third parties' businesses and brands as well.



Marketing and competition for the non-oil retail business industry

Nowadays, the coffee market especially freshly brewed coffee tends to grow continuously. The main factor is the low consumption rate of freshly brewed coffee compared to many countries, Thai's average consumption rate is about 1.2 kilograms per person per year which is lower than European where consumption records are around 4-5 kilograms per person per year. Whereas Japanese people consumed about 3 kilograms of coffee per person per year, this figure reflects that the freshly brewed coffee market is still a great opportunity to grow to 10.00 percent per year. While the competition is still aggressive steadily as well because there are many competitors

In 2021, Thais' average coffee consumption was 300 cups per person per year less than the average number in developed country like Japan, consumed about 400 cups per person per year or the European consumed about 600 cups per person per year. Thus, the opportunity of the Thai coffee industry has potential growth constantly. Moreover, the government and private sectors are significantly collaborated to develop the Thai coffee industry both quality and quantity from upstream to downstream and drive it to a new economic crop after the growth of the Thai coffee market reached 30,000 million Baht. In additions, work from home measure during COVID-19 situation makes a number of customers increased in everyday morning. This results a number of coffee consumer significant increase go against sluggish economy in Thailand.



However, the Company has run gas and petrol service stations at the beginning, the coffee shop is another business to fulfill the service to satisfy customers. Also, this helps to expand the opportunity to increase income for the Company from other business units while gas service has been declined in service adoption over the past several years.

Moreover, the Company is looking for locations to operate a coffee shop under the Café Amazon brand outside gas and petrol stations as an opportunity to increase income and profits for the Company under other business groups which are still able to grow as well.

Acquisition of Products

LPG - Star Gas Company Limited procures LPG from the oil merchant section 7 such as WP Energy Public Company Limited and Orchid Gas (Thailand) Company Limited by R.A. Logistics Company Limited to carry out transportation which will transport directly from the oil merchant section 7 to the LPG service station of the Company group, other service stations and factories by working together with modern inventory management systems, route planning for punctual transportation and effective cost management. There is also a hall effect system for checking and reading gas level, track the number and status of tanks that are in the system for delivery planning and order quantity in accordance with customer requirements. Moreover, there will be a notification by email on time required at the minimum stock level to order gas from the oil merchant section 7 efficiency.

NGV - Tawatpinyo Company Limited is a partner in procurement of NGV with PTT Public Company Limited, a leading national energy Company by conducting a full range of natural gas and petroleum business. However, the Company signed with PTT in procuring NGV natural gas for 30 years so the Company has no concerns about the procurement of resources.



PETROL - The Company has entered into a petrol station franchise business agreement with PTG Energy Public Company Limited, a national energy business leader by agreed to supply petrol resources to the service stations operated by Star Petroleum Plus Company Limited for 30 years. In addition, PTG has a guarantee of profits that the Company will maintain received during the global oil price crisis as well.



Café business - The Company runs business as a franchise with PTT Oil and Retail Public Company Limited which are raw material supplier and the main sources of food and beverage products for the Company. The coffee bean supplies are from the local in Thailand, the Royal Project Foundation, Sarn Palang Social Enterprise Company Limited, community enterprises and co-operatives for supporting the communities and farmers for coffee planting including other coffee bean suppliers. There are inspectors from the process selection and purchase of raw coffee beans that meet the quality standards set by the Café Amazon coffee roaster such as selecting raw coffee beans to the coffee roasting process, checking the quality to meet the standards before packing and distribution to customers. Currently, there is a



collaboration with the Royal Project Foundation in conducting research and development projects for planting and producing coffee under the natural resource conservation system for sustainable development. Furthermore, the Company ran a project co-operating with Sarn Palang Social Enterprise Company Limited to promote the hill tribe farmers in Thailand to develop higher quality and standard coffee planting under the natural resource



conservation. Then, the Company will purchase products from the farmers to increase their ability to produce coffee in line with business growth.

For other raw materials related to Café Amazon such as sweetened condensed milk and evaporated milk, mixing powder for drinks, glasses and straws. The Company procures them all from potential domestic manufacturers who are well-known in the industry. The manufacturer has collaborated to develop unique product quality according to the Company's consultants and requirements. Normally, Café Amazon does not sign long term contract with particular suppliers because the Company believes that there are alternative sources for most products sold by the Company.

1.2.2.2 Renewable Energy Business

The Company established a subsidiary company to operate renewable energy business which is a business that can generate sustainable income for the Company in the long run from the generation and distribution of electricity to the government as follows

Biogas Power Plant

In 2016, a subsidiary company namely Ferrum Energy Company Limited invested in the 2 Megawatts biogas power plant business by purchasing ordinary shares of Phrasaeng Green Power Company Limited representing 60.00 percent of issued and paid-up shares.

Phrasaeng Green Power Company Limited is located at Sin Pun sub-district, Phrasaeng district, Surat Thani province operates the electricity generation and distribution by using wastewater from a palm factory as raw materials. The Provincial Electricity Authority is the buyer under the Power Purchase Agreement (PPA) with the purchase capacity not exceeding 2 Megawatts. The said power plant has been completed and began selling commercial electricity at Commercial Operation Date (COD) April 2016 and received adder for Very Small Power Producer (VSPP) at the rate of 0.30 Baht per kilowatt-hour which support 7 years period from the date of Commercial Electricity Distribution (COD).

Moreover, it has been promoted by the Board of Investment (BOI) with important benefits: An exemption of corporate income tax for a period of 8 years and thereafter that will receive an additional 5 years juristic person income tax deduction.





Biogas pond, Phrasaeng Power Plant, Surat Thani Province

Acquisition of Products Phrasaeng Green Power Company Limited procures raw materials for biogas power plant by using wastewater and palm oil sludge from the crude palm oil production to produce biogas for electricity generation. The subsidiary company entered into a wastewater supply contract with a crude palm oil producer located near the power plant with the duration of the supply contract wastewater throughout the life of the power purchase agreement in order to manage transportation costs to the lowest. In addition, the subsidiary company is aware of increasing generation efficiency and using raw materials to maximize benefits by designing various parts of the power plant in accordance with and suitable for various generation processes of the power plant.



BIO GAS from palm oil

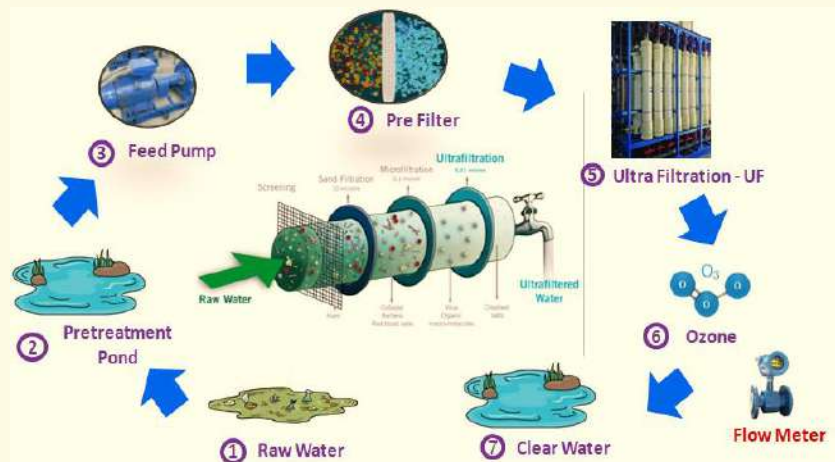


1.2.2.3 Utilities Business

1) Sam Water Supply Company Limited ("SAM") The Company invested in Sam Water Supply Company Limited ("SAM") in July 2018 at 80.00 percent and joint venture from Hong Kong Contract Fund named Resonance Industrial Water Infrastructure Asia Limited in the end of 2020, the Company currently holds 51.00 percent of SAM shares which is operate design, construction, installation and management of water resources and environmental engineering business. Currently, SAM has a contract to sell water that has been treated with ultrafiltration and sterilized by the Ozone generator in the shrimp farm that can receive water in the amount of 124,000 cubic meters per day by delivering water to the Charoen Pokphand Foods Group Public Company Limited ("CPF"). Currently, there are 13 shrimp farms that receive water from the Company under the contract to CPF as follows:



1. Roiphet is located at 76, 76/2-6 Moo.6, Pranit, Khao Saming, Trat.
2. Maeklong 1 is located at 32/6 Moo.6, Bangaew, Muang, Samut Songkhram.
3. Bangsakao is located at 16/2 Moo.5, Khlongnamkhem, Laemsing, Chanthaburi.
4. RY 3 is located at 18/1 Moo.5, Phangrat, Klaeng, Rayong.
5. RY 4 is located at 93/1 Moo.3, Kongdin, Klaeng, Rayong.
6. Lucky 1 is located at 99/2 Moo.4, Paknamkrasae, Klaeng, Rayong.
7. Phetchburi 5 is located at 164 Moo.4, Bangkaew, Baanlam, Phetchburi.
8. Bang Sa Klao farm (Building P2), located at 16/2 Moo 5, Khlong Nam Khem, Laem Sing, Chanthaburi
9. Roi Phet farm (Building D), located at 76, 76/2-6 Moo 6, Pranit, Khao Saming, Trat
10. Roi Phet farm (Building A1), located at 76, 76/2-6 Moo 6, Pranit, Khao Saming, Trat
11. Bothong farm (Building P1), located at 13/2, 13/4 Moo 5, Bo, Khlung, Chanthaburi
12. Bothong farm (Building P2), located at 13/2, 13/4 Moo 5, Bo, Khlung, Chanthaburi
13. Lucky 1 farm (Building P2), located at 99/2 Moo 4, Pak Nam Kra Sae, Klaeng, Rayong



Water treatment process with ultrafiltration system and sterilization with ozone system



The Company is preparing to develop new projects in the future which are expected that the water production for domestic and abroad aquaculture areas will increase by at least 200,000 cubic meters per day by 2022. Moreover, the Company aims to maximize water production of 1,000,000 cubic meters per day by 2032.

Marketing and competition

The shrimp industry is the second largest gross domestic product of the economy in the southern region and the fourth largest economic gross domestic product of Thailand, resulting in a supply chain with many related parties such as industrial farmers and wholesalers. The main markets for Thai shrimp exports are the United States and Japan. The products are divided into 3 main categories which are 1. Frozen shrimp with 54.00 percent of export, 2. Processed Shrimp with 41.00 percent of export and 3. Chilled shrimp with 5.00 percent of export.

It was revealed by Dr. Somsak Paneetatayasai, President of the Thai Shrimp Association, that Thailand's shrimp production in 2021 is expected to be 280,000 tons, which is a little more than the previous year. There were a lot of prawns in the lower southern region, 33 percent. The upper southern region had 32 percent, the eastern region had 24 percent, and the central region had 11 percent. Global shrimp production is expected to be around 4.24 million tonnes, an increase of 1 per cent. 16. As shown in Table 1, shrimp exports for Jan.-Oct. this year amounted to 128,758 tons, valued at 39,251 million baht, compared to the same period of 2020 that exported 123,297 tons, worth 35,872 million baht. Both volume and value increased by 4% and 9%, respectively. "Shipping costs are high, and so on." Mrs. Patcharin Jindaphan, President of the Thai Eastern Shrimp Association and Executive Director of the Thai Shrimp Association, said, "The 2021 shrimp production in the eastern region is approximately 66,000 tons, an increase of 18 percent from the previous year. Farmers postpone farming at the beginning of the year. and found damage from red and white spot diseases, especially in Rayong province, Chanthaburi province, and Trat province, and yellow head disease was found in Chachoengsao province more than in the past year.



EHP and white feces are important problems for raising the of farmers throughout the year. They find that in the second half of the year, the price of inputs, hidden costs of disease damage, affect the cost of production. Some farmers slow down shrimp production.




The CPF, one of the manufacturers of Thai food, has been recognized on the world stage for both the production process and the quality of the products, which are affected by the problem, damage, disease, the red and the white spot in the area where the farm is located in the middle East of the country in the year 2021, and was well aware of the business practices and solutions with social responsibility and sustainable development in the production process, in accordance with international standards, from upstream to downstream, and traceable throughout the whole chain, business, livestock, and aquaculture business, in the part of the aquaculture business, highlights the cleanliness of the breeding pond and water to prevent disease and led technology. Use an ultrafiltration water filter system. filter water through therapy with the purpose of circulating water to re-use shrimp, more than 90%, coupled with the feed by the main animal welfare and biosecurity on the farm.

Closed-door shrimp farming Technology CPF did the research and development of shrimp farming to uplifted the farming system. There is the use of closed-door to control the environment that is suitable for shrimp growth, prevent epidemics and animal carriers from outside effectively. This has increased the potential production per area, resulting in hygiene shrimp product that is healthy and disease-free throughout the year. The Company has adopted ultrafiltration technology which can filter the small germs and make the water clean without any harm to aquatic animals before entering into the culture system. Furthermore, biotechnology principles to the treatment were used and recirculated water has been applied to replace the water transfer from outside the rearing area, reduce chances of contamination that makes shrimp farming more sustainable and environmentally friendly.



The Company has foreseen that the operating of wastewater treatment business in shrimp farms must emphasis on planning and applying technologies to get the highest quality and reducing the incidence diseases of shrimp, followed by the guidelines of the Thai Shrimp Association. All of above, the Company was considered that the use of water treatment with ultrafiltration system and eliminating the infection with the ozone system can solve both the problem of reducing epidemics and also help to increase the area for shrimp farming by reducing the area in the pond and then using that area to shrimp's rearing area instead. Moreover, it is able to extend the development of the wastewater treatment business to a circulating water treatment system that is beneficial to our business partners' shrimp farming and help support international market expansion as well.

Technology System The company has studied the wastewater treatment process in shrimp farm using ultrafiltration system and ozone sterilization designed the system installation to present to shrimp farms and signed the contract with a reliable equipment manufacturer to use in the system. For example, for Ultrafiltration systems, the Company has made a contract with Toray Industries, Inc. Japan who is a distributor of ultrafiltration membrane (UF). This uses for the wastewater treatment in aquaculture business to ensure the quality of the filtered water is free from organisms larger than 0.01 micron, causing shrimp survival rate to increase. In terms of ozone sterilization, after considering a lot of potential manufacturers, the Company has selected Xylem Water Solutions Singapore Pte. Ltd., Germany to produce ozone products used in the CPF shrimp farms. The use of ozone has the quality to sterilize the process after passing UF membrane filtration and can ensure that the water coming out of the treatment system is free of germs which is beneficial for the customers' shrimp farming.

| | | | | | | |
|----------------------|---|--|---|--|---|------|
| Applications | Ultrapure Water, Seawater Desalination, Advanced Water Treatment | | Softening, Removal of Toxic substance | Municipal Drinking Water, Industrial Process Water, Wastewater treatment (AFTER biological treatment, Pretreatment for RO Process) | Sewage & Industrial Wastewater Treatment WITH biological treatment | |
| Size | 0.001µm | | 0.01µm | 0.1µm | 1µm | 10µm |
| Separation materials | <p>Ion, Low molecule weight substances ← High molecular weight substances → Colloid → Clay</p> <p>Monovalent ions Multivalent ions Humic Substances Polysaccharides Viruses Bacteria Coliforms Algae Cryptosporidium Protozoa</p> <p>Trihalo methanes Agrichemicals Proteins Organic Substances</p> | | | | | |
| Types | Reverse Osmosis (RO)/ Nanofiltration (NF) | | | Ultrafiltration (UF) Microfiltration (MF) | | |
| Membrane products |  | |  | |  | |
| | RO membrane NF membrane | | UF membrane (PVDF Hollow Fiber) | | MF Immersed membrane for MBR (PVDF Flat Sheet) | |

Properties of membranes used for water treatment of Toray Asia Pte. Ltd.



2) Gold Shores Company Limited ("GS") The company has invested in Gold Shores Company Limited ("GS") the water supply business in Phuket area at 15 June 2021. Currently, the company hold GS shares at 5,167,752 shares, 68.54 percent in GS as the detailed below.

GS was established for producing water for whole water supply, management of raw water, developing clean water production system for industry and distributing water to customers. Furthermore, GS sees the expansion of Phuket Province which is in line with the increasing demand for tap water, thus giving GS an opportunity to invest in tap water production and distribution business with a plan to apply for a concession with the Ministry of Resources and environment to operate water supply business. Therefore, in 2014 GS purchased land to develop a water storage and a tap water production plant. The land located in Thai Muang District, Phang Nga Province. Na Toey Mine area is 340 sq.m. with the potential to develop as a water reservoir. Since there are natural canals flowing through and can be diverted to be raw water for tap water production.

Later in 2015, GS invested in Hydro Enterprise and Aqua Design Co. Ltd. ("HYDRO") by holding a percentage of 99.99, which has received the concession and operation agreement in Lo Yung Sub-District, Phang Nga Province and Sakhu District, Phuket Province, thus GS can start the production and distribution of tap water under the management of the sub-district that Get the concession. In September 2015, HYDRO was received an agreement to operate an additional water supply business in Mai Khao Sub-district. Phuket Province. Therefore, it can operate the business of producing and distributing tap water in the area. Mai Khao Sub-district is an important sub-district of Phuket as it was location of Phuket Airport and many famous hotels.

However, the nature of the waterworks operation in each area will be under the responsibility of the local government organization. If the local government organization is unable to provide adequate services to the population. The Provincial Waterworks Authority will take action instead. But if the Provincial Waterworks Authority is unable to supply or produce sufficient tap water for serving the people. Therefore, the government will open for the private sector to operate, which has to apply for a water supply business concession from the Ministry of Natural Resources and Environment. The tap water can be sold under the name of the SAO in each area. Subsidiary has a comprehensive plan to develop the production and



distribution of tap water, therefore, applying for a water supply concession and receiving a water supply concession from the Ministry of Natural Resources and Environment in 2017 It received permission from the government for operating tap water service, which can be distributed in the area of Sakhu and Mai Khao. From the laws relating to the operation of the waterworks business Private companies requesting a concession to operate waterworks from the government in the area specified by the state. The State will allow only private individuals in the respective territories to reduce competition for water between private and private individuals. The concessionaire does not take advantage of the public and seek undue profit.

In this regard, the concessions that HYDRO has received from the Ministry of Natural Resources and Environment have a total of 20 years (from 2017 - 2037). 6 months and contracts for operating the waterworks business consist of 3 main contracts as detailed below.

1. The main contract consists of

1.1 Waterworks concession from the Ministry of Natural Resources and Environment for a period of 20 years (from 2017 - 2037)

1.2 Contract for operating waterworks in the area Mai Khao Subdistrict Administrative Organization Phuket Province for 30 years (from 2015 - 2045),

1.3 Contract for waterworks management and operation in the Sakhu Subdistrict Administrative Organization area Phuket Province for 30 years (from 2012 to 2042)

2. PWA water purchase agreement

Water purchase agreement, the purchase of tap water from private sectors in the PWA area, Phuket branch, at the Bang Jo water production station for a period of 5 years (from 2020 - 2024) or the procurement limit for tap water will be used up, whichever comes first.

Details of GS waterworks production project

GS's waterworks production project is located in Na Toei District, Phang Nga Province, with HYDRO, a subsidiary of GS, received a 20-year concession and contract to operate the waterworks business from the Ministry of Natural Resources and Environment and the agreement to operate the water supply business in the Mai Khao and Sakhu Subdistricts Administrative Organization has a term of 30 years, which including maintenance, repair, maintenance of the plumbing system with the details of the water pipe path as follows.



Part 1 Steel pipes for water supply, approximately 40 kilometers in length, 900 mm in diameter, from the water storage area of Na Toey Subdistrict, Thai Mueang District, Phang Nga Province to Sakhu Subdistrict, Thalang District, Phuket Province, which is currently completed construction (red line in the picture).

Part 2 Steel pipe for water supply, approximately 16.5 kilometers long, 800 mm in diameter, connected from the pipe Part 1 from the area of Sakhu Subdistrict, Thalang District, Phuket Province to connect with the water pipes of the Provincial Waterworks Authority (“PWA”), which is currently under construction (blue line in the picture).

Part 3 HDPE pipe for water supply, the diameter is 400 mm connecting from the pipe Part 1 in the area of Tambon Sakhu and Tambon Mai Khao, Amphur Thalang, Phuket, from west to east to connect with PWA's water pipes.

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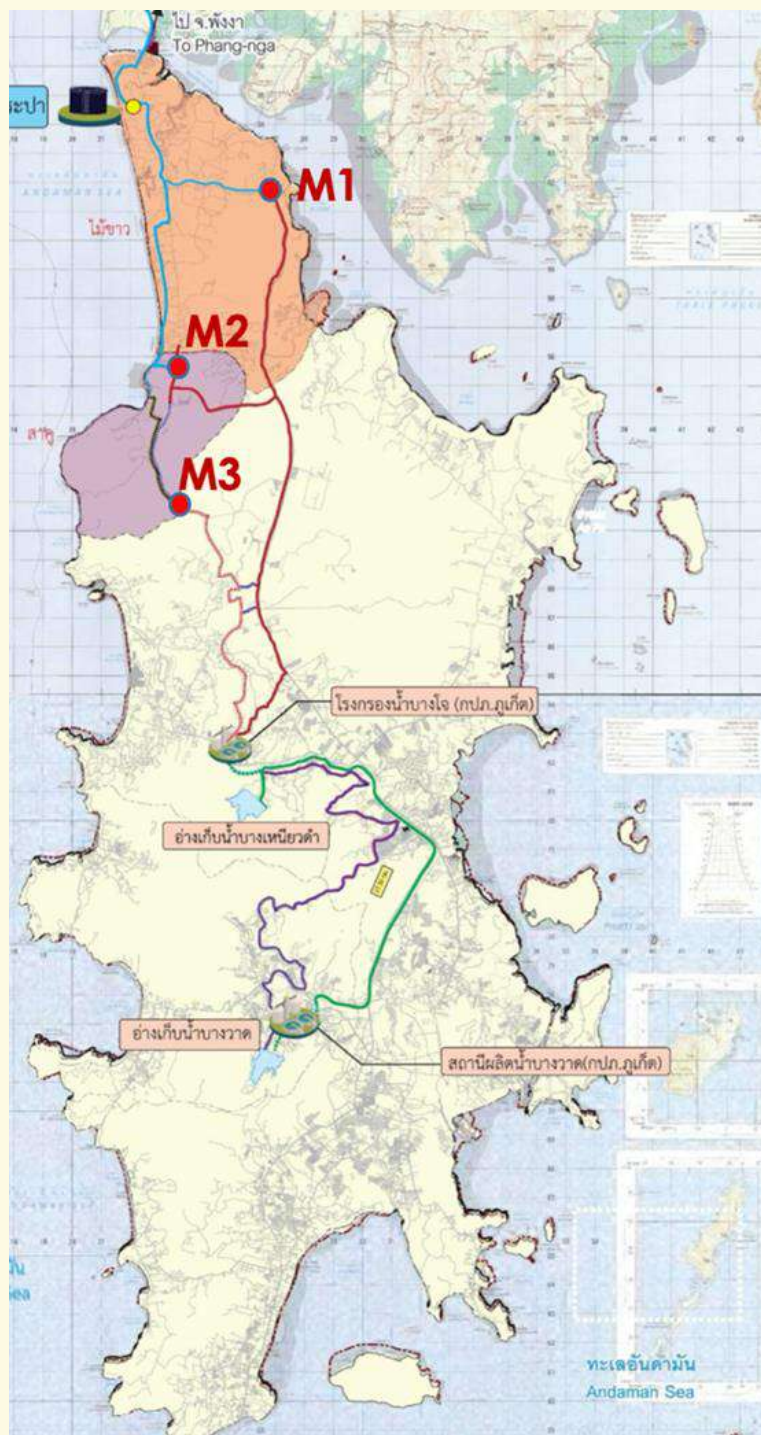


With details as following pictures.



GS water supply system diagram





Picture of connection line of GS pipe and PWA pipe line





Picture of GS water pipes connection at Sarasin Bridge

In addition, GS is working on the construction of a water production plant and equipment for distributing water. The construction can be divided into 4 phases. Each phase will be able to produce tap water of approximately 24,000 cubic meters per day, totaling 4 phases will be able to produce tap water of 96,000 cubic meters per day, with the development plan for each phase.

GS has also constructed a total of 8 storage tanks of 6,000 cubic meters in total after the 4 phases are completed. It is located in the water production area, Na Toei Subdistrict, Thai Mueang District, Phang Nga Province and the Water Park Station, Mai Khao Subdistrict, Thalang District, Phuket Province. The plans for the construction of water tanks in each phase.





GS water tank picture

For tap water produced, GS will pass the water pipeline to the water distribution station at Mai Khao and Sakhu subdistricts, Phuket Province to sell to customers.

Location of the project The location of the GS Waterworks Project is located at Moo 1, Na Toei Road - Lang Wat, from Petchkasem Road (Tor Lor. 4), Thai Mueang District, Phang Nga Province with a total area of 340-0-51 Rai or 136,051 square Wah. It comprises a tap water production system and a raw water source owned by GS in the land.

Source of raw water Raw water is the main raw material for producing tap water. GS has currently its own proprietary raw water storage area, which is sufficient to produce tap water according to GS potential. The water source flows from the Bang Thong canal, which originated from the canal flowing from a pensive ridge located to the northeast of the GS raw water storage land, where Klong Pru flows down from the northeast and renames it to Mai Kaen Canal near Ban Thung Don. It then flows continuously down to the south and converges with three tributaries: Bang La canal, Natadam canal, and Saphan Lo canal flowing inward and converges over distances to form the Bang Thong canal and flowing through the GS waterworks project area, then flowing out into the Andaman Sea.



The land, which GS water reservoir, is in Thai Mueang District, Phang Nga Province. It used to be a mine with a water capacity of approximately 8.01 million cubic meters. The mining trench receives water from the Bang Thong canal that flows through the reservoir where GS can divert water from the Bang Thong canal directly into the GS raw water reservoir. According to the Kasetsart University study on the Development Planning for Water Management Project in Phang Nga Province in September 2015, the amount of water flowing through the Bang Thong canal, which is the main source of GS raw water, has the average water content per year about 276 million cubic meters, which has the potential and sufficient to meet the water demand throughout the year. GS plans to build a water production plant with a maximum water production capacity of 96,000 cubic meters per day, or 35.04 cubic meters per year (96,000 cubic meters per day x 365 days). Therefore, the GS source of raw water is sufficient to produce tap water according to the GS capacity.



Picture of GS reservoir area

Process of tap water production

GS's tap water production process can be divided into 5 processes, from receiving raw water to delivering to customers as follows.

1) Primary treatment and pretreatment of raw water

Primary treatment by pumping raw water from the project pond to the water production plant, through the process of adding chlorine to kill germs primary, then add soda ash solution to adjust pH, then add Poly Aluminum Chloride (PAC) and Polymer (Polymer) to form sludge and aggregate for precipitation.



2) Precipitation

Raw water when passed up to initial treatment will pass through to settle by coagulation occurs when there are aggregation of sediments and the floatation in raw water and has heavy weight that can precipitate downward by the weight of the sediment itself, to reduce the amount of sludge and the floating in raw water above making the treated water clearer.

3) Water filtration

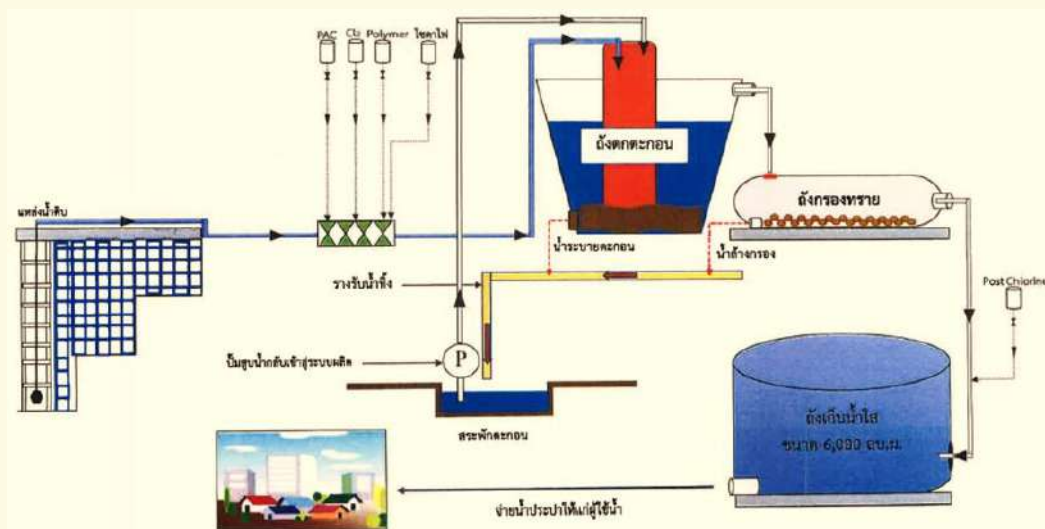
The water filter will function as a filter or to separate the suspended load from the sedimentation tank, which has passed steps 1) and 2) that will be filtered by a sand filter tank.

4) Sterilization

Processed water from 1), 2) and 3) will enter the process of disinfection that may be contaminated or can remain in the water. It will add chlorine, which is a chemical that can kill germs and also helps to reduce the smell, then the treated water processed through 1) to 4) is placed in a clear water tank.

5) Distribution

The water from the clear water tank, which is the tap water available to supply to the user will be sent to the main water pipe of the project to supply water to users of tap water to various points.



Picture of GS water production process



Information about GS

Shareholders can hear more information from GS's media information at the QR Code below.



The situation of water supply in Phuket

The Independent Financial Advisor has studied the water situation in Phuket by referring to the Phuket Basin Development Master Plan Report prepared by the Royal Irrigation Department Project Management Office December 2018 and the information on the website of the Provincial Waterworks Authority Phuket, which is divided into topics as follows.

1. Soil resources and land use

Phuket province has a total area of approximately 343,075 Rai and is located in the Southern Basin, the West Coast, and the sub-watersheds of Phuket Island. The details of land use and soil resources are classified as water surface 16,134 Rai or approximately 4.70 percent, details are shown in the table below.

Phuket land usage

| Order | Type | Area (Rai) | Percent |
|-------|-------------------------------|------------|---------|
| 1 | Forest area | 83,591 | 24.36 |
| 2 | Field crops | 2,654 | 0.77 |
| 3 | Paddy area | 1,900 | 0.55 |
| 4 | Woody plant | 102,403 | 29.84 |
| 5 | Community areas and buildings | 99,344 | 28.95 |
| 6 | Fruit trees | 8,595 | 2.50 |
| 7 | Miscellaneous area | 21,206 | 6.18 |
| 8 | Water area | 16,134 | 4.70 |
| 9 | Pastures and livestock houses | 595 | 0.17 |
| 10 | Aquaculture facility | 5,149 | 1.50 |
| 11 | Horticulture | 365 | 0.10 |
| 12 | Lowland area | 825 | 0.24 |
| 13 | Aquatic plants | 314 | 0.09 |

Source: Royal Irrigation Department - Agri Map Online Information System for Aggressive Management,
Land Development Department Ministry of Agriculture and Cooperatives



2. Economic and social conditions

2.1 Population

In 2017, Phuket has a total of 178,557 households, of which 5,089 are agricultural households, with a total population of 402,007 people. Future population trends of Phuket province, when calculating the population growth rate to estimate the population in the next 20 years using 2017 as the base year, has an average growth rate of 4.2 percent, resulting in the next 20 years (2037) the population will increase to 694,815 people. Details are shown in the table.

Population and forecast in the future of Phuket province

| Year | Population (people) |
|-------------------------------|---------------------|
| 2017 | 402,007 |
| 2022 | 460,947 |
| 2027 | 528,514 |
| 2032 | 605,986 |
| 2537 (20 years in the future) | 694,815 |

Source: Royal Irrigation Department - from population forecasting using the exponential model using the 10-year historical population data (2008-2017) of the Department of Provincial Administration. Ministry of Interior, 2018

2.2 Water demand

The purpose of the study and assessment of water demand is to determine the amount of water required for the activities that occur. This information provides an overview of the total water demand and when compared with current water supply, cost, and development. In the study of water demand in Phuket, water demand was assessed from four main types: demand for water consumption, water demand to sustain downstream ecosystems, agricultural water demand, and industrial water demand, which can be summarized according to the table with details as follows.



Water demand in various fields and forecast of the future in Phuket

| No. | Type | Water demand (million cubic meters per year) | | | |
|-------|----------------------|--|----------------|-----------------|-----------------|
| | | Present (2017) | 5 years (2022) | 10 years (2027) | 20 years (2037) |
| 1 | Consumption | 22.01 | 25.24 | 28.94 | 38.04 |
| 2 | Sustain ecosystem | 57.56 | 57.56 | 57.56 | 57.56 |
| 3 | Agriculture | | | | |
| | - Inside irrigation | 10.89 | 15.28 | 15.28 | 19.66 |
| | - Outside irrigation | 41.69 | 41.69 | 41.69 | 41.69 |
| | - Total | 52.58 | 56.97 | 56.97 | 61.35 |
| 4 | Industry | 3.79 | 3.98 | 4.17 | 4.55 |
| Total | | 135.94 | 143.74 | 147.63 | 161.50 |

Source: Project Management Office, Royal Irrigation Department

GS has been affected by the spread of the virus COVID-19 in the years 2020 to the present, which has caused the water consumption in tourism to decline significantly. However, the current shows that Phuket may cause a shortage of raw water sources, while demand for water is rising again if one is an open country and the economy is back to normal, so the company is aware of business water production to date in the area of Phuket. It is business that creates sustainable revenue for the company. Because the demand for consumer goods increased as the business, utilities, and basic layer grew.



Assets used in business operations

1) Fixed assets used in business operations

As at December 31, 2021 transactions and net book value of fixed assets used in business operations of the Company and its subsidiaries which presented in consolidated financial statement in the number of Baht 1,789.49 million were summarized as follows:

| Detail | Net book value (Million Baht) | Proprietary | Obligation |
|---|----------------------------------|--|------------|
| 1. Land and land improvements | 445.13 | As secure credit facilities with financial institutions | (1) |
| 2. Buildings and building improvements | 267.18 | | |
| 3. Office equipment | 2.73 | | |
| 4. Tools and equipment to repair mobile phone | 7.16 | | |
| 5. Furniture and fixtures | 6.11 | As secure credit facilities with financial institutions | (1) |
| 6. Motor Vehicles | 5.90 | | |
| 7. Machinery and equipment | 878.20 | | |
| 8. Biogas electricity generating system | 80.07 | | |
| 9. Construction in progress | 97.01 | | |
| Total | 1,789.49 | | |

Note

- 1) The Company and its subsidiaries have mortgaged their property, plant and equipment which total net book value amounting to approximately Baht 302 million to secure credit facilities for long – term borrowing from financial institution.

2) Right-of-use assets

As at December 31, 2021 transactions and net book value of right of use assets used in business operations of the Company and its subsidiaries which presented in consolidated financial statement in the number of Baht 171.24 million were summarized as follows:



| Detail | Net book value (Million Baht) | Proprietary | Obligation (Million Baht) |
|--|----------------------------------|--|------------------------------|
| 1. Land and land improvements | 157.59 | Right-of-use assets are asset under leases agreement according to Thai Financial Reporting standards (TFRS) No.16 | - |
| 2. Buildings and building improvements | 7.80 | | - |
| 3. Machinery and equipment | 2.20 | | - |
| 4. Motor Vehicles | 3.65 | | - |
| Total | 171.24 | | |

3) Intangible assets

As at December 31, 2021, the Company and its subsidiaries have net intangible assets which presented in consolidated financial statement in the number of Baht 1,541.52 million were summarized as follows:

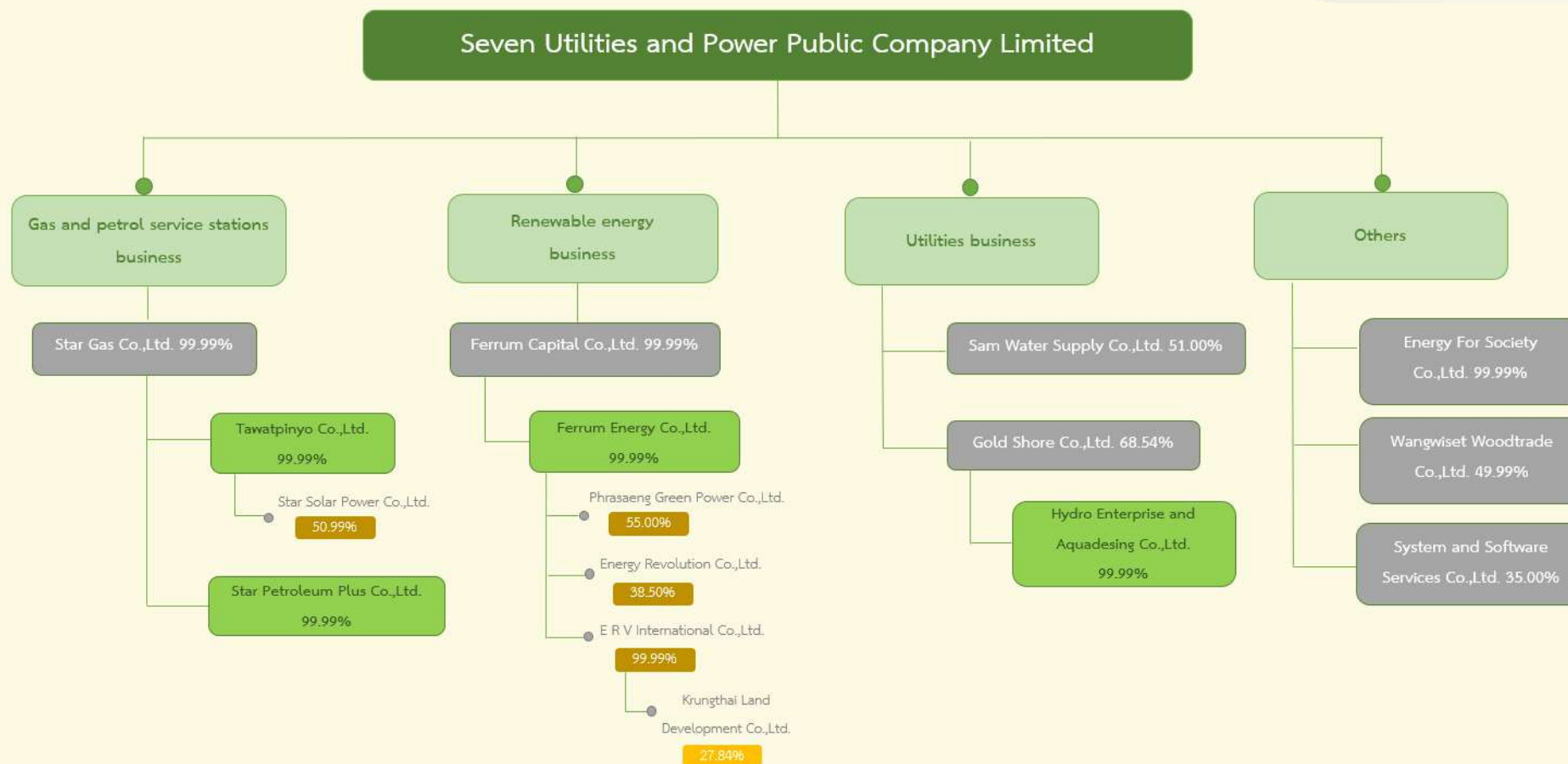
| Detail | Net book value (Million Baht) | Proprietary | Obligation (Million Baht) |
|--|-------------------------------------|-------------|---------------------------------|
| 1. Computer software and application software | 2.83 | Owner | - |
| 2. Patent | 0.03 | Owner | - |
| 3. Rights under electricity purchase and sale agreements | 67.92 | Owner | - |
| 4. Rights and benefits under land lease agreements | 33.00 | Owner | - |
| 5. Rights under gas station management agreements | 64.63 | Owner | - |
| 6. Customer contracts | 22.49 | Owner | - |
| 7. Rights under concession agreements | 1,350.62 | Owner | - |
| Total | 1,541.52 | | |

List of Backlog

- None -



1.3 Shareholder structure



As of December 31, 2021



1.3.1 Shareholding structure

Data as of December 31, 2021

| Company Name | Type of Business | % of Share Possession | Registered Capital (THB million) |
|---|--|-----------------------|----------------------------------|
| Gas and petrol service station | | | |
| 1. Star Gas Co., Ltd. | LPG service station | 99.99 | 60 |
| 2. Tawatpinyo Co., Ltd. | NGV service station | 99.99 | 4.2 |
| 3. Star Petroleum Plus Co., Ltd. | Petrol service station | 99.99 | 20 |
| 4. Star Solar Power Co., Ltd. ¹ | Solar Energy | 50.99 | 1 |
| Renewable energy | | | |
| 5. Ferrum Capital Co., Ltd. | Shareholding in energy subsidiaries company | 99.99 | 50 |
| 6. Ferrum Energy Co., Ltd. | Invest and develop in renewable energy projects including the construction of power plant for production and distribution | 99.99 | 100 |
| 7. Phrasaeng Green Power Co., Ltd. ¹ | Invest and develop in renewable energy from bio gas energy including the construction of power plant for production and distribution | 55.00 | 77 |
| 8. Energy Revolution Co., Ltd. | Distribution and installation Hydro Turbine | 38.50 | 100 |
| 9. E R V International Co., Ltd. | Distribution and installation Hydro Turbine with overseas partners | 99.99 | 300 |



| Utilities | | | |
|---|--|-------|--------|
| 10. SAM Water Supply Co., Ltd. | Operate the business in water treatment ultrafiltration system | 51.00 | 109.5 |
| 11. Gold shores Co., Ltd. ² | Consumer water business, industrial and household sectors | 68.54 | 753.99 |
| 12. Hydro Enterprise & Aqua Design Co., Ltd. ³ | Consumer water business, industrial and household sectors | 99.99 | 26 |
| Others | | | |
| 13. System and Software Services Co., Ltd. | Shareholding in application software subsidiaries company | 35.00 | 10 |
| 14. Energy For Society Co., Ltd. | Shareholding in dietary supplements subsidiaries company | 99.99 | 250 |
| 15. Wangwiset Woodtrade Co., Ltd. | Reforestation, Forest plantation | 49.99 | 40 |
| 16. Khrunghthai Land Development Co., Ltd. ⁴ | Real Estate and Mix used Building | 27.84 | 485 |

Remarks:

1. Ferrum Energy Company Limited (a subsidiary company) sold 5 percent of Phrasaeng Green Power Co., Ltd. shares to Mr. Suchart Tanglanae and the remaining percentage of share possession is 55.00.
2. Seven Utilities and Power Pubic Company Limited invested in 68.54 percent of Gold shores Co., Ltd. and paid on December 24, 2021.
3. Seven Utilities and Power Pubic Company Limited invested in 99.99 percent of Hydro Enterprise & Aqua Design Co., Ltd. and paid on December 24, 2021.
4. Seven Utilities and Power Pubic Company Limited purchased ordinary shares of Khrunghthai Land Development Co., Ltd. in the proportion of 27.84 percent of the registered capital.

Shareholder's Agreement in subsidiaries and affiliates company management

There is no shareholder's agreement on the company operations that significantly affect the management, domination or distribution of returns to the normal return on the percentage of share possession.



1.3.2 Top 10 of Company Shareholders

The company's top 10 shareholders as of the closing date on February 28, 2022

| No. | Shareholders | No. of shares | % of Share Possession |
|-------|----------------------------------|---------------|-----------------------|
| 1. | Phahana Investor Company Limited | 915,404,678 | 17.799 |
| 2. | Pol.Maj.Gen. Somyot Poompanmoung | 675,775,434 | 13.140 |
| 3. | Mr. Ratchata Poompanmoung | 291,550,000 | 5.669 |
| 4. | Mr. Chaowarat Wespinyo | 118,886,700 | 2.312 |
| 5. | Mr. Tharatip Tarathamrat | 101,333,333 | 1.970 |
| 6. | Mr. Phichit Pornsriporn | 71,807,000 | 1.396 |
| 7. | Thai NVDR | 71,622,010 | 1.393 |
| 8. | Mr. Chalermchai Mahagitsiri | 45,500,000 | 0.885 |
| 9. | Ms. Lalita Sornboonla | 26,023,500 | 0.506 |
| 10. | Ms. Panton Wongprasertpol | 22,700,000 | 0.441 |
| Total | | 2,340,602,655 | 29.511 |



1.4 Registered and paid-up capital

1.4.1 ordinary shares

As of February 28, 2022 Company has registered capital of 2,773,869,685.50 Baht and paid-up capital of 2,571,522,575.50 Baht, divided into 5,143,045,151 ordinary shares with a par value of 0.50 Baht per share.

1.4.2 Other shares with different terms or rights ordinary shares

-None-

1.4.3 NVDR

As of February 28, 2022 Thai NVDR Company Limited held 71,622,010 ordinary shares or equivalent to 1.39 percent of the total issued and paid-up shares of the Company. By investing in NVDRs, investors receive the same financial benefits such as dividends, right issues or warrants to purchase ordinary shares, as those who investing in NVDR have no right to vote at the shareholders' meeting, the Thai NVDR Company Limited will not exercise the right to vote in the shareholders' meeting.



1.5 issuance of other securities

1.5.1 Warrants (7UP-W4)

According to the Extraordinary General Meeting of Shareholders No. 1/2019 held on May 31, 2019. The shareholder meeting resolved to issue not exceeding 605,919,620 units of warrants to purchase the Company's ordinary shares No.4 (7UP-W4) to allocate to existing shareholders follows the proportion of rights offering by 5 existing ordinary shares per 1 warrant in amount of 0.05 Baht per unit. The warrants have a life of 3 years from the issuance date of the warrants on August 9, 2019, the exercise price of warrant is 1 unit per ordinary share. The first exercise price is 0.50 Baht, the second exercise price is 1.25 Baht and the last exercise price is 2.25 Baht.

In the warrants to purchase the Company's ordinary shares No.4 (7UP-W4) on July 18-24, 2019, there were 605,919,620 units of full subscription and as of December 31, 2019 and the remaining warrants to purchase the Company's ordinary shares No. 4 (7UP-W4) 605,919,620 units.

The first exercise date is on June 30, 2020 at the exercise price of 0.50 Baht per ordinary share, which has no warrant holders exercise, resulting in on December 31, 2020 there is remaining warrant to purchase the Company's ordinary shares No.4 (7UP-W4) at 605,919,620 units.

The second exercise date is on June 30, 2021 at the exercise price of 1.25 Baht per ordinary share, which has warrant holders exercised 201,225,400 warrant unit at 1 unit per 1 share for an amount of 251,531,750 baht. As a result, on December 31, 2021 there is remaining warrant to purchase the Company's ordinary shares No.4 (7UP-W4) at 404,694,220 units.

PROGRESS AND USE OF FUNDS REPORT According to the Company received money from the sale of warrants to purchase ordinary shares of Seven Utilities and Power Public Company Limited No.4 (7UP-W4) in June 2021 in the amount of 201,225,400 units at the exercise price of 1.25 Baht per unit worth 251,531,750 Baht. Therefore, the Company would like to report the use of funds from the sale of warrants as of December 31, 2021.



(Unit : million Baht)

| Objectives | Balance amount as of June 30, 2021 | Amount of money used during the period | Balance amount as of December 31, 2021 |
|---|--|--|---|
| Working capital for companies and affiliates | 251.53 | 23.9 | 0 |
| To invest in telecommunication business and forest plantation business | | 18.0 | 0 |
| Invest in a utilities business | | 209.63 | 0 |
| Total | 251.53 | 251.53 | 0 |

1.5.2 Convertible Debentures

The resolution of the 2020 Annual General Meeting of Shareholders of Seven Utilities and Power Public Company Limited held on May 26, 2020. The meeting resolved to approve the issuance and offering of the newly issued convertible debentures of the Company by way of private placement and increase the Company's registered capital in order to reserve the exercise of conversion rights of the convertible debentures at the amount of 650,0000 units at the total value of 650,000,000 Baht to a specific investor namely Advance Opportunities Fund (“Convertible debenture holder”)

The resolution of the Extraordinary General Meeting of Shareholders of Seven Utilities and Power Public Company Limited No. 1/2020 held on July 15, 2020. The meeting resolved to approve the reduction of the Company's registered capital by reducing the par value from 1.00 Baht per share to 0.50 Baht per share. As a result, the registered capital and paid-up capital of the Company have been reduced in half and the number of shares remains the same.

The resolution of the Extraordinary General Meeting of Shareholders of Seven Utilities and Power Public Company Limited No. 2/2020 held on October 27, 2020. The meeting resolved to approve the increase of the Company's registered capital at the amount of 425,000,000 Baht or equivalent to 850,000,000 ordinary shares in order to preserve the exercise of conversion rights of the convertible debentures and approved the allocation of the newly issued ordinary shares of the Company for the conversion of Convertible Debenture at the amount of 850,000,000 shares worth 425,000,000 Baht to convertible debenture holder.



The resolution of the Extraordinary General Meeting of Shareholders of Seven Utilities and Power Public Company Limited No. 1/2021 held on February 3, 2021. The meeting resolved to approve the increase of the Company's registered capital of THB 355,000,000 or equivalent to 710,000,000 ordinary shares in order to preserve the exercise of conversion rights of the convertible debentures and approved the allocation of the newly issued ordinary shares of the Company for the conversion of Convertible Debenture at the amount of 710,000,000 shares worth 355,000,000 Baht to convertible debenture holder.

The Company issued and offered of convertible debentures 19 times in the amount of 650,000,000 Baht on December 8, 2020, and the convertible debenture holder exercised of conversion rights of 650,000,000 Baht on February 9, 2021 which the total shares was allocated at 1,912,221,649 shares at a convertible average ratio of 0.34 Baht per share.

PROGRESS AND USE OF FUNDS REPORT According to Seven Utilities and Power Public Company Limited ("Company") has completely issued and offered of convertible debentures to investors totaling 650,000,000 Baht. Therefore, the Company would like to report the use of the capital increase as of December 31, 2021.

(Unit : million Baht)

| Objectives | Balance amount as of January 1, 2021 | Amount of money used during the period | Balance amount as of December 31, 2021 |
|--------------------------------|--|---|--|
| Invest in a utilities business | 60 | 60 | 0 |
| Total | 60 | 60 | 0 |



1.6 Dividend payment policy

1.6.1 company's dividend payment policy

Company has a dividend payment policy that aims to provide shareholders with a payout no less than 50.00 percent of its net profit after deducting all provisional reserves required by 7UP. However, dividend payment is subject to future investment plans, necessities on working capital and suitability. The resolution of the Board of Directors has decided on dividend



payment, it must seek approval from the shareholders' meeting. An exception is for interim dividend payment which the Board of Directors can approve and report to the next shareholders' meeting.

Dividend payment history shown as follows

| Dividend Information | 2021 | 2020 | 2019 |
|--------------------------|---------------|---------------|---------------|
| | | | (Restated) |
| 1. Net Profit (Loss) | 92.08 MB | 80.81 MB | 72.07 MB |
| 2. deficit Profit (Loss) | 3.97 MB | (88.11) MB | (1,201.03) MB |
| 3. Dividend payment | Omit Dividend | Omit Dividend | Omit Dividend |

1.6.2 dividend payment policy of its subsidiaries

The dividend payment of the subsidiaries depends on the operating results of the subsidiaries and must comply with the regulations and law. However, the dividend payment is subject to future investment plans, necessities on working capital and suitability.



2. Risk Management

The company recognizes the importance of risk management that affecting the achievement of the company's objectives by reducing the chance of risk occurring or impact in order to acquire opportunities and business practices that will lead to added value to the company. The company's business risk management is managed by executives at all levels.

2.1 Risk management policy and plans

The Board of Directors has prepared related risks to ensure clarity on the risk management so defining a risk management policy framework, methods and plans for risk management to enable the company continuously operates in accordance with the risk management framework including plan, monitor and improve risk in order to control the risk at an acceptable level and including the executives and employees to participate in the study, analysis and assessment of the opportunity and severity of the impact and risk within the company that may affect the business as well as reviewing important risks and risk mitigation measures on a quarterly basis, the company's risk management policy and plans are as following objectives.

1. To manage the risk that have an impact on objectives and strategies including believe the image and voice of the company.
2. To manage the risk management located in the level can accept. All employees to participate in the process of risk management.
3. To encourage employees across the entire organization to recognize and prevent the risk of all.
4. To prepare a plan to control, audit, monitor and assess the risks that may occur both internal and outside the company.

2.1.1 Role of the associated with the risk management

According to the risk management of the company, all employees at every level are participated by defining roles and responsibilities as follows:

| | | |
|--------------------|----------|---|
| Board of Directors | performs | Develop a policy and supervise risk management. |
| Audit Committee | performs | Review the risk management and follow up the performance to comply with the policy. |



| | | |
|---------------------|----------|---|
| Executive Committee | performs | Determine the risk level and risk factors that may occurs including to manage risks and performance continuously. |
| Head of Department | performs | Determine the risk to an acceptable level in order to achieve the department's objectives to comply with the company and implement an appropriate risk mitigation plan. |
| Internal Auditor | performs | Audit and follow up on risk standards to ensure that the company has appropriate risk management including review the internal control system activities of the department. |
| Employees | performs | Action of the internal control system and manage the risk in accordance with the guidelines set to protect against the risks. |

2.1.2 The components of the risk management

The company has divided risk management into two parts which are risk management at department level and risk management at company level.

1) Managing the risk level of the department

To manage the risk that may be caused by the performance of each department by the risk can be managed by the authority of the head of department or the risk that there is no impact on objectives and strategies in the performance or can be controlled by the internal control process.



2) Managing the risk level of the department

To manage the risk that have an impact on the performance objectives or strategies and a good internal control system to prevent and manage risks or damages that may occur to the company and stakeholders. Therefore, it is important for the company to ensure that the company has an appropriate and sufficient internal control system in accordance with objectives, laws, relevant requirements effectively and to prevent assets from corruption including the preparation of accurate and reliable financial reports.

2.2 Risk factors facing 7UP's Businesses

Risk factors that may significantly affect the business operations of the company and subsidiaries can be classified as follows:

2.2.1 Risks facing businesses of 7UP or 7UP group

1) Risk from oil and natural gas prices fluctuation

The price of oil and natural gas fluctuates depending on the world market which could be affect to the operations and return on investment. The company has established a policy to manage the risk of raw material prices both purchasing and selling prices with business partners by setting the target for reasonable price, quantity and timing as well as warehouse management efficiency in order to mitigate the risks that may arise from changes in world market prices. The company has negotiated with business partners to ensure the company's profit in the event of an increase in global oil prices.

2) Risk from LPG procurement

To procure LPG for distribution in service stations from the oil merchant section 7 only. The company sets a target for allocating the risk of LPG procurement from many the oil merchant section 7 who are partners of the company. Moreover, the price, quality and transportation distances are compared for efficient management and the right amount of gas to be purchased covering the target companies' stations and target customers. Currently, the company has good oil merchant section 7 ensuring that LPG can be procured on time when needed. In the past, the company never encountered any difficulties in sourcing LPG due to the rejection of major merchant.



3) Risk from the land lease agreement for business operations

Star Gas Company Limited entered into a long-term land lease agreement to operate LPG service station business with an average lease period of 10-15 years with a business or third party. If the landlord does not renew the land lease agreement, the company will be affected business operations. However, the executives have a good relationship with the landlord and the rent is paid on time regularly. In addition, most of the lease agreements are long-term that allow the company has time to find a suitable new location.

4) Risk of accident in transportation of LPG service station

The company has a subsidiary company that operates LPG transportation business, there are vehicles that specifically used for LPG transportation which causing accident and damage. The vehicles are inspected regularly by the Department of Land Transport and equipped with GPS to be able to track the location of the vehicles. In addition, drivers are trained and licensed strictly in accordance with government regulations as well as having the insurance is fully covered by assets risk and third-party liability to reduce the impact that may occurs. Currently, all vehicles are insured and employees are trained to inspect the safety of the service stations every day and promote a project to increase understanding of duties appropriately.

5) Risk on water quality and quantity after treatment

The company has entered into a contract that guarantees the quality of the water through the treatment process as well as the quantity of the water obtained to be as specified. If the quality of the water does not meet the contract and the quantity is not as agreed. The customer has the right to refuse water intake or cancel the contract. In this regard, the company collects water samples to measure quality according to the standards on a regular basis among managing the risk transfer to the equipment manufacturers imported by the company to use in the treatment process by entering into a water quality certification contract that uses manufacturer's technology. Moreover, the company agreed conditions to receive the minimum water intake with the customer in order to guarantee the company's revenue.



6) Risk of water shortage in the future

As demand for water exceeds the amount of water from the Irrigation Development Plan, including the limitation of natural raw water costs within Phuket Island and water reservoirs which cannot be used all year round together with climate change problems that result in less rainfall than the average. In this crisis, the company has the land which is located in Phang Nga province. Na Toey Mine area is 340 square meters with the potential to develop as a water reservoir. Since there are natural canals flowing through and can be diverted to be raw water for tap water production.

7) Risk on safety, occupational health, environment and community

The company has provided training for all employees at all levels trained on knowledge and understanding of safety, occupational health and environment including preparation of emergencies such as firefighting and evacuation fire drill, an emergency team to assist in accidents. The company has publicized by providing knowledge and understanding to the people including providing support, assistance and participation in activities of the nearby communities and collaborating with government agencies as the company's policy conducts activities continuously.

8) Risk of human resource management and development

In today's economic, there may be a lack of personnel who are critical to operations. Therefore, the company pays attention to factors and improved the recruitment process and human resource development to be efficient including review the organizational structure and analyze the manpower demand plan and the human resource development training plan in accordance with the business growth along with a strategic plan to support future business expansion. Moreover, the company has allocated a budget for training and development of human capabilities by focusing on the training that is appropriate and responding to the various needs of the business expansion of the company.

9) Corruption risk

Corruption is a serious problem and obstacle of the company's sustainability which affect loss. Corruption can happen at any time because the company operates in many ways that need to be contacted by government agency. Therefore, the company has established Anti-Corruption Policy both directly and indirectly as a guideline in writing and creating awareness to all related person and all levels in order to reject and not meddle in corruption. The company has joined Thai Private Sector Collective Action Against Corruption (CAC) which was certified on September 30, 2021. Moreover, the company's



intention to all related person can be assured that the company will operate in a transparent, fair and not meddle in corruption of all forms.

10) Risk from financial fund

The company is continually investing in its business which requires a large amount of capital or sometimes it may be necessary to strengthen the liquidity of the business. Therefore, the company has financial planning and financial tools such as loan from financial institutions, warrants to purchase ordinary shares of the company, issuance and offering of convertible debentures in order to provide fund sufficiently and on time.

11) Financial support to affiliated company

The company has affiliated Company that need to invest in the business which still have insufficient financial status. Therefore, the company is required to provide financial support to enhance liquidity in operations for its affiliates in order for the affiliated company follow the plan. The company closely monitor operations and reimbursement period of affiliated company in order to maintain financial discipline and to build strengthen the company's financial sustainability.

12) Risk from interest rates

Fluctuations in interest rates naturally impact company's cash flows. However, the company closely monitors interest rate changes. It therefore predicts that it will not be impacted by rate fluctuations.

13) Risk of economic condition

The company has been affected by the global economic instability and may walk through crisis from events such as world financial markets moving higher volatility from a mutation of the Coronavirus (COVID-19), the baht depreciating, high inflation rate beyond the framework of the goals, the federal reserve announced plans to reduce the acquisition of the asset, shortage power of China, which may adversely affect the economic outlook and world energy prices. Therefore, the company continually monitors and analyzes events that may affect the company and the company should take proper action under this kind of volatile situation before making a decision.



14) Risk arising from Coronavirus (COVID-19)

The company has yet to see an end of the outbreak of the Coronavirus (COVID-19) and effects on the company's operation cannot be predicted. Therefore, the company has defined a policy and practice guidance to comply with the guideline of the Ministry of Public Health by passing information about disease prevention and hygiene care to the employees. Moreover, the company also monitors the situation and news closely.

15) Compliance with applicable policies, laws, and regulations

The company operates many businesses in which each business has various laws, rules and regulations. The company attributes great importance and adheres to compliance strictly. Any failure to comply with any one or more of such laws, rules and related will directly affect business operations and the company has followed up on changes in laws, rules and regulations so that the operator can work properly.

16) Risk of information technology

Due to rapid and continuous progresses in information technology, there are risks associated to technological threats that could occur either as a result of human errors, system faults and cyber threat. If the information system encounters any circumstances that cause data loss, it would be serious impact to the company such as operations, reliability and reputation. Therefore, the company has established information technology policy in order to build awareness of employees to information technology security issues.

2.2.2 Investment risks for shareholders

1) Risk of return on investment

The company has invested in business expansion continually including searching new business investment to create value where investment risks may cause the return missed the target or delayed or used higher investment than the budget. The investment policy is a practice guideline for the Board of Directors, Executive Committee, executives and employees who manage the company's investments. The company adheres to the carefulness in generating appropriate returns on investment and in accordance with the strategy, policy and plan of the company by defined the investment criteria and assign the Executive Committee to monitor the performance of the investment regularly and changes in



various factors that may cause the return on investment missed the target in order to resolve the problems that may arise rapidly and efficiently.

2) Risk on dividend payment

The company is a holding company in nature without its own revenue generating operation. Therefore, its operational results and dividend payment depend on operation and dividend stream of subsidiaries. Currently, the company holds stakes in subsidiaries and associated company.

Due to the incapability to pay dividends to shareholders with limitations such as limitations on loan agreements, the need to reserve funds for business expansion including significant changes in law. Therefore, it may result in the company's revenue decreasing and affect the company's operating results and financial position.

2.2.3 Foreign investment risk securities

-None-



3. Business mobilization for sustainability

3.1 Policy and Goals for Sustainable Management

Board of Directors placed an important to make a decision for the most benefit for the company and all stakeholders by determining policy and goal in operation process for sustainability development as well as defining company vision, missions, and operational framework. Furthermore, Chief Executive Officer and the management team are the main key to motivate the organization personnel focusing on business operation under sustainability point of view. Besides, employees' awareness will affect the positive way for the operations on the economy, society and environment.

Regarding the vision of the company that aims to **“Be a renewable energy and public utility company that is committed to produce and develop with modern innovation by giving importance to stakeholders for sustainable business operations under transparency against all of corruption.”** It has been reflected in the company's commitment to sustainable business operations under 6 main missions.

- **Manage the organization with ethics and good governance**
- **Establish standards and transparent for systematic operations**
- **Generate fine performance for shareholders**
- **Operate under anti-corruption practices strictly**
- **Take care and develop human resources equally**
- **Service to partners and society with sincerity**

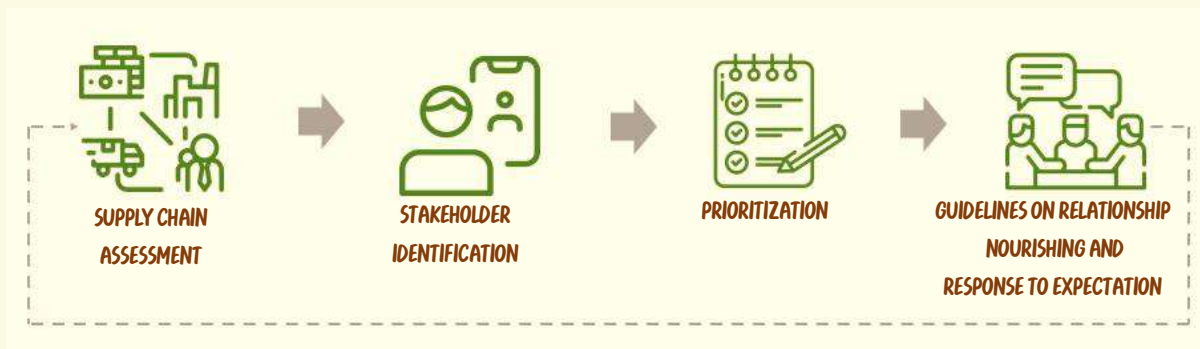
The company hold to the 17 goals which stipulated by the United Nations for sustainable development in economic, society and the environment dimensions. In order to integrate and define a business operation framework for the corporate sustainability 5-year plan of the company (2020-2024). In consequence, the company settle 9 goals which are the main company objective as follows:



3.2 Affectation Management for stakeholder in value chain

3.2.1 Identification of stakeholders in value chain

7UP considers it vital to nourish the relationship with stakeholders throughout the value chain, to ensure business achievements. The Company emphasizes building and nourishing long-term relationships and seeks continuous cooperation from stakeholders in the supply chain, from upstream to downstream. 7UP has stepped up its engagement and consultation with stakeholders, to understand, engage and appropriately respond to their expectations in economic, social and environmental aspects.



Identification of stakeholders in value chain

| Stakeholders affected by 7UP's operations | Economic aspect | | Social aspect | | Environmental aspect | | Stakeholders significant to 7UP's operations |
|---|-----------------|---|---------------|---|----------------------|---|--|
| 1) Shareholders/ investors | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 1) Shareholders/ investors |
| 2) Creditors/ financial institutions | ✓ | ✓ | ✓ | ✓ | | | 2) Creditors/ financial institutions |
| 3) Business partners | ✓ | ✓ | ✓ | ✓ | | ✓ | 3) Business partners |
| 4) Regulators | | ✓ | ✓ | ✓ | ✓ | ✓ | 4) Regulators |
| 5) Competitors | | ✓ | | | | | 5) Competitors |
| 6) Suppliers | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6) Suppliers |
| 7) Customers | ✓ | ✓ | ✓ | ✓ | ✓ | | 7) Customers |
| 8) Employees | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8) Employees |
| 9) Community/ society | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9) Community/ society |
| 10) Private organizations | | ✓ | | ✓ | | ✓ | 10) Private organizations |
| 11) Media / Press | | ✓ | | ✓ | | ✓ | 11) Media / Press |

3.2.2 Stakeholders Prioritization

The stakeholder prioritization takes into account the following issues and impact levels:

- 1) Economic, social and environmental issues relating to 7UP's actions and their impacts on stakeholders.
- 2) Level of stakeholder-induced impacts on 7UP in legal, regulatory, financial and operational terms as well as corporate image.

7UP consciousness an importance of all stakeholders that might be direct and indirect impacts for the Company's operations. Besides, the Company give an opportunity for stakeholders to offer opinions and acknowledge all concerns and expectations. The Company also identified all stakeholders in value chain by considering from level of effects and stakeholder impact to company operations as well as effects from operations directly. Moreover, based on the assessment of issues relating to the Company's operations and level of their impact on stakeholders as well as stakeholders' impacts on the Company,



identified and 7 groups are considered significant to the Company's operations. Consequently, the Company devises the approaches to nurture the relationship with the 7 groups and respond to their expectations as follows:

Guideline on stakeholder relationship nurturing and response to expectations

| Stakeholders | Expectations | Approach | Engagement channels |
|--------------|--|---|--|
| 1) Employees | <ul style="list-style-type: none"> • Appropriate income and welfare • Healthy and safe work environment management • Continual capacity building • Proper career advancement • Provide adequate news and information to employees thoroughly • Supportive work process in light of emerging disease outbreak | <ul style="list-style-type: none"> • Settlement employees' salary in appropriate rate • Review remuneration and welfare against peer companies' every year • Provide safety standard, enjoyable and creative environment • Prepare level-based group and individual training • Develop IT system to support new normal way of working • Welcome employees' opinions and suggestions | <ul style="list-style-type: none"> • Annual operation assessment • Enhanced potential training for company personnel in both level of executives and employees • Arrangement safety and healthy activities for employees • Suggestion box • Whistle blowing channel • Various all-time communication channels i.e., e-mail, Line, intranet, etc. • Annual employee satisfaction and engagement survey |



| Stakeholders | Expectations | Approach | Engagement channels |
|-----------------|--|--|--|
| 2) Shareholders | <ul style="list-style-type: none"> • Good wages • Good governance over activities • Business transparency • Ability to management and deliver good returns • Correct, complete, up to-date and transparent Company information • Stable business and continuous growth • Adaptation of enterprise and business to technological change and emerging risks | <ul style="list-style-type: none"> • Review and setting of strategies with clear goals as well as good corporate governance • Diversification to other businesses for strengthening revenues and dispersing risks in monopolize investment • Establishing of business partnership to strengthen competitiveness • Attending membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) | <ul style="list-style-type: none"> • Annual General Meeting • Quarterly performance announcements Annual Report • Interview of executive management team's opinions • Site Visit • Whistle blowing channel • Various all-time communication channels i.e., telephone, e-mail, website, |
| 3) Customers | <ul style="list-style-type: none"> • Give and advise and complete the customer requirements usually • Deliver products or progress of construction on due • Professional operation • Assurance of instrument and safety in project construction | <ul style="list-style-type: none"> • Ethics in maintaining customer confidentiality • CRM system • Arrangement of certain working plan including follow-system and budget control system | <ul style="list-style-type: none"> • Mutual meeting for summarize result and solution • Mutual attending activities with customers • Opinion-exchange seminars • Customer satisfaction survey • Good service mind and assistance |



| Stakeholders | Expectations | Approach | Engagement channels |
|--|--|--|--|
| 3) Customers | <ul style="list-style-type: none"> • Safety environment for operation • Product quality and after service • Business transparency | <ul style="list-style-type: none"> • Contract management and mutual negotiation for finding the conclusion | |
| 4) Business Partner / Supplier | <ul style="list-style-type: none"> • Trustworthiness, corporate image and governance • Business transparency • Financial stability • Fair compliance to agreements and payment terms | <ul style="list-style-type: none"> • Prepare standardized and transparent procurement process, to rid conflict of interest • Assess suppliers' qualifications • Discuss with suppliers for mutual agreements on operational procedure • Strengthen anti - corruption practices through CAC's attended membership | <ul style="list-style-type: none"> • Mutual meeting for summarize result and solution • Site visit, assessment of supplier's operations and feedback • Supplier evaluations • Site visit |
| 5) Creditors and Financial institution | <ul style="list-style-type: none"> • High credit ratings • Efficiency and capability in generating revenue and profit • Ability to debt repayment • Investment and financing plans • Ability to follow terms and conditions in agreements | <ul style="list-style-type: none"> • Strictly abide by repayment schedules • Conduct revenue analysis and forecast and manage financial risks • Seek low-cost funding sources suitable for investment projects and abide by loan conditions • Strictly comply with corporate financial and tax policy | <ul style="list-style-type: none"> • Executive meeting with creditors and financial institution • Quarterly performance Announcements • Site visits to monitor progress • Agreements on issues including how to keep confidential information secure |



| Stakeholders | Expectations | Approach | Engagement channels |
|------------------------|---|--|---|
| 6) Government Agency | <ul style="list-style-type: none"> • Ability to comply with related laws • No social and environmental effects • Development of the organization's ability to participate in modifying environmentally-friendly production processes to reduce impacts • Cooperate with the government sector to provide information for use in development • Support government sector projects with benefit for the greater good | <ul style="list-style-type: none"> • Comply with rules and regulations prescribed by the law in every area • Complete and punctual tax payments of every type • Report information according to legal specifications • Effective Government agency engagement • Ensure good corporate governance and implementation of business code of conduct | <ul style="list-style-type: none"> • Meetings and explanations of government agencies • Site visit • Partnership and supports of Government's projects • Public information on 7UP's website • Responding to disclosure requests |
| 7) Community / Society | <ul style="list-style-type: none"> • Operations with responsibility for society/ community • Assurance of instruments and manufacturing process in project area • Support for community activities • Transparent and timely information disclosure • Engagement in inspection of work process | <ul style="list-style-type: none"> • Support public activities. • Create volunteer employees to participate in public activities • Anti-corruption policies and support for practices • Ensure environmental and safety management in compliance with laws and relevant regulations and continually prevent possible risks to community | <ul style="list-style-type: none"> • Community visits to build relationship • Activities to improve quality of life • Site visit of community • to observe the operations and/ or other projects • Complaint channel and process to fix and prevent problems |



| Stakeholders | Expectations | Approach | Engagement channels |
|------------------------|---|--|---|
| 7) Community / Society | <ul style="list-style-type: none"> Engagement in sustainable development of community quality of life and society Recognition of their views and prompt problem solving | <ul style="list-style-type: none"> Communicate with community thoroughly and through various two-way channels Prepare development plans to improve quality of life in terms of vocation, education, health and others upon community's requirements Jointly prepare and exercise emergency response plan with community | <ul style="list-style-type: none"> Emergency drill Community opinion survey Information publication on 7UP's website |



3.3 Sustainability management in an economic dimension

The company has realized the importance of sustainability in the economic dimension. The company focuses on new and practical innovations in business operations including valuable employment to provide personnel stability lasting.

Running a business with innovation



| | | |
|---|--|---|
|  <p>5-year long-term goals</p> <p>Develop innovation to meet customer needs for achieving continuous usage and services, and result in 100% income.</p> |  <p>2020 goals</p> <p>Develop innovation to meet customer needs for achieving continuous usage and services, and result in 20% income.</p> |  <p>Performance for the year 2020</p> <p>Develop innovation to meet customer needs for achieving continuous usage and services, and result in 9.93% income.</p> |
|---|--|---|

Water Retreatment group innovation

Sam Water Supply Company Limited has engaged in water treatment business emphasizing on shrimp farming. The company has considered that the wastewater treatment business in shrimp farm should focus on shrimp farming planning and the technology used. To ensure the highest quality of produce from shrimp farms and reduce the incidence of shrimp disease, in line with the guidelines of the Thai Shrimp Association that focus on sustainable shrimp farming methods and



pay more attention to the quality of shrimp. The company considers that the use of water treatment processes with ultrafiltration systems and disinfecting with ozone can answer both the problem of the epidemic and help increase the area for shrimp farming globally by developing the wastewater treatment business to treat the water in the circulating system that is beneficial to shrimp farming of business partners, that is to say, CPF to support international market expansion as well. This technology still supports an ecosystem in order to operate shrimp farming sustainability.



Valuable employment

| | | |
|---|--|---|
|  <p>5-year long-term goals</p> <p>Employee turnover rate less than 5%</p> |  <p>2020 goals</p> <p>Employee turnover rate less than 15%</p> |  <p>Performance for the year 2020</p> <p>Employee turnover rate less than 17.12 %</p> |
|---|--|---|

Valuable employment in accordance with an administration guideline has focused on recruitment, enhancement employees' quality. The company believed that employees can develop their potential to bring highest benefits for organization.

Recruitment Employees recruitment both of inside and outside the company with proceeded by transparency and without discrimination. Moreover, employee recruitment will be considered by the qualifications, knowledge, abilities, potential, experiences and attitudes according to their duties and responsibilities in that position.

Human resource development Encourage and support employees to develop their knowledge, skills, experience and competencies. The organization focuses on employee's mindset and the way of working to be able to cope with the uncertainty environment in order to perform their duties to their best ability.



Personnel retention The company has appropriate evaluated the compensation and benefits by considering different obligation, responsibilities and competencies within the same industry group. All employees have been fair evaluated due to their abilities. Also, position transferring and promoting have been taken into right department by allowing employees to show their potential to the organization. Furthermore, the company provides appropriate welfare followed by labor regulation guidelines as well as arranges various activities such as New Year's activities, charity, volunteering, and other activities to make an engagement for employees.

3.4 Sustainability management in the social dimension

The company has realized the importance of social responsibility in all aspects to society. 7UP also support and promote activities that can help our society on a regular basis. Besides, the company has been allocated budget properly for society, environment and local especially in the areas where the company has located the business.



Conducting business under ethical principles and good corporate governance

| | | |
|--|---|--|
|  <p>5-year long-term goals</p> <p>Operate activities followed by the company's policy that maintain fairness to all stakeholders without dispute or complaint.</p> |  <p>2020 goals</p> <p>Prepare and review the charter of the board of director and executive committee and business ethics. Moreover, publication of company information and adjustment of the organizational structure in accordance with business operations on company website.</p> |  <p>Performance for the year 2020</p> <p>Prepare and review the charter of the board of director and executive committee and business ethics. Moreover, publication of company information and adjustment of the organizational structure in accordance with business operations on company website.</p> |
|--|---|--|



Anti-Corruption and Bribery



| | | |
|---|---|--|
|  <p>5-year long-term goals</p> <p>Certified by CAC by operating in accordance with company policies and guidelines.</p> |  <p>2020 goals</p> <p>Certified by CAC by operating in accordance with company policies and guidelines.</p> |  <p>Performance for the year 2020</p> <p>Certified by CAC by operating in accordance with company policies and guidelines.</p> |
|---|---|--|

Seven Utilities and Power Public Company Limited has established an anti-corruption policy which was approved by the resolution of the Board of Directors' Meeting No.3 / 2020 held on March 9, 2020.

“ The company has forbidden policy for directors, executives and employees at all levels to conduct or accept any form of corruption either directly or indirectly. The prohibition covers government agencies, private agency and related persons whom the company has undertaken missions or contacted both in the country and abroad. We are strictly following the anti-corruption policy and regularly review the implementation of the anti-corruption policy. Along with reviewing the practice guidelines and operational requirements to comply with business changed, regulations and applicable laws.”

The company has provided training course to educate employees by following the policies and practices to encourage them to understand and apply practically. Also, there is risk evaluation for each business group which all employees have participated together on May 11, 2021.



The company has provided channel for complaint-making or whistle-blowing about illegal acts Business ethics, fraud, or conduct that may imply corruption through many channels that are,



- Via the Audit Committee's email: audit.committee@sevenup.co.th
- Directly call to compliance department, Tel. 02-741-4896
- Mail to Chairman of the Audit Committee or the compliance department
Seven Utilities and Power Public Company Limited
73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Road, Phrakhanong Tai,
Phrakhanong, Bangkok 10260.

The Company was certified by CAC on September 30, 2021. This certification will be expired on September 30, 2024.

Organizing social project activities



| | | |
|--|---|--|
|  <p>5-year long-term goals</p> <p>Organization social activities every year, at least 3 projects plan per year.</p> |  <p>2020 goals</p> <p>Organization at least 3 social activities projects</p> |  <p>Performance for the year 2020</p> <p>Organization at least 2 social activities projects</p> |
|--|---|--|

*** Remark: Due to Covid-19 pandemic situation, the Company issued Work from Home measure for employees. This results the company cannot arrange activity for society as planned.



Project “Jak Mue Phee Su Tar Nong” (from our hands to their eyes)

Company and affiliates have joined the project “Jak Mue Pee Su Tar Nong” (From our hands to their eyes) by donating used calendars to the Foundation for the Blind in Thailand Which has been in operation for four consecutive years. This event was started by inviting employees to be a part of delivery used calendars from their acquaintances and families to the Foundation for the Blind in Thailand in order to bring out the most value.



Project "Share Blood for Life and Happiness"

The company and affiliates have joined the project "Pun Lohit Tor Cheevit Tor Kwamsuk" (Share Blood for Life and Happiness) by inviting employees to donate their blood to the Thai Red Cross Society on a quarterly basis. To motivate them to be a giver Besides, the company continue proceed this event over four years ago.





Developing and quality of life of employees

| | | |
|--|---|---|
|  <p>5-year long-term goals</p> <p>Employees receive at least 20 hours of training per person per year including activities which are answered their requirement.</p> |  <p>2020 goals</p> <p>All Employees are trained in related courses and safety course at least 15 courses as well as average training hours at least 15 hours per person per year.</p> |  <p>Performance for the year 2020</p> <p>All Employees are trained in related courses and safety course at least 23 courses as well as average training hours at least 10.06 hours per person per year.</p> |
|--|---|---|

*** Remark: Due to Covid-19 pandemic situation, the Company issued Work from Home measure for employees. This results the company cannot arrange activity for society as planned.

employee's quality Life The company renovated the headquarters at Mahachol Building and the overall environment both of interior and exterior landscape to be more beautiful. This result in working inspiration which conducive employees' performances. For the interior of the building, working areas and various useful areas are arranged for executive team and employees to enhance good vibes for quality life at work. Moreover, this reason will lead to new idea in their works that is valuable to the organization.



company annual merit and new year activities are provided for strengthen the unity between the group of companies.



Arrangement a workplace and create atmosphere to facilitate the work



Occupation Health and Safety Management System



5-year long-term goals

Employee absenteeism rate due to illness is less than 1%

Due to occupational accident rate is 0%.



2020 goals

Employee absenteeism rate due to illness is less than 4%

Due to occupational accident rate is less than 0.4%.



Performance for the year 2020

Employee absenteeism rate due to illness is 1%

Due to occupational accident rate is 0.00%

The company has provided life and health insurance for employees including the annual health check.



Flu vaccination was serviced to employees.



Covid-19 Vaccine registration for employees



The company provided a hospital room, medicine cabinet and face masks were distributed to employees during the Covid-19 epidemic



The company provided a fitness room to relax and exercise After working hours



3.5 Sustainability management in environmental dimensions

The company has realized the importance of environment. Therefore, we have focused on doing business that is eco-friendly both energy and utilities to continue building sustainability.



Business operations within environmental management

| | | |
|---|---|--|
|  <p>5-year long-term goals</p> <p>To operate an energy and utilities business that is eco-friendly without environmental complaints or impact in the community.</p> |  <p>2020 goals</p> <p>To operate an energy and utilities business that is eco-friendly without environmental complaints or impact in the community.</p> |  <p>Performance for the year 2020</p> <p>To operate an energy and utilities business that is eco-friendly without environmental complaints or impact in the community.</p> |
|---|---|--|



Bio-GAS power plant business project The company has established its subsidiary to operate the renewable energy business. This business can generate sustainable income for the company in the long run from both the production and the distribution of electricity to the governmental sector. The operation belongs to the Phrasaeng power plant, biogas power plant, with a capacity of 2 MW that uses the wastewater and palm oil sludge obtained from the crude palm oil production process and turn into power generation.

water treatment for Shrimp farm business project Sam Water Supply Company Limited has contracts to distribute water through the Ultrafiltration system and disinfect with the Ozone generator in shrimp farms for CPF. These farms can deliver 124,000 cubic meters of water per day to 10 farms in different area. Furthermore, the company is a main water distributor for shrimp farming of Charoen Pokphand Foods Public Company Limited.



Appreciate the value of resources

|  5-year long-term goals |  2020 goals |  Performance for the year 2020 |
|--|---|--|
| <p>Implementing a policy to use company resources with knowledge of value by setting a goal to reduce expenses of electricity, water supply and accumulated paper consumption 5 years 5 hundred thousand baht.</p> | <p>Reducing electricity consumption by 50,000 units or approximately 10%</p> <p>Reducing paper usage by 150 reams per year or approximately 15%.</p> <p>Reducing Water usage by 100 units per year or approximately 5%.</p> | <p>Reducing electricity consumption by 88,000 units or approximately 11.02%</p> <p>Reducing paper usage by 483 reams per year or approximately 25.98%.</p> <p>Reducing Water usage by 206 units per year or approximately 6.07%.</p> |



At Seven Utilities and Power Public Company Limited, we intend to operate business with sustainability and also give an importance to energy saving and support the usage of resources. Therefore, the company establish an operational policy for the executives and all employees both in the company and its affiliates.

Electricity consumption and electricity cost in 2020 vs 2021



| | 2563 | 2564 | Diff | Diff (%) |
|--------------------------------|--------------|--------------|-------------|----------|
| Electricity consumption (Unit) | 786,000.00 | 698,000.00 | -88,000.00 | -11.20 % |
| Electricity cost (Baht) | 3,588,647.37 | 3,164,396.84 | -424,250.53 | -11.82 % |

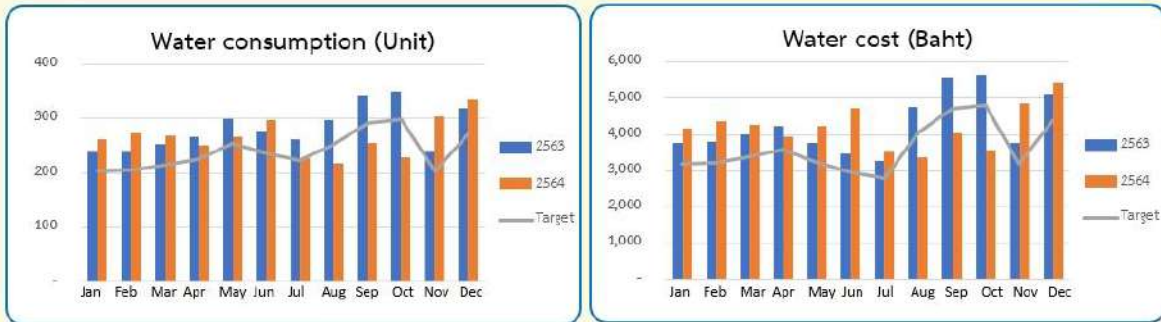
Paper quantity and cost 2020 vs 2021



| | 2020 | 2021 | Diff | Diff (%) |
|-----------------------|------------|------------|------------|----------|
| Paper quantity (Ream) | 1,859.00 | 1,376.00 | -483.00 | -25.98 % |
| Paper Cost (Baht) | 137,839.00 | 104,454.00 | -33,385.00 | -24.22 % |



Water consumption and water cost 2020 vs 2021



| | 2020 | 2021 | Diff | Diff (%) |
|--------------------------|-----------|-----------|---------|----------|
| Water consumption (Unit) | 3,391.00 | 3,185.00 | -206.00 | -6.07 % |
| Water cost (Baht) | 51,221.14 | 50,518.47 | -702.94 | -1.37 % |

Summarized Paperless Project over 5 years plan

| | 2020 | 2021 | 2022 | 2023 | 2024 | Total Save Cost (Baht) |
|--|-----------|------------|------|------|------|------------------------|
| Electricity Consumption Save (Unit) | 18,000.00 | 88,000.00 | | | | 106,000.00 |
| Electricity Consumption Save Cost (Baht) | 76,381.57 | 424,250.53 | | | | 500,632.10 |
| Paper Quantity Save (Ream) | 41.00 | 483.00 | | | | 524.00 |
| Paper Save Cost (Baht) | 17,225.00 | 33,385.00 | | | | 50,610.00 |
| Water Consumption Save (Unit) | - | 206.00 | | | | 206.00 |
| Water Consumption Save Cost (Baht) | - | 702.94 | | | | 702.94 |
| Accumulate save cost | | | | | | 658,675.04 |

4. Management Discussion and Analysis

4.1 Analysis of Financial Position and Significant Change Statement of profit and loss

| Statement of profit and loss | Consolidated financial statements (Thousand Bath) | | | | | |
|--|---|----------------|------------------|----------------|------------------|----------------|
| | 31 Dec 21 | % | 31 Dec 20 | % | YOY | %YOY |
| Revenues from sales | 679,061 | 84.93% | 993,145 | 76.31% | (314,084) | 31.63% |
| Revenues from rendering of services | 71,628 | 8.96% | 126,044 | 9.69% | (54,416) | 43.17% |
| Other incomes | 48,855 | 6.11% | 182,243 | 14.00% | (133,388) | 73.19% |
| Total revenues | 799,544 | 100.00% | 1,301,432 | 100.00% | (501,888) | 38.56% |
| Costs of sales of goods | (610,381) | 76.34% | (822,568) | 63.20% | 212,187 | 25.80% |
| Costs of rendering of services | (48,749) | 6.10% | (148,130) | 11.38% | 99,381 | 67.09% |
| Selling expenses | (21,994) | 2.75% | (33,494) | 2.57% | 11,500 | 34.33% |
| Administrative expenses | (206,717) | 25.85% | (260,947) | 20.05% | 54,230 | 20.78% |
| Bargain purchase of investment in subsidiaries | 154,537 | 19.33% | 10,092 | 0.78% | 144,445 | 1,431.28% |
| Gain on sale of investment in associate | 123,412 | 15.44% | - | - | 123,412 | 100.00% |
| Gain on sale of investment in subsidiaries | - | - | 84,146 | 6.47% | (84,146) | 100.00% |
| Gain (loss) on disposal of a subsidiary | 82,042 | 10.26% | (18,794) | 1.44% | 100,836 | 536.53% |
| Finance cost | (31,179) | 3.90% | (33,661) | 2.59% | 2,482 | 7.37% |
| Reversal of allowance for loans and interest | 14,300 | 1.79% | 53,500 | 4.11% | (39,200) | 73.27% |
| Reversal of allowance for investment in subsidiary | 13,327 | 1.67% | - | - | 13,327 | 100% |
| Share of profit (loss) from investment in associates | (2,547) | 0.32% | 4,860 | 0.37% | (7,407) | 152.41% |
| Profit before income tax expenses | 265,595 | 33.22% | 136,436 | 10.48% | 129,159 | 94.67% |
| Income tax income (expenses) | 11,098 | 1.39% | (13,774) | 1.06% | 24,872 | 180.57% |
| Profit for the period | 276,693 | 34.61% | 122,662 | 9.43% | 154,031 | 125.57% |

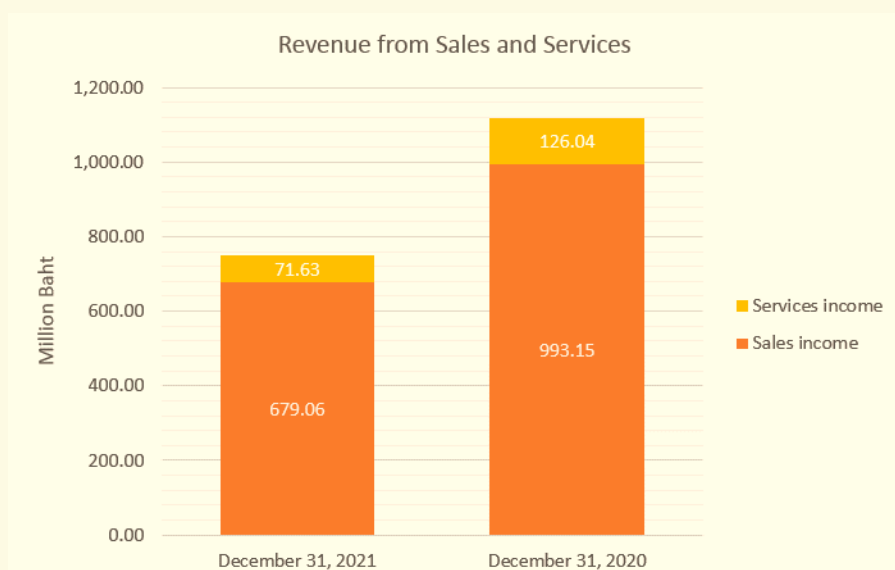
Remark: Financial ratio is based on common-size analysis to total revenue



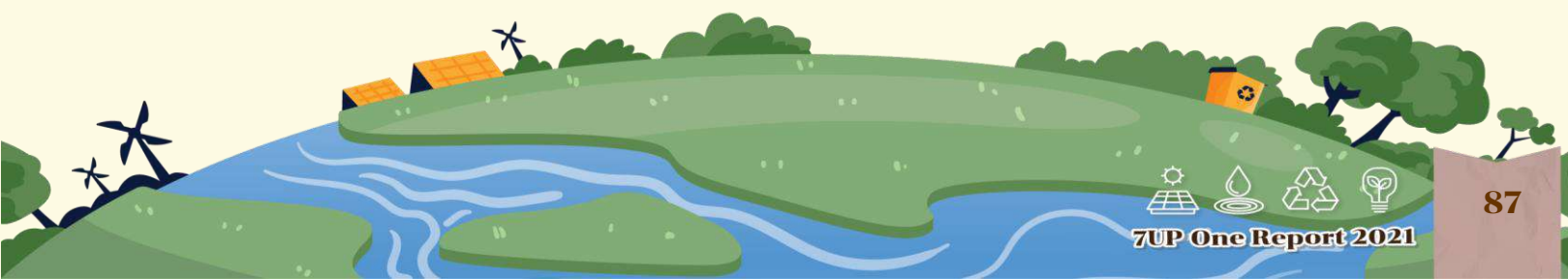
Overall business operation 12 months

For the year 2021, Seven Utilities and Power Public Company Limited and its subsidiaries has net profit of Baht 276.69 million. The profit increased from the year 2020 by Baht 154.03 million or 125.57%. For the year 2021, net profit of Baht 276.69 million mostly came from normal business operating with gross profit amounting Baht 91.56 million. Overall, the Group's performance mostly results from operation of LPG and oil business, waste water treatment business, and renewable energy business with gross profit of Baht 70.32 million, Baht 13.10 million, and Baht 6.10 million, respectively. Moreover, the Company also had other incomes and non-recurring incomes of Baht 436.47 million, which came from bargain purchase of investment in subsidiaries by Baht 154.54 million, gain on sale of investment in associates by Baht 123.41 million, gain on sale of investment in subsidiaries by Baht 95.37 million and reversal of allowance for loans and interest by Baht 14.30 million.

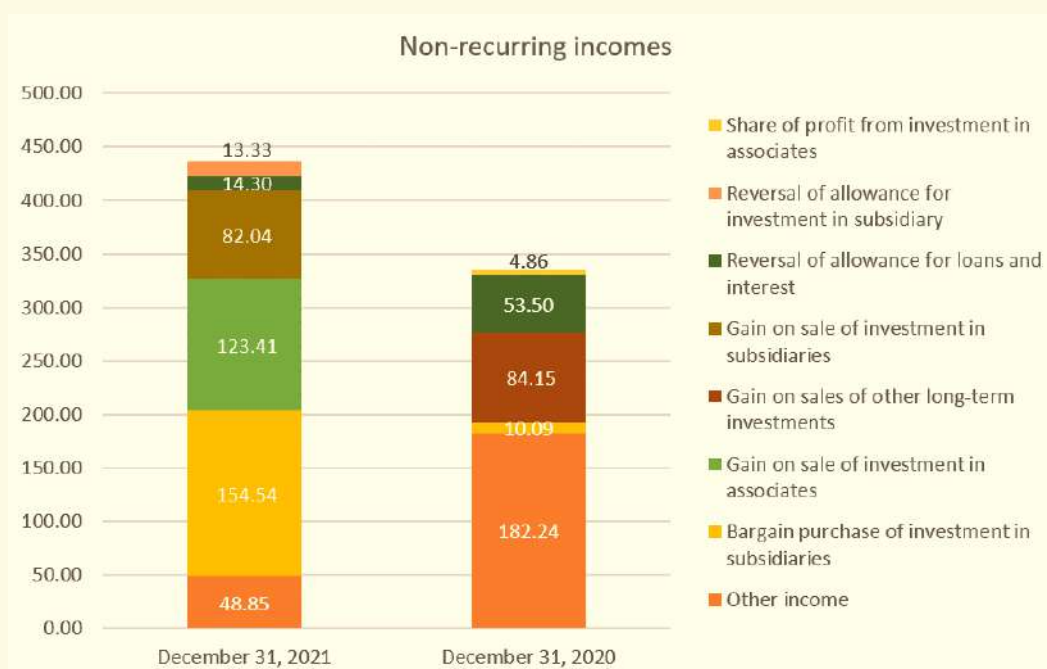
Revenue 12 months



For the year 2021, the Company had sales and services income of Baht 750.69 million, which decreased from 2020 by Baht 368.50 million or 32.93%. Sales income amounting Baht 679.06 million, mostly consists of revenue from sale of LPG and oil by Baht 647.17 million and revenue from sale of electricity by Baht 23.33 million. While, services income amounting Baht 71.63 million, mostly consists of revenue from waste water management services by Baht 42.70 million and revenue from LPG and oil station management by Baht 27.93 million.



Sales and services income decreased by Baht 368.50 million mostly came from revenue from trunked radio and Internet of Things (IoT) business which in total decreased by Baht 348.89 million because there is no e-bidding held by government sectors and state enterprises in this period. Where in the prior period there were still bidding events held. Thus, the revenue from this unit has decreased significantly also because the company sales this business out during quarter 2/2021. Revenue from LPG and oil retail and wholesale business was decreased by Baht 16.87 million due to the new emerging phase of COVID-19 pandemic, work from home policy and reduce transportation policy from the Governance that effected to the decreasing in demand on LPG and oil.



For the year 2021, the Company had other incomes and non-recurring incomes of Baht 436.47 million which increased from the year 2020 by Baht 101.63 million or 30.35%. Other incomes and non-recurring incomes of Baht 436.47 million, mostly came from the following reasons;

- Bargain purchase of investment in subsidiaries of Baht 154.54 million
- Gain on sale of investment in associates of Baht 123.41 million
- Gain on sale of investment in subsidiaries of Baht 82.04 million
- Reversal of allowance for loans and interest of Baht 14.30 million
- Reversal of allowance for investment in subsidiary of Baht 13.33 million



Revenue, Cost and Operation by Segment

(Unit: Million Baht)

| Gross Profit per Segment | December 31, 2021 | December 31, 2020 | Change | |
|--|----------------------|----------------------|----------|--------|
| | | | YOY | %YOY |
| <u>LPG and oil retail and wholesale business</u> | | | | |
| Revenues from sales and rendering of services | 675.10 | 691.97 | (16.87) | 2.44% |
| Cost of sales and rendering of services | (604.78) | (592.80) | (11.98) | 2.02% |
| Gross Profit per Segment | 70.32 | 99.17 | (28.85) | 29.09% |
| Gross Profit Margin | 10.42% | 14.33% | | 3.91% |
| <u>Renewable energy</u> | | | | |
| Revenues from sales and rendering of services | 23.33 | 24.35 | (1.02) | 4.19% |
| Cost of sales and rendering of services | (17.23) | (16.93) | (0.30) | 1.77% |
| Gross Profit per Segment | 6.10 | 7.42 | (1.32) | 17.79% |
| Gross Profit Margin | 26.15% | 30.47% | | 4.32% |
| <u>Trunked radio and Internet of Things (IoT)</u> | | | | |
| Revenues from sales and rendering of services | 9.56 | 358.45 | (348.89) | 97.33% |
| Cost of sales and rendering of services | (7.60) | (332.50) | 324.90 | 97.71% |
| Gross Profit per Segment | 1.96 | 25.95 | (23.99) | 92.45% |
| Gross Profit Margin | 20.50% | 7.24% | | 13.26% |
| <u>Operating of water waste treatment</u> | | | | |
| Revenues from sales and rendering of services | 42.70 | 44.42 | (1.72) | 3.87% |
| Cost of sales and rendering of services | (29.60) | (30.49) | 0.89 | 2.92% |
| Gross Profit per Segment | 13.10 | 13.93 | (0.83) | 5.96% |
| Gross Profit Margin | 30.68% | 31.36% | | 0.68% |
| Total profit per segment before related party transactions | 91.48 | 146.47 | (54.98) | 37.54% |
| <u>Add</u> related party transactions | 0.08 | 2.02 | (1.94) | 96.04% |
| Total Gross Profit | 91.56 | 148.49 | (56.93) | 38.34% |
| Gross Profit Margin | 12.20% | 13.27% | | 1.07% |



Cost of sales and services 12 months

Cost of sales and services for the year 2021 of Baht 659.13 million, which decreased from the year 2020 by Baht 311.57 million or 32.10%, consists of decreased in cost of sales by Baht 212.19 million and Baht 99.38 million or 25.80% and 67.09%, respectively mostly came from the following reasons;

- LPG and oil retail and wholesale business of Baht 604.78 million which was cost of purchasing LPG and oil amounting Baht 586.41 million and cost of sales management amounting Baht 18.37 million.
- Operating of water waste treatment business of Baht 29.06 million which was cost of water waste treatment and cost of management in the whole amount.
- Renewable energy business of Baht 17.23 million which was cost of electricity production in the whole amount.

Gross Profit 12 months

- Gross profit for the year 2021 and the year 2020 of Baht 91.56 million and Baht 148.49 million, respectively. The decreasing of gross profit by Baht 56.93 million or 38.34% mostly from the following reasons;
- LPG and oil retail and wholesale business of Baht 70.32 million mainly from gross profit on sale of LPG and oil amounting Baht 60.76 million and gross profit on sales management amounting Baht 9.56 million.
- Water waste treatment business of Baht 13.10 million which was gross profit on waste water management services in the whole amount.
- Renewable energy business of Baht 6.10 million which was gross profit on sale electricity in the whole amount.

Selling and Administrative Expense 12 months

Selling and administrative expenses for the year 2021 of Baht 228.71 million, which decreased from the year 2020 by Baht 65.73 million or 22.32%. Selling and administrative expenses for the year 2021 mainly consists of selling expenses amounting Baht 21.99 million, which was selling expenses from LPG and oil business, and administrative expenses amounting Baht 206.72 million, mainly due to management expense, employee expenses, allowance for doubtful accounts, rental expense of land, depreciation expense, consulting fee for financing and operating activities, and audit fees.



Financial Cost 12 months

For the year 2021, the Company's finance cost of Baht 31.18 million, which decreased from the year 2020 by Baht 2.48 million or 7.37%, which mostly resulted from adoption of Thai Financial Reporting Standards No. 16 (TFRS16) Leases and borrowings from financial institutions and non-related parties.

Net Profit (Loss) for the Period 12 months

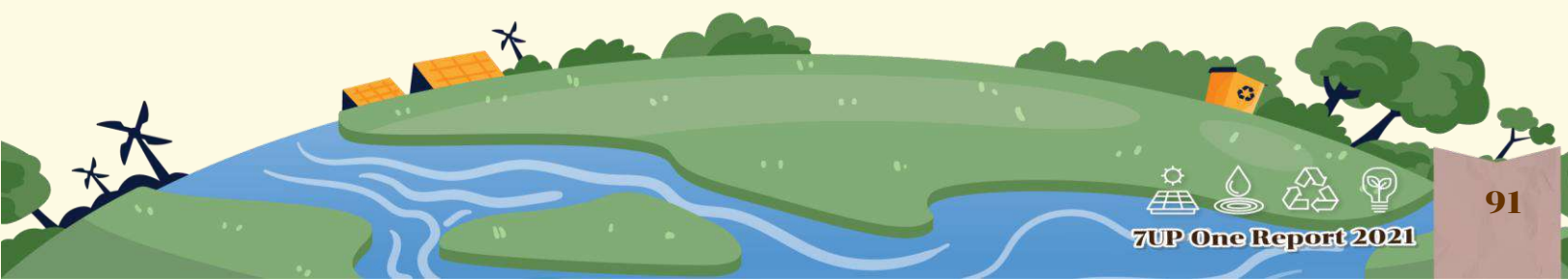
Results of operations for the year 2021, the Company has net profit of Baht 276.69 million, which increased from the year 2020 by Baht 154.03 million or 125.57%. The increasing in net profit reflect to the improving of the Company's performance, which conforms with the revenue incremental.

Statement of Financial Position

(Unit: Million Baht)

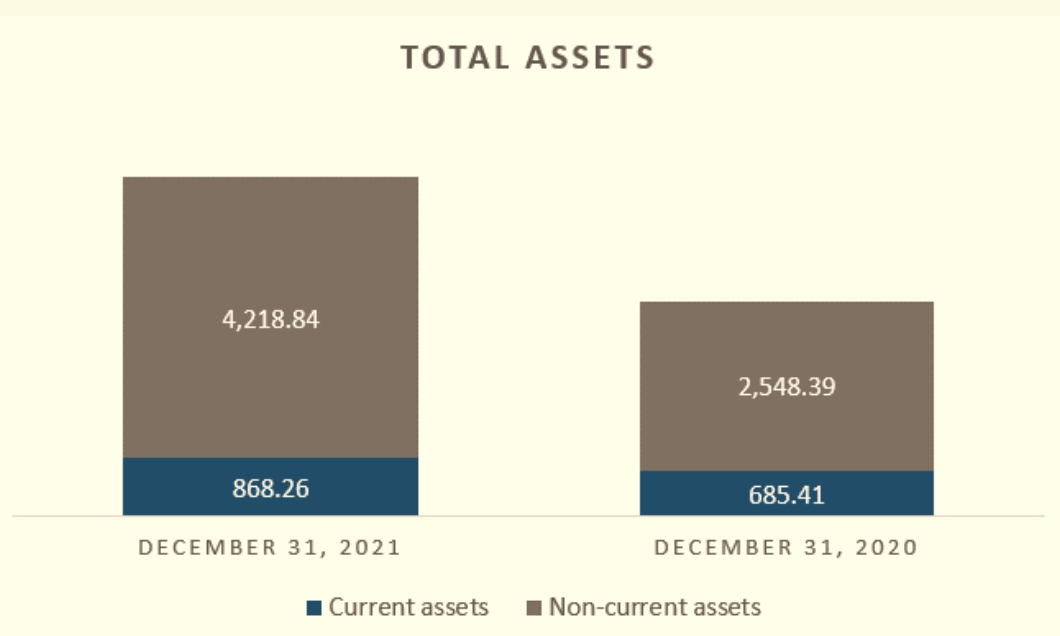
| Thousand Baht | Consolidated Financial Statement as of | | Difference | Changes % |
|--|--|-----------|------------|-----------|
| | 31 Dec 21 | 31 Dec 20 | | |
| Total Assets | 5,087,095 | 3,233,797 | 1,853,298 | 57.31% |
| Total Liabilities | 1,719,534 | 1,098,267 | 621,267 | 56.57% |
| Equity Attributable to Owners of the Company | 2,633,225 | 1,986,727 | 646,498 | 32.54% |
| Non-Controlling Interests | 734,336 | 148,803 | 585,533 | 393.50% |
| Total Shareholders' Equity | 3,367,561 | 2,135,530 | 1,232,031 | 57.69% |

Total assets of the Company as at December 31, 2021 of Baht 5,087.10 million and as at December 31, 2020 of Baht 3,233.80 million, increased by Baht 1,853.30 million or 57.31%. Total assets mostly consist of property, plant and equipment amounting Baht 1,789.49 million, intangible assets amounting Baht 1,541.52 million, trade and other current receivables amounting Baht 559.83 million, investments in associates amounting Baht 364.83 million, right-of-use assets amounting Baht 171.24 million cash and cash equivalents amounting Baht 165.77 million, goodwill amounting Baht 165.47 million.



Total liabilities of the Company as at December 31, 2021 was Baht 1,719.54 million and as at December 31, 2020 was Baht 1,098.27 million, which increased by Baht 621.27 million or 56.57%. Total liabilities mostly came from trade and other payables amounting Baht 403.64 million, deferred liabilities amounting Baht 363.56 million, borrowings from financial institutions amounting Baht 317.88 million, short-term borrowing amounting Baht 276.01 million and liabilities under lease agreements amounting Baht 184.98 million.

Shareholders' equity as at December 31, 2021 amounting Baht 3,367.56 million, while balance as at December 31, 2020 amounting Baht 2,135.53 million, increased by Baht 1,232.03 million or 57.69%.

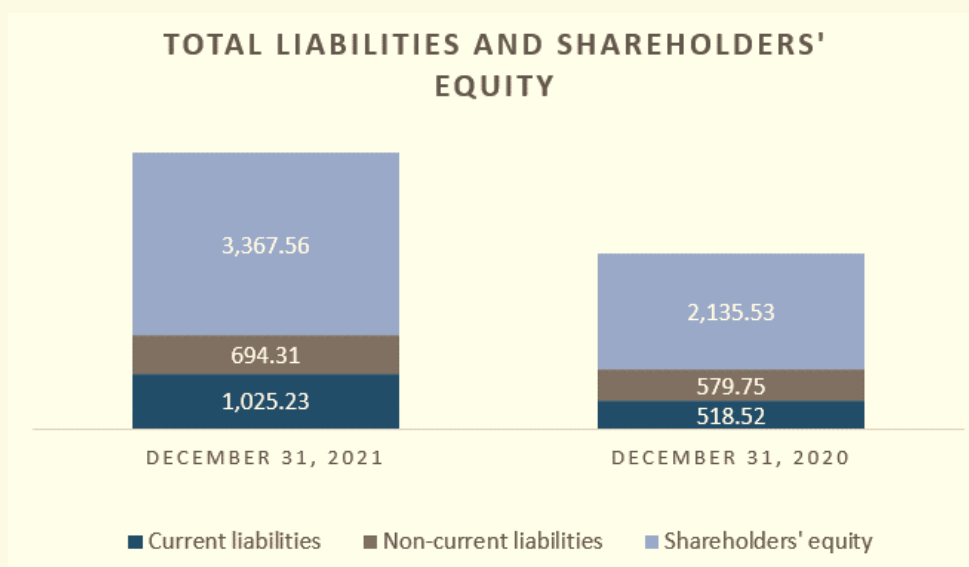


As at December 31, 2021, the Company has total assets by Baht 5,087.10 million which increased from December 31, 2020 by Baht 1,853.30 million or 57.31% mostly from the following reasons;

- Property plant and equipment and intangible assets increased by Baht 1,041.40 million and Baht 1,333.93 million, respectively mostly from the acquisition of Gold Shores Company Limited on December 29, 2021.
- Investment in associate increased by Baht 200.86 million which came from the following reasons;



- Meeting of the Board of Directors of the Company on September 22, 2021 that has passed a resolution approving to change the investment objective from the investment in long-term leasehold rights for hotel management to the acquisition of shares from Krungthai Land Development Company Limited for a total of 27.84% of registered share or 135,000 shares amounting Baht 350.00 million.
- Meeting of the Board of Directors of the Company on March 10, 2021 that has passed a resolution approving to dispose of ordinary shares in Universal Waste Management Company Limited in 30.00% of registered capital or 1,350,000 shares of Baht 135 million with a total price of Baht 270.00 million to buyer who has no relationship and/or related to executives, directors, major shareholders, and controlling person of the Company and its subsidiaries.



As at December 31, 2021, the Company has total liabilities by Baht 1,719.54 million which increased from December 31, 2020 by Baht 621.27 million or 56.57%, mostly from the following reasons;

- Deferred tax liabilities increased by Baht 266.42 million mostly from the acquisition of Gold Shores Company Limited on December 29, 2021.
- Short-term borrowing from related parties increased by Baht 275.96 million.



- Trade and other payables increased by Baht 208.08 million which mostly came from the increasing in deposit received in advance by Baht 100.00 million, trade payables - non-related parties Baht 47.01 million and accrued interest expense – non related parties Baht 13.56 million.
- Convertible debentures - liability component decreased by Baht 195.64 million because the Company has been allocated the total amount of convertible debentures which issued and offered for sale.

As at December 31, 2021, Shareholders' equity of the Company amounting Baht 3,367.56 million, which increased from December 31, 2020 by Baht 1,232.03 million or 57.69%, mostly came from the following reasons;

- Profit for the period which off-set deficits by Baht 206.85 million which make the company has a net profit as of December 31, 2021 amounting Baht 73.73 million.
- Registered share capital increased by Baht 312.86 million because on February 3, 2021, the Extraordinary General Meeting of Shareholders of the Company passed a resolution to approve the increase of the registered share capital of the Company by Baht 355.00 million, from Baht 2,567.76 million to Baht 2,922.76 million. On May 12, 2021, the Annual General Meeting of Shareholders of the Company passed a resolution to approve the decrease of the registered share capital of the Company by Baht 148.89 million, from Baht 2,922.76 million to Baht 2,773.87 million. Afterward, on June 30, 2021, there are 201,225,400 shares resulting from the exercise of rights with a par value of Baht 0.50 total amounting Baht 100.61 million from exercising 7UP-W4 warrants. The Company has updated the registered of paid-up share capital of the Company, from Baht 2,470.91 million to Baht 2,571.52 million on July 5, 2021 is completed.
- Share discount on ordinary share decreased by Baht 148.15 million mainly from 7UP-W4 warrant holders exercised their conversion rights.



Company's liquidity

(Unit: Million Baht)

| Transactions | Consolidated financial statement | |
|--|---|---|
| | For the period ended December 31, 2021 | For the period ended December 31, 2020 |
| Net cash provided by (used in) operating activities | 357.03 | 1.71 |
| Net cash provided by (used in) investing activities | (634.04) | (589.51) |
| Net cash provided by (used in) financing activities | 326.31 | 597.14 |
| Net increase (decrease) in cash and cash equivalents | 49.30 | 9.34 |
| Cash and cash equivalents at the beginning of the period | 116.47 | 107.13 |
| Cash and cash equivalents at the end of the period | 165.77 | 116.47 |

The Company's liquidity for the period ended December 31, 2021, the Company has net increasing in cash and cash equivalents by Baht 49.30 million, while cash and cash equivalent at the beginning of the period amounting Baht 116.47 million affect to cash and cash equivalent at the end of the period by Baht 165.77 million. Cash flow activities are as follows:

Net cash flow provided by operating activities by Baht 357.03 million due to the Company has profit before income tax by Baht 265.59 million and deduct by non-cash transactions by Baht 271.26 million, which mainly consists of bargain on purchase of investment in subsidiaries by Baht 154.54 million, gain on sale from investment in associate by Baht 123.41 million and gain on sale from investment in subsidiaries by Baht 95.37 million. Cash flow provided by other operating activities by Baht 370.39 million. Moreover, the Company has cash payment for income tax by Baht 7.69 million.

Net cash flow used in investment activities by Baht 634.04 million mostly came from cash payment for business due diligence by Baht 551.30 million, cash payment for purchase of other long-term investment by Baht 200.00 million, cash payment for purchasing of equipment and construction in progress by Baht 163.40 million, cash received from sales of other long-term investment by Baht 87.50 million, and cash received from sale of subsidiaries by Baht 87.00 million.



Net cash flow provided by financing activities by Baht 326.31 million mainly came from cash received from warrants 7UP-W4 by Baht 251.53 million, Cash received from short-term borrowings from non-related person and parties by Baht 226.01 million, long-term borrowing by Baht 144.05 million, cash payment for short-term borrowing from financial institutions by Baht 104.05 million, cash payment for liabilities under finance lease agreement by Baht 41.12 million and payment for interest by Baht 18.97 million.

For financing activities for support current operations and future investment, the Group has a policy to provide source of investment funds from financial institutions and investors which have knowledge and capabilities in that business. In addition, the Group has a debt-to-equity ratio and interest coverage ratio are 0.51 times and 9.52 times, respectively, indicating that the Group has sufficient solvency and there was no default on repayment to financial institutions.



4.2 Factors that may impact Financial Position or Operations

The new emerging phase of COVID-19 pandemic affected to Thai economic and tourism industry in 2021 which is still vulnerable and most businesses have not yet recovered as well.

LPG and oil industry has been affected from the COVID-19 pandemic due to the resulting of partial lockdown mandate, work from home policy and travel restrictions, led to the decreasing in demand on LPG and oil. However, LPG and oil business still necessary for the consumption of both personal and business, includes business operation and transportation.

However, from the cooperation of citizens, government, and private entities who followed the government's prevention measures to prevent a spreading of disease, together with an increasing number of vaccinated citizens. Caused the number of infected people to continuously decrease. As a result, the government has reduced its measures and open the country for tourist. Although, during December 2021 there is another strain of COVID-19 (Omicron) but haven't been wild spread. If the government could have the pandemic under controlled. The company expected that in the year 2022, overall situation would be better and cause both private and business to recover and the usage of LPG and oil would be higher which leads to a higher revenue.



4.3 Financial Statement Information and Financial Ratio

Auditor's Opinion

Financial statements for the year 2021 audited by Mr. Sompop Pholprasarn, Certified Public Accountant (Thailand) No. 6941 from Mazars Limited, which expressed an unmodified opinion. Auditor have audited the consolidated financial statements of Seven Utilities and Power Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Seven Utilities and Power Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of profit or loss and other comprehensive income, and the related consolidated and separate statement of changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies with opinion that, the accompanying consolidated and the separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and of the Company as at December 31, 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

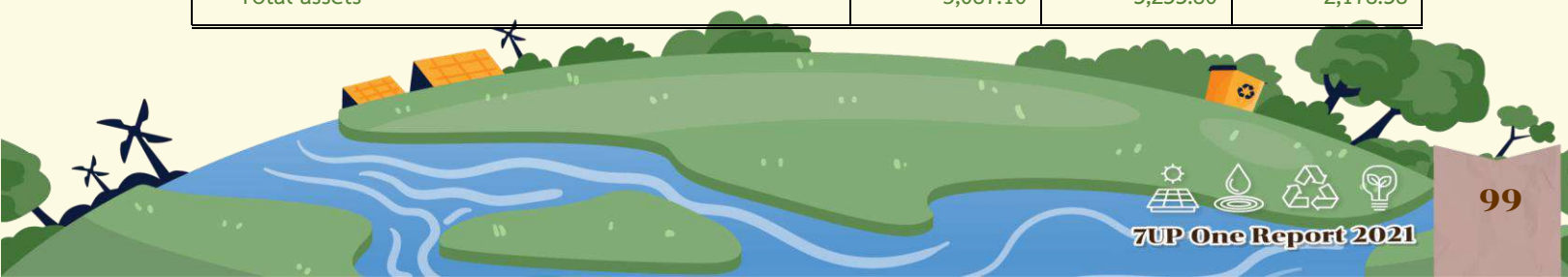
Auditor conducted in accordance with Thai Standards on Auditing with independent of the Group and the Company in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and fulfilled other ethical responsibilities in accordance with these requirements. Auditor believe that the audit evidence which have obtained is sufficient and appropriate to provide a basis for auditor’s opinion.



Statement of Financial Position

(Unit: Million Baht)

| Statement of Financial Position | 2021 | 2020 | 2019 (Restated) |
|-------------------------------------|-----------------|-----------------|--------------------|
| Current assets | | | |
| Cash and cash equivalents | 165.77 | 116.47 | 107.13 |
| Trade and other current receivables | 559.83 | 466.98 | 366.64 |
| Short-term loans to related parties | 33.40 | 7.96 | 3.17 |
| Short-term loans | 81.73 | 67.55 | - |
| Current portion of long-term loans | - | 7.00 | 12.00 |
| Inventories | 27.53 | 13.20 | 16.63 |
| Other current financial assets | - | 6.25 | - |
| Temporary investments | - | - | 7.37 |
| Total current assets | 868.26 | 685.41 | 512.94 |
| Non-current assets | | | |
| Other non-current financial assets | 56.54 | 172.39 | - |
| Restricted bank deposits | 32.13 | 72.93 | 76.21 |
| Deposits for business due diligence | 1.30 | 593.29 | 75.00 |
| Investments in subsidiaries | - | - | - |
| Investments in associates | 364.83 | 163.97 | 227.86 |
| Long-term loans | - | - | 8.00 |
| Investment properties | 2.11 | 113.97 | - |
| Property, plant and equipment | 1,789.49 | 748.09 | 737.79 |
| Right-of-use assets | 171.24 | 217.88 | - |
| Goodwill | 165.47 | 165.47 | 192.70 |
| Leasehold rights | 71.25 | 68.30 | 62.65 |
| Intangible assets | 1,541.52 | 207.58 | 251.56 |
| Deferred tax assets | 0.95 | 2.19 | 3.71 |
| Other long-term investments | - | - | 24.80 |
| Other non-current assets | 22.01 | 22.33 | 5.16 |
| Total non-current assets | 4,218.84 | 2,548.39 | 1,665.44 |
| Total assets | 5,087.10 | 3,233.80 | 2,178.38 |



(Unit: Million Baht)

| Statement of Financial Position | 2021 | 2020 | 2019 (Restated) |
|--|-----------------|-----------------|--------------------|
| Current liabilities | | | |
| Bank overdraft and short-term borrowings from financial institutions | 150.18 | 174.05 | 110.00 |
| Trade and other current payables | 403.64 | 195.56 | 171.18 |
| Current portion of long-term borrowings from financial institutions | 99.19 | 47.99 | 64.66 |
| Current portion of long-term borrowings | 71.38 | - | - |
| Current portion of liabilities under lease agreements | 17.25 | 23.53 | - |
| Current portion of liabilities under finance lease agreements | - | - | 2.80 |
| Short-term borrowings from related person and parties | - | 65.23 | 62.71 |
| Short-term borrowings from non-related person and parties | 276.01 | 0.05 | - |
| Current income tax payable | 1.13 | 5.66 | 1.03 |
| Share of loss in investment in a joint venture | 6.45 | 6.45 | 6.45 |
| Total current liabilities | 1,025.23 | 518.52 | 418.83 |
| Non-current liabilities | | | |
| Long-term borrowings from financial institutions | 68.51 | 71.53 | 94.11 |
| Liabilities under lease agreements | 167.73 | 202.56 | - |
| Liabilities under finance lease agreements | - | - | 7.69 |
| Long-term borrowings | 72.67 | - | - |
| Convertible debentures - liability component | - | 195.64 | - |
| Deferred tax liabilities | 363.56 | 97.14 | 86.11 |
| Non-current provision for employee benefits | 9.58 | 12.07 | 10.91 |
| Other non-current provision | - | - | 43.15 |
| Other non-current liabilities | 12.26 | 0.81 | 0.92 |
| Total non-current liabilities | 694.31 | 579.75 | 242.89 |
| Total liabilities | 1,719.54 | 1,098.27 | 661.72 |



(Unit: Million Baht)

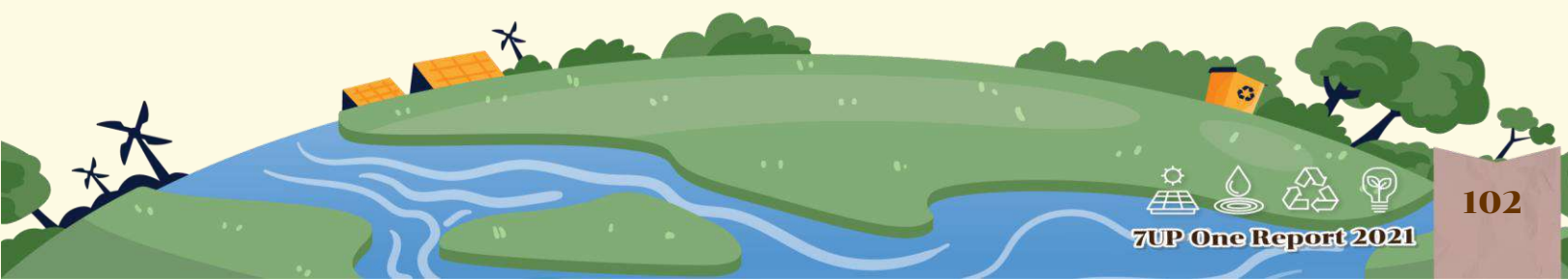
| Statement of Financial Position | 2021 | 2020 | 2019 (Restated) |
|---|-----------------|-----------------|--------------------|
| <u>Shareholders' equity</u> | | | |
| Share capital | 2,773.87 | 2,567.76 | 3,635.52 |
| Issued and paid-up share capital | 2,571.52 | 2,258.66 | 3,029.60 |
| Share discount on ordinary shares | (74.67) | (222.82) | (358.57) |
| Deficit on issuance of share capital at price higher than fair value | (74.00) | (74.00) | (74.00) |
| Deficit on change in percentage of shareholding in subsidiaries | 12.26 | 2.45 | 2.45 |
| Warrants | 20.23 | 30.30 | 30.30 |
| Deficit | 72.33 | (208.26) | (1,316.11) |
| Convertible debentures - equity component | - | 3.27 | - |
| Other components of shareholders' equity | 105.55 | 197.13 | 100.43 |
| Non-controlling interests | 734.34 | 148.80 | 102.56 |
| Total shareholders' equity | 3,367.56 | 2,135.53 | 1,516.66 |
| Total liabilities and shareholders' equity | 5,087.10 | 3,233.80 | 2,178.38 |



Statement of profit or loss and other comprehensive income

(Unit: Million Baht)

| Statement of profit or loss and other comprehensive income | 2021 | 2020 | 2019 (Restated) |
|--|-----------------|-----------------|--------------------|
| Revenues from sales and rendering of services | | | |
| Revenues from sales | 679.06 | 993.15 | 885.90 |
| Revenues from rendering of services | 71.63 | 126.04 | 139.81 |
| Total revenues | 750.69 | 1,119.19 | 1,025.71 |
| Costs of sales of goods and rendering of services | | | |
| Costs of sales of goods | (610.38) | (822.57) | (748.65) |
| Costs of rendering of services | (48.75) | (148.13) | (94.12) |
| Total costs | (659.13) | (970.70) | (842.77) |
| Gross profit | 91.56 | 148.49 | 182.94 |
| Other incomes | 48.85 | 182.24 | 95.93 |
| Selling expenses | (21.99) | (33.49) | (32.33) |
| Administrative expenses | (206.72) | (260.95) | (372.22) |
| Bargain purchase of investment in subsidiary | 154.54 | 10.09 | 2.34 |
| Gain on sale of investment in subsidiary | - | - | 137.40 |
| Gain on sale of investment in associate | 123.41 | - | 3.10 |
| Gain on sale of other long-term investments | - | 84.15 | - |
| Gain (loss) on disposal of a subsidiary | 82.04 | (18.80) | - |
| Finance cost | (31.18) | (33.66) | (15.21) |
| Reversal of allowance for loans and interest | 14.30 | 53.50 | - |
| Reversal of allowance for diminution in value | - | - | 50.00 |
| Reversal of allowance for investment in subsidiary | 13.33 | - | - |
| Share of profit (loss) from investment in associates | (2.55) | 4.86 | 3.33 |
| Profit before income tax (expense) income | 265.59 | 136.44 | 55.28 |
| Income tax (expense) income | 11.10 | (13.77) | (8.59) |
| Profit for the year | 276.69 | 122.66 | 46.69 |



(Unit: Million Baht)

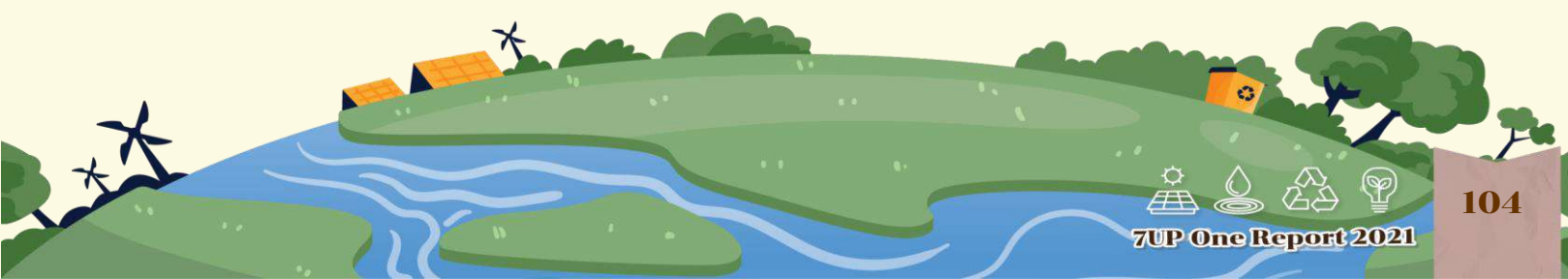
| Statement of profit or loss and other comprehensive income | 2021 | 2020 | 2019 (Restated) |
|---|----------------|---------------|--------------------|
| <u>Other comprehensive income (loss)</u> | | | |
| Items that will be not reclassified subsequently to profit or loss | | | |
| Gain (loss) on revaluation of assets | (114.56) | 119.14 | (3.16) |
| Income tax effect | 22.98 | (23.84) | 0.62 |
| Other comprehensive income (loss) for the year - net of income tax | (91.58) | 95.30 | (2.54) |
| Change in assumption in employee benefit obligation | - | 2.19 | (1.73) |
| Share of other comprehensive income from investment in an associate | - | - | 0.28 |
| Income tax effect | - | (0.27) | 0.62 |
| Total comprehensive income for the year | 185.11 | 219.88 | 43.32 |



Statement of cash flows

(Unit: Million Baht)

| Statement of cash flows | 2021 | 2020 | 2019 (Restated) |
|---|---------|---------|--------------------|
| Cash flows from operating activities | | | |
| Profit before income tax | 265.59 | 136.44 | 55.28 |
| Items to reconcile profit (loss) to cash received (paid) | | | |
| Finance cost | 31.18 | 33.66 | 15.21 |
| Depreciation | 79.34 | 60.25 | 69.18 |
| Amortization - leasehold rights | 4.45 | 2.30 | 2.41 |
| Amortization - intangible assets | 23.58 | 31.67 | 21.89 |
| Expected credit loss - accrued interest income (Reversal) | (5.20) | - | - |
| Expected credit loss - short-term loan to related parties (Reversal) | (9.10) | (53.50) | 55.82 |
| Expected credit loss - trade and other current receivables (Reversal) | (1.07) | (1.70) | (23.50) |
| Expected credit loss - deposits for business due diligence (Reversal) | (15.00) | 15.00 | (50.00) |
| Expected credit loss - short-term loan to non-related person | 2.75 | - | - |
| Expected credit loss - value added tax | - | 11.00 | - |
| Expected credit loss - goodwill | - | - | 21.22 |
| Expected credit loss - investment in subsidiaries (Reversal) | (13.33) | - | - |
| Allowance expected credit loss - project guarantee | 1.41 | - | - |
| Allowance for diminution in value of fixed assets | 0.74 | - | - |
| Provision for employee benefits (Reversal) | 1.78 | (1.11) | 2.96 |
| Provision for other non-current (Reversal) | - | (43.15) | 43.15 |
| Gain on unrealized exchange rate | (0.18) | - | (1.99) |
| Gain on sale of temporary investments | - | - | (0.26) |



(Unit: Million Baht)

| Statement of cash flows | 2021 | 2020 | 2019 (Restated) |
|---|---------------|---------------|--------------------|
| (Gain) loss on change in value of temporary investments | - | 1.12 | (0.25) |
| (Gain) loss on write off and disposal of fixed assets and intangible assets | 14.26 | 64.86 | (18.00) |
| Share (profit) loss from investment in associates | 2.55 | (4.86) | (3.33) |
| Gain on change in value of other long-term investment | - | (31.74) | - |
| Bargain purchase of investment in subsidiaries | (154.54) | (10.09) | (2.34) |
| (Gain) loss on disposal of a subsidiary | (82.04) | 18.80 | - |
| Gain on sale of investment in subsidiaries | - | - | (137.40) |
| Gain on sale of investment in associates | (123.41) | - | (3.10) |
| Gain on sale of other long-term investment | - | (84.15) | - |
| Gain on sale of temporary investments | (2.90) | - | - |
| Government grant income | - | - | (12.21) |
| Dividend income | (0.92) | (0.87) | - |
| Interest income | (6.30) | (0.42) | (4.69) |
| Reversal of allowance for diminution in value of withholding tax refundable | (4.31) | (4.74) | - |
| Reversal of allowance for diminution in value of VAT refundable | - | (28.72) | - |
| Penalty and tax surcharge | - | 18.29 | - |
| Gain on debt forgivable | (15.00) | - | - |
| Gain (loss) from operating activities before changes in operating assets and liabilities | (5.67) | 128.34 | 30.05 |
| Operating assets (increase) decrease | | | |
| Trade and other current receivables | 167.95 | (108.85) | (173.90) |
| Inventories | (39.34) | 3.43 | 11.16 |



(Unit: Million Baht)

| Statement of cash flows | 2021 | 2020 | 2019 (Restated) |
|--|---------------|----------------|--------------------|
| Other non-current assets | (1.20) | (17.16) | 1.76 |
| Operating liabilities increase (decrease) | | | |
| Trade and other current payables | 231.53 | (23.51) | 64.69 |
| Other non-current liabilities | 11.45 | (0.10) | 0.22 |
| Cash flows from (used in) operating activities | 364.72 | (17.85) | (66.02) |
| Cash received from tax refund | - | 28.71 | - |
| Cash paid for income tax | (7.69) | (9.15) | (8.21) |
| Net cash flows from (used in) operating activities | 357.03 | 1.71 | (74.23) |
| Cash flows from investing activities | | | |
| Cash received from sales of temporary investment | 9.14 | - | 2.49 |
| Cash received from sales of subsidiaries company | 87.00 | - | 59.93 |
| Cash payments for purchase of investments in subsidiaries | - | (11.00) | (36.19) |
| Cash received from sales of associates company | - | 106.00 | 13.90 |
| Cash payments for purchase of investments in associates | - | (69.50) | (145.80) |
| Cash payment for purchase of other long-term investment | (200.00) | - | - |
| Cash received from sales of other long-term investment | 87.50 | 112.50 | - |
| Cash received from disposals of equipment | 0.15 | 63.20 | 8.82 |
| Cash payments for purchase of equipment and construction in progress | (163.40) | (15.47) | (84.23) |
| Cash payments for purchase of intangible assets | - | (1.03) | (0.61) |
| Cash payments for purchase of leasehold right | - | (7.95) | (16.72) |
| Cash payments for providing short-term loans to related person and parties | (32.00) | (64.85) | - |
| Cash received from short-term loans to related person and parties | 15.59 | - | - |
| Cash payments for providing short-term loans to non-related parties | (90.42) | (81.20) | 73.73 |
| Cash received from short-term loans to non-related person and parties | 148.50 | 13.65 | (20.71) |
| Cash received from long-term loans to related parties | - | 113.57 | - |
| Cash received from long-term loans to non-related parties | 7.00 | 13.00 | 11.00 |
| (Increase) decrease in restricted bank deposits | 40.80 | 3.28 | (3.26) |



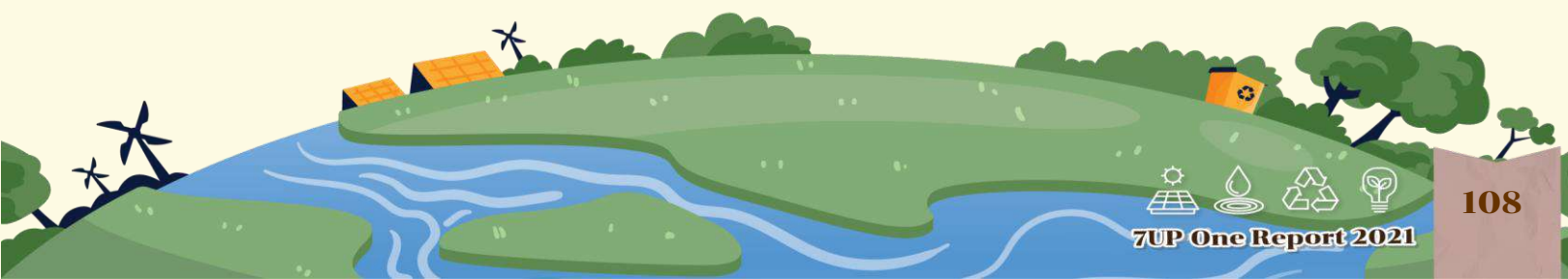
(Unit: Million Baht)

| Statement of cash flows | 2021 | 2020 | 2019 (Restated) |
|--|-----------------|-----------------|--------------------|
| Cash received from business due diligence | - | - | 160.00 |
| Cash payments for business due diligence | (551.30) | (765.00) | (15.00) |
| Dividend received | 0.92 | 0.87 | - |
| Cash received from interest | 6.48 | 0.42 | 8.35 |
| Net cash flows from (used in) investing activities | (634.04) | (589.51) | 15.70 |
| Cash flows from financing activities | | | |
| Cash received from warrants | 251.53 | - | 30.30 |
| Cash received from the issuance of convertible debenture | - | 650.00 | - |
| Cash received from short-term borrowings from related person and parties | - | 185.58 | 111.30 |
| Cash payments for short-term borrowings from related person and parties | - | (183.01) | (100.50) |
| Cash received from short-term borrowings from non-related person and parties | 226.01 | - | - |
| Cash payment for short-term borrowings from non-related person and parties | (129.01) | - | - |
| Cash received from short-term borrowings from financial institutions | - | 70.27 | - |
| Cash payment for short-term borrowings from financial institutions | (104.04) | (50.77) | (17.50) |
| Cash received from long-term borrowings from financial institutions | 15.00 | - | 78.93 |
| Cash payment from long-term borrowings from financial institutions | (22.33) | (39.25) | (68.26) |
| Cash received from long-term borrowings from non-related parties | 144.05 | - | - |
| Cash payments for liabilities under finance lease agreements | (41.11) | (4.30) | (2.32) |
| Cash received from bank overdrafts | 5.18 | - | - |
| Cash payment for bank overdrafts | - | - | (2.89) |
| Cash payment interest | (18.97) | (31.38) | (13.74) |
| Net cash flows from financing activities | 326.31 | 597.14 | 15.32 |
| Net increase (decrease) in cash and cash equivalents | 49.30 | 9.34 | (43.21) |
| Cash and cash equivalents at the beginning of the year | 116.47 | 107.13 | 150.34 |
| Cash and cash equivalents at the end of the year | 165.77 | 116.47 | 107.13 |

Financial ratio

(Unit: Million Baht)

| Financial ratio | Unit | 2021 | 2020 | 2019 (Restated) |
|---------------------------------------|-------|---------|---------|--------------------|
| Liquidity Ratio | | | | |
| Quick ratio | Times | 0.82 | 1.30 | 1.18 |
| Receivable turnover | Times | 1.46 | 2.69 | 3.86 |
| Collection period | Days | 249.63 | 135.93 | 94.44 |
| Inventory turnover | Times | 32.36 | 65.07 | 37.94 |
| Day sale period | Days | 11.28 | 5.61 | 9.62 |
| Profitability Ratio | | | | |
| Gross profit margin | % | 12.20 | 13.27 | 17.84 |
| Operating profit (loss) margin | % | 39.53 | 15.20 | 6.87 |
| Net profit (loss) margin | % | 36.86 | 10.96 | 4.55 |
| Return on equity | % | 10.06 | 6.72 | 3.21 |
| Efficiency Ratio | | | | |
| Return on assets | % | 6.65 | 4.53 | 2.25 |
| Total asset turnover | Times | 0.18 | 0.41 | 0.50 |
| Financial Policy Ratio | | | | |
| Debt to equity ratio | Times | 0.51 | 0.51 | 0.44 |
| Interest coverage ratio | Times | 9.52 | 5.05 | 4.63 |
| Growth Rate | | | | |
| Revenue from sales and services | % | (31.63) | 12.11 | 51.04 |
| Cost of sales and services | % | (25.80) | 9.87 | 72.15 |
| Selling and administrative expenses | % | (22.32) | (27.22) | 16.42 |
| Net profit (loss) increase (decrease) | % | 125.57 | 162.74 | (157.61) |



5.1 General information and other important information

5.1.2 General information

Seven Utilities and Power Public Company Limited

| | |
|----------------------------|---|
| Company's name | Seven Utilities and Power Public Company Limited |
| Abbreviation | 7UP |
| Registration date on SET | April 3, 2002 |
| Registered Capital | 2,773,869,685.50 Baht |
| Issued and Paid-up Capital | 2,571,522,575.50 Baht |
| Paid-up shares | 5,143,045,515 share |
| Par Value | 0.50 Baht per share |
| Market Capitalization | 2,619,164,468.03 Baht (as of February 28, 2021) |
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Energy and Utilities |
| Registered Number | 0107545000021 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Website | www.sevenup.co.th |



5.1.3 General information of subsidiaries and associates

1. Star Gas Company limited

| | |
|-----------------------|--|
| Head Office | 73 Mahachol Building, 6 th Floor, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | LPG service station |
| Registered Number | 0105553111519 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-5724 |
| Registered Capital | 60,000,000 Baht |
| Paid-up Capital | 60,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.99 |

2. Tawatpinyo Company Limited

| | |
|-----------------------|---|
| Head Office | 9/7 Moo.7 Bang Kae, Mueang Samut Songkhram, Samut Songkhram |
| Type of business | NGV service station |
| Registered Number | 0755551000161 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-5724 |
| Registered Capital | 4,200,000 Baht |
| Paid-up Capital | 4,200,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.99 |



3. Star Petroleum Plus Company Limited

| | |
|-----------------------|--|
| Head Office | 73 Mahachol Building, 6 th Floor, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Petrol service station |
| Registered Number | 0105561192301 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-5724 |
| Registered Capital | 20,000,000 Baht |
| Paid-up Capital | 20,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.99 |

4. Star Solar Power Company limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Production, distribution, and installation of solar cells |
| Registered Number | 0105563167771 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-5724 |
| Registered Capital | 1,000,000 Baht |
| Paid-up Capital | 1,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.97 |



5. Ferrum Capital Company Limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Nano Finance Operations (Permission from the relevant authorities) |
| Registered Number | 0105558171293 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 50,000,000.00 Baht |
| Paid-up Capital | 50,000,000.00 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.99 |

6. Ferrum Energy Company Limited

| | |
|-----------------------|--|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Invest and develop in renewable energy projects including the construction of power plant for production and distribution |
| Registered Number | 0105558047835 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 100,000,000 Baht |
| Paid-up Capital | 100,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.99 |



7. Phrasaeng Green Power Company Limited

| | |
|-----------------------|---|
| Head Office | 111/3 Moo.4 Sin Pun, Phrasaeng, Surat Thani |
| Type of business | Biogas Power Plant |
| Registered Number | 0845555003881 |
| Telephone | 66 (0) 7795-4097 |
| Fax | 66 (0) 7795-4097 |
| Registered Capital | 77,000,000 Baht |
| Paid-up Capital | 77,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 55.00 |

8. Energy Revolution Company Limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Hydro Turbine Cooling Tower |
| Registered Number | 0135558008058 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 100,000,000.00 Baht |
| Paid-up Capital | 100,000,000.00 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 38.50 |



9. E R V International Company Limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Hydro Turbine Cooling Tower |
| Registered Number | 0105562208422 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 300,000,000.00 Baht |
| Paid-up Capital | 300,000,000.00 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.99 |

10. SAM Water Supply Company Limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Water treatment for shrimp aquaculture |
| Registered Number | 0125560006440 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 109,500,000 Baht |
| Paid-up Capital | 109,500,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 51.00 |



11. System and Software Services Company Limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Application software |
| Registered Number | 0105546032170 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 10,000,000 Baht |
| Paid-up Capital | 10,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 35.00 |

12. Energy For Society Company Limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Invest in the production and distribution of biogas |
| Registered Number | 0105541027747 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 250,000,000 Baht |
| Paid-up Capital | 250,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 99.99 |



13. Wangwiset Woodtrade Company Limited

| | |
|-----------------------|---|
| Head Office | 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Rd., Phrakhanong Tai, Phrakhanong, Bangkok 10260 |
| Type of business | Reforestation, Forest plantation |
| Registered Number | 01035563011215 |
| Telephone | 66 (0) 2741-5700 |
| Fax | 66 (0) 2741-6878 |
| Registered Capital | 40,000,000 Baht |
| Paid-up Capital | 40,000,000 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 49.99 |

14. Gold shores Company Limited

| | |
|-----------------------|---|
| Head Office | 38/3 Moo.1, Na Toei Subdistrict, Thai Mueang District, Phang Nga 82120 |
| Type of business | Consumer water business, industrial and household sectors |
| Registered Number | 0105549044471 |
| Telephone | 66 (0) 2697-9955 |
| Fax | 66 (0) 2697-9956 |
| Registered Capital | 753,992,600 Baht |
| Paid-up Capital | 753,992,600 Baht |
| Par Value | 100 Baht per share |
| % of Share Possession | 68.54 |



15. Hydro Enterprise & Aqua Design Company Limited

| | |
|-----------------------|--|
| Head Office | 115/1-3 Sukhothai Grand Building, 4 th Floor, Sukhothai Road, Dusit, Dusit, Bangkok 10300 |
| Type of business | Consumer water business, industrial and household sectors |
| Registered Number | 0105553036428 |
| Telephone | 66 (0) 2697-9955 |
| Fax | 66 (0) 2697-9956 |
| Registered Capital | 26,000,000 Baht |
| Paid-up Capital | 26,000,000 Baht |
| Par Value | 10 Baht per share |
| % of Share Possession | 99.99 |

16. Khrungthai Land Development Company Limited

| | |
|-----------------------|--|
| Head Office | 3675 Rama 4 Road , Prakanong, Klongtoey, Bangkok 10110 |
| Type of business | Real Estate and Mix Used Build |
| Registered Number | 0105531021894 |
| Telephone | 66 (0) 2261-2222 |
| Fax | - |
| Registered Capital | 485,000,000 Baht |
| Paid-up Capital | 485,000,000 Baht |
| Par Value | 1,000 Baht per share |
| % of Share Possession | 27.84 |



5.1.3 General information of references

Securities registrar

| | |
|-------------|--|
| Name | Thailand Securities Depository Company Limited |
| Head Office | The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 |
| Telephone | 66 (0) 2009-9000 |
| Fax | 66 (0) 2009-9991 |

Auditor

| | |
|-------------|--|
| Name | Mazars Company Limited |
| Head Office | 1 Empire Tower, 12 th Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 |
| Telephone | 66 (0) 2670-1100 |
| Fax | 66 (0) 2670-1101 |

Legal consultant

| | |
|-------------|--|
| Name | NNA LAW AND CONSULT COMPANY LIMITED |
| Head Office | 608/267, Areeya Daily Village, Lad Plakhao Rd., Charakhe Bua, Lat Phrao, Bangkok, 10120 |
| Telephone | 66 (0) 81-632-3944 |
| Name | Premier Ad Company Limited |
| Head Office | 26 Soi. Phatthanakan 28, Suan Laem Thong Village 2, Suanluang, Suanluang, Bangkok 10250 |
| Telephone | 66 (0) 81-870-9474 |



5.2 Other important information

5.2.1 other information that may influence investors' decision making significantly

The Company has disclosed information in accordance with the guidelines within the time specified by the regulator. Shareholders and interested persons can search more information from the Company's website www.sevenup.co.th or the website of the Stock Exchange of Thailand www.set.or.th

5.2.2 Restrictions foreign shareholders

The Company has no restrictions on foreign shareholders.

5.3 Legal disputes

Seven Utilities and Power Public Company Limited and its subsidiaries are not the parties or contestant as follows

1) Any lawsuit that may negatively affect the assets of the Company or its subsidiary at an amount higher than 5 percent of the shareholders' equity at the end of the latest financial year.

2) Any lawsuit that affects the business undertaking of the Company or its subsidiary materially but the assessment thereof cannot be quantified in numbers.

3) Any lawsuit that is not caused by normal business undertaking of the Company or its subsidiary.



5.4 Secondary markets

(In case of securities are listed on the stock exchange in another country)

-None-

5.5 Financial institutions

(In case of company issues bond)

-None-



Part 2

Corporate Governance

- CORPORATE GOVERNANCE AND IMPLEMENTATION
- GOVERNANCE STRUCTURE
- REPORT OPERATING RESULT OF CORPORATE GOVERNANCE AND IMPLEMENTATION
- INTERNAL CONTROL AND RELATED TRANSACTIONS



6. Corporate Governance

6.1 Corporate governance policy and guideline

The Board of Directors appreciates the importance of good corporate governance and has established a corporate governance policy covering important principles in various matters. The Board of Directors requires a review of the corporate governance policy including the process of implementing corporate governance practices to be appropriate annually.

6.1.1 Policy and guidelines for the board

The policy and guidelines for the Board and executives of the Company are as follows:

Leadership and vision

The Board of Directors is involved in determining the visions, missions, strategies, goals of the Company as well as supervising the management implementing the business plans and budgets efficiently including ensuring that the internal control assessment, internal audit, financial reporting and risk management are sufficient.

Directorial balance of checks

The Board of Directors ensure checks and balance of the independent directors, between non-executive and executive directors in proportion comply with law or more in order to make it appropriate to consider, inspect and balance.

Consolidation or separation of position

The Chairman of the Board of Directors have no any relationship with the management and not be the representative major shareholders. The Chairman of the Board of Directors, the Chief Executive Officer and Chief Executive Officer of the Company are not the same person in order to clearly separate roles and responsibilities and to ensure the balance of corporate governance policy and routine management.

Report of the board of directors

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries including financial information disclose in the annual report. Such financial statements have been prepared in accordance with generally accepted accounting principles by selecting appropriate policies and practicing on a regular basis including sufficient disclosure of important information in the notes to the financial statements.



The Board of Directors has established an effective internal control system to ensure the accuracy, completeness and adequacy of the records of accounting reporting to prevent fraud or damage to the Company and to build confidence for the shareholders. The Board of Directors has assigned the Audit Committee consisting of independent directors to be in charge of review financial reporting and internal control system including internal audit and opinions of the Audit Committee on this matter are prepared in the Audit Committee's report which is disclosed in the annual report.

Disclosure of Information

The Board of Directors appreciates the importance of disclosure of information both financial and general information that impact the Company's stock prices whether with regard to accuracy, completeness, regularly, timeliness that is disclosed through the channels and publications of the Stock Exchange of Thailand including and company's website. On the part of the investor relations, the Company has assigned a department that responsible for the task of making information available including data disseminated to the shareholders and investors as well as those interested receive sufficient information.

6.1.2 Policy and guidelines related to shareholders and stakeholders

The Board of directors appreciates the importance to the rights of stakeholders' groups to ensure that such rights are protected and well-treated with details as follows:

Shareholders' Rights

In the 2021 shareholders' meeting, there are one annual general meeting of shareholders and one extraordinary general meeting of shareholders. The Company has published news on website of the Stock Exchange of Thailand and distributed the invitation manuscript and sufficient documents for the meeting in advance 14 days prior to the meeting and the minutes of meeting was duly recorded for shareholders may subsequently review these minutes for references.

The Chairman of the meeting allowed shareholders and the chance to direct queries and equal opportunity to express their opinions including published the minutes of the meeting to shareholder's meeting for acknowledgment.



Shareholders' Rights

In the shareholders' meeting, all shareholders have equal rights to receive information, opportunity for minority shareholders to nominate qualified candidates as directors, propose agendas, express opinions or submit questions. The right to vote in a meeting, the right to appoint proxies and vote on their behalf in case of being unable to attend the meeting. The Chairman of the meeting is responsible for providing sufficient time and encouraging to express opinions and queries at the meeting.

Rights of stakeholders' groups

1. Shareholders The Company focuses on to be a good representative of the shareholders in conducting business in order to add value and create maximum shareholder satisfaction. There is transparent and reliable disclosure of information as well as a commitment to be secure and sustainable growth in the long term.

2. Customers The Company is committed to satisfying the customers by selecting good quality of products and services at a reasonable price. There is complete, accurate disclosure of news and information about products and services without distorting the facts comply with contracts, agreements or conditions with customers in a transparent and equitable manner including provide advice and receive suggestions or opinions as well as keep the confidential information of customers.

3. Employees The Company is committed to the development of human resources by fostering a healthy working environment, encourage teamwork, create opportunities for the development of employees' potential continuously including compensation and appropriate benefits to make the best use of human resources for the Company.

4. Business partners The Company realizes the equal and fair treatment towards the business partners and do business with business partners by observing the commercial terms, fair, and transparent and shall not be detrimental to the reputation of the Company or in contrary to any law. The Company will select reliable business partners to ensure that customers will receive quality products and services consistent with the standards.

5. Creditors The Company follows the contract and to be fair to all creditors under the contract did not violate the rights of creditors.

6. competitors The Company operates the business under the rules of fair competition, ethics and law and shall not seek for the confidential information of the competitor with dishonest method.



7. corporate social and responsibility The company shall adhere the responsibility towards the society, community and environment, therefore, the Company has established a policy to continuously support social activities including public benefits for the community and environment.

6.2 Business ethics

The Board of Directors realizes the importance of good corporate governance and related practices of the Stock Exchange of Thailand and the Securities and Exchange Commission, therefore, establish appropriate guidelines and methods for applying the principles of corporate governance as a guideline for the Company's business operations in order to create sustainability and maximize benefits to stakeholders, society and environment under the following principles:

- (1) Perform duties with responsibility, cautious, honesty in accordance with the law, objectives, regulations of the Company and related regulations.
- (2) Operates business with transparency, fairness and adhere to the principles of good governance.
- (3) Equal and fair treatment to all stakeholders.
- (4) Commitment to developing our employees continuously to improve the quality of working life, cultivating great awareness to social and environmental responsibility.
- (5) Determine the directors, executives, employees including all businesses and transactions in all departments and subsidiaries, associated companies, other companies that the Company has authority to control and third parties involved in business must adhere to the anti-corruption policy strictly.
- (6) Opportunities for complaints and opinions channels and there is measures to protect the complainant or those who cooperate in reporting corruption.

6.2.1 Implementation of Business Codes of Conduct and Corporate Compliance

1) Operates based on rules, regulations and applicable laws in the business operations of the company as follows:

- (1) Directors, executives and employees must comply with the laws, rules, regulations, requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- (2) Directors, executives and employees must not avoid complying with rules, regulations and applicable laws



(3) Directors, executives and employees must cooperate with the corporate governance unit established by the Company and report information about violations, misconduct to comply with rules, regulations and laws against that unit.

2) Perform duties with impartiality and any directors who has any conflict with interest with interests in any matter being considered must leave the meeting room and not allowed to vote or make a decision on the issue.

3) Avoid conflict of personal interest for transparency in effective management as follows:

(1) Do not bring information received from the duties performed to take advantage of oneself or others illegally.

(2) Not allowed to use companies inside information for personal benefit nor may they reveal such information to the public even after they retire from the position.

(3) Not seeking personal interest from the position and duties performed.

(4) Not making obligations that may later conflict with duties.

(5) Not accepting items or any other interest which is contrary to the interest of the organization.

4) Maintain confidential information of the organization not to leak to unrelated persons that may lead to damage of the organization or stakeholders unless it is in accordance with the law.

5) Acquisition or disposition of registered securities of directors, spouses and underage children to comply with the announcement of the Stock Exchange of Thailand.

6.2.2 Responsibility for the company's assets

Directors, executives and employees at all levels have duties and responsibilities in maintaining the use of the Company's assets for the best interest of the Company in order to avoid personal interest or other. The Company has a policy to prepare business documents, record financial and accounting information, and prepare financial reports with honesty, timeliness and completeness in accordance with relevant laws and in accordance with generally accepted accounting principles.



Directors, executives and all employees must control confidential information appropriately and must not communicate any important information and not disclose to the public which has been recognized from their duties to other departments and outsiders that do not deserve to be aware of that information and responsible for making the best efforts to protect such confidential information including the storage of confidential information.

6.2.3 Ethics on Stakeholders

1) Treatment policy on Shareholders

The Company focuses on a good representative of the shareholders in conducting business to create maximum shareholders' satisfaction with transparent and reliable disclosure of information including the long-term growth of the Company by following guidelines:

(1) Perform duties with responsibility, cautious, honesty and integrity in accordance with the law, objectives, company's regulations and related regulations.

(2) Intent to create stable growth for good long-term performance of the Company.

(3) Manage and protect company assets not to depreciate or wrongfully lost and do not use the Company's assets for personal interest or outside business that are not related to the Company's business unless approved by the supervisor only.

(4) Encourage the rights of shareholders to obtain important information equally and disclose important information related to the Company both financial information and non-financial information that is accurate, complete, timely, transparent through easy-to-access channels.

(5) Ensure that directors, executives or employees do not seek personal interests and related persons by providing any information of the Company which has not disclose to public and/or taken in any manner that may lead to conflict of interest with the Company.

(6) Provide various information dissemination channels and establish a company's website for shareholders to access information conveniently and easy to understand.

2) Treatment policy on employees

The Company has measures to protect employees who provide information in the event of illegal acts or misconduct the Securities and Exchange Act will be covered. The Company cannot practice unfairly whether it is a change of position, job description, work place, suspension from job, threatening, interfering with work operations, termination, bullying in any manner due to the reason for providing clues about illegal or unethical practices.



The Company realizes that employees are the key factor in producing quality products for the Company. Therefore, to give importance to fair treatment of employees by adhering to the principle of equality and neutrally in terms of employment, compensation, appointment, transfer and potential development along with moral development so that employees are capable and good people of the society. The Company has set the principles of treatment for employees as following:

(1) Comply with the labor law and various regulations involving employees strictly.

(2) Employee treatment with politely, maintain the dignity of human beings and respect a person who obeys human rights principles.

(3) Arrange fair employment conditions for new employees and take care of employees in the organization so that employees receive appropriate compensation according to their potential.

(4) Maintain an environment and organize a working system to ensure the safety of life and assets as well as good hygiene.

(5) Give importance to employee development in order to train skills and increase their potential by providing employees with thorough and regular learning opportunities.

(6) Appoint, transfer, reward and punish employees with honesty and fairness based on knowledge, competency and employees' appropriate.

(7) The Company provides a provident fund for employees.

(8) Provide information consistent with the operations and status of the Company to employees regularly.

(9) Listen to opinions and suggestions based on the professional knowledge of the employees.

(10) Avoid any unfair conduct that may affect the stability in work of the employee or threaten and put pressure on the employee's mental state.

(11) Build good awareness of employees, know how to be volunteer and a good citizen of society.

(12) Provide a channel for employees to make a complaint in case of not being fair or whistle-blowing about matters that may be illegal and prepare improvement process including measures to protect the complainants' employees to be systematic and fair.



(13) The Company and its representative shall support the impartial of the political rights of employees.

(14) Encourage the participation of employees in suggesting and working guidelines and/or various agreements to benefit all parties and build a good relationship to work together under good corporate culture as well as unity within the organization

(15) Encourage employees to participate in activities both internal and external which are beneficial to the organization and society to create participation and commitment to the organization as appropriate and at the discretion of the supervisor.

3) Treatment policy on customers

The Company focused on the customer's satisfaction by selecting quality products and services at appropriate price levels. The disclosure of information about products and services are complete, accurate without distorting the facts under the following guidelines:

(1) Commit to develop quality, safety and meet the specified standards of products and services and meet the specified standards at appropriate and fair price and able to deliver work within the specified time to the customer's satisfaction.

(2) Commit to propagate accurate news, information and suggestions to customers at the present moment appropriately. In order to assure that the customers have enough information for making a decision in purchased procedure.

(3) Commit to perform to customers with respect and honor by representing in action verbal and countenance.

(4) Execute to follow commercial terms and conditions as well as customer confidential measure strictly. Do not to disclose or public customer information for own benefits illegally.

(5) Arrange channels for customers' complaints and immediately feedback to fulfill that problem for customers' satisfaction.

(6) Always listen in to customer opinion and recommendation for enhancement any defections.

4) Treatment policy on business partners and/or creditors

The Company place an importance to equality and fairness to partners and supplier. Moreover, operations between the company and partners will not affect to company reputation or confliction to the law under this regulation.



(1) Execute purchasing policy and process strictly by using rule of vendor lists selection which was designed.

(2) Execute vendor lists system and investigate procedure for transparent selection in purchasing process.

(3) Negotiation and price comparison in purchasing process occur with reveal method.

(4) There is no acceptance bribes as well as other benefits from partners or suppliers that will be result in inequitable selection process except conventional receive.

(5) Execute agreed terms and conditions rigidly. In case of there is confliction between the company and partners, the parties have to inform the issue in advance to other party and find out solutions mutually.

5) Treatment policy on commercial competitors

The Company adheres to the rules of fair competition, code of conduct and within the legal framework under the following guidelines:

(1) Treat commercial competitors in accordance with good competition rules, encourage free trade and fair.

(2) Not seeking the commercial competitor's confidential information through dishonest or improper.

(3) Not destroying the reputation of the commercial competitors by defaming and accusing in the bad way.

(4) Do not harass or causing competitors to lose unfair opportunities

6) Safety, occupational health and environment

The Company is committed to conducting business on the basis of good safety, occupational health and environment under the guideline "Sustainable Organization and Environment" that encourage the Company to create and implement processes of employees and the environment friendly with the following guidelines:

(1) Comply with the law and various regulations in safety, occupational health and environment strictly.

(2) Comply with relevant environmental standards in the business of the Company by entering operations and related to the environment.



(3) Encourage and support the use of resources efficient, energy saving measures and encourage the process of resource recycling throughout business processes.

(4) Provide a working system that focuses on the safety and hygiene in the workplace such as having a system to prevent pollution that may occur during the work, clean and hygienic of the workplace in order to keep all employees and who entering the Company are safe from the danger of accidents and disease.

(5) Executives and employees must take seriously all activities that encourage the quality of safety, occupational health and environment and perform duties with safety and environmental consideration all time.

(6) Disclose information about the operations of the Company and communicate activities related to safety, occupational health and environment to employees and related parties acknowledged continuously.

7) Responsibility towards the community and society

The company is committed to coexistence with the community and society happily under the concept of “Strong organization and society” to support each other and join in developing the community to be strong and self-sufficient as well as focusing on the process of working with the community and encouraging community activities both near and far in accordance with the Company's policy in accordance with the development of government roadmap for sustainable development of the quality of life and the economy of community.

(1) The Company shall conduct business activities consider the benefits and sustainability of the community and society.

(2) The Company shall encourage the participation of the community and the social sector in the meeting, exchange ideas and cooperate with various agencies to develop the livelihoods of the community regularly.

(3) The Company requires in planning and preventive/corrective measures when there is an impact on the environment and community due to the Company's operations.

(4) Arrange public service activities for society by engaging employees to act as a good citizen of society and voluntarily

(5) The Company aims to develop knowledge and education of Thai youth according to the Company's potential.



(6) Build cooperation with local agencies to develop the infrastructure of educational institutions, religious place and the hygiene of youth and the underprivileged including the environment of the community.

(7) Encourage, maintain religion and conserve culture, good local customs and traditions.

(8) Encourage operations to strengthen local businesses and give opportunities to business partners with the Company.

(9) Generate income and encourage the community economy by recruiting and supporting in employment and community products as well as support activities that focus on providing knowledge to the community for occupation and adopted knowledge to create or encourage families and communities to generate additional income and able to live on their own.

(10) Communicate with the community and society regularly and transparently as well as disseminate and report the performance of social responsibility to all stakeholders for acknowledgement.

6.2.4 Employee ethics

The Company determines to develop potential and encourage ethics to employees of the Company in parallel with the goal is to build employees to be quality people in order to perform their duties both good employees of the organization and society which will encourage the society and the nation to consist of citizens with both talents and morality at the same time, starting with the corporate level before expanding to a large institution of the country with the following guidelines

1) Self treatment

(1) Perform the work with integrity and report performance according to facts

(2) Respect and comply with the laws, rules and regulations of the Company strictly.

(3) Perform the work with the awareness of integrity and do not use the position to take advantage abuse of benefit.

2) Treatment of customers Stakeholders and Society

(1) Be polite, friendly and respectful in negotiations, coordinate with customers, business partners, visitors like close relatives.

(2) Be honest and punctual in coordination or working with various departments.



(3) Comply with laws, rules and regulations including professional ethics.
(4) Comply with safety regulations as well as taking care the environment.
(5) Do not disclose customer information unless authorized by the customer

(6) Participate in company activities that contribute to culture, local customs and traditions.

(7) Open a channel to express opinions and suggestions from customers for the benefit of improving the Company's operations.

3) Treatment of employees

(1) Be polite, friendly, respectful and considerate to colleagues to assist work as appropriate.

(2) Not to persuade or guide the decisions of colleagues on political rights.

(3) The right to express opinions politely and appropriately.

4) Treatment of organizations

(1) Perform work with full responsibility and integrity.

(2) Use the assets, resources and welfare of the organization appreciably.

(3) Discipline and comply with the Company's policies, rules and regulations strictly.

(4) Intend to learn to self-development and have work ethics in the organization.

(5) When finding an event of corruption, misconduct or an event that may cause damage to the organization. It must be reported immediately via the complaint-making or whistle-blowing channels and suggestions as specified by the Company.

(6) Comply with safety regulations, wear protective equipment as specified by the Company.

(7) Follow the news of the organization and related agencies to use as information for talking and making decision to work rationally and all around.

5) Political rights

The Company operates with political neutrality, not participate and interested in any political party, political group or any political authority. Do not use company funds or resources to support both directly or indirectly to political party, political group or politician.



6.2.5 Implementation of compliance and review

The Company defines the responsibility of directors, executives and employees of the Company to acknowledge, understand and follow the policies in the business ethics manual strictly and voluntarily and cannot refer to the fact that the established guidelines are not known.

The Company's executives are responsible the important for employees under the supervisory line to know, understand and follow the business ethics manual. The Company shall not support any illegal action against good ethical principles. If directors, executives, employees of the Company violate the ethics then they are subject to receive penalties strictly.

The Company will review the business ethics manual to be appropriate for changing business situations and environments. There will be training and seminars within the organization on such topics to review existing and additional practices then report to the Board of Directors for acknowledgment regularly every year.



6.3 Material changes and developments regarding corporate governance in the preceding year

6.3.1 Reviewed company vision and mission

The Board of Directors has reviewed company vision and mission appropriately. In order to get the goal and systematic operation currently. By the resolution of the Board of Directors Meeting No. 1/2565 approved the review and amendments summarized as follows:

Vision

“Be a renewable energy and public utility company that is committed to produce and develop with modern innovation by giving importance to stakeholders for sustainable business operations under transparency against all of corruption”

Mission

- Manage the organization with ethics and good governance
- Establish standards and transparent for systematic operations
- Generate fine performance for shareholders
- Operate under anti-corruption practices strictly
- Take care and develop human resources equally
- Service to partners and society with sincerity



6.3.2 Review the Board of Directors' charter

The Board of Directors has reviewed the Board of Directors charter and sub-committees charter. Review the authority and duties of the Chief Executive Officer. Review the authority and duties of the company secretary. Including determining the authority and duties of the Chairman of the Board of Directors. By the resolution of the Board of Directors Meeting No. 3/2565 approved the review and amendments summarized as follows:

The Board of Directors charter

Chapter 4 : Authorities, Duties and Responsibilities

Added : Article 35. Provide a system that supports anti-corruption. To ensure that the management is aware of the importance and implements it as a corporate culture.

Audit Committee Charter

Reviewed and opinion that be appropriate.

Nomination and Compensation Committee charter

Reviewed and opinion that be appropriate.

Executive Committee charter

Chapter 4 : Authorities, Duties and Responsibilities

Added : Article 14. Provide a risk management system and continuously monitor risk management.

Added : Article 15. Provide a system that supports anti-corruption policy.

Added : Article 26. Approval of the cost for Due diligence to the project. The Executive Committee has the authority to approve the amount not exceeding 1 million baht.

The authority and duties of the Chairman of the Board of Directors.

Approved the authority and duties of the Chairman of the Board of Directors.

The authority and duties of the Chief Executive Officer.

Reviewed and opinion that be appropriate.

The authority and duties of the company secretary

Reviewed and opinion that be appropriate.



Internal audit department has reviewed the Internal audit department charter and was approved by the Audit committee meeting No. 1/2017, deemed that it is appropriate for the operation.

Compliance department has reviewed the Compliance department charter and was approved by Chief executive officer, deemed that it is appropriate for the operation.

6.3.3 Developments regarding corporate governance in the preceding year

The Company attaches importance to good corporate governance as follows:

Assessment of the Corporate Governance Survey of Listed Companies Year 2021 (CGR 2021)

The company was assessed in the Corporate Governance Survey of Listed Companies Year 2021 (CGR 2021) by the Thai Institute of Directors Association (IOD), rated as “Very Good”.



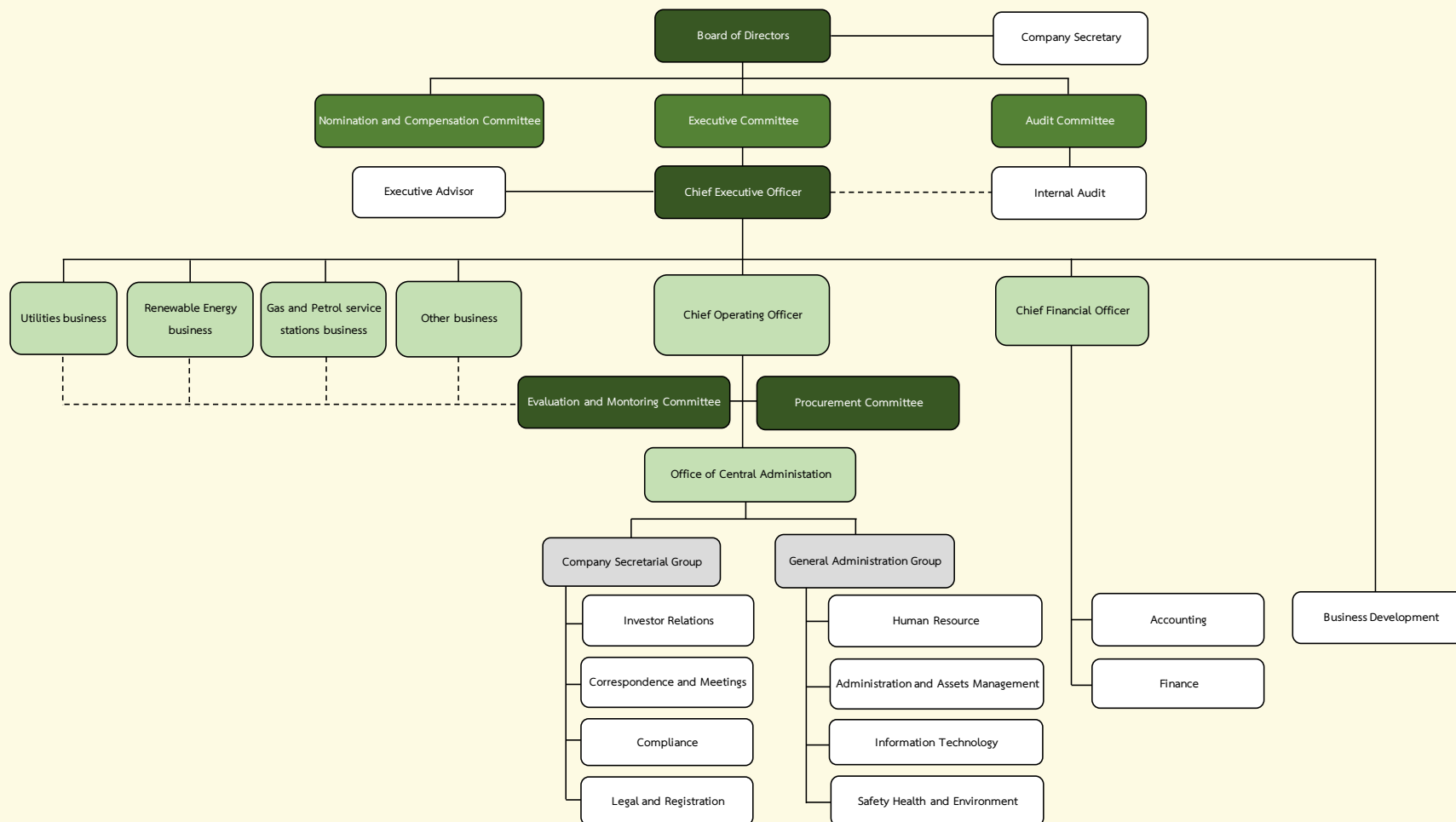
Assessment of the 2021 Annual General Meeting of Shareholders (AGM Checklist)

The Company has been assessed for the quality of the 2021 Annual General Meeting of Shareholders (AGM Checklist) from the Thai Investors Association with a full score of 100.



7. Governance structure

7.1 Governance structure



as of December 31, 2021

7.2 Board of Directors

The Board of Directors plays a role in driving the organization responsible for setting plans and policies in business as well as supervising the management to be in accordance with the objectives and guidelines for the maximum benefits of shareholders by considered the benefit of all stakeholders under the principles of ethics and good corporate governance. Perform duties with responsibility, caution and honesty including ensuring that the business operation is in accordance with the objectives and regulations of the Company, resolutions of the Board of Directors, resolutions of the shareholders' meeting as well as the laws, principles and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

As of December 31, 2021, the Board of Directors consists of 8 members, of which 4 are independent directors, representing 50% of the total number of directors. 6 non-executive directors, representing 75% of the total number of directors. And 2 executive directors, representing for 25% of the total number of directors. The details are as follows.

| No | Name | Position |
|----|---|--|
| 1 | Squadron Leader Sita Divari | Chairman of the Board of Directors/Independent Director/ Authorized Director |
| 2 | Mr. Torphong Chaiyasarn ¹ | Chairman of the Audit Committee/ Nomination and Compensation Committee/ Independent Director / Authorized Director |
| 3 | Mr. Ekatip Tippavang | Chairman of the Nomination and Compensation Committee/Audit Committee/Independent Director |
| 4 | Mr. Nitipat Amnatthaloengsak ² | Audit Committee / Nomination and Compensation Committee/Independent Director |
| 5 | Police Major Ratchata Poompanmoung | Director |
| 6 | Mr. Geeradej Winthai ³ | Director |
| 7 | Mr. Mana Kitirat | Director/ Executive Director/ Authorized Director |
| 8 | Mr. Monthep Mapiam | Director/ Executive Director/ Authorized Director |

Remark: ¹ Mr. Torphong Chaiyasarn has appointed instead of Mr. Pathrlap Davivongsa as authorized director and the Nomination and Compensation Director at the Board of Directors' meeting No.13/2021 held on December 15, 2021.



| | |
|---|--|
| ² Mr. Nitipat Amnatthaloengsak | has appointed instead of Pol.Lt.Gen. Kiattipong Khawsam-ang as the Audit Committee Director and the Nomination and Compensation Director at the Board of Directors' meeting No.4/2021 held on April 8, 2021. |
| ³ Mr. Geeradej Winthai | has appointed instead of Pol.Lt.Gen. Kiattipong Khawsam-ang as Director at the Board of Directors' meeting No.10/2021 held on September 7, 2021. |
| Pol.Lt.Gen. Kiattipong Khawsam-ang | Former Director resigned from the position on January 20,2021. |
| Mr. Pathrlap Davivongsa | Former Director resigned from the position on December 3,2021. |

The Authorized Director

The authorized directors of the Company are Squadron Leader Sita Divari or Mr. Torphong Chaiyasarn or Mr. Mana Kitirat or Mr. Monthep Mapiam any two of these four directors can sign jointly and affix the Company's seal

Directors of the subsidiary operating the core business.

1. Gas and petrol service stations business

Star Gas Company Limited

| No | Name | Position |
|----|----------------------------|--------------------------------|
| 1 | Mr. Monthep Mapiam | Director / Authorized Director |
| 2 | Mr. Chanin Kiatthaveephong | Director / Authorized Director |

The Authorized Director: Two directors jointly sign together with the Company's seal being affixed.

2. Renewable energy business

Ferrum Energy Company Limited

| No | Name | Position |
|----|--------------------|--------------------------------|
| 1 | Mr. Monthep Mapiam | Director / Authorized Director |
| 2 | Mr. Mana Kitirat | Director / Authorized Director |

The Authorized Director: Two directors jointly sign together with the Company's seal being affixed.



3. Utilities business

Gold Shores Company Limited

| No | Name | Position |
|----|------------------------------------|--------------------------------|
| 1 | Mr. Suvicha Panichpol | Director |
| 2 | Miss Chomkamon Poompanmoung | Director / Authorized Director |
| 3 | Police Major Ratchata Poompanmoung | Director |
| 4 | Mr. Monthep Mapiam | Director / Authorized Director |
| 5 | Mr. Wutthichart Kanlayanamitr | Director |

The Authorized Director: Miss Chomkamon Poompanmoung sign together with Mr. Monthep Mapiam

Sam Water Supply Company Limited

| No | Name | Position |
|----|----------------------------|--------------------------------|
| 1 | Mr. Monthep Mapiam | Director / Authorized Director |
| 2 | Mr. Mana Kitirat | Director / Authorized Director |
| 3 | Mr. Nick Wood | Director / Authorized Director |
| 4 | Mr. Herman Cai | Director / Authorized Director |
| 5 | Mr. Chanin Kiatthaveephong | Director / Authorized Director |

The Authorized Director: Mr. Monthep Mapiam or Mr. Mana Kitirat or Mr. Chanin Kiatthaveephong Signed with Mr. Nick Wood or Mr. Herman Cai Total of two directors jointly sign together with the Company's seal being affixed.

Board of Directors charter

Composition of the Board of directors

1. The Board of Directors shall be consisted of at least 5 members of which not less than one-half of the directors shall reside in the Kingdom.
2. The Board of Directors provided that at least 3 members or not less than one-third of total directors shall be the Independent Directors.



3. The Board of Directors shall elect one of the directors to be the Chairman of the Board of Directors and in the event that the Board of Directors deems it appropriate, one or more directors may be elected to be the Vice Chairman, where the Vice Chairman has duties as assigned by the Chairman of the Board of Directors.

4. The company secretary is the secretary to the Board of Directors by position.

Qualifications

A person shall be directors who are elected by the shareholders' meeting or be selected by the Board of Directors.

A person possessed of comprehensive qualifications of director as prescribed in the Public Limited Company Act, the Company's Articles of Association and in accordance with the Stock Exchange of Thailand and the Securities and Exchange Commission.

The directors shall have knowledgeable, honest, have business ethics and have sufficient time to devote their knowledge, abilities and perform their duties to the Company.

The directors shall have leadership view with the wide visions and well understanding of the Company's business operations, reliable and generally accepted.

5. The directors can hold director positions in other companies but directors must not be an obstacle to the performance of duties of the Board of Directors and must be in accordance with the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission.

6. The directors must not operate a business or be a partner or a director in any other juristic person operating a business that is in the same nature and in competition with the business of the Company and its subsidiaries unless they have been explicitly notified before the appointment.

7. The directors who to perform the position of independent directors of the Company with the qualifications in accordance with the guideline of the Stock Exchange of Thailand, the independent director of the Company with qualifications as following:



7.1 Holding no more than one percent of the total shares with voting rights in Company*, shares held by related persons of that independent director shall also be counted.

7.2 Not be or used to be directors who were involved in management or being an employee, staff or advisor who receives fixed salary or controlling persons of the Company*, unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.3 Not be or have no blood relationship, no relationship in terms of marriage or legal registration with a person of possible conflict of interest as executives, major shareholders, controlling persons or a person who's nominated as executive or controlling persons of company or its subsidiary.

7.4 Not be or having no business relationship with company in a manner that may interfere with the use of personal judgment independently including that he or she must not be or used to be the major shareholders or controlling persons of company unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.5 Not be or used to be an auditor of company* and not be a major shareholders, controlling persons or a copartner manager of an audit firm which has the auditor of company* unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.6 Not be or used to be a person who provided any professional advice and services such as legal adviser or financial consultant who receives service fees more than 2 million Baht per annum from company* and not be major shareholders, controlling persons or copartner manager of that professional service provider unless they have not been involved in such positions for at least two years prior to the date of appointment.

7.7 Must not be a director that was appointed to be the representative of company's director, major shareholder or shareholder that are related to the major shareholders of company.



7.8 Does not engage in a business of the same nature as and which is significantly competitive to that of the Company, the Parent Company or a Subsidiary. An Independent Director is not a significant partner to a partnership or a director with involvement in the management, employees, staff, consultant with monthly salary, or, who holds more than 1 percent of all shares with voting rights of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a Subsidiary.

7.9 Does not have any other characteristic which prevents him or her from opining freely on the operation of the Company.

7.10 Able to perform duties, give opinions or report on the performance of duties assigned by the Board of Directors without under the control of the management or major shareholders of the Company including related persons or close relatives of such persons and if necessary, the Board of Directors delegate to independent directors to make decisions in the form of a committee regarding the operations of the Company, its main, subsidiary company, associated company or other juristic persons with a possible conflict of Interest.

*Including subsidiary, affiliate, major shareholder(s), or controlling parties of the Company

Authorities, Duties and Responsibilities of the board of directors

1. Perform their duties in accordance with the laws, the Articles of Association and the objectives of the Company as well as all legitimate resolutions of the Board of Directors and the shareholder meetings with responsibilities, duty of care and duty of loyalty.

2. Determine the policies, directions, objectives, business plans and budgets of the Company including to supervise the management to act in accordance with the prescribed policies with efficiency and effectiveness.

3. Nomination of directors to replace directors who complete their terms including the compensation of the directors and propose to the shareholders' meeting for approval.

4. Consider director's position becomes vacant due to reasons other than completion of term. An exception exists if the said Directorial position has a period of less than 2 months to completion of term and the replacement director may serve only the period of time remaining to completion of such term.



5. Consider the appointment of the Executive Committee, Audit Committee, Nomination and Compensation Committee to oversee the internal control system and the nomination and compensation system to be in accordance with the established policies.

6. Consider the appointment of chief executives at level of the Chief Executive Officer, Chief Operating Officer and Company Secretary as well as determine compensation.

7. Appoint the sub-committees and determined powers, duties and responsibilities of each committee so that they can proper function and support the Board of Directors.

8. Consider and alter the Authorized Directors who sign on behalf of the Company.

9. Ensure that the Statements of Financial Position and income statement at the end of fiscal year of the Company is well-prepared and certified in order to propose the Annual General Meeting of Shareholders for approval.

10. Consider and approve the selection and the fee of the Company's auditors as proposed by the Audit Committee prior to proposing to the Annual General Meeting of Shareholders for approval.

11. Appoint any other persons to operate the Company's business under the control of the Board of Directors or may authorize such person to have authority and/or within the period as the Board of Directors deems appropriate whereby the Board of Directors may cancel/withdraw/change or amend the authority.

12. Consider and approve the acquisition or disposition of assets of the Company except in the event that such transactions require approval from the shareholders' meeting, such approval shall be in accordance with the relevant announcements, regulations and/or rules of the Stock Exchange of Thailand.

13. Consider and approve the connected transactions except in the event that such transactions require approval from the shareholders' meeting. In this regard, such approval shall be in accordance with the notifications, regulations and / or rules of the Stock Exchange of Thailand.

14. Consider and approve the payment of interim dividends to shareholders when it considers that the Company is profitable to do so and report to the shareholders at the next shareholders' meeting.

15. Consider important matters such as business policies and plans in large investment projects, executive's authority and any other items stipulated by law including may request advice from an independent external consultant or professional expert if necessary and appropriate.

16. The performance evaluation and compensation for directors and chief executives.

17. Supervise the management to have an appropriate and efficient risk management system.



18. Determine the authority and level of authorization for transactions and actions relate to the work of the Company to a group or person as appropriate and in accordance with the relevant law by preparing a manual for the authority.

19. Provide an accounting system, reliable financial reporting and auditing including to supervise a process for assessing the appropriateness of internal control.

20. Provide a system that supports anti-corruption. To ensure that the management is aware of the importance and implements it as a corporate culture.

21. Provide appropriate communication channels with shareholders and supervise information disclosure to ensure accuracy, clarity, transparency, reliability, up-to-date and standardization.

22. Supervise the annual evaluation of the Board of Directors, individual directors to review performance, problems, obstacles in order to improve effectiveness of the Board of Directors.

23. Be responsible for the shareholders regularly and operate by protecting the interests of shareholders, disclose accurate and completed information to investors with standard and transparency including arrange the Annual General Meeting of Shareholders within 4 months from the end of fiscal year of the Company or other Extraordinary General Meeting of Shareholders as deemed appropriate.

24. Regular the Board of Directors meeting will be held no less than 4 times per year or quarterly to consider matters that are important to the company's operations.

25. Prepare an annual report and the Board of Directors' report on responsibility for the financial statements together with the auditor's report in the annual report covering important matters of the Company over the past year and propose to the shareholders' meeting and publicize it to the general public.

26. Develop and encourage directors and executives of the Company to attend training courses related to the duties and responsibilities of directors and executives.

27. Review and revise Charter of the Board of Directors to be appropriate for work.



Term of office

1. Directors have a term of office of 3 years each. At every annual general meeting of shareholders The number of directors of the Company shall retire from office by one-third or the number closest to one-third. The directors who vacate office by rotation may be re-elected to hold a new position.
2. Apart from retirement upon the expiration of the term of office, the Directors shall vacate upon:
 - 2.1 Death;
 - 2.2 Resignation;
 - 2.3 Dispossession of qualifications or possession of disqualifications under the laws of Public Limited Company or this charter or stipulated in the Stock Exchange of Thailand and the Securities and Exchange Commission;
 - 2.4 The meeting of shareholders resolving to remove any director prior to the expiration of his term of office;
 - 2.5 The court issuing an order to remove.
3. Any director wishing to resign from office must submit a resignation letter to the company by giving written notice along with reasons. The company will inform the resignation to the Stock Exchange of Thailand. Securities and Exchange Commission and the Ministry of Commerce The resignation is effective from the date the resignation letter arrives at the company.

Board of Directors' Meeting

1. Regular Board of Directors meeting will be held no less than 4 times per year and conducting meetings under the Company's Articles of Association Public Company Limited Act, rules, regulations, regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand².
2. Attending the Board of Directors' meetings is an important duty of all directors.
3. The company secretary is responsible for delivering meeting invitations, as well as the meeting agenda and supporting documents, to each Board member at least 7 days prior to the meeting for review.
4. At a meeting of the Board of Directors, the presence of not less than one half of the total number of directors is required to constitute a quorum. In the case where the Chairman of the Board of Directors is not present at the meeting or is unable to perform the duty, the directors present at the meeting shall elect one amongst themselves to preside over the meeting.



5. During the Meeting, the Chairman of the meeting allowed directors and provided sufficient time and the chance to direct queries and equal opportunity to express their opinions. The Chairman answered such questions and provided suitable information in response.

6. A decision of a meeting shall be by a majority of votes. Each director shall have one vote, provided that any director who has any interest in a particular matter may not vote on such matter. In the case of an equality of votes, the person presiding over the meeting shall have an additional vote as a casting vote.

7. The company secretary is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.

Report of the Board of Directors

1. The Board of Director shall prepare annual report of the organization to report the working outcomes and significant development in the year, present to the shareholders' meeting to financial specialists and investors, and forward the applicable work as indicated by the law.

2. Report on the resolutions of the Board of Directors meetings that are important or which must be disclosed by law or the rules of the Stock Exchange of Thailand or specified by the Securities and Exchange Commission.

Chairman of the Board of Directors' authority and responsibilities

The Chairman of the Board of Directors is the individual whom the Board of Directors trusts and entrusts to be the leader who is jointly chosen by the Board of Directors. It is regarded as the most critical figure in corporate governance, serving as a liaison between the Board of Directors and management to ensure that both parties work effectively together. Supervise Board of Directors meetings to ensure that sound Board of Directors decisions are made to propel the organization toward its objectives. As a result, it is critical to understand the Chairman of the Board of Directors' roles and responsibilities. As a result, the Chairman of the Board of Directors' powers and duties have been defined as follows:

1) Assist the management in its operations but do not participate in the day-to-day management of the business.

2) encourage and support the Board of Directors in carrying out their responsibilities to the best of their abilities. Responsibilities under the law, in accordance with sound corporate governance principles, independent of management, and accountable to shareholders and other stakeholders



3) Convene a meeting of the Board of Directors, the Chairman of the Board of Directors' meeting, and a shareholder meeting, and assist the Chief Executive Officer in developing agendas for meetings.

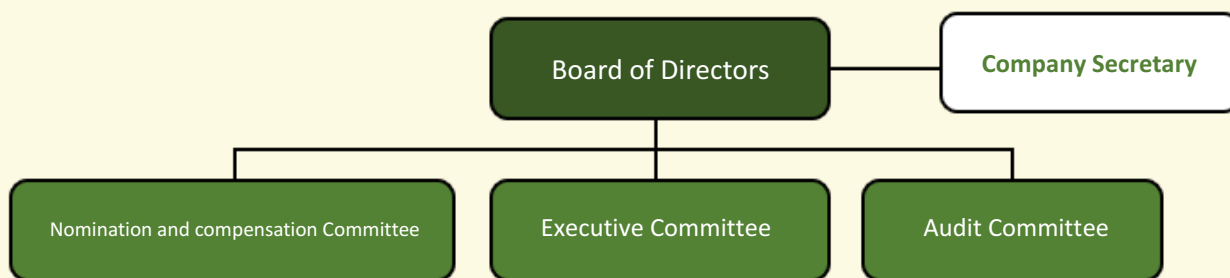
4) Ensure that the meeting is effective and compliant with applicable regulations. Association By-Laws Assist and enable directors to express their views independently.

5) Acting as the deciding vote in the event that the Board of Directors meets and votes are cast and both parties have an equal number of votes

6) Monitor the Board of Directors' and other subcommittees' operations to ensure they are accomplishing the stated objectives.

7.3 Sub-committees

Committee's structure



7.3.1 Audit committee

The Board of Directors of Seven Utilities and Power Public Company Limited realizes the importance of a good corporate governance system. Therefore, the Board of Directors considered and appoint the Audit Committee which consists of an independent director in order to review the operations of the Company, review the effectiveness of internal control to ensure that the performance of the various departments is efficient in accordance with the operating regulations appropriately. In addition, the Audit Committee is responsible for reviewing the Company's financial reports together with the auditor to ensure that the financial report of the Company is reliable, complete and accurate disclosure information is in accordance with relevant standards and requirements. Moreover, to ensure credibility to investors and stakeholders that there is a prudent audit and corporate governance to be fair, clear and operate in accordance with good corporate governance principles.



As of December 31, 2021, the Audit Committee comprises 3 members. Of this number are Independent Directors and not Executives with detailed as follows.

| ลำดับ | ชื่อ-สกุล | ตำแหน่ง |
|-------|------------------------------|--|
| 1 | Mr. Torphong Chaiyasarn | Chairman of the Audit Committee / Independent Director |
| 2 | Mr. EkatipTippavang | Audit Committee / Independent Director |
| 3 | Mr. Nitipat Amnatthaloengsak | Audit Committee / Independent Director |

The Audit Committee member who has knowledge and experience in reviewing the Company's financial statements is Mr. EkatipTippavang

Audit Committee Charter

Composition of the audit committee

1. The Audit Committee shall be comprised of solely independent directors with the number of members not less than three.
2. At least one member of the Audit Committee shall be financially literate or-shall have background in accounting or finance sufficiently enough to perform the duty.
3. Chairperson of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members from the Audit Committee.
4. Chief Audit Executive will be chosen as a secretary to the Audit Committee.

Qualifications

1. The Audit Committee shall be elected by the Board of Directors or shareholders' meeting.
2. The Audit Committee must have the qualifications as stipulated in the law of the Securities and Exchange and the regulations of the Stock Exchange of Thailand.
3. The Audit Committee holds no more than 1 percent of paid-up capital of the Company, associated or related companies including shares held by related persons.
4. The Audit Committee must be a director of the Board of Directors but must not participate in management of the Company, associated company, related company or major shareholders of an associated or related company.



5. The Audit Committee must be a director who were not being an employee, staff or advisor who receives fixed salary of the Company, associated company, related company.

6. The Audit Committee must be a director who has no interests or personal interests both directly or indirectly in terms of finance and management of the Company, professional advice and service, auditor of company, associated or related Companies including having no interest or stake in any transactions of the Company within 2 years prior being appointed as member of the Audit Committee.

7. The Audit Committee must be a director who is not a related person or close relatives of management or major shareholders of the Company.

8. The Audit Committee must not be a director that was appoint to be the representative of company's director, major shareholders or shareholder that are related to the major shareholders of company.

9. The Audit Committee must be able to perform duties and express opinions or report the performance of the duties assigned independently and not under the control of the executives or major shareholders of the Company including related persons or close relatives.

10. The Audit Committee must be a trusted and generally recognized person.

11. The Audit Committee shall contribute time schedule to work for the Company as sufficiency.

Authorities, Duties and Responsibilities of the audit committee

1. Review company's financial reporting process to ensure that it is accurate and adequate including adequate information disclosure by coordinating with external auditor and executives responsible for preparing quarterly and annual financial reports.

2. Review the Company's internal control system to be appropriate and effective and may suggest a review or audit of any items that they deem necessary and important. In addition, the recommendations on important and necessary improvements to the internal control system are presented to the Board of Directors by reviewing together with the external auditor and the chief audit executive.

3. Review the Company's risk management systems are appropriate and effective.

4. Review company's compliance with the law on securities and exchange or the and the regulations of the Stock Exchange of Thailand, policies, rules, and other laws related to the Company.

5. Review the preventive work systems to increase efficiency and effectiveness for the better.

6. Review the investigation process, fraud detection independently and defining internal safeguards of the Company including review the whistleblowing and complaints process.



7. Review the anti-corruption process in accordance with the effective governance guidelines since the encouragement and raise awareness, risk assessment, establish a preventive work system, audit and review on anti-corruption measures including provide channels for receiving complaints or receiving clues about wrongdoing or corruption.

8. Consider, select and appoint the selection and the fee of the Company's auditors and propose to the to the Board of Directors for approval.

9. Consider the Company's internal audit plan in accordance with generally accepted methods and standards.

10. Consider the Company's information disclosure in the event of a connected transaction or a transaction that may lead to a conflict of interest to be correct and complete.

11. Report Audit Committee's performances regularly to the Board of Directors for acknowledgement.

12. Participate in the consideration of appointment, dismissal and evaluation of the chief audit executive.

13. Authorize to invite the management, executives or employees of the Company concerned to give opinions, attend a meeting or send documents that are considered relevant or necessary in the performance of duties.

14. Authorize to employ consultants or third parties according to the Company's regulations to give opinions or give advice if necessary.

15. Prepare the Audit Committee's report and to disclose in the Company's annual report which the report shall be signed by Chairman of the Audit Committee.

16. The Audit Committee shall perform self-evaluation at least once per year and shall report the performance evaluation results to the Board of Directors for consideration and endorsement.

17. Provide a channel of communication between the stakeholders directly to the Audit Committee.

18. Review and revise Charter of the Audit Committee to be appropriate for work.

19. Perform any other duty as assigned by the Board of Directors.



Term of office

1. The term of office for a member of the Audit Committee for 3 years and the member of the Audit Committee who vacate office upon the expiration of the term may be re-appointed.
2. The member of the Audit Committee shall be vacated upon:
 - 2.1 death;
 - 2.2 resignation;
 - 2.3 lack of the requisite qualifications of member of the Audit Committee prescribed by the Audit Committee Charter or the regulations and requirements of the Securities and Exchange Commission or the Stock Exchange of Thailand.
 - 2.4 Retirement from a director position of the Company.
3. Any member of the Audit Committee who wishes to resign from his/her office, shall submit a written notification to the Chairman of the Board of Directors. The Company will notify the resignation letter to the Stock Exchange of Thailand. In the event that all of the members of the Audit Committee shall vacate from their office, the Audit Committee members who are being vacated shall remain in office to continue their duties until the new committee members are appointed
4. In the event that a member of the Audit Committee position is vacated with reasons other than the expiration of the term of office, the Board of Directors shall appoint a qualified replacement to the vacated position in order to complete the Committee member within 90 days. The appointed replacement member of the Audit Committee shall hold office only for the remaining term of office of the replaced director.

Audit committee's Meeting

1. The Audit Committee shall meet at least 4 times per year to consider financial statements, internal audit report and other matters and Chairman of the Audit Committee may call special meeting as deemed necessary and appropriate.
2. The Audit Committee attends a non-management meeting with the Company's auditor at least once a year.
3. An audit committee member who has interests in any matter has no right to vote on that matter.



4. Such resolution made by the Audit Committee shall be done by majority voting. In case of an equality of votes, the Chairman of Audit Committee shall make a casting vote. However, the opinion of other member of the Audit Committee who did not vote against so it shall be presented as a contradictory opinion to the Board of Directors.

5. The Chairman of the Audit Committee shall report the results of the meeting to the next meeting of the Board of Directors.

6. The secretary of the Audit Committee is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.

Report of audit committee

1. The Audit Committee shall report performance to the Board of Directors in the Board of Directors' meeting.

2. While performing its duties, if the Audit Committee discovers or suspects any following transactions or activities which may have material impact on the financial status or operating result of the Company, the Audit Committee shall report the findings to the Board of Directors to take remedial actions within the time frame that the Audit Committee considers appropriate:

2.1 transaction which cause conflicts of interests;

2.2 fraud or irregularity or material deficiency in the internal control system;

2.3 infringement of the law on securities and exchange, the regulations of the Stock Exchange of Thailand or the laws relating to the Company's business;

3. If the Audit Committee has reported to the Board of Directors which may have material impact on the financial status and operating results and in consultation with the Board of Directors and executives to take remedial actions within the time frame. In the event that the Board of Directors or executives do not take any remedial actions within the set time frame, any Audit Committee member may report such transactions or activities to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.



Report of Listed Companies to The Stock Exchange of Thailand

1. Appointment of the Audit Committee

1.1 Report the resolutions of the Board of Directors' meeting regarding the appointment of the Audit Committee and submit the form to report the names and scope of the Audit Committee according to the regulations of the Stock Exchange of Thailand.

1.2 Submit the certificate and biography of the Audit Committee including the resolutions of the appointment of the Audit Committee to the Stock Exchange of Thailand within 3 days from the date the Board of Directors resolves to appoint the Audit Committee

2. The Audit Committee has changed

2.1 Report the resolutions of the Board of Directors' meeting to the Stock Exchange of Thailand regarding change in member of the Audit Committee to according to the requirements of the Stock Exchange of Thailand.

2.2 Submit the certificate and biography of the Audit Committee including the resolutions of the appointment of the Audit Committee.

3. Report the resolutions of the Board of Directors' meeting on the change in duties and scope of the Audit Committee to the Stock Exchange of Thailand within 3 days from the date of the resolutions of the Board of Directors on changed.

7.3.2 Nomination and compensation Committee

The Board of Directors of Seven Utilities and Power Public Company Limited realizes the importance of a good corporate governance system. Therefore, the Board of Directors considered and appoint the Nomination and Compensation Committee in order to determine nomination of the Company's directors, sub-committee members and chief executives as well as setting criteria and policy in order to determine compensation of the chief executives and propose to the Board of Directors and the shareholders' meeting for approval.



As of December 31, 2021, the Nomination and Compensation Committee consists of 3 members as follows:

| No | Name | Position |
|----|------------------------------|---|
| 1 | Mr. Ekatip Tippavang | Chairman of the Nomination and Compensation Committee |
| 2 | Mr. Torphong Chaiyasarn | Nomination and Compensation Committee |
| 3 | Mr. Nitipat Amnatthaloengsak | Nomination and Compensation Committee |

Nomination and Compensation committee charter

Composition of the Nomination and compensation committee

1. The Nomination and Compensation Committee shall be comprised at least 3 members.
2. The Nomination and Compensation Committee shall be comprised mostly of independent directors.
3. The Board of Directors shall select and appoint an independent director whose member of the nomination and compensation committee is the Chairman of the Nomination and Compensation Committee. The Chairman of the Board of Directors must not be a member of the Nomination and Compensation Committee.
4. The company secretary performs as secretary of the Nomination and Compensation Committee by position.

Qualifications

1. The Nomination and Compensation Committee shall be appointed by the Board of Directors.
2. The Nomination and Compensation Committee shall have knowledge, capabilities, experiences and understand the qualifications, duties and responsibilities of the Nomination and Compensation Committee under the good corporate governance principles.
3. The Nomination and Compensation Committee shall dedicate time for performing duty.
4. The Nomination and Compensation Committee shall be impartial in the nomination and selection of members who deserve to be nominated for the position as well as appropriately, fairly and transparently compensation.



Authorities, Duties and Responsibilities of the nomination and compensation committee

1. Consider the structure and composition of the Board of Directors so that the number of directors with qualifications, skills and experiences are appropriate for the Company's size, type and complexity of the business.
2. The Nomination and Compensation Committee shall have knowledge, capabilities, experiences and understand the qualifications, duties and responsibilities of the Nomination and Compensation Committee under the good corporate governance principles.
3. Consider sensible compensation criteria for the Company's director and high-ranking executives' position.
4. In the event that a member of the Nomination and Compensation Committee position is vacated with reasons other than the expiration of the term of office including compensation and propose to the Board of Directors or shareholders' meeting for approval.
5. Nominating the high-ranking executives at the level of Chief Executive Officer, Chief Operating Officer including compensation and propose to the Board of Directors for approval.
6. The Nomination and Compensation Committee arranges meeting at least 1 time per year.
7. The Nomination and Compensation Committee shall evaluate self-performance on annual basis to review the results, problems and obstacles each year and then develop and improve the performance.
8. Report Nomination and Compensation Committee's performances regularly to the Board of Directors for acknowledgement in the meeting of the Board of Directors.
9. Prepare a report of the Nomination and Compensation Committee that disclose in the annual report of the Company which must be signed by the Chairman of the Nomination and Compensation Committee.
10. Revise the Nomination and Compensation Committee Charter to be appropriate to the operations.



Term of office

1. Member of the Nomination and Compensation Committee has a term of 3 years and a member of the Nomination and Compensation Committee who vacates office upon this term may be re-elected.

2. In addition, to vacating office at the expiration of the term. Member of the Nomination and Compensation Committee's term of office shall vacate upon

2.1 death;

2.2 resignation;

2.3 lacked of qualifications as a member of the Nomination and Compensation Committee under this charter or according to the regulations of the Securities and Exchange Commission or the Stock Exchange of Thailand.

2.4 retirement from a director position of the Company.

3. Any member of the Nomination and Compensation Committee who will resign from office shall submit a resignation letter to the Chairman of the Board of Directors by notifying in writing along with reasons whereby the Company will notify the Stock Exchange of Thailand for the resignation.

Nomination and Compensation Committee 's Meeting

1. The Nomination and Compensation Committee arranges meeting at least 1 time per year and conduct meeting under the Company's Articles of Association and the Chairman of the Nomination and Compensation Committee may call a special meeting to consider other urgent matters as it deems appropriate.

2. Such resolution made by the Nomination and Compensation Committee shall be done by majority voting. In case of an equality of votes, the Chairman of Nomination and Compensation Committee shall make a casting vote. However, the opinion of other member of the Nomination and Compensation Committee who did not vote against so it shall be presented as a contradictory opinion to the Board of Directors.

3. The secretary of the Nomination and Compensation Committee is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.



Report of nomination and Compensation committee

1. Report Nomination and Compensation Committee's performances to the Board of Directors for acknowledgement in the meeting of the Board of Directors.
2. Prepare a report of the Nomination and Compensation Committee that disclose in the annual report of the Company to report the operating results present to the shareholders' meeting, publish to investors and interested parties and subsequently submit to the relevant agencies according to the law.

7.3.3 Executive committee

The Board of Directors of Seven Utilities and Power Public Company Limited realize the importance of control and management of the Company. Therefore, the Board of Directors considered and appointed the Executive Committee to supervising the Company's operations to comply with policies and objectives set by the Board of Directors.

As of December 31, 2021, the Executive Committee consists of 4 members as followed:

| No | Name | Position |
|----|-----------------------------|-------------------------------------|
| 1 | Mr. Sittichai Kritvivat | Chairman of the Executive Committee |
| 2 | Mr. Mana Kitirat | Executive Director |
| 3 | Mr. Monthep Mapiam | Executive Director |
| 4 | Ms. Poonchaya Patkotchakorn | Executive Director |

Executive Committee Charter

Composition of Executive Committee

1. The Executive Committee consists of directors who are executives or employees or appointed by the Board of Directors at least 3 directors together to perform the Executive Committee.
2. The Executive Committee being the Company's director shall be appointed as the Chairman of the Executive Committee.
3. The company secretary performs as secretary of the Executive Committee by position.



Qualifications

1. The Executive Committee shall be appointed by the Board of Directors.
2. The Executive Committee shall have knowledge, capabilities, experiences and understand the nature of the Company's business operations.
3. The Executive Committee shall dedicate time for performing duty.

Authorities, Duties and Responsibilities of the Executive Committee

1. Perform duties within the scope of laws, objectives, regulations, policies as well as resolutions of the Board of Directors' meeting and/or the resolution of the shareholders' meeting.
2. Propose policy, objective, business plan, business strategy, organizational structure, annual budget, investment plan, business expansion, financial plan, human resource management policy as well as scrutinizing the management's proposal to propose to the Board of Directors for approval.
3. Control the business operations to be in accordance with the policy, objective, strategy, operational plan and annual budget that approved by the Board of Directors.
4. Provide a risk management system and continuously monitor risk management.
5. Provide a system that supports anti-corruption policy.
6. Review and approve transactions that related to investment and acquisition and disposal of assets under the authorities including manage the investment of the Company effectively in order to maximize the benefits for shareholders.
7. Consider and approve the expenditure in general operations of the Company under the budget approved by the Board of Directors including approve the significant capital expenditures under the stipulated financial amount as assigned by the Board of Directors or approved by the Board of Directors in principle.
8. Approve the opening/closing/editing and managing deposit accounts with financial institutions both domestic and abroad by considering to be suitable for overall financial management.
9. Set out the organizational structure and administration covering selection, training, employment, appointment, transferring, termination, determination of wages, rewards, adjustment of salary, compensation, bonus of all employees which is lower than the Chief Executive Officer.
10. Approve loans, acquisition of credit lines or any request for credit, pledge, mortgage, guarantee, trading/registration of land ownership including entering into a contract relating to the Company's normal business operations under the specified approval authority or the Board of Directors has approved in principle.



11. Supervise and monitor the operating results and financial status of the Company and its subsidiaries and report of the operational performance and financial status to the Board of Directors on a regular basis.

12. Consider the Company's operational performance and propose an interim dividend payment and annual dividend to the Board of Directors for approval before propose to the shareholders' meeting.

13. The Executive Committee may employ an advisor or an independent person to give opinion as necessary.

14. Revise the Executive Committee Charter regularly and revised charter must be approved by the Board of Directors.

15. Approval of funds that are normal commercial transactions or transactions that are binding on the company. The Executive Committee has the authority to approve the amount not exceeding 20 million baht.

16. Approval of the cost for Due diligence to the project. The Executive Committee has the authority to approve the amount not exceeding 1 million baht.

17. Perform any other duty as assigned by the Board of Directors.

The Board of Directors' delegation of authorities shall not be in the manner which empowers a person to approve the transaction made by such person himself/herself or made by other persons who may have a conflicts of interest with the Company or its subsidiaries as defined in the notifications of the Securities and Exchange Commission and/or relevant agencies, unless the approval of such transaction is made in accordance with the policy and guidelines which have been already approved by the Board of Directors' meeting and/or the Company's shareholders meeting.

Term of office

1. The Executive Committee shall vacate from the position when:

apart from the expiration of term of duty, the Committee shall vacate from the position when:

1.1 death;

1.2 resignation;

1.3 lacked of qualifications to be executive directors according to this charter;



2. Any executive director who will resign from office shall submit a resignation letter to the Chairman of the Board of Directors by notifying in writing along with reasons whereby the Company will notify the Stock Exchange of Thailand for the resignation.

Executive committee's Meeting

1. Arrange regular meetings of the Executive Committee to approve important topic and monitor the performance of the Company.

2. Such resolution made by the Executive Committee shall be done by majority voting. In case of an equality of votes, the Chairman of Executive Committee shall make a casting vote. However, the opinion of the other executive directors who did not vote against so it shall be presented as a contradictory opinion to the Board of Directors.

3. The company secretary is responsible for record in writing and preparing the minutes of the meeting within 14 days so that directors and related persons can follow up and be examined.

Report of the executive committee

1. Report Executive Committee's performances to the Board of Directors for acknowledgement in the meeting of the Board of Directors.

2. Prepare a report of the Executive Committee that disclose in the annual report of the Company to report the operating results present to the shareholders' meeting, publish to investors and interested parties and subsequently submit to the relevant agencies according to the law.

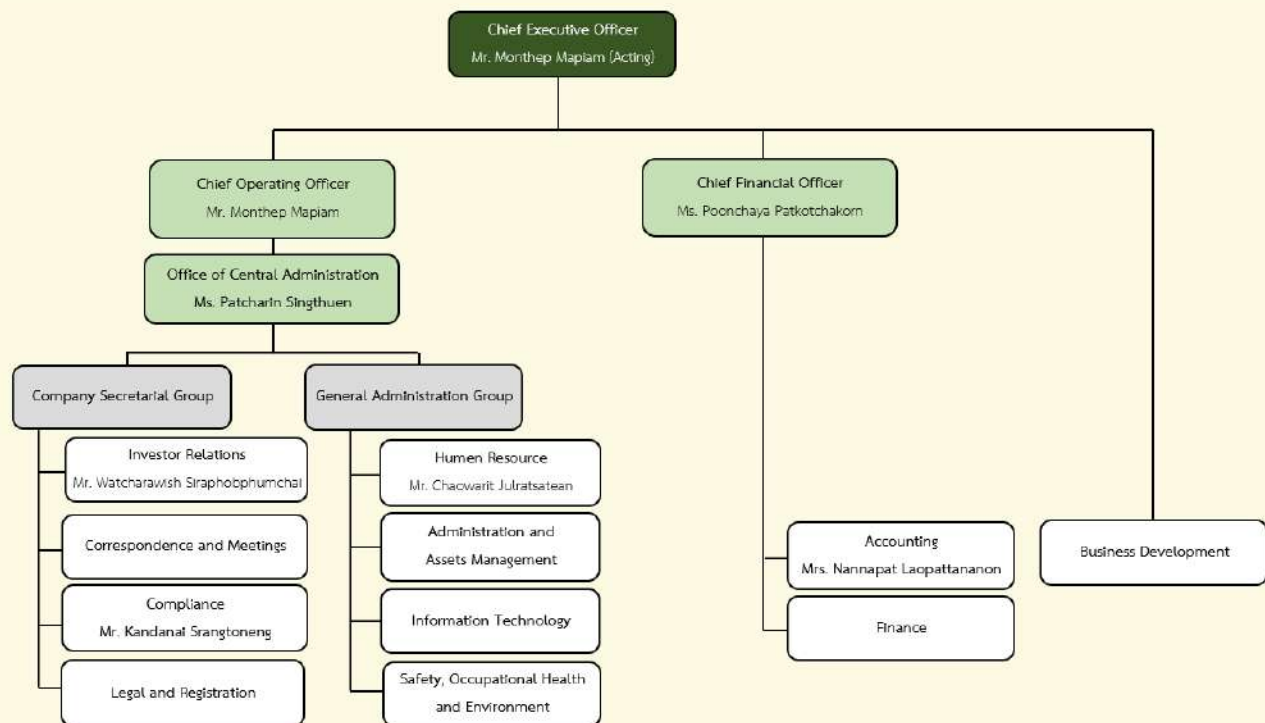


7.4 Executives

The executives consist of executives who meet the qualifications under the Public Limited Companies Act B.E. 2535 and the announcement of the Securities and Exchange Commission as of December 31, 2021, there are 7 members as follows:

| Name | | Position |
|---------------------|------------------|---|
| 1. Mr. Monthep | Mapiam | Acting Chief Executive Officer / Chief Operating Officer |
| 2. Ms. Poonchaya | Patkotchakorn | Chief Financial Officer |
| 3. Ms. Patcharin | Singthuen | Company Secretary / Senior Vice President of Office of Central Administration |
| 4. Mr. Watcharawish | Siraphobphumchai | Vice President of Investor Relations |
| 5. Mr. Kandanaï | Srangtoneng | Vice President of Compliance |
| 6. Mr. Chaowarit | Julratsatean | Vice President of Human Resources |
| 7. Mrs. Nannapat | Laopattananon | Vice President of Accounting |

Executives means the first 4 executives following the Chief Executive Officer including all members holding position equivalent to the fourth executive level position and those holding executive level position in accounting and finance.



Authorities of Chief Executive Officer

The Board of Directors of Seven Utilities and Power Public Company Limited appointed the Chief Executive Officer and defined the roles, authorities, duties and responsibilities of the Chief Executive Officer to serve as practices for operations and management in the Company to achieve concrete performance in accordance with a good corporate governance principle. Moreover, to achieve the objectives according to the goals with transparency and accountability which will encourage the confidence of the shareholders, stakeholders and all related person which will lead to the sustainable growth of the business in the future. The roles, authorities, duties and responsibilities of the Chief Executive Officer are defined as follows.

1) Give advice for determining the main business strategy, business plan and budget of the Company for proposing to the Executive Committee and the Board of Directors for approval.

2) Supervise the business in accordance with the policies, strategies and operating directions of the Board of Directors.

3) Perform other duties as assigned by the Board of Directors and the Executive Committee at each period of time.

4) Follow the resolution of the shareholders' meeting, the Board of Directors and the Executive Committee meeting by law with honesty, carefulness, secure the benefit of the Company in accordance with the law, objective and articles of association.

5) Manage the Company structure efficiency, encourage and develop the potential of executives and employees.

6) Encourage and develop management under the principle of corporate governance and get mutual benefit.

7) Determine the important issue, define missions, objectives, guidelines, policies including the overall business of the Company and be responsible to the Board of Directors.

8) Authorize to employ, appoint, remove, terminate, dismiss, set the wage rate, rewards, increase salary, compensation including welfares of the Company with respect to all employees.

9) Authorize to approve and delegate during the approval of disbursement for the procurement of assets and services for the benefit of the Company and authorize to approve general and insignificant commercial transactions in the amount not exceeding 1 million Baht.



10) Authorize to directions, regulations, announcements and internal records to ensure the implementation of the policy and to maintain work discipline within the organization.

11) Authorize to act and acting as a representative of the Company to third parties in related businesses and beneficial to the Company.

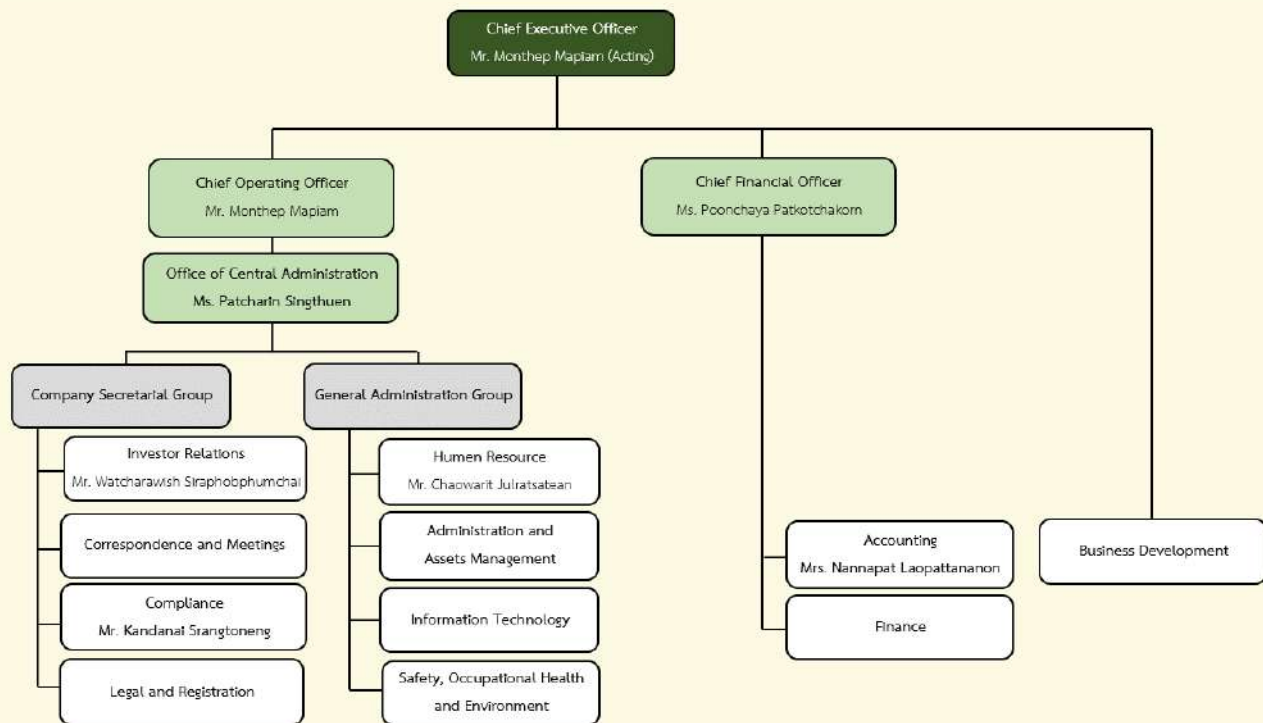
The aforementioned delegation of authorize to the Chief Executive Officer does not include the authorization that enables the Chief Executive Officer to approve the transaction made by such person himself/herself or made by other persons who may have a conflicts of interests with Company or subsidiary including requiring approval from the Executive Committee, the Board of Directors or shareholders in the related transaction and the acquisition or disposition of important assets of the Company or its subsidiaries in order to comply with the regulations of the Stock Exchange of Thailand.

Executives of subsidiaries that conduct the primary business

The company operates through three distinct business groups, with Seven Utilities and Power Public Company Limited serving as the hub for each. The Chief Executive Officer of Seven Utilities and Power Public Company Limited is the top executive responsible for management. Each company's board of directors approves the Chief Executive Officer. As a result, the executives of the subsidiaries that conduct the primary business share the same names and positions as the executives of Seven Utilities and Power Public Company Limited. Additionally, because management was compensated through Seven Utilities and Power Public Company Limited, no remuneration was paid to the subsidiary's directors and executives.



Management structure



Executive Directors and Executives compensation Policy

The compensation of directors and the Chief Executive Officer is determined by the Board of Directors, through a process of careful consideration and scrutiny by the Nomination and Compensation Committee to ensure that they are both appropriate and comparable to similar businesses. The Executive Committee is not achieved on a monthly basis and receives no meeting allowance. They will receive only the salary associated with the management position. Compensation of executives: The Board of Directors has delegated responsibility for determining the suitability of the duties and responsibilities to the Chief Executive Officer, and provide sufficient incentives to motivate and retain quality personnel by conducting performance evaluations in order to use the results obtained to determine compensation.

Executives' compensation

In the year 2021, the total compensation for the 7 executives totaled 9,929,628.66 Baht. Consists of salary, bonus, car allowance, provident fund and social security

(Unit : Baht)

| Compensation | | | | | | |
|--------------|-------|---------------|----------------|-----------------|---------|--------------|
| Salary | Bonus | Car Allowance | Provident Fund | Social Security | Welfare | Total |
| 9,524,066.66 | - | 60,000 | 285,712 | 38,850 | 21,000 | 9,929,628.66 |

7.5 Employees

The total number of company's employees as of December 31, 2021 has 47 members (Executive included). The compensation of employees consisting of salary, bonus and other welfares totaled 23,605,286.11 Baht. (excluding executive compensation) detailed as follows;

| Department | No. of employee |
|--------------------------------|-----------------|
| Executives | 3 |
| Company Secretary | 1 |
| Internal Audit | 1 |
| Investor Relations | 1 |
| Document and Meetings | 3 |
| Compliance | 1 |
| Legal and registration | 1 |
| Human Resources Management | 6 |
| Administration and Assets | 13 |
| Information Technology | 3 |
| Safety and Occupational Health | 1 |
| Accounting | 10 |
| Finance | 2 |
| Business Development | 1 |
| Total | 47 |



The compensation of employees for the year 2021

| List | Total (THB) |
|---|---------------|
| Salary | 21,101,052.64 |
| Bonus | - |
| Position allowance | 255,750.00 |
| Car allowance | 367,350.00 |
| Mobile allowance | 69,000.00 |
| Allowance | 74,400.00 |
| Overtime | 613,756.63 |
| Welfare | 125,523.34 |
| Contributions for provident fund | 331,302.50 |
| Contributions for social security | 229,069.00 |
| Contributions for workmen's compensation Fund | 10,629.00 |
| Health insurance | 327,690.00 |
| Life and accidental insurance | 99,763.00 |
| Total | 23,605,286.11 |

Change of the number of employees and Labor dispute Significant in the past 3 years

The Company had no Change of the number of employees and Labor dispute Significant in the past 3 years

Policy on employee development

Employees are the driving force for the Company to be successful in preparing for the diversified business operations and to be able to deal with the current situation and competition. The Company has established management guidelines by focusing on recruitment, development and retain quality employees by



Recruitment The Company provide manpower plan and consistent with the business growth plan by recruiting employees from both internal and external with transparency and non-discriminatory along with qualifications, knowledge, capability, potential, experience and attitude according to duties and responsibilities in that position.



Employee development

The Company continuously encourage and support employees to improve their knowledge, skills and competencies. In addition, the Company focuses on adjusting the thought and way of working to be able to handle with the uncertainty environment in order to perform their duties with fullest ability.

Employee Retention The Company assesses the compensation and benefits as appropriate by taking into account different duties and responsibilities and can compete with the same industry group. The performance is assessed fairly in accordance with the ability to transfer, promote and encourage employees to show their potential and grow together with the Company. Moreover, the Company provide appropriate welfare consistent with labor market guidelines and support New Year's activity, charity, volunteering and other activities to keep employees engaged.



7.6 Other important information

7.6.1 List of controlled person

| Responsible for | Name-Surname | Date of Appointment |
|----------------------------|-----------------------------------|---------------------|
| Chief Financial Officer | Ms. Poonchaya Patkotchakorn | September 18, 2019 |
| Chief Accountant | Mrs. Nannapat Laopattananon | January 28, 2021 |
| Company Secretary | Ms. Patcharin Singthuen | November 4, 2020 |
| Chief Audit Executive | Ms. Thamonwan Phalalum | February 27, 2020 |
| Head of Compliance | Mr. Kandanai Srangtoneng | May 17, 2019 |
| Head of Investor Relations | Mr. Watcharawish Siraphobphumchai | August 26, 2020 |

Duties and Responsibilities of Company Secretary

The Board of Directors of Seven Utilities and Power Public Company Limited appointed the Company Secretary in order to support work of the Board of Directors and to perform duties in accordance with the regulations, laws and relevant rules as well as holding meetings and gathering information on various meetings including representative of the Company in liaison with legal regulators.

The Board of Directors has appointed Miss Patcharin Singthuen as the Company Secretary to give legal advice, rules and regulations related to the Company in compliance with the Securities and Exchange Commission Act B.E. 2535, the Company Secretary has the following roles and responsibilities:

- 1) Arrange meetings for shareholders, the Board of Directors, Sub-Committee, and Executive complied with the Company's Articles of Association.
- 2) Ensure the compliance of the Company with the relevant laws, rules and regulations including corporate governance practices.
- 3) Support the operations of the Board of Directors and coordinate to ensure the implementation of objectives, articles of association, resolutions of both the Board of Directors and shareholders' meeting as well as other relevant legal and regulatory requirements.
- 4) Prepare and keep important documents of the Company such as director registration book, meeting invitation letter, minutes of meeting and annual reports.



5) Keep reports on interest reported by directors or executives of the Company and provide the copy of such reports to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 days from the date that the company received the report.

6) Perform other duty as required by Capital Market Supervisory.

In the case where the Company Secretary vacate office or unable to perform duties, the Board of Directors shall elect a person as the replacement Company Secretary within 90 days from the date the former company secretary vacates office or unable to perform duties and the Board of Directors shall delegate other persons to perform this duty during the said period.

Chief Audit Executive and Head of Compliance

The Company has considered the internal control system and compliance systems Therefore, it was resolved to establish the organizational structure to have an internal audit department. and Compliance Department. Miss Thamonwan Phalalum was appointed Chief Audit Executive and Mr. Kandanai Sragtoneng was appointed Head of Compliance based on his experience, knowledge, and comprehension of the company's business system.

Duties and Responsibilities of Chief Audit Executive

1. Prepare the annual audit plan regarding the internal audit and propose to the Audit Committee for consideration and approval.
2. Perform duties in accordance with the annual audit plan as approved by the Audit Committee.
3. Review the accuracy and creditability of financial information, compliance with the law including internal and external regulations.
4. Review the transactions that may lead to conflicts of interests
5. Review the risk assessment including the Company's internal control.
6. Give advice, suggestion or measures for improvement to users regarding risk management, internal control as well as internal audit in order to ensure the efficiency, effective, economical and fraud prevention operations of the Company.
7. Prepare a performance report propose to the Chief Executive Officer and an internal audit report propose to the Audit Committee.



8. Follow up on improvement results regarding the suggestions of the Audit Committee.
9. Organize the Audit Committee meeting as assigned by the Chairman of the Audit Committee.
10. Coordinate with internal and external departments or individuals as well as the Company's auditor.
11. Perform other duties as assigned by under the authority of the Audit Committee and Chief Executive Officer.
12. Continuously develop and training to increase knowledge, skill and competency.

Duties and Responsibilities of Head of Compliance

1. Propose the compliance policy to the Board of Directors for approval and review to be appropriate and up to date.
2. Establish a compliance framework and communicate to employees to comply with the rules correctly and review regularly.
3. Encourage all departments to participate and aware of the compliance with the rules especially the specific rules of each department.
4. Communicate, training, give advice to employees in order to encourage the awareness of compliance with the rules and the potential impacts of non-compliance.
5. Advice employees on various business rules and inform the executives when there is change related to the business operations.
6. Gather laws and regulations related to conducting business.
7. Review compliance with rules and the accuracy of information.
8. Report non-compliance to the Chief Executive Officer or the responsible executives.
9. Follow up on the amendment due to non-compliance and report to the Chief Executive Officer or the responsible executives.
10. Coordinate with regulators or other external audit related to compliance.

7.6.2 Head of Investor Relations

The company has established an Investor Relations Department to ensure that all stakeholders receive accurate information from the company. Additionally, it serves as a conduit for executives to hear outside perspectives. Mr. Watcharawish Siraphobphumchai was appointed Head of Investor Relations of the company based on his experience, knowledge, and comprehension of the company's business system.



Duties and Responsibilities of the Head of Investor Relations

1. Represent the company in all company communications with all target groups.
2. To exchange of ideas and suggestions among those involved in the business, make constructive suggestions to management and pass it to Board of Directors regarding the Company's improvement and development.
3. Contribute to the formulation of business policies and the Company's performance
4. Provide data Compile and maintain a report on publicly disclosed information and critical information.
5. Ensure that you take care of each investor group and communicate effectively.
6. Establish the company's credibility by disclosing true, accurate, and complete information in a systematic manner.



IR Contact

Mr.Watcharawish Siraphobphumchai

Mr.Kandanai Srangtoneng

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E-Mail : Watcharawish.si@sevenup.co.th

: kandanai.sr@sevenup.co.th

Address 73 Mahachol Building, Soi Sukhumvit 62,
Sukhumvit Road, Phrakhanong Tai, Phrakhanong,
Bangkok 10260

7.6.3 Auditor's compensation

In 2021, the Company and its subsidiaries paid the auditors of Masars Company Limited a total of 8.45 million baht, consisting of 3.40 million baht for the Company's audit fee, 4.61 million baht for the subsidiary's audit fee, and 0.44 million baht for non-audit fee.



Non-audit service fees not related to auditing

-None-

non-audit fee. include the cost of verifying the brought-forward balance. and audit fees for interim financial statements for companies sold during the period.

The auditor has no relationship with or interest in the Company, its subsidiaries, associated companies, executives, major shareholders, or anyone else associated with the Company.



8. Report on key operating results related to corporate governance

8.1 Report of the Board of Directors

The Board of Directors had performed its duties under the Charter of the Board of Directors, Articles of Association, the Public Limited Companies Act B.E. 2535, laws, rules and regulations of the Securities and Exchange Commission, and the Stock Exchange of Thailand. At the Board of Directors meeting, the chairman of the meeting gave an opportunity to the Board of Directors to exercise prudent and appropriate discretion and to allocate sufficient time for the management to propose matters, and sufficient for the committee to discuss the problems. The minutes of the meeting are taken every time. So that directors and related persons can be examined. Attending the board of directors is an important responsibility of each committee.

In the year 2021, the Board of Directors held a total of 14 meetings, attended by the company secretary and management team and recorded the minutes of the meeting, questions and suggestions of the Board of Directors. The Board of Directors who held the position as of December 31, 2021, consist of 8 members as follows:

| | |
|---------------------------------------|---|
| 1. Squadron Leader Sita Divari | Chairman of the Board of Directors/ Independent Director |
| 2. Mr. Torphong Chaiyasarn | Independent Director |
| 3. Mr. Ekatiip Tippavang | Independent Director |
| 4. Mr. Nitipat Amnatthaloengsak | Independent Director |
| 5. Mr. Monthep Mapiam | Director |
| 6. Mr. Mana Kitirat | Director |
| 7. Police Major Ratchata Poompanmoung | Director |
| 8. Mr. Geeradej Winthai | Director |

The Board of Directors had performed its duties on the principle of focusing on the benefits of the stakeholders under the principles of good corporate governance, laws, and regulations strictly. During the past year, various important matters were considered, especially investment in utilities business Investments to expand the existing business by focusing on businesses that generate long-term sustainable returns, consider selling shares in various subsidiaries business that business activities do not produce significant returns. Throughout, defining the company's operating policy guidelines for energy and



infrastructure companies with the determination to operate the business according to the vision and mission that the company has set.

The Board of Directors attaches great importance to corporate governance. It has been assessed on corporate governance at a very good level and giving importance to anti-corruption. Certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) on September 30, 2021, by paying attention to shareholders and stakeholders. It has been assessed on the quality of the general meeting of shareholders at the level of 100 percent, including enable minority shareholders to participate in the agenda and personal list of corporate governance by full term of office.

The Board of Directors provided a self-assessment of the Board of Directors and sub-committees both group and individually and use the results of the assessment to improve the efficiency of operations and achieve the objectives of the company.

On behalf of the Board of Directors who had performed their duties to the best of their ability by considered meticulously on various matters with due care and reasonableness. We will continue to perform our duties under the principles of good corporate governance by giving importance to all stakeholders, against all forms of corruption in order to promote the sustainable development of the company.

(Squadron Leader Sita Divari)
Chairman of the Board of Directors



8.1.1 Selection, development and evaluation of duty performance of the Board of Directors.

1) Nomination and Appointment of Directors and chief Executives.

• Independent director and audit committee

Independent Director

The definition of Independent Director is a director who does not manage the Company or its subsidiaries and independent from the executives' team and major shareholders and does not have business with the Company which may adversely affect the interests of the Company and/or shareholders.

The nomination of candidates to perform the position of independent directors of the Company, the nomination method will be performed by a committee who considers the nomination in accordance with the qualifications under Section 68 of the Public Limited Companies Act B.E. 2535 and the relevant announcement of the Securities and Exchange Commission including knowledgeable, capabilities and work experiences, the independent director of the Company with qualifications as following:

Qualifications of Independent Director

- 1) Holding no more than 1 percent of the total with voting rights in the Company.
- 2) Not be or used to be directors who were involved in management or being an employee, staff or advisor who receives fixed salary including financial consultant, legal advisor, other advisors or controlling persons of the Company, affiliated, associated companies or other juristic persons with a possible conflict of interest unless they have not been involved in such positions for at least two years prior to the date of appointment.
- 3) Not be or having no business relationship such as customers, business partners, account payable/receivable, loan payable/ receivable including no benefits or interests whether directly or indirectly in terms of finance and management of the Company, affiliated, associated companies or other juristic persons with a possible conflict of interest in a manner that may interfere with the use of personal judgment independently unless they have not been involved in such positions for at least two years prior to the date of appointment.



4) Not be close or have no relationship that would judgement independently with executives, major shareholders of the Company, affiliated, associated companies or other juristic persons with a possible conflict of interest including not being appointed as a representative to protect the interests of the directors and major shareholders.

5) Must not be a director that was appoint to be the representative of Company's director or major shareholders as a representative to protect the interests of a particular group.

6) Able to perform duties, give opinions and report on the performance of duties assigned by the Board of Directors without being under the control of the management or major shareholders of the Company including those related to or close relatives of such persons. In case of necessity, the Board of Directors can assign independent directors to make decisions in the form of a committee on the operations of the Company, its main, subsidiaries, affiliated, associated companies, same level subsidiaries or other juristic persons with a possible conflict of interest.

Audit Committee

The Audit Committee shall be comprised of solely independent directors with the number of members not less than three and at least one member of the Audit Committee shall be financially literate or shall have background in accounting or finance sufficiently. The Audit Committee has qualified according to the announcement of the Capital Market Supervisory Board and the Securities and Exchange Commission, and are independent according to the definition of corporate governance policy of the Company.

Qualifications of the Audit Committee

1) The Audit Committee shall be comprised of solely independent directors with the number of members not less than three and qualified according to the announcement of the Capital Market Supervisory Board and the Securities and Exchange Commission, and are independent according to the definition of corporate governance policy of the Company.

2) Member of the Audit Committee shall be appointed by the Board of Directors and/or shareholders.

3) Not be directors who has been assigned by the Board of Directors to make decisions on the operations of Company, subsidiaries or juristic persons with a possible conflict of interest.

4) Not be directors of the Company, subsidiaries or same level subsidiaries only listed company.



5) At least one member of the Audit Committee shall have knowledge and experiences to perform the duty of reviewing the reliability of the financial statements. The Company will disclose which member of the Audit Committee has such qualifications and specify qualifications in the Audit Committee's profile certificate to be submitted to the Stock Exchange of Thailand.

• **Nomination of Directors**

The appointment of directors Nomination and Compensation Committee comprised at least 3 directors, most of them must be independent directors responsible for nominating, screening and selecting qualified candidate suitable for the Company's business by considering the knowledge, experience and all the qualifications required by law, non-disqualifications under the laws and list of qualified candidates propose to the Board of Directors for approval then propose to the shareholders' meeting for consideration to appoint directors in accordance with the rules prescribed in the Company's Articles of Association. The Company has set the criteria for director selection as follows:

1) Consider selection based on experience criteria relevant to the business with capability and reliability.

2) One shareholder shall have votes equal to the number of shares held

3) The persons receiving the highest votes in their respective order of the votes shall be elected as directors until all of director positions that the Company may have or that are to be elected at such meeting are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors that the Company may have or that are to be elected at such meeting to be exceeded, the Chairman of the meeting shall have a casting vote.

4) At every Annual General Meeting, the Articles of Association determine at least one third (1/3) of the directors shall retire from office and in case of re-elected directors who retire to be directors again, the shareholders' meeting must be approved. In the nomination of directors, the Company will provide a profile and details of the Supplementary document so that the shareholders can make decisions based on the information received.

If the position of the director is vacant for reasons other than the expiration of the term, the Board of Directors may elect a qualified person who does not obtain prohibited character to be a director for the next the Board of Directors' meeting, except for a term of less than two months, such person shall possess the position for the remaining term of the director who is replaced by such person. The resolution of the committee under paragraph one shall consist of votes of not less than three quarters of the remaining directors.



- **Rights of Minority Shareholders in the Appointment of Directors**

The Company provides the procedures and channel in which minority shareholders may nominate qualified candidates to be a director in advance for the coming annual general meeting. The Company discloses the required procedure and standards on www.sevenup.co.th and notify the news via the SET's website by submitting the form by postal within the specified period.

- **Nomination of Executives**

The Nomination and Compensation Committee is responsible for selecting qualified persons to be appointed to the managing director and Chief Executive Officer by considering the experiences, knowledgeable, capable of management in the business of the Company to propose and give opinions to the Board of Directors for approval.

2) The Development of Directors

At the Directors' Committee, there is a policy encouraging directors and executives to attend seminars and training sessions to further their education in all areas. To ensure continuous operational improvement and to expand the potential for corporate governance.

- **New director orientation**

The Directors' Committee requires orientation for all new directors in order to develop knowledge and understanding of the company's business and various operations in preparation for the directors' duties. Simultaneously, it pursues a policy of expanding knowledge and fostering new perspectives. All directors are given orientation in terms of corporate governance and the nature of the business in order to assist them in performing their duties efficiently in collaboration with the company secretary. Each time, the coordinator organises an orientation for new directors. By having the company secretary present documents and information necessary for the new director to perform his or her duties, to increase one's knowledge and understanding of the business and operations of the organization.

- **The development of knowledge**

The Board of Directors encourages directors and executives to attend seminars and continue to acquire knowledge, that will assist them in carrying out their responsibilities. By appointing a company secretary coordination with directors and executives to attend directors' training courses and other courses offered by the Thai Institute of Directors Association (IOD). Directors and executives received the following training in 2021:

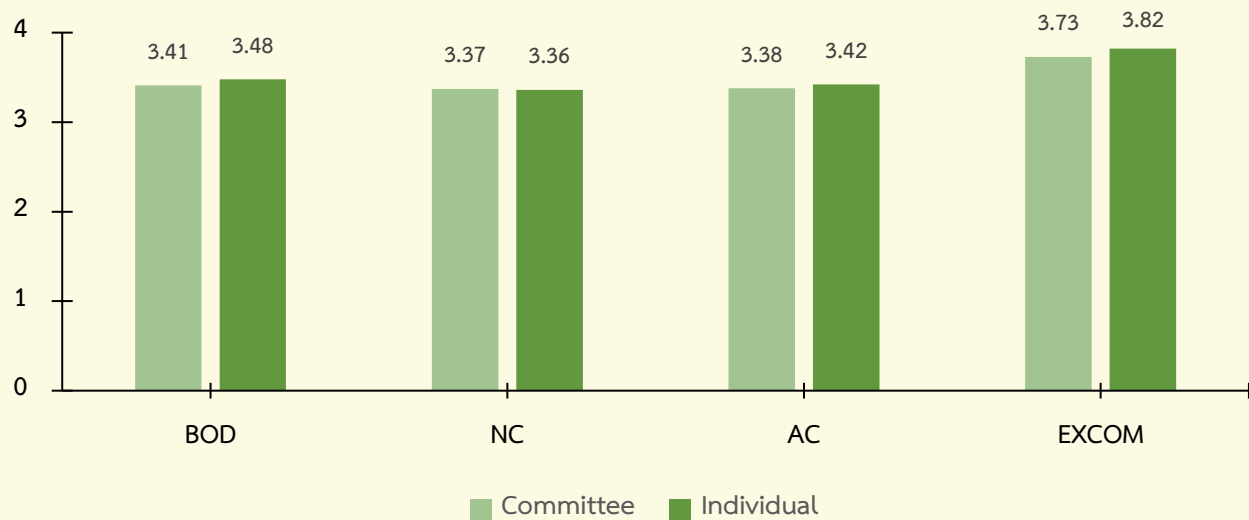


| Name - Surname | Position | IOD Courses | Other Courses |
|---------------------------|--|---|-------------------------------|
| Mr. Geeradej Winthai | Director | | Orientation for new directors |
| Mr. Mana Kitirat | Director Executive Director | <ul style="list-style-type: none"> Financial Statements for Directors (FSD) 44/2021 | |
| Mr. Monthep Mapiam | Director Executive Director Acting Chief Executive Officer | <ul style="list-style-type: none"> Director Accreditation Program (DAP) 185/2021 Successful Formulation and Execution of Strategy (SFE) 37/2021 | |
| Miss Patcharin Singthuen | Company Secretary | <ul style="list-style-type: none"> Financial Statements for Directors (FSD) 44/2021 | |
| Mr. Kandanai Srangtoneng | Vice President of Compliance | <ul style="list-style-type: none"> Corporate Governance for Executives (CGE) 18/2021 | |
| Miss Lapatrada Thientrong | Assistant Company Secretary | <ul style="list-style-type: none"> Company Secretary Program (CSP) 120/2021 | |



• Evaluation of the committee's performance

The Board of Directors requires a performance self-assessment. To evaluate the board of directors' performance on an individual basis. By allowing various committees to jointly consider the results and review the committee's performance over the previous year, in order to improve and correct performance deficiencies. In 2021, the results of each committee's self-assessment will be divided into three categories: structure, composition, and qualifications. The Board of Directors' Roles, Duties, and Responsibilities. There is an evaluation of both the faculty and the individual. The following table summarises the overall ratings for each faculty:



8.1.2 Meeting attendance of individual committees

1) Meeting attendance of committees

| Name-Surname | Position | AGM | EGM 1/2564 | The Board of Directors | The Audit Committee | The Nomination and Compensation Committee | The Executive Directors |
|------------------------------|--|--------|---------------|------------------------------|------------------------|--|----------------------------|
| 1. Sqn.Ldr. Sita Divari | Chairman/ Independent Director | Attend | Attend | 14/14 | - | - | - |
| 2. Mr. Torphong ¹ | Chairman of the Audit Committee/ Nomination and Compensation Committee/ Independent Director | Attend | Attend | 14/14 | 4/4 | - | - |
| 3. Mr. Ekatip Tippavang | Chairman of Nomination and Compensation Committee/ Audit Committee /Independent Director | Attend | Attend | 14/14 | 4/4 | 3/3 | - |

| Name-Surname | Position | AGM | EGM 1/2564 | The Board of Directors | The Audit Committee | The Nomination and Compensation Committee | The Executive Directors |
|------------------------------|---|--------|---------------|------------------------------|------------------------|--|----------------------------|
| 4. Mr. Nitipat ² | Amnatthaloengsak Audit Committee /Nomination and Compensation Committee/ Independent Director | Attend | - | 6/10 | 2/3 | 1/1 | - |
| 5. Pol.Maj. Ratchata | Poompanmoung Director | Attend | Attend | 11/14 | - | - | - |
| 6. Mr. Mana | Kitirat Director/ Executive Director | Attend | Attend | 14/14 | | | 16/16 |
| 7. Mr. Monthep | Mapiam Director/ Executive Director/ Chief Executive Officer (Acting) | Attend | Attend | 14/14 | - | - | 16/16 |
| 8. Mr. Geeradej ³ | Winthai Director | - | - | 4/4 | - | - | - |
| 9. Mr. Sittichai | Kritvivat Chairman of the Executive Committee | - | - | - | - | - | 3/16 |

| Name-Surname | Position | AGM | EGM 1/2564 | The Board of Directors | The Audit Committee | The Nomination and Compensation Committee | The Executive Directors |
|---|--|--------|---------------|------------------------------|------------------------|--|----------------------------|
| 10. Ms. Poonchaya Patkotchakorn | Executive Director / Chief Accounting and Finance Officer | - | - | - | - | - | 16/16 |
| 11. Mr. Pathrlap ⁵ | Davivongsa Director/ Nomination and Compensation Committee/ Executive Director | Attend | Attend | 12/12 | - | 3/3 | 14/14 |
| 12. Pol.Lt.Gen. Kiattipong ⁴ | Khawsam-ang Audit Committee /Nomination and Compensation Committee/ Independent Director | - | - | - | - | - | - |

Remark:

¹Mr. Torphong Chaiyasan

has appointed instead of Mr. Mr. Torphong Chaiyasan as Nomination and Compensation Committee and appointed as Authorized Director at the Board of Directors' meeting No. 13/2021, held on December 5, 2021.



² Mr. Nitipat Amnatthaloengsak has appointed instead of Mr. Kittipong Kittikachorn as Audit Committee and Nomination and Compensation Committee at the Board of Directors' meeting No.4/2021 held on April 8, 2021.

³ Mr. Geeradej Winthai has appointed instead of Mr. Kittipong Kittikachorn as Director at the Board of Directors' meeting No.10/2021 held on September 7, 2021.

⁴ Pol.Lt.Gen. Kiattipong Khawsam-ang Former Director resigned from the position on January 20, 2021.

⁵ Mr. Pathrlap Davivongsa Former Director resigned from the position on December 3, 2021.

2) Compensation of individual committees

| Name-Surname | Position | Compensation Fee (Baht) | Meeting Allowance (Baht) | | | Net total (Baht) |
|---------------------------|--|-------------------------|--------------------------|---------------------|---|------------------|
| | | | The Board of Directors | The Audit Committee | The Nomination and Compensation Committee | |
| 1. Sqn.Ldr. Sita Divari | Chairman/ Independent Director | 2,400,000 | 70,000 | - | - | 2,470,000 |
| 2. Mr. Torphong Chaiyasan | Chairman of the Audit Committee/ Nomination and Compensation Committee/ Independent Director | 360,000 | 70,000 | 20,000 | - | 450,000 |
| 3. Mr. Ekatip Tippavang | Chairman of Nomination and Compensation Committee | 300,000 | 70,000 | 20,000 | 15,000 | 405,000 |

| Name-Surname | Position | Compensation Fee (Baht) | Meeting Allowance (Baht) | | | Net total (Baht) |
|-----------------------------------|--|----------------------------|---------------------------|------------------------|--|---------------------|
| | | | The Board of Directors | The Audit Committee | The Nomination and Compensation Committee | |
| | Audit Committee /Independent Director | | | | | |
| 4. Mr. Nitipat Amnatthaloengsak | Audit Committee /Nomination and Compensation Committee/ Independent Director | 219,166.67 | 30,000 | 10,000 | 5,000 | 264,166.67 |
| 5. Pol.Maj. Ratchata Poompanmoung | Director | 300,000 | 55,000 | - | - | 355,000 |
| 6. Mr. Mana Kitirat | Director/ Executive Director | 300,000 | 70,000 | - | - | 370,000 |
| 7. Mr. Monthep Mapiam | Director/ Executive Director/ Chief Executive Officer (Acting) | 300,000 | 70,000 | - | - | 370,000 |
| 8. Mr. Geeradej Winthai | Director | 95,000 | 20,000 | - | - | 115,000 |
| 9. Mr. Sittichai Kritvivat | Chairman of the Executive Committee | - | - | - | - | - |

| Name-Surname | Position | Compensation Fee (Baht) | Meeting Allowance (Baht) | | | Net total (Baht) |
|--|--|----------------------------|---------------------------|------------------------|--|---------------------|
| | | | The Board of Directors | The Audit Committee | The Nomination and Compensation Committee | |
| 10. Ms. Poonchaya Patkotchakorn | Executive Director / Chief Accounting and Finance Officer | - | - | - | - | - |
| 11. Mr. Pathrlap Davivongsa | Director/ Nomination and Compensation Committee/ Executive Director | 275,000 | 60,000 | - | 15,000 | 350,000 |
| 12. Pol.Lt.Gen. Kiattipong Khawsam-ang | Audit Committee /Nomination and Compensation Committee/ Independent Director | 16,129.03 | - | - | - | 16,129.03 |
| Total | | 4,565,295.70 | 515,000 | 50,000 | 35,000 | 5,165,295.70 |

Remark: The Executive Director has no meeting allowance.

In addition to said monetary compensation, the Company also provides directors and officers liability insurance to cover the risks of the directors in performing duties for the Company with insurance premiums not exceeding 350,000 Baht, coverage amount 200,000,000 Baht. However, this shall not be protected in the case of intent or gross negligence or dishonesty.

3) Compensation Fee of the Board of Directors of Subsidiaries that operate core business

The Executive Director of Subsidiaries has no meeting allowance.



4) Compensation of directors

The Nomination and Compensation Committee proposes the compensation of directors to propose to the board of director and the annual general meeting for approval. The compensation is divided into monetary and non-monetary. The details are as follows.

| No. | Director's compensation | 2022 |
|-----|--|--|
| 1 | Monthly compensation | person / month |
| | 1.1 Chairman of the Board of Directors | 200,000 Baht |
| | 1.2 Chairman of the Audit Committee | 30,000 Baht |
| | 1.3 Director | 25,000 Baht |
| 2 | Meeting allowance | person / meeting |
| | 2.1 Director | 5,000 Baht |
| | 2.2 Audit Committee | 5,000 Baht |
| | 2.3 Nomination and Compensation | 5,000 Baht |
| 3 | Bonus | Consider based on the performance of the Company by bonus, combined with the monthly compensation and meeting allowance not exceed 6 million Baht. |

In addition to said monetary compensation, the Company also provides directors and officers liability insurance to cover the risks of the directors in performing duties for the Company. However, this shall not be protected in the case of intend or gross negligence or dishonesty.

8.1.3 Supervision of subsidiaries and associated companies

1) Operation Governance of subsidiaries companies

The Company has a governing mechanism that supervise the management and responsibility for the operation of the subsidiaries companies as follows:

1) The Board of Directors approves investments in subsidiaries and appoint persons to represent the Company as directors and executives in subsidiaries in proportion to their shareholding. The Board of Directors assigned the Chief Executive Officer and/or the Executive Committee selects the Company's representatives.

2) Supervise the subsidiaries to comply with the regulations, requirements of the Stock Exchange of Thailand regard to related transactions, acquisition or disposition of assets or any other



important transactions are complete and accurate and use the rules related to the above disclosure and transactions same as the Company's criteria.

3) Supervise subsidiaries to prepare financial information and accounting records so that the Company can prepare consolidated financial statements for disclosure of financial position and operating results report.

2) Shareholder's Agreement in subsidiaries and affiliates company management

There is no shareholder's agreement on the company operations that significantly affect the management, domination or distribution of returns to the normal return on the percentage of share possession.

8.1.4 Monitoring of compliance with the corporate governance policy and guidelines

1) Prevention of conflicts of interest

The Board of Directors has been informed of any transactions that may lead to conflicts of interest and related transactions must consider the suitability by taking into account the best interests of the Company as well as disclosing the details of the transaction value, partners of contract, reasons and necessities completely.

2) Use of inside information to seek benefits

1) All directors and executive including their spouses and children under legal age, must report any changes in their 7UP share ownership to the Securities and Exchange Commission (SEC) under Article 59 of the Securities and Exchange Act B.E. 2535. In addition, the Company has clearly defined the duties and responsibilities of the executives and departments by stipulating the regulations are prohibited publishing or disclosing any internal company information to outsider or non-affiliated parties in any way, unless the disclosure is under the responsibilities of the Stock Exchange of Thailand. Violations of these rules may lead to disciplinary action by the Company as well as serious criminal and civil penalties.

2) Educate all directors and executives including their spouses and children under legal age on their reporting duty any changes in their 7UP share ownership under penalties of the Securities and Exchange Act B.E. 2535 and regulations of the Stock Exchange of Thailand.

3) The Company will send a circular letter to inform executives that the executives who have received significant inside information that impact stock prices. Also, trading of the Company's securities is prohibited during 1 month prior to public announcement of financial statements or inside information and prohibited the disclosure of significant information to other persons.



3) Anti-corruption

1. Anti-corruption policy

The Company's Board of Directors, management and staff at all levels shall comply with the anti-corruption policy without getting involved in scandals, directly or indirectly covering state agency, private agency and related persons that the Company does business or contact with both in the country and abroad by following the anti-corruption policy strictly and needed to be reviewed regularly, including with a possible revision of such policy and implementation provision in order to accord with business changes, regulation, standard, and laws.

2. Definition

Corruption refers to any act involving the giving, offering, promising to promise, demanding, or accepting of money, property, or any other wrongful benefit. Except in the case of laws, regulations, announcements, customs, local customs, or trade customs, government officials, government agencies, private agencies, or those who have obligations, whether direct or indirect, to act or refrain from acting in accordance with their assigned duties or to maintain an improper business interest.

Political Contributions are any type of financial or in-kind assistance given to political parties, politicians, or other individuals involved in politics in exchange for special privileges, illegal gains, or commercial advantages.

Charitable Contributions are defined as the act of donating money, property, or other benefits to a person or legal entity established for the purpose of achieving societal benefits without expecting anything in return or benefit from such activities.

Sponsorship refers to monetary, material, or in-kind benefits compensated or received by customers, partners, associations, foundations, charities, or not-for-profit organizations. The objective is to enhance the company's reputation, which is advantageous for establishing business credibility, consolidating business relationships, and adequacy for the opportunity.

Gift fees, hospitality fees, and other associated costs. (Hospitality) refers to a variety of expenses and compensates for any tangible goods or services with a monetary value, including substitutes for cash or items that can be exchanged for goods or services.

Facilitation Payment refers to a small fee paid to an unofficial government official. And it is for the purpose of ensuring that government officials will carry out the process or to encourage quicker action, and it is an act consistent with the state official's responsibilities. Additionally, it is a legal right that a natural person or juristic person is entitled to under the law.



Conflict of Interest refers to conflicts of personal interest with the company's interests, whether direct or indirect.

Revolving Door The process by which government employees are hired by a business. This creates a risk of corruption due to the fact that individuals with roles in both organizations may have conflicts of interest.

3. Roles and responsibilities

The Board of Directors has a responsibility of putting an emphasis on developing a policy and ensuring that anti-corruption system is efficiently supported and implemented. This is to guarantee the Company's management is aware of the anti-corruption's importance, and eventually makes it a corporate culture.

The Audit Committee is responsible for reviewing the financial reporting and accounting system, the internal audit system and the risk management system to ensure that these are concise and are carried out in compliance with standards and relevant laws in an efficient way including review reference documents and self-evaluation forms on the Company's anti-corruption measures and operations in accordance with the anti-corruption policy.

The Executive Committee is responsible for establishing systems as well as encouraging and promoting the anti-corruption policy, establish a risk management policy and a risk management strategy that affects the anti-corruption policy, consider and scrutinize matters in accordance with the acceptable risks of the Company.

The Executives The Company's chief executive officer, chief operating officer and executives are responsible for implementing the anti-corruption policy as a guideline in operations and communicate with the Company's staff and stakeholders. They also share a responsibility to review the appropriateness of standard and procedure to ensure conformity with changes in the business environment, rules and regulations, and applicable law.

The internal audit department has a responsibility to monitor and review operations, and reassure a compliance with the established policy, guidelines, authorizations, rules and regulations and applicable law which is sufficient for dealing with possible risks associated with corruption, along with an ability to report effectively to the Audit Committee.

The compliance department has a responsibility to prepare an anti-corruption policy, provide advice and suggestions about anti-corruption, supervise and educate about anti-corruption policy, investigate facts of complaint or whistleblowing of corruption by reporting to the Audit Committee for further action.



4. Guidelines and regulations For Compliance with The Anti-Corruption Policy

4.1 Guidelines for compliance with anti-corruption policy and law

The company has a policy to comply with the anti-corruption laws of Thailand. and foreign laws in which the company is involved in investing in business.

Provision in implementation

1) Directors, executives and employees including all businesses and transactions in all departments and subsidiaries, associated companies, other companies that the Company has power to control and related persons involved in business of the Company shall comply with the anti-corruption policy strictly.

2) Directors, executives and employees shall not solicit, participate or involve or accept corruption in all forms both directly and indirectly, for the benefit of the Company, themselves, family and related persons.

3) Directors, executives and employees who violate any action as a support, help or cooperation with corruption will be punished according to the penalties set by the Company.

4) The Company reviews the guidelines for compliance with the anti-corruption policy as well as reviews the practice guidelines and operating requirements to ensure conformity with changes in business, requirements, rules, regulations and applicable laws regularly.

4.2 Guidelines practice on political contributions

The Company has a policy to support political and governmental democracy by encouraging the Company's directors, executives and employees use political rights comply with law as good citizens.

Provision in implementation

1) The Company has no policy on political contributions which means to support financially, items or participation in activities as well as encouraging employees to participate in political activities on behalf of the Company in order to get business benefits except for valid political contributions.

2) The Company has a policy of conducting business in an impartial manner, not being independent of any political party or professional politicians in any party. The Company will not support financially or items to any political party, politicians or candidate for political purposes for the purpose of providing business benefit to the Company.



4.3 Guidelines practice on charitable donations

The Company has a policy of the money or assets to charitable contributions to individuals or juristic persons with the objective to create public benefits for society without expecting returns in accordance with the mission of the Company.

Provision in implementation

1) Charitable contributions must be transparent, legally and comply with the Company's approval procedures, control and regulations by confirming that such transaction shall not be used for corruption.

2) Charitable contributions shall not be offered to get improper benefits or to persuade government officials.

3) The Company is required to verify the status of the donor recipient by considering that it is a non-profit organization or juristic person that is legally certified. In the case that a person must specify the clear objectives of accepting donations and be a trustworthy person to benefit of society.

4.4 Guidelines practice on Sponsorship policy

The Company has a policy to Sponsorship to individuals or juristic persons with the objective of conducting business to promote good reputation and good of the Company.

Provision in implementation

1) The money to support must specify in the Company name only.

2) There must be clearly documents in the process of approval and aid granting.

3) Ensure that the aid granting are not for corruption.

4.5 Guidelines practice on gifts, entertainment or related expense policy

The Company realizes the building of good relationship with business partners which is important to bring the success of the Company continuously. The offering or accepting of gifts as well as any kind of entertainment, business partners can be performed if requirements are met.

Provision in implementation

1) Must not be done in order to dominate, induce, or reward any person in order to obtain an advantage or a favor or benefit.

2) Comply with the relevant laws, regulations and criteria of the Company as specified.

3) Offer or accept of gifts on behalf of the Company, not on behalf of the employee and actions reveal.



4) During the period of bidding, no gifts or entertainment to government officials, company employees or related agencies.

5) Offer or accept gifts during special festivals or normal practice. No cash or cash equivalent gifts such as coupons, gift vouchers, etc. shall be accepted and not exceeding to 3,000 Baht in value. In case of accept or offer gifts of a value greater than 3,000 Baht shall be reported to one's supervisor immediately and also reported to the Compliance department in order to use as a reward to the employees in the special festivals or ask for approval to be donated to the public charity as appropriate then the Compliance department shall report to the Audit Committee for acknowledgment.

4.6 Guidelines practice on Conflict of Interest

The company has a conflict of interest policy. The Company's operations must be conducted with honesty, transparency and not seeking personal benefits or related parties. according to the principles of good corporate governance and in order for the duty-bearer to make a decision on entering into any transaction or transaction of the company, it must be in the best interests of the company and its shareholders and avoid actions that may cause conflicts of interest.

Provision in implementation

1) Directors, executives, and employees should avoid actions that could create conflicts of interest with the company and refrain from acting in ways, that are detrimental to the company's interests or are exploitative of personal gain and/or related parties.

2) Directors, executives, and employees must abstain from self- or other-interested benefit seeking. By relying on the company's or its subsidiaries' confidential information, regardless of whether it results in damage to the company, and must strictly adhere to the company's internal information usage policy.

3) Directors and executives are not permitted to attend the meeting and refrains from expressing opinions and endorsing matters in which they have vested interests or potential conflicts of interest, both directly and indirectly. To ensure that Board of Directors and executive decisions are made fairly and in the best interests of the company's operations

4.7 Guidelines practice on government employees hiring.

The company has an employment policy that prioritises government employees and allows them to hold a position as director, executive, employee, employee, or advisor with the company by undergoing a selection process, employment approval, compensation, and control processes to ensure that government employees are not hired in exchange for benefits that benefit the company and affect the accuracy with which duties are performed, posing a risk of corruption.



Provision in implementation

1) Hiring government employees, which include people with the authority and responsibility to perform duties for the state or in government agencies, such as government officials, employees, public organization employees, state enterprise employees, and political office holders. This includes retired workers and their families, as well as the relatives of government employees whose benefits are affected by the change in the law.

2) When hiring government employees, a background check is performed and must be conducted on the individuals whom the company intends to appoint as directors, consultants, executives, or employees. To conduct a pre-appointment investigation of potential conflicts of interest.

3) Hiring and determining the pay of government employees. The justifications for necessity must be thoroughly considered and will be subject to Board of Directors approval.

4) The annual report must include information about government employment for the sake of transparency

4.8 Guidelines practice on facilitation payment

The Company has a policy not to pay facilitation to government officials under any circumstances as the facilitation payment paid to government officials are at high risk of becoming corruption.

Provision in implementation

1) Directors, executives and employees are prohibited from offering, requesting or accepting to give a facilitation payment or assets or any other benefit to government officials both domestic and abroad in order to induce to act, not to act, delay any action that affect the business operations of the Company

2) Dealings with the government must be transparent and comply with the applicable laws strictly.

4.9 Guidelines practice on dissemination of information to the general public and stakeholders

The Company has a policy of communicating various information about corruption to employees, shareholders, customers, business partners, representatives, stakeholders of all groups and related business persons are acknowledged through internal channel called intranet system and external channel through the Company's website.



Provision in implementation

- 1) The company has established internal and external communication channels so that all parties to the transaction receive complete, accurate, and timely information.
- 2) The company requires public relations to disseminate anti-corruption information. The activities that continuously promote and assist all concerned parties to take action against corruption.

4.10 Guidelines practice on human resource management

The Company has human resources management to support the anti-corruption policy to be effective and prevent all forms of corruption by applying the anti-corruption policy to human resources management process.

Provision in implementation

- 1) The Company has adopted the anti-corruption policy since the recruiting process, evaluating the performance, promoting and compensation by employees must not be offenses of corruption.
- 2) The Company must educate and raise awareness in order to create an understanding of anti-corruption by arranging an orientation, training and testing about the anti-corruption policy.
- 3) The Company has clarified the penalties of the anti-corruption policy to employees.
- 4) The Company will not demote, punish, or adversely affect employees who reject corruption even if the refusal will result in a loss of business opportunity.

4.11 Guidelines practice on internal control

The Company has an internal control system by combining the important of the anti-corruption policy into the internal audit plan to ensure that the anti-corruption policy is practically implemented and measurable.

4.12 Guidelines practice on risk assessment of anti-corruption

The Company has continuously assessed corruption risk and has developed a corruption risk management plan to reduce the chances and impacts of both internal and external corruption of the Company.



5. Anti-Corruption Policy Review

The Company has to monitor and review anti-corruption measures to keep in mind the changing situation and risks of anti-corruption policy. The Audit Committee is responsible for reviewing anti-corruption measures and related internal controls, and the Executive Committee is responsible for reviewing the assessment and corruption risk management and report to the Board of Directors regularly.

The Board of Directors resolved at its Meeting No. 6/21 on May 13, 2021, to review and improve the anti-corruption policy. by incorporating operational requirements that ensure the work is clear and appropriate

6. Joining the Thai Private Sector Anti-Corruption Collective Action Coalition (CAC)

The company announced its intention to join the "Thai Private Sector Coalition Against Corruption" and was certified as a member in the third quarter of 2021. Appropriate on September 30, 2021 the term is three years and expires on September 30, 2024.



7. Complaint-Making or Whistle-Blowing

The Company has provided measures for complaint-making or whistle-blowing about illegal acts, code of conduct, corruption or misconduct that may impose corruption of directors, executives, or employees in the Company including appropriate measure to protect complainants or whistle-blowers. The Board of Directors has assigned the Audit Committee to consider accepting complaints or whistle-blowing to actions that may cause suspicion of fraud or corruption that occur to the Company both directly or indirectly through the receiving channels specified in the anti-corruption policy. The complaint will need to specify the details of the story to tell the clues or of the claim with the name, address and the phone number to call and send it to the Complaint-Making or Whistle-Blowing channels.

1) Complaint-Making or Whistle-Blowing Channels

- Via the Audit Committee's email: audit.committee@sevenup.co.th
- Directly call to compliance department, Tel. 02-741-4896
- Mail to Chairman of the Audit Committee or the compliance department
Seven Utilities and Power Public Company Limited
73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Road, Phrakhanong Tai,
Phrakhanong, Bangkok 10260



2) Protection of Complainants or Whistle-Blowers

To protect the rights of the Complaint and Whistle-Blower that deliberate action in good faith. The Company will keep the name, address or any information that can identify the complaint, or the whistle-blower and data retention of the Complaint and the information confidential by the limited only to those who are responsible for the operation of the complaint will be able to access to such information. In the case where the complaint is the executives, chief executives so the Audit Committee is responsible for the protection of complainants or whistle-blowers, witnesses and the person who gives the information in the investigation of facts, not to be harmful or not just by the clues to the complaint is a witness or information provided. The data is received from the page related to the complaint have a duty to keep the information of the Complaint and the documents and evidence of the Complaint and the upshift confidential. Do not disclose information to other people who do not have the corresponding page unless the disclosure is based on the page the law.

8. The sanctions imposed on the directors, executives and controlling persons during the past 5 years

The Company does not have any directors, executives and controlling persons in the past 5 years who have been sanctions as a result of wrongdoing under the B.E. 2558 B.E. 2535 or the Derivatives Act B.E. 2535 B.E. 2546 only in the following cases:

- 1) Dishonest act or gross negligence;
- 2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved;
- 3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.



Report of the Board of Directors

The Board of Directors had performed its duties under the Charter of the Board of Directors. Articles of Association, the Public Limited Companies Act B.E. 2535, laws, rules and regulations of the Securities and Exchange Commission, and the Stock Exchange of Thailand. At the Board of Directors meeting, the chairman of the meeting gave an opportunity to the Board of Directors to exercise prudent and appropriate discretion and to allocate sufficient time for the management to propose matters, and sufficient for the committee to discuss the problems. The minutes of the meeting are taken every time. So that directors and related persons can be examined. Attending the board of directors is an important responsibility of each committee.

In the year 2021, the Board of Directors held a total of 14 meetings, attended by the company secretary and management team and recorded the minutes of the meeting, questions and suggestions of the Board of Directors. The Board of Directors who held the position as of December 31, 2021, consist of 8 members as follows:

- | | |
|---------------------------------------|---|
| 1. Squadron Leader Sita Divari | Chairman of the Board of Directors/Independent Director |
| 2. Mr. Torphong Chaiyasarn | Independent Director |
| 3. Mr. Ekatip Tippavang | Independent Director |
| 4. Mr. Nitipat Amnatthaloengsak | Independent Director |
| 5. Mr. Montheop Mapiam | Director |
| 6. Mr. Mana Kitirat | Director |
| 7. Police Major Ratchata Poompanmoung | Director |
| 8. Mr. Geeradej Winthai | Director |

The Board of Directors had performed its duties on the principle of focusing on the benefits of the stakeholders under the principles of good corporate governance, laws, and regulations strictly. During the past year, various important matters were considered, especially investment in utilities business. Investments to expand the existing business by focusing on businesses that generate long-term sustainable returns, consider selling shares in various subsidiaries business that business activities do not produce significant returns. Throughout, defining the company's operating policy guidelines for energy and infrastructure companies with the determination to operate the business according to the vision and mission that the company has set.



The Board of Directors attaches great importance to corporate governance. It has been assessed on corporate governance at a very good level and giving importance to anti-corruption. Certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) on September 30, 2021, by paying attention to shareholders and stakeholders. It has been assessed on the quality of the general meeting of shareholders at the level of 100 percent, including enable minority shareholders to participate in the agenda and personal list of corporate governance by full term of office.

The Board of Directors provided a self-assessment of the Board of Directors and sub-committees both group and individually and use the results of the assessment to improve the efficiency of operations and achieve the objectives of the company.

On behalf of the Board of Directors who had performed their duties to the best of their ability by considered meticulously on various matters with due care and reasonableness. We will continue to perform our duties under the principles of good corporate governance by giving importance to all stakeholders, against all forms of corruption in order to promote the sustainable development of the company.



(Squadron Leader Sita Divari)
Chairman of the Board of Directors



Audit Committee Report

Seven Utilities and Power Public Company Limited's Audit Committee consists of three qualified independent directors. The Audit Committee executed its Board of Directors-appointed duties which agreed with the Stock Exchange of Thailand (SET) regulations, the Securities and Exchange Commission (SEC) criteria and those under its own charter.

The Audit Committee is responsible for any duties concerning verifications to ensure that the company has the accuracy and completeness of financial statements, appropriate and effective internal control and internal audit systems. Moreover, the Audit Committee is authorized to consider the internal audit independence as well as the appointment, demotion, removal of the chief audit executive. The Audit Committee also reviewed to ensure the observance of the securities and exchange law or laws relating to the company's business, considers the qualifications, independence, performance and compensation of an auditor in order to propose the appointment, termination and auditor compensation to the company's Board of Directors, considers disclosure of the company's information in case of any related items or items with the conflicts of interest so that such disclosure is accurate and complete and other duties assigned by the company's Board of Directors.

In 2021, the Audit Committee held 4 meetings to conduct its duties according to the responsibilities as stipulated in the charter as follows:

| Meeting No. | Date of Meeting | Mr. Torphong Chaiyasarn | Mr. Ekatip Tippavang | Mr. Nitipat Amnatthaloengsak ¹ |
|-------------|-------------------|----------------------------|-------------------------|--|
| No. 1/2021 | February 25, 2021 | Attended | Attended | |
| No. 2/2021 | May 13, 2021 | Attended | Attended | Attended |
| No. 3/2021 | August 11, 2021 | Attended | Attended | Attended |
| No. 4/2021 | November 11, 2021 | Attended | Attended | Absence |

Remark ¹Mr. Nitipat Amnatthaloengsak, Member of the Audit Committee was newly appointed on April 8, 2021



The Audit Committee meetings are attended by the management team to present information, listen to opinions and recommended beneficial information for management in addition to using the Audit Committee's observations for supervising operations to be more concise than the previous year. For independence in considering information, which requires that there is an exclusively with the auditor on one occasion in absence of management team, therefore the Audit Committee meeting on February 25, 2021 to listen to opinions and recommended from the auditor. In 2021, the Audit Committee reviewed key issues that can be summarized as follows:

1. Review of financial statements

The Audit Committee reviewed the company's quarterly and annual financial statements with management team and auditor. It asked auditor about the accuracy and completeness of financial statements, adjustment of material account entries and accounting perfections affecting such financial reports, adequacy and suitability of account recording, audit scope, information disclosure that was accurate, complete and adequate. All these elements ensured that the financial statements abided by legal requirements as well as accounting standards under generally accepted accounting principles that were credible and timely, and that adequate information was disclosed for user's benefit. The opinions of the Audit Committee are rhyme with the auditor in that the aforementioned financial statements were accurately prepared in terms of significant contents in compliance with financial statements standards.

2. Review of internal control system

The Audit Committee reviewed the internal control system and examine internal audit activity leading to adequate and effective in order to ensured that the company's internal control system is adequate and suitability to prevent and reduce risk in order to operate the business in comply with the established targets, as well as giving opinions and recommendations in any issues to increase internal control system efficiency and pass to management team to consider and process accordingly. In addition, the Audit Committee considered the evaluation of the internal control system at the organizational level in different aspects such as control environment, risk assessment, control activities, information and communication, and monitoring activities.

3. Review of risk management

The Audit Committee emphasized on various risks. that the chief audit executive and auditor have reported by having the management team consider risk factors, determine measures to prevent and control risks that affect the operations and targets of the organization.



4. Review of compliance with the laws, regulations and policies

The Audit Committee reviewed the company's operation procedures and noticed that the company's compliance with laws, related regulations to achieve good corporate governance and in accordance with the laws governing securities and exchange, the Stock Exchange of Thailand regulations and laws related to the company's business protocols.

5. Selection, appointment and propose compensation of the auditor for the year 2021

The Audit Committee endorsed Mr. Sompop Pholprasarn and/or Miss Wannawat Hemachayart and/or Miss Tippawan Pumbansao, all of the Mazars Company Limited as the auditor of the company and subsidiaries by considering qualifications and independence under SEC practice, including past performance. Moreover, the Audit Committee considered compensation for the Board of Directors' concurrence and the shareholders' approval at the annual general meeting.

6. Review the related party transactions or those with potential conflicts of interest

The Audit Committee reviewed and provide advice to the related party transactions or those with potential conflicts of interest to comply with the laws governing securities and exchange, the Stock Exchange of Thailand regulations to ensure sensible conformance to normal transactions and disclose accurate and complete information.

7. Review anti-corruption measures

The Audit Committee reviewed the business risk assessment, establish guidelines to control, prevent and monitor the risks of corruption as well as following the procedures completely and the company has announced its intention to join the Thai Private Sector Collective Action Against Corruption (CAC) which was certified on September 30, 2021.

Furthermore, the Audit Committee assessed its own performance as a group and individuals. The assessment result to be considered together for improving performance efficiency to achieve the company's goals.



In conclusion, the Audit Committee executed its charter duties and responsibilities with due competence, care, prudence and independence while providing opinions and recommendations for the equitable benefit of all stakeholders. Its view is that the company's financial statements are accurate, credible, and align with generally accepted accounting standards with sufficient internal control and internal audit systems. It does not show any problem or error in the internal control system whatsoever in the report, in addition, the company follows the regulations, laws and governance specifications with accuracy, reason and suitability for relevant performance and real business during year 2021 properly, morality and reasonable of the particulars to protect the benefit of the company and stakeholders equally.



(Mr. Torphong Chaiyasarn)
Chairman of the Audit Committee



Report of the Nomination and Compensation Committee

The Nomination and Compensation Committee is appointed by the Board of Directors. There is a company secretary acting as the secretary of the Nomination and Compensation Committee. In the year 2021, there were 3 meetings by the Nomination and Compensation Committee, who held office as of December 31, 2021, consisted of 3 persons as follows:

- | | |
|---------------------------------|---|
| 1. Mr. Ekatip Tippavang | Chairman of the Nomination and Compensation Committee |
| 2. Mr. Torphong Chaiyasarn | Member of the Nomination and Compensation Committee |
| 3. Mr. Nitipat Amnatthaloengsak | Member of the Nomination and Compensation Committee |

The Nomination and Compensation Committee performs duties assigned by the Board of Directors with sufficient independence. The Nomination and Compensation Committee is primarily responsible for selecting directors and senior management for selecting qualified persons suitable for the Company's business operations by considering the selection of persons with the knowledge, ability, work experiences and qualifications required by law to be presented to the Board of Directors and the 2021 Annual General Meeting of Shareholders for consideration. In addition, giving the opportunity for shareholders to have the right to nominate directors according to the rules and procedures specified during November 9, 2020 to February 9, 2021, and no shareholder nominated a person to be considered as a director.

Nomination of Directors and Executives, the Nomination and Compensation Committee considers qualifications, knowledge, abilities, skills, experiences, and a variety of expertise, professional knowledge, and commitment to company affairs. As well as a vision and positive attitude towards the organization that is beneficial to the company's operations. Also consider setting out the methods and criteria for the remuneration of directors, and sub-directors appropriately by considering the company's business performance and market competitiveness in the same business category.



The Nomination and Compensation Committee had completed the tasks assigned with a meticulous work process, with caution to the fullest extent with had given their opinions honestly and are determined to operate under the principles of equality, fairness, and transparency in accordance with the principles of good corporate governance for the best interests of shareholders and all stakeholders



(Mr. Ekatip Tippavang)

Chairman of the Nomination and Compensation Committee



Report of the Executive Committee

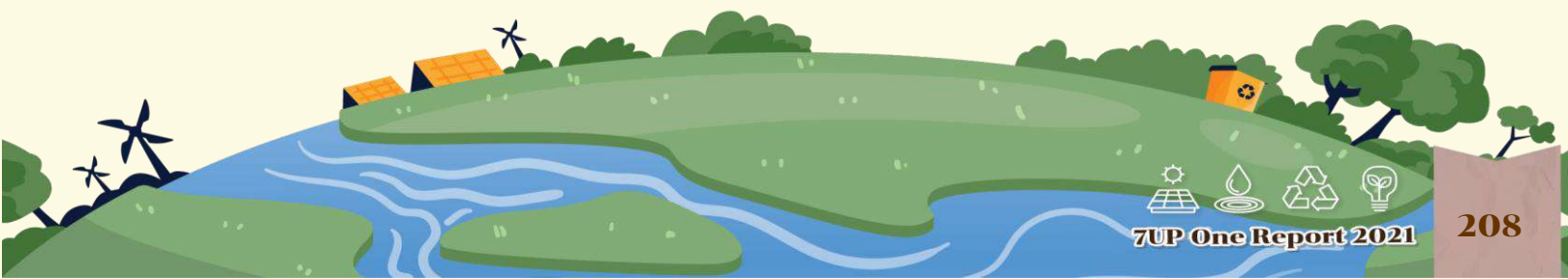
The Executive Committee consists of persons appointed by the Board of Directors. There is a company secretary to act as the secretary of the Executive Committee. In the year 2021, there were 16 meetings, of which 4 members of the Executive Committee who held the position as of December 31, 2021, were as follows:

- | | |
|---------------------------------|-------------------------------------|
| 1. Mr. Sittichai Kritvivat | Chairman of the Executive Committee |
| 2. Mr. Montheop Mapiam | Executive Director |
| 3. Mr. Mana Kitirat | Executive Director |
| 4. Miss Poonchaya Patkotchakorn | Executive Director |

The Executive Committee performed the duties assigned by the Board of Directors as follows:

1. Monthly performance tracking is based on the company's objectives and direction.
2. Analyze impacts and changes to determine preventive or corrective measures.
3. Consider and screen investments including important matters before submitting to the Board of Directors for consideration.
4. Approve the items in accordance with the framework of authority granted by the Board of Directors.
5. Provide advice and advice to the Chief Executive Officer for the company's management.

In the past year, the company has focused on investing in the utility business by investing in Gold Shores Company Limited, a water supply company in the Phuket area. Cooperate with business partners who are foreign funds to strengthen the financial stability of Sam Water Supply Company Limited to support the expansion of water treatment capacity for shrimp farms including adjusting strategic plans in the energy business with the renovation of a gas station to a gas station and add branches of coffee shops. This will help create business opportunities and generate income, although, the epidemic situation of the COVID-19 virus will affect the economy and the business of the company, but the company has adapted to accommodate the changes and will continue to remain committed to creating sustainable returns.



On behalf of the Executive Committee performed the assigned duties to the best of their ability by considered meticulously on various matters. The company will continue to perform its duties in accordance with the principles that aim for the best interests of shareholders and all stakeholders.



(Mr. Sittichai Kritvivat)

Chairman of the Executive Committee



9. Internal Control and Related Transactions

9.1 Internal Control

The company has given importance to the internal control system, focusing on its being sufficient and suitable for the business operation. The company's internal control covers all levels, both at the management level and the operator level, including asset custody and financial systems, to prevent the unforeseen events that will occur to the company's assets and subsidiaries. The system guards against document abuse or illegal use. In this regard, the Board of Directors has assigned the audit committee to review the internal control system. The audit committee takes into account that Miss Thamonwan Phalalum as the chief audit executive has an educational background, work experience, and training that are suitable for the duties of the chief audit executive. Get more information on the topic chief audit executive.

The review of the company's internal control system in various aspects according to 5 main components found that the internal control system of the company is sufficient and appropriate, summarized as follows:

Section 1 Control Environment

- **The company demonstrates its commitment to values of integrity and ethics.**

According to the company's corporate governance policy, the Board of Directors has set up the duties and responsibilities of the Board of Directors and sub-committees, executives, and employees to adhere to guidelines based on the principles of honesty and uphold a written code of conduct, namely business ethics and corporate anti-corruption policy, corporate social responsibility policy, occupational health and safety policy, information technology policy, guideline for using of internal information, accounting and financial operations regulations, and work regulations of the company.

The company provides a channel for anti-corruption policy aims to receive complaints or report clues to enable stakeholders to report complaints or report clues about activities that may be corrupt, with measures to protect complainants or whistle blowers. There is an investigation and punishment process after the feedback. Therefore, the work regulations identify the procedures for disciplinary investigations and disciplinary action in the event of a breach of the stated principles of integrity. The company has disseminated such documents to employees to be informed when receiving orientation for new employees.



The company provides a channel to announcing information via e-mail and the company's intranet system aims to acknowledge employees thoroughly in a suitable and timely manner.

- **The Board of Directors is independent of the management and responsible for supervision and development.**

According to the company's corporate governance policy, the Board of Directors has set out to clearly define the duties and responsibilities of the Board of Directors and sub-committees. The company has clearly defined and measurable business goals that are used as a guideline for practice. Therefore, the management report is presented to the Board of Directors every month in comparison with the goals.

The Board of Directors of the company are all knowledgeable about the company's business and have expertise that is beneficial to the company, or can seek advice from experts on that matter. The Board of Directors consists of independent directors who have knowledge, reliable ability, and are truly independent in the performance of their duties. There is no business relationship with the company, nor is there any other relationship that could influence the exercise of discretion and the independent performance of duties in an adequate amount.

- **The management organizes a structure of reports, directing authority and appropriate responsibilities with a corporate structure to determine the chain of command.**

Defining the organizational structure to define the lines of reporting has clear, to identify the scope of duties includes the limit to be the approval authority of the Board of Directors, Executive Committee, and management, including procedures to identify the duties and responsibilities of the operations at the management level and operational level to supervise appropriately according to the fields.

- **The company demonstrates commitment to motivation, develop and maintain competent personnel.**

The nature of the company's business makes it necessary to use competent employee in order to apply to work. Therefore, the company has a policy to develop personnel to encourage employees' knowledge improvement, potential, and ability. This is through internal and external training and seminars. However, the human resources department has prepared an internal training plan every year by means of an openness survey that includes the reasons and necessities of each party and processes them. In addition, management determines performance indicators based on employee performance assessments by supervisors at the end of each year. in order to determine fair and appropriate compensation and job placement.



- **The company assigns personnel roles and responsibilities in internal control to achieve the objectives of the company.**

The Board of Directors has issued regulations and regulatory policies in the fields of various important and annual operating plans by the management, communication with employees and putting them to practical use, having meetings with the employee to get to know the results of monitoring the internal control system and assigning them to perform the update.

Section 2 Risk Assessment

- **The company specifies clear and sufficient objectives in order to be able to specify and assess risks related to achieve the objectives of the company.**

The company's financial reports are in accordance with generally accepted accounting standards and have been reviewed by a certified public accountant every time. The most accurate and complete information about the company's current business can show how the company is actually running.

- **The company identifies and analyzes all kinds of risks that may affect the achievement of objectives across the whole company.**

The Board of Directors has clearly defined the vision, mission, and goals of the company's business operations. There is a process for preparing an annual work plan and when the details are clearly defined, the company can identify and assess various risk factors that may affect the company's business operations. If the operation does not go as planned,

At present, the company has no risk management committee to act to define the scope measures and action plans for risk management officials, but has delegated the determination to the executive committee to determine and consider the risk factors, including risk management, by defining procedures that are monitored by the internal audit department to ensure compliance with the work according to law and the requirements of the system properly.

- **The company considers the likelihood of fraud in assessing risks to achieve the objectives of the company.**

The company has announced a corruption policy that all employees are aware of and observe. The audit committee has considered the results of monitoring the internal control system from documents reports, and inquiries from auditors, internal auditors, and management regarding the likelihood of fraud through the meetings of the audit committee every quarter.



- **The company can identify and assess changes that may affect internal control systems.**

The company assesses changes in external factors. The changing business styles and company leaders may affect business operations, internal control, and financial reports as well as have measures to respond to the changes adequately.

Section 3 Control Activities

- **The company has control measures to reduce the risk of not achieving the objectives of the organization to an acceptable level.**

The company has defined procedures for defining the scope of duties as achieved. The appropriate procedures have been reviewed and improved in accordance with the company's environment and current policy, including the operation, setting the frame limit, and the approval authority of the Board of Directors and executives.

The company gathers information on major shareholders, directors, executives, and other related individuals. The purpose of monitoring and reviewing connected transactions or transactions that may have conflicts of interest. The office of the company secretary is responsible for collecting documents according to the regulations of the Securities and Exchange Commission.

The company requires internal control at all levels. The audit committee was asked to review and evaluate the adequacy and effectiveness of the internal control system.

- **The company chooses and develops general control activities with the help of technology systems to help them reach their goals.**

The company has updated the technology systems with the ERP system into operational control to improve performance and be more reliable with the information technology systems of the company. In addition, the company has limited access to the server room to prevent and control the safety issue.

- **Company policies control the activities that define the purpose and procedures to achieve policy goals.**

The company has established a corporate governance policy, business ethics, an anti-corruption policy, corporate social responsibility policy, occupational health and safety policy, as well as policies on information technology policy, accounting and financial operations regulations. The company's policies aim to control and prevent the exploitation of opportunities or the personal use of the company's interests. It focuses on transactions involving major shareholders, directors, executives, or individuals



related to such individuals through a specified approval process, such as the articles of association, regulations of the Stock Exchange of Thailand, requirements of the Securities and Exchange Commission.

The company has a process to monitor the operations of its subsidiaries. The managing director is responsible when there is an important event that may affect the subsidiary. It will always be presented to the Board of Directors for approval.

The Board of Directors established policies and announced them to employees to follow. In 2021, the meeting of the Board of Directors No. 8/2021 on June 29, 2021, reviewed the authority to approve the limit of the Board of Directors, the executive committee, and each level of executives, so that the operators are aware of their own authority and the meeting of the Board of Directors No. 13/2021, convened on December 15, 2021, approved the amendment of the company's work regulations. In addition, the operating procedures in each department are reviewed in accordance with the corporate governance policy in order to control the operation's appropriateness.

Section 4 Information & Communication

- The company has relevant and quality information to enable the internal control to function as expected.**

The company has sent the invitation for the Board of directors. The meeting documents present all the necessary and important information sufficient for consideration before the meeting 7 days in advance. The minutes of the meeting contain the details. It is desirable to be able to retrospectively review the suitability of each director's performance of duties. The summary of important opinions of the directors and the resolutions of the board of directors are recorded. so that the company can make improvements according to the recommendations and notify the board of directors at the next meeting.

- The company communicates information within the company. This includes the goals and responsibilities of internal control that are important for internal control to work well.**

The company provides effective communication channels within the company through e-mail systems or announcements internally through the company's intranet system so that employees can know thoroughly in a suitable and timely manner. In addition, boards are also put up to show employees important information about the company and important information about the company itself on a regular basis.



- **The company has cooperation with external agencies to solve issues that may affect internal control.**

The company has a communication channel through the company's website, you can receive complaints and notify clues about fraud, corruption, or conduct that may imply corruption of directors, executives, or employees of the company (www.sevenup.co.th) or the email of the audit committee (audit.committee@sevenup.co.th) or the address and telephone number of the specified company.

Section 5 Monitoring Activities

- **The company monitors and evaluates the results of internal control to ensure the system operates in a complete and appropriate manner.**

The company has established a process to monitor system compliance. In 2021, the audit committee is responsible for reviewing and evaluating the sufficiency and efficiency of the internal control system. The scope of audit work is important to the operation. The chief audit executive has the duty to show audit results every three months.

- **The company assesses and communicates deficiencies in internal control in a timely manner to responsible persons, including senior management and the Board, as appropriate.**

The company has a monitoring and evaluation system to ensure that the company's internal control system is adequate and appropriate when errors are found. According to the procedure, management requires an analysis of the cause of the defect to inform the responsible action to fix the errors. Being ready to report error is the essence of solutions to the problems and reporting on progress of deficiencies to the audit committee and the Board of Directors, as appropriate.

Summary of the Board of Directors' opinions on the internal control system

At the meeting of the Board of Directors No. 3/2021 on March 11, 2022 by the audit Committee, all 3 members attended the meeting, and from the evaluation on the adequacy of internal control systems of the company for 2021 in various aspects according to the 5 components, the main internal control risk assessment, control activities information, and communication information and tracking system, the Board of Directors is of the opinion, in accordance with the audit committee, that the company's internal control system is adequate and appropriate.



9.2 Related Transactions

| Related Party | Relationship with the company | Nature of transaction | Related transactions value (THB million) | | | Rational and necessity of transaction |
|---|---|--|---|------|------|--|
| | | | 2021 | 2020 | 2019 | |
| Hadyai Environmental Management Co., Ltd. | Hadyai Environmental Management Co., Ltd. holds 20% shares in Phrasaeng Green Power Co., Ltd. which Phrasaeng Green Power Co., Ltd. is a subsidiary of 7UP. | Production cost which is wages for controlling and maintenance of the power generation system. | 4.46 | 4.46 | 4.46 | This transaction is a normal business operation, which is an agreement contract under the general market price and returns as a normally trade. |
| Palm Tong Kum Co., Ltd. | Palm Tong Kum Co., Ltd. holds 20% shares in Phrasaeng Green Power Co., Ltd. which Phrasaeng Green Power Co., Ltd. is a subsidiary of 7UP. | Purchase of goods which is cost of raw materials used in production. | 0.90 | 0.80 | 0.65 | This transaction is a normal business operation, which price and returns are as normally trade. |
| | | Interest received from short-term loan which is at call promissory notes. | - | 0.06 | 0.37 | This transaction is a loan for using as working capital by determine the conditions and the interest rate is normally as the business operation. |

Remark Additional information is referred to the notes to the financial statements under the topic of “Related party transactions”

Part 3

Financial Statements

- BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORT
- INDEPENDENT AUDITOR'S REPORT
- FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS



Board of Directors' Responsibility for Financial report

The Board of Directors is responsible for Seven Utilities and Power Public Company Limited's financial statements and its subsidiaries consolidated financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately, and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board of Directors provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to retain its assets as well as to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing quality of the financial reports, internal controls, internal audit and risk management system. The Audit Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit Committee Report included in this annual report.

The separate financial statements and the consolidated financial statements of the Company have been examined by an external auditor, Mazars Company Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, all records and related data, as requested, are provided to the auditor. The auditor's opinion is presented in the auditor's report as a part of this annual report.

The Board of Directors considers the Company's overall internal control system satisfactory and provides credibility and reliability to Seven Utilities and Power Public Company Limited's financial statements and Seven Utilities and Power Public Company Limited and its subsidiaries consolidated financial statements for the year ended 31 December 2021. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.

Monthep Mapiam.

(Mr. Monthep Mapiam)
Acting Chief Executive Officer

Sita Divari

(Squadron Leader Sita Divari)
Chairman of the Board of Directors



Independent Auditor's Report

To the Shareholders and Board of Directors of Seven Utilities and Power Public Company Limited

Opinion

I have audited the consolidated financial statements of Seven Utilities and Power Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Seven Utilities and Power Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at 31 December 2021, and the related consolidated and separate statements of profit or loss and other comprehensive income, and the related consolidated and separate statement of changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and the separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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



Key Audit Matters

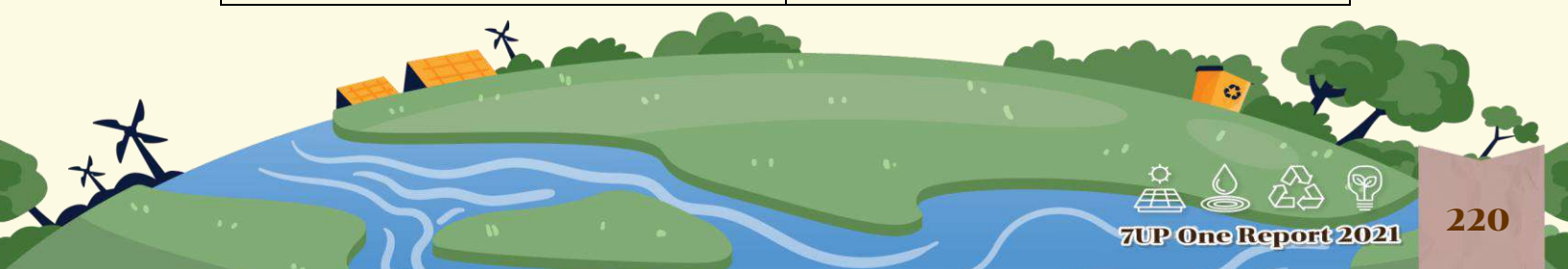
Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matters and how audit procedures respond to each matter are described below.

| Key Audit Matters | Audit Responses |
|---|---|
| <p><i>Goodwill</i></p> <p>As at 31 December 2021, the Group had goodwill, before impairment of THB 165 million arising from the acquisition of business. As required by TAS 36, 'Impairment of assets', an impairment review is performed on goodwill at least annually and when there is an indicator of impairment.</p> <p>As at 31 December 2021, management performed an impairment assessment of goodwill, and concluded that there was no impairment. This conclusion was based on a value-in-use model that required significant management judgement with respect to the future cash inflows, and setting an appropriate discount rate and terminal growth rate.</p> <p>The key assumptions are disclosed in Note 20 to the financial statements.</p> | <p>Key audit procedures including:</p> <ul style="list-style-type: none"> • understanding the consideration process for recognising the impairment of goodwill; • assessing management's key assumptions by comparing them to historical results and economic and industry outlook; • testing the composition of management's cash flow forecasts and the process by which they were developed; • testing the mathematical accuracy of the underlying calculations; • testing the parameters used to determine the discount rate applied and re-performance of the calculations; and |



| Key Audit Matters | Audit Responses |
|---|---|
| <p>This is significant to my audit because the magnitude of the carrying amounts of the assets represented a key matter in the audit of the consolidated financial statements. In addition, the annual assessment process involves significant management judgement, which is based on assumptions that are affected by expected future market and economic conditions.</p> | <ul style="list-style-type: none"> considering the adequacy of the Group's disclosures made in the notes to the financial statements. |
| <p><i>Impairment of investments in subsidiaries and associates</i></p> <p>As at 31 December 2021, the Group had a significant balance of investments in subsidiaries and associates.</p> <p>Management performed an assessment at the end of each reporting period to determine whether there was any indication that the investments in subsidiaries and associates may be impaired. If there were indications of impairment, an impairment assessment was performed accordingly.</p> <p>I focused on the recoverable amount and impairment of investments in subsidiaries and associates because these are material to the financial statements and are dependent on the management judgments and assumptions used in</p> | <p>Key audit procedures including:</p> <ul style="list-style-type: none"> understanding the impairment consideration process and related internal control procedures for determining impairment of investments in subsidiaries and associates. evaluating the internal and external sources of information to identify impairment indicators; examining supporting documents for management's consideration of impairment indicators for investments in subsidiaries and associates. evaluating the reasonableness of management's estimate, key assumptions and methodology used by the management |



| Key Audit Matters | Audit Responses |
|--|---|
| <p>the impairment assessment. The Group's management is required to exercise judgment in determining assumptions which are uncertain when considering discounted future cash flows.</p> <p>Accounting policies for investments and impairment and details of investments in subsidiaries and associates have been disclosed in Notes 3.4-3.5, 3.12 ,14-15 to the financial statements, respectively.</p> | <p>in assessing the impairment of investments in subsidiaries and associates.</p> <ul style="list-style-type: none"> • examining the parameters used to determine the discount rate applied and re-performing the calculations; and • considering the adequacy of the Group's disclosures made in the notes to the financial statements. |
| <p><i>Business acquisition</i></p> <p>On 29 December 2021, the Company purchased shares of Gold Shores Company Limited ("GS") through the acquisition of 68.54% of its ordinary shares, for a total of THB 1,124 million. The acquisition is treated as a business combination under TFRS 3.</p> <p>Following the transaction, management determined gain on bargain purchase of Baht 155 million. The valuations of the identifiable net asset were performed as part of the Purchase Price Allocation.</p> <p>Business acquisition is a key audit matter due to the significance of gain on bargain purchase and the nature of the transaction that involved the fair value of the acquired assets and liabilities at the acquisition date. The valuation methodology</p> | <p>Key audit procedures including:</p> <ul style="list-style-type: none"> • understanding the business acquisition process and related internal control procedures; • evaluating the design and implementation of the internal control procedures in regards to the business acquisition; • examining the terms and conditions of the Share Sale Agreement for the acquisition of businesses, payment documents, share transfer documents and related supporting documents; • assessing the appropriateness of the fair value of the net assets acquired and the liabilities assumed at the acquisition date; |



| Key Audit Matters | Audit Responses |
|--|--|
| <p>involves significant judgment based on the inputs and assumptions in the model. Including the reorganization in accordance with TFRSs and related disclosures.</p> <p>Accounting policies and details of business acquisition have been disclosed in Notes 3.4 and 4 to the financial statements, respectively.</p> | <ul style="list-style-type: none"> • inquiring and examining the management's assumption and report from an independent valuation expert to assess the appropriateness of the key financial assumption applied in purchase price allocation; • examining the details of assets and liabilities at the acquisition date which consists of examining the existence, rights, obligations, completeness and valuation of assets and liabilities; • testing the calculation of the gain on bargain purchase arising from the acquisition, being the difference between the total net consideration paid and the fair value of the net assets acquired; and • considering the adequacy of the Group's disclosures made in the notes to the financial statements. |



Other Information

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

My opinion on the consolidated and separate financial statements does not cover the other information and I 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of 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 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 the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the



related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and the 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 period and are therefore the key audit matters. I describe these matters in my auditors' 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.



Sompop Pholprasarn

Certified Public Accountant (Thailand) No. 6941

Mazars Limited

Bangkok

25 February 2022



Financial Statements and Notes to Financial Statements

1. Statement of financial position As at 31 December 2021

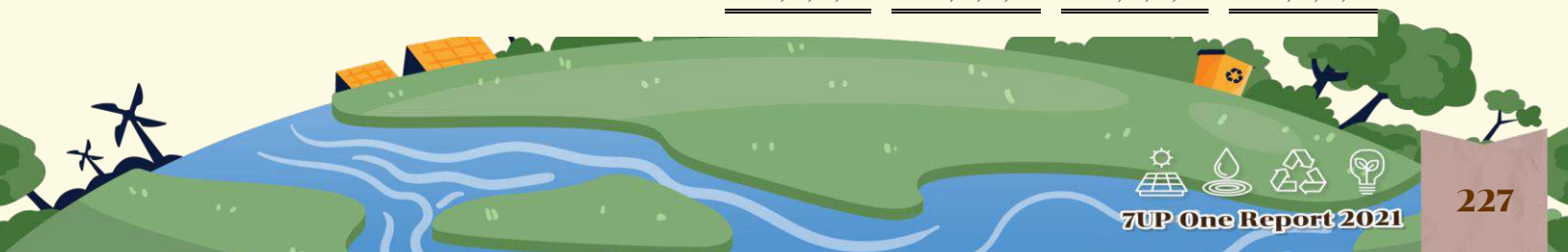
Seven Utilities and Power Public Company Limited

Statement of financial position

As at 31 December 2021

(Unit : Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|----------------------|-------------------------------|----------------------|
| | Note | 31 December 2021 | 31 December 2020 | 31 December 2021 | 31 December 2020 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 6 | 165,775,848 | 116,471,517 | 155,303 | 40,857,598 |
| Trade and other current receivables | 7 | 559,827,835 | 466,984,958 | 125,187,100 | 209,864,081 |
| Short-term loans to related parties | 5,8 | 33,400,000 | 7,955,000 | 851,137,301 | 880,225,701 |
| Short-term loans to non-related person and parties | 8 | 81,725,531 | 67,550,000 | 81,250,000 | 67,550,000 |
| Current portion of long-term loans | 8 | - | 7,000,000 | - | 7,000,000 |
| Inventories | 9 | 27,529,879 | 13,203,073 | 17,629 | 17,629 |
| Other current financial assets | 10 | - | 6,246,827 | - | 6,246,827 |
| Total current assets | | 868,259,093 | 685,411,375 | 1,057,747,333 | 1,211,761,836 |
| Non-current assets | | | | | |
| Other non-current financial assets | 11 | 56,538,553 | 172,392,367 | - | 115,853,814 |
| Restricted bank deposits | 12 | 32,130,752 | 72,926,407 | - | - |
| Deposits for business due diligence | 13 | 1,300,000 | 593,292,554 | - | 243,292,554 |
| Investments in subsidiaries | 14 | - | - | 1,857,306,242 | 733,159,874 |
| Investments in associates | 15 | 364,830,395 | 163,965,680 | 19,999,900 | 19,999,900 |
| Long-term loans to related parties | 8 | - | - | 7,396,212 | - |
| Investment properties | 17 | 2,112,647 | 113,964,845 | 3,300,000 | 209,800,000 |
| Property, plant and equipment | 18 | 1,789,491,589 | 748,088,105 | 171,209,379 | 175,742,722 |
| Right-of-use assets | 19 | 171,237,408 | 217,884,601 | 2,475,920 | 4,469,863 |
| Goodwill | 20 | 165,470,180 | 165,470,180 | - | - |
| Leasehold rights | 21 | 71,247,499 | 68,304,397 | - | - |
| Intangible assets | 22 | 1,541,515,567 | 207,582,661 | 1,681,879 | 2,564,400 |
| Deferred tax assets | 23 | 949,061 | 2,187,202 | - | - |
| Other non-current assets | 24 | 22,012,126 | 22,326,397 | - | 383,949 |
| Total non-current assets | | 4,218,835,777 | 2,548,385,396 | 2,063,369,532 | 1,505,267,076 |
| Total assets | | 5,087,094,870 | 3,233,796,771 | 3,121,116,865 | 2,717,028,912 |



Seven Utilities and Power Public Company Limited

Statement of financial position

As at 31 December 2021

(Unit : Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|----------------------|-------------------------------|--------------------|
| | Note | 31 December 2021 | 31 December 2020 | 31 December 2021 | 31 December 2020 |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Bank overdraft and short-term borrowings from | | | | | |
| financial institutions | 25 | 150,181,580 | 174,045,916 | 75,181,580 | 70,000,000 |
| Trade and other current payables | 26 | 403,634,408 | 195,558,529 | 131,150,229 | 33,267,098 |
| Current portion of long-term borrowings from | | | | | |
| financial institutions | 27 | 99,193,569 | 47,992,400 | - | - |
| Current portion of long-term borrowings | 28 | 71,384,227 | - | - | - |
| Current portion of liabilities under finance lease agreements | 6.3 | 17,244,638 | 23,525,653 | 2,829,478 | 1,625,941 |
| Short-term borrowings from related person and parties | 28 | - | 65,233,049 | 176,709,397 | 137,175,487 |
| Short-term borrowings from non-related person and parties | 28 | 276,007,000 | 50,000 | 126,007,000 | - |
| Current income tax payable | | 1,126,170 | 5,662,263 | - | - |
| Share of loss in investment in a joint venture | | 6,450,914 | 6,450,914 | - | - |
| Total current liabilities | | 1,025,222,506 | 518,518,724 | 511,877,684 | 242,068,526 |
| Non-current liabilities | | | | | |
| Long-term borrowings from financial institutions | 27 | 68,510,360 | 71,531,759 | - | - |
| Liabilities under lease agreements | 6.3 | 167,727,415 | 202,554,004 | 708,936 | 3,530,848 |
| Long-term borrowings | 28 | 72,668,631 | - | - | - |
| Convertible debentures - liability component | 29 | - | 195,642,607 | - | 195,642,607 |
| Deferred tax liabilities | 23 | 363,564,790 | 97,141,420 | 17,775,579 | 59,085,282 |
| Non-current provision for employee benefits | 30 | 9,581,707 | 12,068,113 | 4,556,612 | 3,806,693 |
| Other non-current liabilities | | 12,258,259 | 810,426 | 625,430 | 539,095 |
| Total non-current liabilities | | 694,311,162 | 579,748,329 | 23,666,557 | 262,604,525 |
| Total liabilities | | 1,719,533,668 | 1,098,267,053 | 535,544,241 | 504,673,051 |



Seven Utilities and Power Public Company Limited

Statement of financial position

As at 31 December 2021

(Unit : Baht)

| Note | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------------|-------------------------------|----------------------|
| | 31 December 2021 | 31 December 2020 | 31 December 2021 | 31 December 2020 |
| Shareholders' equity | | | | |
| Share capital | | | | |
| Authorized share capital | | | | |
| 5,547,739,371 ordinary shares of Baht 0.50 each | 2,773,869,686 | | 2,773,869,686 | |
| 5,135,517,722 ordinary shares of Baht 0.50 each | | 2,567,758,861 | | 2,567,758,861 |
| Issued and paid-up share capital | | | | |
| 5,143,045,151 ordinary shares of Baht 0.50 each | 2,571,522,575 | - | 2,571,522,575 | - |
| 4,517,320,055 ordinary shares of Baht 0.50 each | - | 2,258,660,027 | - | 2,258,660,027 |
| Share discount on ordinary shares | (74,675,100) | (222,820,127) | (74,675,100) | (222,820,127) |
| Deficit on issuance of share capital at price higher than fair value | (74,000,000) | (74,000,000) | - | - |
| Surplus on change in percentage of shareholding in subsidiaries | 12,264,194 | 2,450,686 | - | - |
| Warrants | 20,234,711 | 30,295,981 | 20,234,711 | 30,295,981 |
| Deficit | 72,326,249 | (208,257,562) | 3,966,511 | (88,109,156) |
| Convertible debentures - equity component | - | 3,264,782 | - | 3,264,782 |
| Other components of shareholders' equity | 105,552,968 | 197,133,150 | 64,523,927 | 231,064,354 |
| Total equity attributable to owners of the parent | 2,633,225,597 | 1,986,726,937 | 2,585,572,624 | 2,212,355,861 |
| Non-controlling interests | 734,335,605 | 148,802,781 | - | - |
| Total shareholders' equity | 3,367,561,202 | 2,135,529,718 | 2,585,572,624 | 2,212,355,861 |
| Total liabilities and shareholders' equity | 5,087,094,870 | 3,233,796,771 | 3,121,116,865 | 2,717,028,912 |



Seven Utilities and Power Public Company Limited

Statement of profit and loss and other comprehensive income

For the year ended 31 December 2021

(Unit : Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|----------------------|-------------------------------|-------------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| Revenues from sales and rendering of services | | | | | |
| Revenues from sales | | 679,060,950 | 993,145,267 | - | - |
| Revenues from rendering of services | | 71,628,357 | 126,044,319 | - | - |
| Total revenues | | 750,689,307 | 1,119,189,586 | - | - |
| Costs of sales of goods and rendering of services | | | | | |
| Costs of sales of goods | | (610,381,393) | (822,567,642) | - | - |
| Costs of rendering of services | | (48,748,883) | (148,130,116) | - | - |
| Total costs | | (659,130,276) | (970,697,758) | - | - |
| Gross profit | | 91,559,031 | 148,491,828 | - | - |
| Other incomes | 35 | 48,855,442 | 182,242,791 | 71,201,407 | 76,917,111 |
| Selling expenses | | (21,993,796) | (33,493,966) | (409,908) | (442,360) |
| Administrative expenses | | (206,717,177) | (260,947,011) | (71,540,752) | (109,402,488) |
| Bargain purchase of investment in subsidiaries | | 154,536,938 | 10,092,427 | - | - |
| Loss on sale of investment in subsidiaries | | - | - | - | (22,101,232) |
| Gain on sale of investment in associates | | 123,411,924 | - | - | - |
| Gain on sales of other long-term investments | | - | 84,146,368 | - | 84,146,368 |
| Gain (loss) on disposal of a subsidiary | | 82,042,048 | (18,794,372) | 76,672,532 | - |
| Finance cost | | (31,179,472) | (33,660,689) | (11,118,291) | (16,368,784) |
| Reversal of allowance for loans and interest | | 14,299,940 | 53,500,000 | 14,299,940 | 65,742,649 |
| Reversal of allowance for investment in subsidiary | | 13,327,468 | - | 13,327,468 | - |
| Share of profit from investment in associates | | (2,547,209) | 4,859,876 | - | - |
| Profit before income tax (expense) income | | 265,595,137 | 136,437,252 | 92,432,396 | 78,491,264 |
| Income tax (expense) income | | 11,098,193 | (13,774,402) | (356,729) | 2,315,365 |
| Profit for the year | | 276,693,330 | 122,662,850 | 92,075,667 | 80,806,629 |
| Other comprehensive income (loss) | | | | | |
| Items that will be not reclassified subsequently to profit or loss | | | | | |
| Change in loss on revaluation of assets | | (114,557,064) | 119,140,708 | (208,206,860) | (17,437,557) |
| Income tax effect | | 22,976,882 | (23,838,880) | 41,666,433 | 3,487,511 |
| Other comprehensive loss for the year - net of income tax | | (91,580,182) | 95,301,828 | (166,540,427) | (13,950,046) |
| Change in assumption in employee benefit obligation | | - | 2,187,202 | - | 585,943 |
| Income tax effect | | - | (269,043) | - | 117,189 |
| Total comprehensive income (loss) for the year | | 185,113,148 | 219,882,837 | (74,464,760) | 67,559,715 |



Seven Utilities and Power Public Company Limited

Statement of profit and loss and other comprehensive income

For the year ended 31 December 2021

(Unit : Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|--------------------|-------------------------------|-------------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| Profit (loss) attributable to | | | | | |
| Owners of the parent | | 280,583,811 | 117,444,472 | 92,075,667 | 80,806,629 |
| Non-controlling interests | | (3,890,481) | 5,218,378 | - | - |
| | | 276,693,330 | 122,662,850 | 92,075,667 | 80,806,629 |
| Total comprehensive income (loss) attributable to | | | | | |
| Owners of the parent | | 189,003,629 | 214,664,459 | (74,464,760) | 67,559,715 |
| Non-controlling interests | | (3,890,481) | 5,218,378 | - | - |
| | | 185,113,148 | 219,882,837 | (74,464,760) | 67,559,715 |
| Earning per share | | | | | |
| Basic earnings per share (Baht) | 38 | 0.06 | 0.04 | 0.02 | 0.02 |
| Diluted earnings per share (Baht) | 38 | 0.06 | 0.04 | 0.02 | 0.02 |



Seven Utilities and Power Public Company Limited
Statement of changes in shareholder's equity
For the year ended 31 December 2021

(Unit : Baht)

| Consolidated financial statements | | | | | | | | | | | | | | | | |
|---|------|----------------------------------|-----------------------------------|--|---|--------------|----------------------------|-----------------|---|--|---|---|---|--|---------------------------|----------------------------|
| | Note | Issued and paid-up share capital | Share discount on ordinary shares | Deficit on issuance of share capital at price higher than fair value | Surplus on change in percentage of shareholding in subsidiaries | Warrants | Deficit | | Convertible debentures - equity component | Other components of shareholders' equity | | | Total other components shareholders' equity | Total equity attributable to owners of the Company | Non-controlling interests | Total shareholders' equity |
| | | | | | | | Appropriated legal reserve | Unappropriated | | Change in revaluation of asset | Change in assumption in employee benefit obligation | Share of other comprehensive income from investment in an associate | | | | |
| | | | | | | | | | | | | | | | | |
| Beginning balance as at 1 January 2020 (as reported) | | 3,029,598,102 | (358,566,093) | (74,000,000) | 2,450,686 | 30,295,981 | - | (1,287,389,202) | - | 100,427,290 | (797,786) | 283,659 | 99,913,163 | 1,442,302,637 | 151,874,591 | 1,594,177,228 |
| Fair value adjustment of identifiable assets | | - | - | - | - | - | - | 4,906,426 | - | - | - | - | - | 4,906,426 | (49,311,994) | (44,405,568) |
| The cumulative effect of the error | | - | - | - | - | - | - | (33,117,282) | - | - | - | - | - | (33,117,282) | - | (33,117,282) |
| Balance as at 1 January 2020 (restated) | | 3,029,598,102 | (358,566,093) | (74,000,000) | 2,450,686 | 30,295,981 | - | (1,315,600,058) | - | 100,427,290 | (797,786) | 283,659 | 99,913,163 | 1,414,091,781 | 102,562,597 | 1,516,654,378 |
| The impact of using the new financial reporting standard | | - | - | - | - | - | - | (24,693,218) | - | - | - | - | - | (24,693,218) | - | (24,693,218) |
| Changes in shareholders' equity during the year | | | | | | | | | | | | | | | | - |
| Increase share capital | | 536,558,625 | (377,412,471) | - | - | - | - | - | - | - | - | - | - | 159,146,154 | - | 159,146,154 |
| Reduction of share capital with deficit | | (1,783,078,364) | 735,978,564 | - | - | - | - | 1,047,099,800 | - | - | - | - | - | - | - | - |
| Transferred convertible debenture to ordinary shares and share discount | | 475,581,664 | (222,820,127) | - | - | - | - | - | - | - | - | - | - | 252,761,537 | - | 252,761,537 |
| Convertible debentures - equity component | | - | - | - | - | - | - | - | 3,264,782 | - | - | - | - | 3,264,782 | - | 3,264,782 |
| Profit (loss) for the year | | - | - | - | - | - | - | 117,444,472 | - | - | - | - | - | 117,444,472 | 5,218,378 | 122,662,850 |
| Other comprehensive loss for the year | | - | - | - | - | - | - | - | - | 95,301,828 | 1,918,159 | - | 97,219,987 | 97,219,987 | - | 97,219,987 |
| Increase from business acquisition | | - | - | - | - | - | - | - | - | - | - | - | - | - | 8,513,248 | 8,513,248 |
| Decreased from disposal of business | | - | - | - | - | - | - | - | - | - | - | - | - | - | (3,160,939) | (3,160,939) |
| Changing non-controlling interest from share increment of subsidiaries | | - | - | - | - | - | - | (32,508,558) | - | - | - | - | - | (32,508,558) | 35,669,497 | 3,160,939 |
| Ending balance as at 31 December 2020 | | 2,258,660,027 | (222,820,127) | (74,000,000) | 2,450,686 | 30,295,981 | - | (208,257,562) | 3,264,782 | 195,729,118 | 1,120,373 | 283,659 | 197,133,150 | 1,986,726,937 | 148,802,781 | 2,135,529,718 |
| Beginning balance as at 1 January 2021 | | 2,258,660,027 | (222,820,127) | (74,000,000) | 2,450,686 | 30,295,981 | - | (208,257,562) | 3,264,782 | 195,729,118 | 1,120,373 | 283,659 | 197,133,150 | 1,986,726,937 | 148,802,781 | 2,135,529,718 |
| Changes in shareholders' equity during the year | | | | | | | | | | | | | | | | |
| Capital increase | 31 | 100,612,700 | 160,980,320 | - | - | (10,061,270) | - | - | - | - | - | - | - | 251,531,750 | - | 251,531,750 |
| Transferred convertible debenture to ordinary shares and share discount | | 212,249,848 | (12,835,293) | - | - | - | - | - | - | - | - | - | - | 199,414,555 | - | 199,414,555 |
| Convertible debentures - equity component | 29 | - | - | - | - | - | - | - | (3,264,782) | - | - | - | - | (3,264,782) | - | (3,264,782) |
| Change in ownership interest in subsidiary without a change in control | 14.3 | - | - | - | 9,813,508 | - | - | - | - | - | - | - | - | 9,813,508 | - | 9,813,508 |
| Profit (loss) for the year | | - | - | - | - | - | - | 280,583,811 | - | - | - | - | - | 280,583,811 | (3,890,481) | 276,693,330 |
| Other comprehensive loss for the year | | - | - | - | - | - | - | - | - | (91,580,182) | - | - | (91,580,182) | - | - | (91,580,182) |
| Increase from business acquisition | | - | - | - | - | - | - | - | - | - | - | - | - | - | (7,819,640) | (7,819,640) |
| Decrease on disposal business | | - | - | - | - | - | - | - | - | - | - | - | - | - | 586,918,250 | 586,918,250 |
| Change in the percentage of Non-controlling interests | | - | - | - | - | - | - | - | - | - | - | - | - | - | 10,324,695 | 10,324,695 |
| Ending balance as at 31 December 2021 | | 2,571,522,575 | (74,675,100) | (74,000,000) | 12,264,194 | 20,234,711 | - | 72,326,249 | - | 104,148,936 | 1,120,373 | 283,659 | 105,552,968 | 2,633,225,597 | 734,335,605 | 3,367,561,202 |



Seven Utilities and Power Public Company Limited

Statement of changes in shareholder's equity

For the year ended 31 December 2021

(Unit : Baht)

| Note | Separate financial statements | | | | | | | | | |
|---|----------------------------------|-----------------------------------|-------------------|--------------------------------|---------------------|---|---|--------------------------------|--|----------------------------|
| | Issued and paid-up share capital | Share discount on ordinary shares | Warrants | Deficit | | Convertible debentures - equity component | Other comprehensive income change in assumption | | Total other components of shareholders' equity | Total shareholders' equity |
| | | | | Appropriated for legal reserve | Unappropriated | | Gain on asset revaluation | in employee benefit obligation | | |
| Beginning balance as at 1 January 2020 | 3,029,598,102 | (358,566,093) | 30,295,981 | - | (1,200,677,512) | - | 244,658,917 | (347,648) | 244,311,269 | 1,744,961,747 |
| The impact of using the new financial reporting standards | - | - | - | - | (15,338,073) | - | - | - | - | (15,338,073) |
| Changes in shareholders' equity during the year | | | | | | | | | | |
| Increase share capital | 536,558,625 | (377,412,471) | - | - | - | - | - | - | - | 159,146,154 |
| Reduction of share capital with deficit | (1,783,078,364) | 735,978,564 | - | - | 1,047,099,800 | - | - | - | - | - |
| Transferred convertible debenture to ordinary shares and share discount | 475,581,664 | (222,820,127) | - | - | - | - | - | - | - | 252,761,537 |
| Convertible debentures - equity component | - | - | - | - | - | 3,264,782 | - | - | - | 3,264,782 |
| Profit for the year | - | - | - | - | 80,806,629 | - | - | - | - | 80,806,629 |
| Other comprehensive loss for the year | - | - | - | - | - | - | (13,950,046) | 703,131 | (13,246,915) | (13,246,915) |
| Ending balance as at 31 December 2020 | 2,258,660,027 | (222,820,127) | 30,295,981 | - | (88,109,156) | 3,264,782 | 230,708,871 | 355,483 | 231,064,354 | 2,212,355,861 |
| Beginning balance as at 1 January 2021 | 2,258,660,027 | (222,820,127) | 30,295,981 | - | (88,109,156) | 3,264,782 | 230,708,871 | 355,483 | 231,064,354 | 2,212,355,861 |
| Changes in shareholders' equity during the year | | | | | | | | | | |
| Increase share capital | 31 100,612,700 | 160,980,320 | (10,061,270) | - | - | - | - | - | - | 251,531,750 |
| Transferred convertible debenture to ordinary shares and share discount | 212,249,848 | (12,835,293) | - | - | - | - | - | - | - | 199,414,555 |
| Convertible debentures - equity component | 29 - | - | - | - | - | (3,264,782) | - | - | - | (3,264,782) |
| Profit for the year | - | - | - | - | 92,075,667 | - | - | - | - | 92,075,667 |
| Other comprehensive loss for the year | - | - | - | - | - | - | (166,540,427) | - | (166,540,427) | (166,540,427) |
| Ending balance as at 31 December 2021 | 2,571,522,575 | (74,675,100) | 20,234,711 | - | 3,966,511 | - | 64,168,444 | 355,483 | 64,523,927 | 2,585,572,624 |

Seven Utilities and Power Public Company Limited

Statement of cash flows

For the year ended 31 December 2021

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|---------------|-------------------------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from operating activities | | | | |
| Profit before income tax | 265,595,137 | 136,437,252 | 92,432,396 | 78,491,264 |
| Items to reconcile profit (loss) before income tax to net cash provided by (paid from) operating activities: | | | | |
| Interest expenses | 31,179,472 | 33,660,689 | 11,118,292 | 16,368,784 |
| Depreciation | 79,335,670 | 60,253,998 | 6,708,845 | 9,150,563 |
| Amortization - leasehold rights | 4,446,899 | 2,302,321 | - | 13,168 |
| Amortization - intangible assets | 23,584,944 | 31,666,044 | 882,521 | 918,375 |
| Expected credit loss - accrued interest income (Reversal) | (5,199,940) | - | (5,199,940) | (790,168) |
| Expected credit loss - short-term loan to related parties (Reversal) | (9,100,000) | (53,500,000) | (9,100,000) | (65,742,649) |
| Expected credit loss - trade and other current receivables (Reversal) | (1,074,494) | (1,704,570) | - | 1,704,570 |
| Expected credit loss - deposits for business due diligence (Reversal) | (15,000,000) | 15,000,000 | (15,000,000) | 15,000,000 |
| Expected credit loss - short-term loan to non-related person (Reversal) | 2,750,000 | - | 2,750,000 | - |
| Expected credit loss - value added tax | - | 11,000,000 | - | - |
| Expected credit loss - investment in subsidiaries | (13,327,468) | - | (13,327,468) | 13,327,468 |
| Allowance expected credit loss - project guarantee | 1,413,428 | - | - | - |
| Allowance for diminution in value of fixed assets | 744,919 | - | - | - |
| Provision for employee benefits | 1,783,168 | (1,108,649) | 749,919 | 347,823 |
| Provision for other non-current (Reversal) | - | (43,152,768) | - | - |
| (Gain) loss on unrealized exchange rate | (180,233) | - | - | - |
| (Gain) loss on change in value of temporary investments | - | 1,123,845 | - | 1,123,845 |
| (Gain) loss on write off and disposal of fixed assets and intangible assets | 14,258,680 | 64,859,538 | (20,766) | 562,454 |
| Gain on fair value of investment properties | - | - | - | (5,120,000) |
| Share profit from investment in associates | 2,547,209 | (4,859,876) | - | - |
| Gain on change in value of other long-term investment | - | (31,738,053) | - | - |
| Bargain purchase of investment in subsidiaries | (154,536,938) | (10,092,427) | - | - |
| (Gain) loss on sale of investment in subsidiaries | (82,042,048) | 18,794,372 | (76,672,532) | - |
| Loss on investment in subsidiaries | - | - | - | 22,101,232 |
| Gain on sale of investment in associates | (123,411,924) | - | - | - |
| Gain on sale of other long-term investment | - | (84,146,368) | - | (84,146,368) |
| Gain on sale of temporary investments | (2,897,390) | - | (2,897,390) | - |
| Dividend income | (921,915) | (868,891) | (291,908) | (364,885) |
| Interest income | (6,298,995) | (422,723) | (55,042,952) | (52,736,836) |
| Reversal of allowance for diminution in value of withholding tax refundable | (4,313,381) | (4,742,512) | - | (12,593) |
| Reversal of allowance for diminution in value of VAT refundable | - | (28,714,265) | - | - |
| Penalty and tax surcharge | - | 18,294,482 | - | - |
| Gain on debt forgivable | (15,000,000) | - | - | - |
| Gain (loss) from operating activities before changes in operating assets and liabilities | (5,665,200) | 128,341,439 | (62,910,983) | (49,803,953) |
| Operating assets (increase) decrease | | | | |
| Trade and other current receivables | 167,954,496 | (108,847,069) | 33,124,016 | (63,277,541) |
| Inventories | (39,336,208) | 3,429,709 | - | - |
| Other non-current assets | (1,198,787) | (17,163,482) | 383,949 | - |

Seven Utilities and Power Public Company Limited

Statement of cash flows

For year ended 31 December 2021

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------------|-------------------------------|----------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Operating liabilities increase (decrease) | | | | |
| Trade and other current payables | 231,524,474 | (23,513,004) | 92,221,532 | (50,104,949) |
| Other non-current liabilities | 11,447,832 | (105,418) | 86,334 | 1,526 |
| Cash flows from (used in) operating activities | 364,726,607 | (17,857,825) | 62,904,848 | (163,184,917) |
| Cash received from tax refund | - | 28,714,265 | - | 7,234,349 |
| Cash paid for income tax expense | (7,692,139) | (9,145,732) | (636,495) | (877,080) |
| Net cash flows from (used in) operating activities | 357,034,468 | 1,710,708 | 62,268,353 | (156,827,648) |
| Cash flows from investing activities | | | | |
| Cash received from sales of temporary investment | 9,144,216 | - | 9,144,216 | - |
| Cash payments for share increment in subsidiaries | - | - | - | (44,000,000) |
| Cash received from sales of subsidiaries company | 87,000,000 | - | 15,000,000 | 47,655,200 |
| Cash payments for purchase of investments in subsidiaries | - | (11,000,000) | - | - |
| Cash received from sales of associates company | - | 106,000,000 | - | - |
| Cash payments for purchase of investments in associates | - | (69,499,900) | - | (19,999,900) |
| Cash payment for purchase of other long-term investment | (200,000,000) | - | (200,000,000) | - |
| Cash received from sales of other long-term investment | 87,500,000 | 112,500,000 | 87,500,000 | 112,500,000 |
| Cash received from disposals of equipment | 149,271 | 63,200,000 | 34,650 | 2,360,325 |
| Cash payments for purchase of equipment and construction in progress | (163,399,298) | (15,466,886) | (195,442) | (122,079) |
| Cash payments for purchase of intangible assets | - | (1,030,963) | - | (39,000) |
| Cash payments for purchase of leasehold right | - | (7,954,037) | - | - |
| Cash payments for providing short-term loans to related person and parties | (32,000,000) | (64,855,000) | (108,250,000) | (657,410,000) |
| Cash received from short-term loans to related person and parties | 15,590,000 | - | 146,438,400 | 514,694,341 |
| Cash payments for providing short-term loans to non-related parties | (90,425,531) | (81,200,000) | (86,950,000) | (81,200,000) |
| Cash received from short-term loans to non-related person and parties | 148,500,000 | 13,650,000 | 145,500,000 | 13,650,000 |
| Cash payments for providing long-term loans to related parties | - | - | (7,396,212) | - |
| Cash received from long-term loans to related parties | - | 113,567,760 | - | - |
| Cash received from long-term loans to non-related parties | 7,000,000 | 13,000,000 | 7,000,000 | 13,000,000 |
| (Increase) decrease in restricted bank deposits | 40,795,655 | 3,284,274 | - | - |
| Cash payments for business due diligence | (551,300,000) | (765,000,000) | (550,000,000) | (415,000,000) |
| Dividend received | 921,915 | 868,891 | 291,908 | 364,885 |
| Cash received from interest | 6,479,496 | 422,723 | 24,932,352 | 17,610,700 |
| Net cash flows used in investing activities | (634,044,276) | (589,513,138) | (516,950,128) | (495,935,528) |



Seven Utilities and Power Public Company Limited

Statement of cash flows

For year ended 31 December 2021

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|--------------------|-------------------------------|--------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from financing activities | | | | |
| Cash received from warrants | 251,531,750 | - | 251,531,750 | - |
| Cash received from the issuance of convertible debenture | - | 650,000,000 | - | 650,000,000 |
| Cash received from short-term borrowings from related person and parties | - | 185,576,049 | 192,869,053 | 237,540,487 |
| Cash payments for short-term borrowings from related person and parties | - | (183,005,865) | (153,335,143) | (189,470,000) |
| Cash received from short-term borrowings from non-related person and parties | 226,007,000 | - | 126,007,000 | - |
| Cash payment for short-term borrowings from non-related person and parties | (129,007,000) | - | - | - |
| Cash received from short-term borrowings from financial institutions | - | 70,267,210 | - | - |
| Cash payment for short-term borrowings from financial institutions | (104,045,916) | (50,767,210) | - | - |
| Cash received from long-term borrowings from financial institutions | 15,000,000 | - | - | - |
| Cash payment from long-term borrowings from financial institutions | (22,331,400) | (39,245,500) | - | - |
| Cash received from long-term borrowings from non-related parties | 144,052,858 | - | - | - |
| Cash payments for liabilities under finance lease agreements | (41,107,604) | (4,300,000) | (1,618,375) | (4,462,354) |
| Cash received from bank overdrafts | 5,181,580 | - | 5,181,580 | - |
| Cash payments for interest | (18,967,129) | (31,378,581) | (6,656,385) | (6,964,326) |
| Net cash flows from financing activities | 326,314,139 | 597,146,103 | 413,979,480 | 686,643,807 |
| Net increase (decrease) in cash and cash equivalents | 49,304,331 | 9,343,673 | (40,702,295) | 33,880,631 |
| Cash and cash equivalents at the beginning of the period | 116,471,517 | 107,127,844 | 40,857,598 | 6,976,967 |
| Cash and cash equivalents at the end of the period | 165,775,848 | 116,471,517 | 155,303 | 40,857,598 |



Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

These notes form an integral part of the financial statements.

The financial statements were approved and authorized for issue by the Company's Board of Directors on 25 February 2022.

1. General information

Seven Utilities and Power Public Company Limited (“the Company”) is a public company limited under Public Company Limited Act, B.E. 2535 which was first established on 18 September 1995 with fully-paid registered capital of Baht 30 million and is listed in the Stock Exchange of Thailand on 11 February 2002. The Company incorporated and domiciled in Thailand. The registered office of the Company is at 73 Mahachol Building, Soi Sukhumvit 62, Sukhumvit Road, Phrakhanong Tai, Phrakhanong, Bangkok.

For reporting purpose, the Company and its subsidiaries are referred to as “the Group”.

The Group is principally engaged in LPG distribution and LPG service station operation, operation of trunked radio business, operation of renewable energy business, and other business.

Detail of subsidiaries as at 31 December are as follows:



| Company | Relationship | Country of incorporate | Percentage of shareholding (%) | |
|---|--|---------------------------|--------------------------------|-------|
| | | | 2021 | 2020 |
| Direct subsidiaries | | | | |
| Star Gas Co., Ltd. | Operation of LPG stations | Thailand | 99.99 | 99.99 |
| M - Solution Co., Ltd. ⁽⁵⁾ | Distribution, development and service rendered of Trunked radio and Internet of Things (IoT) | Thailand | - | 99.99 |
| Ferrum Capital Co., Ltd. | Operation of investment business relating to energy | Thailand | 99.99 | 99.99 |
| SAM Water Supply Co., Ltd. | Operation of water treatment solutions | Thailand | 51.00 | 51.00 |
| Energy For Society Co., Ltd. (Formerly known as Beyond Healthcare Co., Ltd.) | Operation of investment business relating to energy | Thailand | 99.99 | 99.99 |
| Gold Shores Co., Ltd. ⁽⁶⁾ | Management and development of tap water project | Thailand | 68.54 | - |
| Indirect subsidiaries | | | | |
| Tawatpinyo Co., Ltd. | Management of NGV gas stations | Thailand | 99.99 | 99.99 |
| Star Petroleum Plus Co., Ltd. | Operation of oil and non-oil business | Thailand | 99.99 | 99.99 |
| Ferrum Energy Co., Ltd. | Operation of investment business relating to energy | Thailand | 99.99 | 99.99 |
| Informatix Plus Co., Ltd. ⁽⁴⁾ | Distribution, development and service rendered of internal communication software | Thailand | - | 99.99 |

| Company | Nature of business | Country of incorporate | Percentage of shareholding (%) | |
|--|--|---------------------------|--------------------------------|-------|
| | | | 2021 | 2020 |
| P P L Power Co., Ltd. ^{(1) (3)} | Production and distribution of biogas electricity | Thailand | - | 80.00 |
| Bio Energy Satun Co., Ltd. ^{(1) (3)} | Production and distribution of biogas electricity | Thailand | - | 80.00 |
| Phrasaeng Green Power Co., Ltd. | Production and distribution of biogas electricity | Thailand | 55.00 | 60.00 |
| Energy Revolution Co., Ltd. | Production and sales of energy saving technology | Thailand | 38.50 | 38.50 |
| ERV International Co., Ltd. | Buy-Sell, Export-Import energy saving technology | Thailand | 99.99 | 99.99 |
| Star Solar Power Co., Ltd. ⁽²⁾ | Production and distribution of solar energy | Thailand | 99.99 | 50.99 |
| Hydro Enterprise & Aqua Design Co., Ltd. ⁽⁶⁾ | Production and distribution of tap water | Thailand | 99.99 | - |



- (1) *The Group purchased share in these companies since 30 June 2020*
- (2) *The Group has registered its establishment on 13 November 2020*
- (3) *The Group sold the investments in subsidiaries since 9 April 2021*
- (4) *The Group sold the investments in subsidiaries since 29 June 2021*
- (5) *The Company sold the investments in subsidiaries since 30 June 2021*
- (6) *The Company purchased share in these companies since 29 December 2021*

The Company and its subsidiaries have extensive transaction and relationships with the related companies. Accordingly, the accompanying financial statements may not necessarily be indicative of the condition that would have existed or the results of operation that would have occurred had the Company and its subsidiaries operated without such affiliation.

Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is currently impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management continuously monitored the ongoing development and assessed 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.

2. Basis of preparation of the financial statements

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after 1 January 2020 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated 2 October 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No.3) B.E. 2562" dated 26 December 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies. (see Note 3)



- 2.4 The preparation of financial statements in conformity with Thai Financial Reporting Standards also requires the management of the Company to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of reporting period and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on management's reasonable consideration of current events. Actual results may differ from these estimates.
- 2.5 An English version of the financial statements has been prepared from the financial statements that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

3. Significant accounting policy

3.1 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.

3.2 Trade receivable and other current receivables

- a) Trade receivables and other current receivables are stated at their invoice value less allowance for doubtful accounts. The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments.
- b) Trade receivables and other receivables are stated at cost less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 7.1

3.3 Inventories

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

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Reduce cost of inventories to net realizable value will be set up for old, obsolete, slow moving or deteriorated inventories.



3.4 Group accounting - investments in subsidiaries and investment in an associate

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and could affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

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

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in profit or loss.



Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the Group's principal subsidiaries is set out in Note 1.

Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in shareholders' equity.

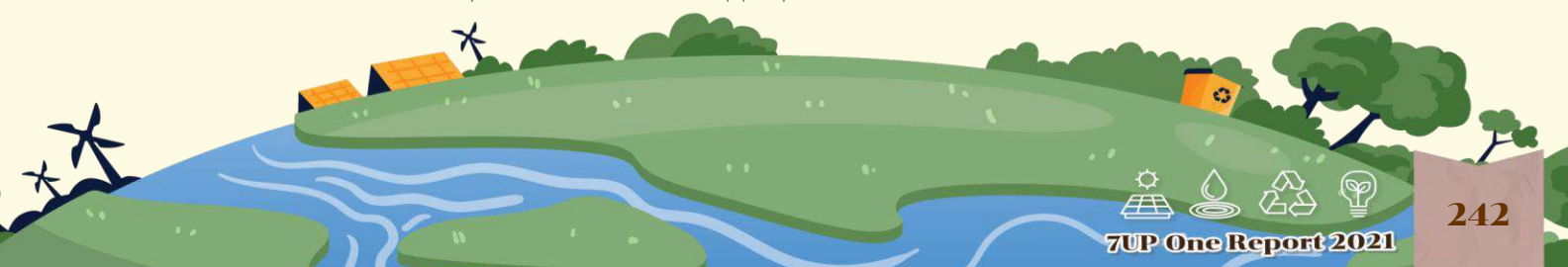
Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

Associates

Associates are all entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.



The Group's share of its associates' post-acquisition profits or losses is recognized in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to share of profit (loss) of associates in the statement of profit or loss and other comprehensive income.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the separate financial statements, investments in associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

3.5 Investment

Temporary investment

Trading and available-for-sale securities are presented at fair value. The fair value of equity securities which is publicly traded securities is measured at the last bidding price of the last operating day of the year of the Stock Exchange of Thailand.

Gain or loss on the change in fair value of trading securities is recognized as unrealized gains or losses in the statement of profit or loss and other comprehensive income.

Other long-term investment

Other long-term investment is equity securities which is no marketable security are stated at cost less any impairment losses.

3.6 Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.



Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and measurement

(1) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is recognised in profit or loss and is included in the “interest income” line item.

(2) Debt instruments classified as at FVTOCI

The corporate bonds held by the Group are classified as at FVTOCI. The corporate bonds are initially measured at fair value plus transaction costs. Subsequently changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these corporate bonds are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(3) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if;



- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with TFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the “finance income” line item in profit or loss.

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

(4) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically;

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.



Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the



amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For a financial guarantee contracts, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateral liability for the proceeds received.



On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognized in profit or loss when incurred.



On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period when the asset is derecognized.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

3.8 Property, plant and equipment

Land is stated at revalued amount. Buildings and building improvements are stated at revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any). Equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land, buildings and building improvements are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's and its subsidiaries' assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognized in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognized as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognized as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company's and its subsidiaries' assets, the decrease is recognized in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

Property, plant and equipment acquired through business combination are initially recognized at their fair value on the date of business acquisition.

In general, depreciation of plant and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives:



| | |
|--|---------------|
| Land improvements | 21 - 23 years |
| Buildings and building improvements | 20 - 46 years |
| Biogas electricity generating system | 20 years |
| Machinery and equipment | 10 years |
| Computer | 3 years |
| Office equipment | 5 years |
| Furniture and fixtures | 5 - 15 years |
| Motor vehicles | 5 years |
| Tools and equipment to repair mobile phone | 5 years |

Equipment related to water treatment – The Group selects the depreciation method by the units of production method. The units of production method units result in a charge based on the expected use or output and most closely reflects the expected consumption pattern of the future economic benefits embodied in the asset.

No depreciation is provided on land and assets under installation.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognized.

3.9 Borrowing costs

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

3.10 Right-of-use assets and Lease liabilities

At inception of contract, the Group 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 Group as a lessee

Accounting policies adopted since 1 January 2020

The Group 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 Group 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, decommissioning cost, 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.

| | |
|-------------------------------------|--------------|
| Land and land improvements | 9 - 30 years |
| Buildings and building improvements | 2 - 30 years |
| Machinery and equipment | 2 - 5 years |
| Motor Vehicle | 3 - 5 years |

If ownership of the leased asset is transferred to the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group'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.



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.

Accounting policies adopted before 1 January 2020

Long-term lease

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Leasehold right and amortisation

Leasehold rights are carried at cost less any accumulated amortization and any accumulated impairment losses (if any). Amortization is calculated over the term of each lease contract. The amortisation is recognised to profit or loss.

3.11 Intangible assets

Intangible assets acquired through business combination are initially recognized at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognized at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortized 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 amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:



| | |
|---|------------------|
| Computer software and application software | 5 years |
| Rights under electricity purchase and sale agreements | Contract periods |
| Rights and benefits under land lease agreements | Contract periods |
| Rights under gas station management agreements | Contract periods |
| Customer contract | 5 years |
| Petty patent | Contract periods |

3.12 Business combinations and goodwill

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and the services are received.

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 recognized as gain in the 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 and its subsidiaries' cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimate 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 recognized in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

3.13 Related party transactions

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

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the



Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

3.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

3.15 Impairment of non-financial assets

At the end of each reporting period, the Company and its subsidiaries perform 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 carry out annual impairment reviews in respect of goodwill. An impairment loss is recognized 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 recognized in profit or loss. However, in cases where property, plant and equipment was previously revalued and the revaluation was taken to equity, a part of such impairment is recognized in equity up to the amount of the previous revaluation.

In the assessment of asset impairment if there is any indication that previously recognized impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognized 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 recognized. 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 recognized for the asset in prior



years. Such reversal is recognized 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.

3.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognized immediately in other comprehensive income.

3.17 Convertible debentures

Convertible debentures are classified into liability and equity components and these are presented separately in the statements of financial position. In separately presenting such components, the Company determines the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.



The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

Expenses for issuance debentures separately recorded between liability and equity component and based on the proportion. The expenses related to liability component deducted from convertible debenture - liability component and amortising over the life of the convertible debentures and expenses related to equity component deducted from equity component and was not amortised.

3.18 Provisions

Provisions are recognized 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.

3.19 Income tax

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

Current income 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.

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 recognize deferred tax liabilities for all taxable temporary differences while they recognize 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 utilized.

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



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

3.20 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 categorized within the fair value hierarchy into three levels based on categorize of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an 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.

3.21 Revenues recognition

Revenues from Sales

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Revenues from rendering of services

Service income consists of gas transportation income and maintenance service income. Service income is recognized over time when services have been rendered taking into account the stage of completion. Service rate charged and service period are stipulated in the contract.



Commissions paid or discounts given to counterparties who are considered to be customers of the Group are recorded net of revenues from services.

Revenues from system installation services

Revenue from system installation services is recognized upon completion of service in cases where the projects are low value, the work had a short duration, and control of the assets created has not yet been transferred to the customers.

Management fee income

Management fee income is recognized on an accrual basis in accordance with terms and conditions stipulated in the agreements.

Interest income

Interest income is recognized on an accrual basis based on the effective interest rate.

3.22 Segment information

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

3.23 Earnings (losses) per share

Basic earnings (losses) per share are calculated by dividing net profit (loss) for the year by the weighted average number of ordinary shares held by third parties during the year. In case of a capital increase, the number of ordinary shares is weighted according to time of subscriptions received. In case of a capital decrease, the number of ordinary shares is weighted according to time of registration of capital reduction. Diluted earnings (losses) per share are calculated from weighted average number of ordinary shares assumed that dilutive ordinary shares equivalents are totally converted to ordinary shares.

3.24 Significant accounting judgments and estimates

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

Property, plant and equipment and 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.

The Company and its subsidiaries measure land, buildings and building improvements at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the cost approach for building and building improvements. The valuation involves certain assumptions and estimates as described in Note 18.

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 judgments 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.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

4. Acquisition of businesses

4.1 Transfer of shares

On 12 December 2019, a meeting of the Board of Directors No. 14/2019 of Seven Utilities and Power Public Company Limited (“7UP”) has passed a resolution approving an investment in Gold Shores Company Limited (“GS”), through the acquisition of 5% of its ordinary shares from its existing shareholders 318,997 shares.

On 23 July 2020, a meeting of the Board of Directors No. 11/2020 of Seven Utilities and Power Public Company Limited (“7UP”) has passed a resolution approving an investment in Gold Shores Company Limited (“GS”) through the acquisition of 36% of its ordinary shares from its existing shareholders 2,296,779 shares.



On 3 September 2020, a meeting of the Board of Directors No. 14/2020 of Seven Utilities and Power Public Company Limited (“7UP”) has passed a resolution approving an investment in Gold Shores Company Limited (“GS”), through the acquisition of 40% of its ordinary shares from its existing shareholders 2,551,976 shares.

In this regard, the approval of an investment in GS which the operation is a waterworks system development business; including raw water management, development of production system, and complete tap water supply producing clean water for industry. The current project operations are located in Phang Nga and Phuket provinces. The totalling of the acquisition is 81% of its ordinary shares from its existing shareholders 5,167,752 shares.

On 29 December 2021, the Company has received the transfer of GS’s ordinary shares due to the Company has already paid. After receiving the transfer of GS’s ordinary shares, which resulted that GS become to the subsidiary of the Company. The acquisition of such shares causing the Company to acquire 1 subsidiary of GS which is Hydro Enterprise and Aqua Design Company Limited (“HD”) in 99.99%, amounting to 2,599,997 shares.

4.2 Increase share capital

On 24 December 2021, GS registered capital increase of Baht 115,998,500 from the original registered capital of Baht 637,994,100 to the new registered capital of Baht 753,992,600; which resulted to the change in GS’s shareholding by 7UP from 81.00% to 68.54%.

4.3 Acquisition of business

During the year ended 31 December 2021, the Company engaged an independent appraiser to appraise the fair value of identifiable assets acquired and liabilities assumed and allocation fair value at the acquisition date of Gold Shores Company Limited. The Company received the purchase price allocation report dated 17 February 2022 from the independent appraiser. The Company applied Thai Financial Reporting Standard No. 3 (revised 2020) “Business combinations”. The information of all consideration transferred and the fair value recognized at the acquisition date for each significant category of assets acquired and liabilities assumed at the acquisition date which are the following.

The fair value of the identifiable assets acquired and liabilities assumed from Gold Shores Company Limited at the acquisition date is as follows:



| | (Unit: Thousand Baht) |
|--|-----------------------|
| | Consolidated |
| | financial statements |
| Cash and cash equivalents | 2,683 |
| Trade and other receivables | 9,428 |
| Short-term loans to related parties | 130,219 |
| Inventories | 20,320 |
| Other current assets | 50,448 |
| Restricted bank deposits | 18 |
| Property, plant and equipment | 1,047,646 |
| Leasehold rights | 6,322 |
| Intangible asset | 1,351,080 |
| Other non-current assets | 4,514 |
| Bank overdraft and short-term borrowings from financial institutions | (75,000) |
| Trade and other payables | (160,087) |
| Short-term borrowings from non-related person and parties | (150,000) |
| Current portion of long-term borrowings | (55,511) |

| | (Unit: Thousand Baht) |
|---|-----------------------|
| | Consolidated |
| | financial statements |
| Current portion of liabilities under finance lease agreements | (138) |
| Liabilities under lease agreements | (184) |
| Deferred tax liabilities | (304,035) |
| Non-current provision for employee benefits | (859) |
| Other non-current liabilities | (11,262) |
| Identifiable assets and liabilities | 1,865,602 |
| Shareholding percentage | 68.54% |
| Fair values of net assets | 1,278,683 |
| Consideration transferred (cash) | 1,124,146 |
| Gain from bargain purchase of investment in a subsidiary | 154,537 |

The Company recognized gain from bargain purchase of Gold Shores Company Limited of Baht 154.54 million in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2021.

Net cash outflows from acquisition of ordinary shares of Gold Shores Company Limited were presented below.

| | (Unit: Thousand Baht) |
|--|-----------------------|
| | Consolidated |
| | financial statements |
| Cash transferred during the year | 1,124,146 |
| <u>Less:</u> Cash and cash equivalents of a subsidiary | (2,683) |
| Net cash outflows from purchase a subsidiary | 1,121,463 |

5. Related party transactions

During the year ended 31 December 2021 and 2020, the Group and the Company 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 those related parties.

1. Sales prices are determined at market price.
2. Other service income and expenses are charged at a mutually agreed price.
3. Interest on short-term loans to the related parties are charged at 0.075 - 6.75 percent per annum
(2020: 3.50 - 7.50 percent per annum).
4. Interest on long-term loans to the related parties are charged at 0.075 percent per annum
(2020: Nil).
5. Interest on short-term borrowings from related parties are charged at 0.075 - 6.75 percent per annum
(2020: 4.50 - 7.50 percent per annum).
6. Directors and management's benefit expenses are charged as approved by the shareholders' meeting or contractually agreed price.

The relationships that the Group and the Company have with related persons or related parties as follows:



| Company | Relationship |
|--|--|
| Star Gas Co., Ltd. | Subsidiary company |
| M - Solution Co., Ltd. ⁽⁸⁾ | Subsidiary company |
| Ferrum Capital Co., Ltd. | Subsidiary company |
| SAM Water Supply Co., Ltd. | Subsidiary company |
| Energy For Society Co., Ltd. | Subsidiary company |
| Gold Shores Co., Ltd. ⁽¹⁰⁾ | Subsidiary company |
| P P L Power Co., Ltd. ^{(1) (6)} | Subsidiary company of Energy For Society Co., Ltd. |
| Bio Energy Satun Co., Ltd. ^{(1) (6)} | Subsidiary company of Energy For Society Co., Ltd. |
| Tawatpinyo Co., Ltd. | Subsidiary company of Star Gas Co., Ltd. |
| Star Petroleum Plus Co., Ltd. | Subsidiary company of Star Gas Co., Ltd. |
| Ferrum Energy Co., Ltd. | Subsidiary company of Ferrum Capital Co., Ltd. |
| Informatix Plus Co., Ltd. ⁽⁷⁾ | Subsidiary company of M - Solution Co., Ltd. |
| Phrasaeng Green Power Co., Ltd. | Subsidiary company of Ferrum Energy Co., Ltd. |
| Eco Energy Group Corporation Co., Ltd. ⁽³⁾ | Subsidiary company of Ferrum Energy Co., Ltd. |
| Energy Revolution Co., Ltd. | Subsidiary company of Ferrum Energy Co., Ltd. |
| ERV International Co., Ltd. | Subsidiary company of Ferrum Energy Co., Ltd. |
| Hydro Enterprise and Aqua Design Co., Ltd. ⁽¹⁰⁾ | Subsidiary company of Gold Shores Co., Ltd. |
| Star Solar Power Co., Ltd. ⁽²⁾ | Subsidiary company of Tawatpinyo Co., Ltd. |
| Pracharat Biomass Maelan Co., Ltd. ⁽³⁾ | Associated company of Eco Energy Corporation Co., Ltd. |
| Pracharat Biomass Bannangsata Co., Ltd. ⁽³⁾ | Associated company of Eco Energy Corporation Co., Ltd. |
| Krunghthai Land Development Co., Ltd. ⁽⁹⁾ | Associated company of ERV International Co., Ltd. |
| System And Software Services Co., Ltd. | Associated company |
| Wangwiset Woodtrade Co., Ltd. ⁽⁴⁾ | Associated company |
| Universal Waste Management Co., Ltd. ⁽⁵⁾ | Associated company |
| Asia Waste Management Co., Ltd. ⁽⁵⁾ | Subsidiary company of Universal Waste Management Co., Ltd. |
| Asia Recycling Technology Co., Ltd. ⁽⁵⁾ | Subsidiary company of Universal Waste Management Co., Ltd. |
| Palm Thongkum Co., Ltd. | Shareholder of Phrasaeng Green Power Co., Ltd. - same shareholders |
| Hatyai Environmental Management Co., Ltd. | Shareholder of Phrasaeng Green Power Co., Ltd. - same shareholders |
| Mlink QIR Co., Ltd. | Joint venture |
| MSET Joint Venture ⁽⁸⁾ | Joint operation |
| Person or other related parties | Being a person related to a director of the company or a business that has a joint director |



- (1) The Group purchased share in these companies since 30 June 2020
- (2) The Group has registered its establishment on 13 November 2020
- (3) The Group sold the investments in subsidiaries since 15 December 2020
- (4) The Company purchased share in the company since 9 June 2020
- (5) The Company sold the investments in associates since 31 March 2021
- (6) The Group sold the investments in subsidiaries since 9 April 2021
- (7) The Group sold the investments in subsidiaries since 29 June 2021
- (8) The Company sold the investments in subsidiaries since 30 June 2021
- (9) The Group purchased share in these companies since 22 September 2021
- (10) The Company purchased share in the company since 29 December 2021

Significant business transactions between the Company and its related parties were summarized as follow:

| | (Unit: Million Baht) | | | |
|---|----------------------|------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Transactions with subsidiaries | | | | |
| Other income | - | - | 5 | 12 |
| Interest income | - | - | 49 | 50 |
| Interest expense | - | - | 1 | 6 |
| Transactions with associates | | | | |
| Revenue from sales | 5 | 16 | - | - |
| Other income | 1 | 3 | 1 | 3 |
| Other expense | - | 6 | - | 6 |
| Interest income | 1 | 3 | - | 3 |
| Interest expense | 1 | 1 | 1 | 1 |
| Transactions with related companies | | | | |
| Purchase of goods and production/service expenses | 5 | 5 | - | - |



As at 31 December 2021 and 2020, the balances of the accounts between the Company and those related parties were as follows:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------|--------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Trade receivables - related parties (see Note 7) | | | | |
| Associates | - | 1,544 | - | - |
| <u>Less:</u> Allowance for expected credit loss | - | - | - | - |
| Total trade receivables - related parties - net | - | 1,544 | - | - |
| Other receivables - related parties (see Note 7) | | | | |
| Subsidiaries | - | - | 6,104 | 6,014 |
| Associates | 3 | 2,200 | 3 | 2,200 |
| Total | 3 | 2,200 | 6,107 | 8,214 |
| <u>Less:</u> Allowance for expected credit loss | - | - | - | - |
| Total other receivables - related parties - net | 3 | 2,200 | 6,107 | 8,214 |
| Accrued income - related parties (see Note 7) | | | | |
| Subsidiaries | - | - | - | 269 |
| Associates | - | 328 | - | 251 |
| Total | - | 328 | - | 520 |
| <u>Less:</u> Allowance for expected credit loss | - | (77) | - | - |
| Total accrued income - related parties - net | - | 251 | - | 520 |
| Accrued interest income - related parties (see Note 7) | | | | |
| Subsidiaries | - | - | 126,308 | 86,412 |
| Associates | 502 | 10,775 | 87 | 10,673 |
| Director of subsidiary | 2,716 | - | - | - |
| Total | 3,218 | 10,775 | 126,395 | 97,085 |
| <u>Less:</u> Allowance for expected credit loss | (2,176) | (1,410) | (16,140) | (21,340) |
| Total accrued interest income - related parties - net | 502 | 9,365 | 110,255 | 75,745 |



(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|---------------|----------------------|---------------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Trade payables - related parties (see Note 26) | | | | |
| Related parties (related by shareholder) | 886 | 8,260 | - | - |
| Total trade payables - related parties | 886 | 8,260 | - | - |
| Other payables - related parties (see Note 26) | | | | |
| Associates | - | 13,869 | - | 13,869 |
| Related persons | - | 4,000 | - | - |
| Total other payables - related parties | - | 17,869 | - | 13,869 |
| Accrued expenses - related parties (see Note 26) | | | | |
| Subsidiaries | - | - | - | 32 |
| Related parties (related by shareholder) | 284 | 631 | - | - |
| Related persons | 620 | 377 | - | - |
| Total accrued expenses - related parties | 904 | 1,008 | - | 32 |
| Accrued interest expenses - related parties | | | | |
| (see Note 26) | | | | |
| Subsidiaries | - | - | 10,776 | 12,096 |
| Associates | - | 1,352 | - | - |
| Related persons | 2 | - | - | - |
| Total accrued interest expenses - related parties | 2 | 1,352 | 10,776 | 12,096 |
| Deposit received for space rental - related parties | | | | |
| Subsidiaries | - | - | 231 | 130 |
| Associates | 10 | 188 | 10 | 188 |
| Total deposit received for space rental - related parties | 10 | 188 | 241 | 318 |

Short-term borrowings to related parties and short-term borrowings from related person or parties

As at 31 December 2021 and 2020, the balances of short-term borrowings to related person or parties and the movements were as follows:

(Unit: Thousand Baht)

| | | Consolidated financial statements | | | |
|--|--------------------|-----------------------------------|-----------------|-----------------|----------------------|
| Short-term loans to related person and related parties | Related by | 1 January | During the year | | 31 December |
| | | 2021 | Increase | Decrease | 2021 |
| Director of subsidiary | Related person | 65 | 15,995 | (65) | 15,995 |
| System And Software Services Co., Ltd. | Associated company | 13,940 | - | (9,940) | 4,000 |
| Wangwiset Woodtrade Co., Ltd. | Associated company | 3,050 | 13,000 | (5,650) | 10,400 |
| Krungthai Land Development Co., Ltd. ⁽⁹⁾ | Associated company | - | 19,000 | - | 19,000 |
| Total | | 17,055 | 47,995 | (15,655) | 49,395 |
| <u>Less: Allowance for expected credit loss</u> | | <u>(9,100)</u> | <u>(15,995)</u> | <u>9,100</u> | <u>(15,995)</u> |
| Net | | <u>7,955</u> | | | <u>33,400</u> |

(Unit: Thousand Baht)

| | | Consolidated financial statements | | | |
|--|--------------------|-----------------------------------|-----------------|------------------|---------------------|
| Short-term borrowings to related person or related parties | Related by | 1 January | During the year | | 31 December |
| | | 2020 | Increase | Decrease | 2020 |
| Director of subsidiary | Related person | 669 | 51,965 | (52,569) | 65 |
| Palm Thongkum Co., Ltd. | Related company | 2,500 | - | (2,500) | - |
| System And Software Services Co., Ltd. | Associated company | 62,600 | 4,840 | (53,500) | 13,940 |
| Wangwiset Woodtrade Co., Ltd. | Associated company | - | 8,050 | (5,000) | 3,050 |
| Total | | 65,769 | 64,855 | (113,569) | 17,055 |
| <u>Less: Allowance for doubtful debts</u> | | <u>(62,600)</u> | <u>-</u> | <u>53,500</u> | <u>(9,100)</u> |
| Net | | <u>3,169</u> | | | <u>7,955</u> |

(Unit: Thousand Baht)



| | | Separate financial statements | | | |
|--|--------------------|-------------------------------|-----------------|-----------|----------------|
| Short-term loans to related parties | Related by | 1 January | During the year | | 31 December |
| | | 2021 | Increase | Decrease | 2021 |
| Ferrum Energy Co., Ltd. | Subsidiary company | 674,015 | 36,800 | (27,528) | 683,287 |
| Star Gas Co., Ltd. | Subsidiary company | 77,374 | 23,950 | (9,950) | 91,374 |
| Ferrum Capital Co., Ltd. | Subsidiary company | 66,550 | 10,500 | (32,600) | 44,450 |
| M - Solution Co., Ltd. ⁽⁸⁾ | Subsidiary company | 55,771 | - | (55,771) | - |
| Phrasaeng Green Power Co., Ltd. | Subsidiary company | 2,626 | - | - | 2,625 |
| Tawatpinyo Co., Ltd. | Subsidiary company | - | 5,000 | - | 5,000 |
| ERV International Co., Ltd. | Subsidiary company | - | 19,000 | (5,000) | 14,000 |
| System And Software Services Co., Ltd. | Associated company | 9,940 | - | (9,940) | - |
| Wangwiset Woodtrade Co., Ltd. | Associated company | 3,050 | 13,000 | (5,650) | 10,400 |
| Total | | 889,326 | 108,250 | (146,439) | 851,137 |
| <u>Less: Allowance for expected</u> credit loss | | (9,100) | - | 9,100 | - |
| Net | | 880,226 | | | 851,137 |



(Unit: Thousand Baht)

| Short-term loans to related parties | Related by | Separate financial statements | | | |
|--|--------------------|-------------------------------|-----------------|-----------|----------------|
| | | 1 January | During the year | | 31 December |
| | | 2020 | Increase | Decrease | 2020 |
| Ferrum Energy Co., Ltd. | Subsidiary company | 332,280 | 463,970 | (122,235) | 674,015 |
| Star Gas Co., Ltd. | Subsidiary company | 153,000 | 13,000 | (88,626) | 77,374 |
| SAM Water Supply Co., Ltd. | Subsidiary company | 32,704 | 14,900 | (47,604) | - |
| Ferrum Capital Co., Ltd. | Subsidiary company | 50,600 | 16,050 | (100) | 66,550 |
| M - Solution Co., Ltd. | Subsidiary company | 73,118 | 47,600 | (64,947) | 55,771 |
| Informatix Plus Co., Ltd. | Subsidiary company | 27,113 | 6,150 | (33,263) | - |
| Phrasaeng Green Power Co., Ltd. | Subsidiary company | 1,395 | 2,600 | (1,369) | 2,626 |
| Star Petroleum Plus Co., Ltd. | Subsidiary company | 5,000 | - | (5,000) | - |
| Eco Energy Group Corporation Co., Ltd. | Subsidiary company | 8,800 | 68,150 | (76,950) | - |
| Energy Revolution Co., Ltd. | Subsidiary company | - | 1,400 | (1,400) | - |
| ERV International Co., Ltd. | Subsidiary company | - | 13,200 | (13,200) | - |
| System And Software Services Co., Ltd. | Associated company | 62,600 | 840 | (53,500) | 9,940 |
| Wangwiset Woodtrade Co., Ltd. | Associated company | - | 8,050 | (5,000) | 3,050 |
| Total | | 746,610 | 655,910 | (513,194) | 889,326 |
| Less: Allowance for doubtful debts | | (62,600) | - | 53,500 | (9,100) |
| Net | | 684,010 | | | 880,226 |

As at 31 December 2021 the balances of long-term loans to related party and the movements were summarized as follows:

(Unit: Thousand Baht)

| Long-term loans to related party | Related by | Separate financial statements | | | |
|----------------------------------|--------------------|-------------------------------|-----------------|----------|--------------|
| | | 1 January | During the year | | 31 December |
| | | 2021 | Increase | Decrease | 2021 |
| SAM Water Supply Co., Ltd. | Subsidiary company | - | 7,396 | - | 7,396 |
| Net | | - | 7,396 | - | 7,396 |



As at 31 December 2021 and 2020, the balances of short-term borrowings from a related person or related parties and the movements were as follows:

(Unit: Thousand Baht)

| Short-term borrowing from related person and related parties | | Consolidated financial statements | | | |
|---|---|-----------------------------------|-----------------|------------------|-------------|
| | | 1 January | During the year | | 31 December |
| | | 2021 | Increase | Decrease | 2021 |
| Related by | | | | | |
| Director of subsidiary company ⁽⁶⁾ | Related person | 16,432 | - | (16,432) | - |
| Hatyai Environmental Management Co., Ltd. ⁽⁶⁾ (see Note 28) | Related company (related by shareholder) | 19,794 | - | (19,794) | - |
| Universal Waste Management Co., Ltd. ⁽⁵⁾ (See Note 28) | Associated company | 29,007 | 126,007 | (155,014) | - |
| Total | | 65,233 | 126,007 | (191,240) | - |

(Unit: Thousand Baht)

| | | Consolidated financial statements | | | |
|---|-----------------------|-----------------------------------|-----------------|------------------|---------------|
| | | 1 | | | |
| Short-term borrowing from | | January | During the year | | 31 December |
| related person or related parties | Related by | 2020 | Increase | Decrease | 2020 |
| Director of subsidiary company | Related person | 259 | 16,432 | (259) | 16,432 |
| Hatyai Environmental Management Co., Ltd. | Related company | - | 19,794 | - | 19,794 |
| Universal Waste Management Co., Ltd. | Associated company | 62,454 | 103,300 | (136,747) | 29,007 |
| Asia Waste Management Co., Ltd. | Subsidiary company of | | | | |
| | Universal Waste | | | | |
| | Management Co., Ltd. | - | 20,000 | (20,000) | - |
| Wangwiset Woodtrade Co., Ltd. | Associated company | - | 26,000 | (26,000) | - |
| Total | | 62,713 | 185,526 | (183,006) | 65,233 |



(Unit: Thousand Baht)

| | | Separated financial statements | | | |
|---|--------------------|--------------------------------|-----------------|------------------|----------------|
| Short-term borrowing from a related parties | Related by | 1 January | During the year | | 31 December |
| | | 2021 | Increase | Decrease | 2021 |
| Energy For Society Co., Ltd. | Subsidiary company | 75,875 | 44,500 | (91,835) | 28,540 |
| Energy Revolution Co., Ltd. | Subsidiary company | 55,300 | 12,500 | (49,850) | 17,950 |
| ERV International Co., Ltd. | Subsidiary company | 6,000 | - | (6,000) | - |
| Gold Shores Co., Ltd. ⁽¹⁰⁾ | Subsidiary company | - | 135,869 | (5,650) | 130,219 |
| Universal Waste Management Co., Ltd. ⁽⁵⁾ | | | | | |
| (See Note 28) | Associated company | - | 126,007 | (126,007) | - |
| Total | | 137,175 | 318,876 | (279,342) | 176,709 |

(Unit: Thousand Baht)

| | | Separated financial statements | | | |
|--|--|--------------------------------|-----------------|------------------|----------------|
| Short-term borrowing from a related party | Related by | 1 January | During the year | | 31 December |
| | | 2020 | Increase | Decrease | 2020 |
| Energy For Society Co., Ltd. | Subsidiary company | 89,105 | 32,010 | (45,240) | 75,875 |
| Informatix Plus Co., Ltd. | Subsidiary company | - | 11,500 | (11,500) | - |
| Energy Revolution Co., Ltd. | Subsidiary company | - | 57,200 | (1,900) | 55,300 |
| ERV International Co., Ltd. | Subsidiary company | - | 8,030 | (2,030) | 6,000 |
| Star Petroleum Plus Co., Ltd. | Subsidiary company | - | 2,000 | (2,000) | - |
| Wangwiset Woodtrade Co., Ltd. | Associated company | - | 26,000 | (26,000) | - |
| Universal Waste Management Co., Ltd. | Associated company | - | 90,800 | (90,800) | - |
| Asia Waste Management Co., Ltd. | Subsidiary company of Universal Waste Management Co., Ltd. | - | 10,000 | (10,000) | - |
| Total | | 89,105 | 237,540 | (189,470) | 137,175 |



Directors and management's benefits

For the year ended 31 December 2021 and 2020, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

| | (Unit: Million Baht) | | | |
|------------------------------|----------------------|-----------|----------------------|-----------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Short-term employee benefits | 20 | 30 | 10 | 11 |
| Post-employment benefits | 4 | 6 | 1 | 1 |
| Total | 24 | 36 | 11 | 12 |

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 40.3.2

6. Supplemental disclosures of cash flow information

6.1 Cash and cash equivalents as at 31 December 2021 and 2020 consisted of the following:

| | (Unit: Thousand Baht) | | | |
|-------------------|-----------------------|----------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Cash on hand | 3,507 | 3,163 | 20 | 159 |
| Deposits at banks | 162,269 | 113,309 | 135 | 40,699 |
| Total | 165,776 | 116,472 | 155 | 40,858 |

As at 31 December 2021 and 2020, interest rate of in the deposits at bank consolidated and the separate financial statements are interest charged at 0.05 - 0.15 and 0.05 - 0.25 per annum, respectively.



6.2 Cash paid for purchases of equipment for the year ended 31 December 2021 and 2020, consisted of the following:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|----------|----------------------|-------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Equipment and construction in progress payables brought forward (recorded as a part of Trade and other current payables) | 30,773 | 659 | - | - |
| <u>Add:</u> Purchases of equipment and construction in progress | 171,249 | 15,031 | 195 | 122 |
| Purchases of intangible assets | - | 1,031 | - | 39 |
| Increasing from business acquisition | - | 30,549 | - | - |
| <u>Less:</u> Cash paid for purchases of equipment and construction in progress | (163,399) | (16,497) | (195) | (161) |
| Decreasing from disposal company | (30,549) | - | - | - |
| Equipment payables carried forward (recorded as a part of trade and other payables) | 8,074 | 30,773 | - | - |

6.3 Non-cash transactions for the year ended 31 December 2021 and 2020 are as follows:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------|---------|----------------------|---------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Long-term liabilities under lease agreements brought forward | | | | |
| (Recorded as part of current portion of long-term finance lease) | 226,080 | 10,488 | 5,157 | 9,619 |
| <u>Add:</u> Additional during the year | 321 | - | - | - |
| <u>Less:</u> Cash payments during the year | (12,503) | (4,300) | (1,618) | (4,462) |
| Decreased during the year | (28,926) | - | - | - |
| Increased in liabilities under lease agreements from first adoption TFRS 16 | - | 219,892 | - | - |
| Long-term liabilities under finance lease agreements carried forward (recorded as part of current portion of long-term finance lease) | 184,972 | 226,080 | 3,539 | 5,157 |



6.4 Reconciliation of liabilities arising from financing activities for the year ended 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | |
|--|-----------------------------------|----------------|----------|---------|---------------|
| | Balance as at | Cash flows | | | Balance as at |
| | 1 January | from financing | Non-cash | Others | 31 December |
| | 2021 | activities | changes | changes | 2021 |
| Bank overdrafts and short-term borrowings | | | | | |
| from a financial institution (see Note 25) | 174,046 | (98,864) | 75,000 | - | 150,182 |
| Short-term borrowing (see Note 28) | 65,283 | 97,000 | 113,724 | - | 276,007 |
| Liabilities under lease agreements | 226,080 | (12,503) | (28,605) | - | 184,972 |

(Unit: Thousand Baht)

| | Separate financial statements | | | | |
|--|-------------------------------|----------------|----------|---------|---------------|
| | Balance as at | Cash flows | | | Balance as at |
| | 1 January | from financing | Non-cash | Others | 31 December |
| | 2021 | activities | changes | changes | 2021 |
| Bank overdrafts and short -term borrowings | | | | | |
| from a financial institution (see Note 25) | 70,000 | 5,182 | - | - | 75,182 |
| Short-term borrowing (see Note 28) | 137,175 | 165,541 | - | - | 302,716 |
| Liabilities under lease agreements | 5,157 | (1,618) | - | - | 3,539 |

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | |
|--|-----------------------------------|----------------|----------|---------|---------------|
| | Balance as at | Cash flows | | | Balance as at |
| | 1 January | from financing | Non-cash | Others | 31 December |
| | 2020 | activities | changes | changes | 2020 |
| Bank overdrafts and short-term borrowings | | | | | |
| from a financial institution (see Note 25) | 110,000 | 19,500 | 44,546 | - | 174,046 |
| Short-term borrowing (see Note 28) | 62,713 | 2,570 | - | - | 65,283 |
| Liabilities under lease agreements | 10,488 | (4,300) | - | 219,892 | 226,080 |

(Unit: Thousand Baht)



| | Separate financial statements | | | |
|--|-------------------------------|----------------|----------|---------------|
| | Balance as at | Cash flows | | Balance as at |
| | 1 January | from financing | Non-cash | Others |
| | 2020 | activities | changes | changes |
| | 2020 | | | 2020 |
| Bank overdrafts and short -term borrowings | | | | |
| from a financial institution (see Note 25) | 70,000 | - | - | - |
| Short-term borrowing (see Note 28) | 89,105 | 48,070 | - | - |
| Liabilities under lease agreements | 9,619 | (4,462) | - | - |

7. Trade and other current receivables

7.1 Trade and other current receivables as at 31 December 2021 and 2020 consisted of the following:

| | Consolidated | | Separate | |
|--|----------------------|-----------------|----------------------|-----------------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Trade receivables - related parties (see Note 5) | - | 1,544 | - | - |
| Trade receivables - non-related parties | 33,028 | 170,192 | - | - |
| Other receivables - related parties (see Note 5) | 3 | 2,200 | 6,107 | 8,214 |
| Other receivables - non-related parties | 358,829 | 149,356 | 43 | 88,789 |
| Accrued income - related parties (see Note 5) | - | 328 | - | 520 |
| Accrued income - non-related parties | 6,677 | 7,689 | 36 | - |
| Accrued interest income - related parties (see Note 5) | 3,218 | 10,775 | 126,395 | 97,085 |
| Accrued interest income - non-related parties | 1,111 | 238 | 1,011 | 237 |
| Input tax refundable | 75,214 | 8,522 | 2,391 | - |
| Suspense input tax | 6,102 | 33,773 | 67 | 1,563 |
| Withholding tax refundable | - | 4,463 | - | 2,529 |
| Suspense withholding tax | 7,400 | 9,086 | 3,946 | 4,148 |
| Advance to employees | 29,576 | 35,423 | - | - |
| Prepaid expenses | 36,430 | 31,180 | 1,256 | 29,299 |
| Others | 25,425 | 32,264 | 75 | 1,200 |
| Total | 583,013 | 497,033 | 141,327 | 233,584 |
| Less: Allowance for expected credit losses | (18,663) | (10,213) | (16,140) | (21,340) |
| Allowance for diminution in value of input tax and withholding tax refundable | (4,522) | (19,835) | - | (2,380) |
| Trade and other current receivables - net | 559,828 | 466,985 | 125,187 | 209,864 |



7.2 Aging analysis of trade receivables as at 31 December 2021 and 2020 consisted of the following:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|----------------|-----------------------------------|----------------|-------------------------------|----------|
| | 2021 | 2020 | 2021 | 2020 |
| Current | 19,552 | 143,298 | - | - |
| Past due | | | | |
| Up to 3 months | 12,729 | 16,144 | - | - |
| 3 - 6 months | 747 | 8,485 | - | - |
| 6 - 12 months | - | 3,809 | - | - |
| Total | 33,028 | 171,736 | - | - |

7.3 Withholding tax deducted at sources

The balances of withholding tax deducted at sources as at 31 December 2021 and 2020, aged on years, were summarized as follows:

(Unit: Thousand Baht)

| Year | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------|-------------------------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| 2014 | - | 2 | - | - |
| 2015 | - | 1,340 | - | - |
| 2016 | - | 2,688 | - | 2,096 |
| 2017 | 91 | 524 | - | 433 |
| 2018 | - | 2,840 | - | 838 |
| 2019 | 3,813 | 4,118 | 2,433 | 2,433 |
| 2020 | 1,821 | 2,037 | 877 | 877 |
| 2021 | 1,675 | - | 636 | - |
| Total | 7,400 | 13,549 | 3,946 | 6,677 |
| <u>Less: Allowance for diminution in value</u> | <u>(4,522)</u> | <u>(4,314)</u> | <u>-</u> | <u>(2,380)</u> |
| Net | 2,878 | 9,235 | 3,946 | 4,297 |

The Company and its subsidiaries regard withholding tax deducted at sources as an asset since they have the right to claim for refund of it. However, the net realizable value of withholding tax depends on the exercise right to claim it, and the results of any tax audit by the Revenue officer.



8. Short-term loan and long-term loans

Short-term loans and long-term loans as at 31 December 2021 and 2020 consisted of the following:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Short-term loans to related parties | 33,400 | 17,055 | 851,137 | 889,326 |
| Short-term loans to related persons | 15,995 | - | - | - |
| <u>Less: Allowance for doubtful debts</u> | <u>(15,995)</u> | <u>(9,100)</u> | <u>-</u> | <u>(9,100)</u> |
| Short-term loans to related parties - net | 33,400 | 7,955 | 851,137 | 880,226 |
| Short-term loans to non-related persons | 9,000 | 25,000 | 9,000 | 25,000 |
| Short-term loans to non-related companies | 75,476 | 42,550 | 75,000 | 42,550 |
| <u>Less: Allowance for expected credit loss</u> | <u>(2,750)</u> | <u>-</u> | <u>(2,750)</u> | <u>-</u> |
| Short-term loans to non-related parties | 81,726 | 67,550 | 81,750 | 67,550 |
| Long-term loans to related parties | - | - | 7,396 | - |
| Long-term loans to related party - net | - | - | 7,396 | - |
| Long-term loans to non-related parties | - | 7,000 | - | 7,000 |
| <u>Less: Current portion due within 1 year</u> | <u>-</u> | <u>(7,000)</u> | <u>-</u> | <u>(7,000)</u> |
| Long-term loans to non-related party - net | - | - | - | - |

9. Inventory

Inventory as at 31 December 2021 and 2020 consisted of the following:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Finished goods | 28,525 | 21,156 | 1,738 | 1,738 |
| Raw materials | 253 | - | - | - |
| Spare parts | 472 | - | - | - |
| <u>Less: Allowance for diminution of value</u> | <u>(1,720)</u> | <u>(7,953)</u> | <u>(1,720)</u> | <u>(1,720)</u> |
| Net | 27,530 | 13,203 | 18 | 18 |



10. Other current financial assets

Movements of the temporary investments in equity instrument account for the year ended 31 December 2021 and 2020 were summarized as below.

(Unit: Thousand Baht)

| | Consolidated and separate financial statements | |
|--------------------------------|--|--------------|
| | 2021 | 2020 |
| Beginning balance | 6,247 | 7,371 |
| Disposals | (9,144) | - |
| Gain (loss) on change in value | - | (1,124) |
| Gain (loss) on sell investment | 2,897 | - |
| Ending balance | - | 6,247 |

11. Other non-current financial assets

Other non-current financial assets in the consolidated financial statements as at 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

| Company | Consolidated financial statements | | | | | |
|-------------------------------------|-----------------------------------|---------|-------------------------|-------|---------------|----------------|
| | Paid up capital | | Shareholding percentage | | Amount | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Smoothing Group Co., Ltd. | 688,400 | 688,400 | 1.22 | 1.22 | 56,539 | 56,539 |
| Gold Shores Co., Ltd. (see Note 14) | - | 637,994 | - | 10.00 | - | 115,854 |
| Total | | | | | 56,539 | 172,393 |

(Unit: Thousand Baht)

| Company | Separate financial statements | | | | | |
|-------------------------------------|-------------------------------|---------|-------------------------|-------|----------|----------------|
| | Paid up capital | | Shareholding percentage | | Amount | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Gold Shores Co., Ltd. (see Note 14) | - | 637,994 | - | 10.00 | - | 115,854 |
| Total | | | | | - | 115,854 |



12. Restricted bank deposits

As at 31 December 2021 and 2020, the Group have current restricted bank deposits in amount of Baht 32.13 million and Baht 72.93 million, respectively, with interest rate of 0.05%-0.38% and 0.06% - 0.38% per annum. The restricted deposits are used as collateral against to secure credit facilities and letter of guarantees obtained from the banks which is due within one year (Separate financial statements: Nil).

13. Deposit for business due diligence

Deposits for business due diligence as at 31 December 2021 and 2020 comprised of as follows:

| | | | (Unit: Thousand Baht) | | | |
|---|---|---------------------|-----------------------|----------------|----------------------|----------------|
| Payer | Receiver | Related by | Consolidated | | Separate | |
| | | | financial statements | | financial statements | |
| | | | 2021 | 2020 | 2021 | 2020 |
| Seven Utilities and Power Public Company Limited | World Honour Trading Limited. Bangkok Dec-Con Pcl. | Non-related company | - | 243,293 | - | 243,293 |
| | | Non-related company | - | 15,000 | - | 15,000 |
| Ferrum Energy Co., Ltd. | Excellent Tech Co., Ltd. | Non-related company | 2,500 | 2,500 | - | - |
| ERV International Co., Ltd. | Krungthai Land Development Co., Ltd. | Non-related company | - | 350,000 | - | - |
| Star Gas Co., Ltd. | Shareholder of the Company | Non-related person | 1,300 | - | - | - |
| Total | | | 3,800 | 610,793 | - | 258,293 |
| <u>Less: Allowance for diminution in value</u> | | | (2,500) | (17,500) | - | (15,000) |
| Total deposit for business due diligence - net | | | 1,300 | 593,293 | - | 243,293 |

Change in the deposits for business due diligence account for the year ended 31 December 2021 and 2020 were summarized as follows:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Balance as at beginning of the year | 593,293 | 75,000 | 243,293 | 75,000 |
| Increase during the year | 691,300 | 765,000 | 690,000 | 415,000 |
| Received during the year | (1,283,293) | (231,707) | (933,293) | (231,707) |
| Less: allowance for diminution in value | - | (15,000) | - | (15,000) |
| Balance as at end of the year | 1,300 | 593,293 | - | 243,293 |



14. Investments in subsidiaries

14.1 Details of investments in subsidiaries as at 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

| Company | Separate financial statements | | | | | |
|--|-------------------------------|---------|-------------------------|-------|------------------|----------------|
| | Paid-up capital | | Shareholding percentage | | Cost | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Star Gas Co., Ltd. | 60,000 | 60,000 | 99.99 | 99.99 | 550,000 | 550,000 |
| Energy For Society Co., Ltd. | 250,000 | 250,000 | 99.99 | 99.99 | 249,999 | 249,999 |
| SAM Water Supply Co., Ltd. | 109,500 | 109,500 | 51.00 | 51.00 | 81,744 | 81,744 |
| Ferrum Capital Co., Ltd. | 50,000 | 50,000 | 99.99 | 99.99 | 50,000 | 50,000 |
| M - Solution Co., Ltd. | | | | | | |
| (see Note 14.3) | - | 10,000 | - | 99.99 | - | 13,327 |
| Gold Shores Co., Ltd. | | | | | | |
| (see Note 4.2) | 753,993 | - | 68.54 | - | 1,124,146 | - |
| Total | | | | | 2,055,889 | 945,070 |
| Less: Allowance for impairment of investment | | | | | (198,583) | (211,910) |
| Investments in subsidiaries - net | | | | | 1,857,306 | 733,160 |

14.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Thousand Baht)

| Company | Proportion of equity interest held by non-controlling interests | | Accumulated balance of non-controlling interests | | Profit allocated to non-controlling interest during the year | |
|--|---|------|--|------|--|------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | | | | | |
| <i>Subsidiary directly held by the Company</i> | | | | | | |
| SAM Water Supply Co., Ltd. | 49 | 49 | 47 | 51 | (4) | 5 |
| Gold Shores Co., Ltd. | 31 | - | 598 | - | - | - |
| <i>Subsidiary companies of Ferrum Energy Co., Ltd.</i> | | | | | | |
| Phrasaeng Green Power Co., Ltd. | 45 | 40 | 54 | 54 | 1 | 1 |
| Energy Revolution Co., Ltd. | 62 | 62 | 45 | 33 | (1) | (2) |

Summarized financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling.



Summarized information about financial position.

(Unit: Million Baht)

| | SAM Water Supply Co., Ltd. | | Gold Shores Co., Ltd. | | Phrasaeng Green Power Co., Ltd. | | Eco Energy Group Corporation Co., Ltd. | | Energy Revolution Co., Ltd. | |
|-------------------------|-------------------------------|------|--------------------------|------|------------------------------------|------|---|------|--------------------------------|------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Current assets | 46 | 18 | 213 | - | 11 | 10 | - | 11 | 60 | 61 |
| Non-current assets | 288 | 178 | 890 | - | 132 | 141 | - | 116 | 1 | 1 |
| Current liabilities | 123 | 50 | 441 | - | 21 | 30 | - | 11 | - | 13 |
| Non-current liabilities | 117 | 53 | 12 | - | 17 | 19 | - | - | - | - |

Summarized information about comprehensive income

(Unit: Million Baht)

| | SAM Water Supply Co., Ltd. | | Gold Shores Co., Ltd. | | Phrasaeng Green Power Co., Ltd. | | Eco Energy Group Corporation Co., Ltd. | | Energy Revolution Co., Ltd. | |
|----------------------------|-------------------------------|------|--------------------------|------|------------------------------------|------|---|------|--------------------------------|------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenue | 44 | 47 | 37 | - | 23 | 22 | - | 55 | - | 5 |
| Profit (loss) | 1 | 5 | (152) | - | 3 | 1 | - | 42 | (1) | (3) |
| Other comprehensive income | - | - | - | - | - | - | - | - | - | - |

Summarized information about cash flows

(Unit: Million Baht)

| | SAM Water Supply Co., Ltd. | | Gold Shores Co., Ltd. | | Phrasaeng Green Power Co., Ltd. | | Eco Energy Group Corporation Co., Ltd. | | Energy Revolution Co., Ltd. | |
|--|-------------------------------|-------|--------------------------|------|------------------------------------|------|---|-------|--------------------------------|------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Cash flows from (used in) operating activities | 189 | 202 | 250 | - | 12 | 9 | - | 108 | (1) | 29 |
| Cash flows used from (used in) investing activities | (149) | (149) | (51) | - | - | (1) | - | 1 | - | - |
| Cash flows from (used in) financing activities | (16) | (53) | (201) | - | (12) | (10) | - | (109) | 20 | (31) |
| Net increase (decrease) in cash and cash equivalents | 24 | - | (2) | - | - | (2) | - | - | 19 | (2) |



14.3 Disposal of investment in subsidiary company

On 8 April 2021, a meeting of the Board of Directors No. 4/2021 of Seven Utilities and Power Public Company Limited (“7UP”) has passed a resolution approving Energy For Society Company Limited (“EFS”) to dispose of all shares in P P L Power Company Limited (“PPL”) and BIO Energy Satun Company Limited (“BES”), which are subsidiaries company. EFS is subsidiary company of 7UP which held by 99.99 percent in EFS. The disposal of PPL’s ordinary share in 80.00 percent of registered capital or 120,000 shares with an amount of Baht 12 million and BES’s ordinary share in 80.00 percent of registered capital or 208,000 shares with an amount of Baht 20 million, totaling Baht 32 million to buyer who has no relationship and/or related to executives, directors, major shareholders, and controlling person of the Company and its subsidiaries. This subsidiary was disposed on 9 April 2021.

On 29 June 2021, a meeting of the Board of Directors No. 8/2021 of Seven Utilities and Power Public Company Limited has passed a resolution approving to dispose of shares in Informatix Plus Company Limited (“IFP”), which is a subsidiary company of M-Solution Company Limited (“MSO”). MSO held in IFP by 99.99 percent and 7UP held by 99.99 percent in MSO. The disposal of IFP’s ordinary share in 99.99 percent of registered capital or 40,207,412 shares with an amount of Baht 40 million to buyer who has no relationship and/or related to executives, directors, major shareholders, and controlling person of the Company and its subsidiaries. This subsidiary was disposed on 29 June 2021.

On 29 June 2021, a meeting of the Board of Directors No. 8/2021 of Seven Utilities and Power Public Company Limited has passed a resolution approving to dispose of shares in M-Solution Company Limited (“MSO”) which 7UP held by 99.99 percent in MSO. The disposal of MSO’s ordinary share in 99.99 percent of registered capital or 99,994 shares with an amount of Baht 90 million to buyer who has no relationship and/or related to executives, directors, major shareholders, and controlling person of the Company and its subsidiaries. This subsidiary was disposed on 30 June 2021.

On 29 September 2021, a meeting of the Executive Committee No. 13/2021 of Seven Utilities and Power Public Company Limited has passed a resolution approving to dispose of shares in Phrasaeng Green Power Company Limited (“PSG”), which Ferrum Energy Company Limited (“FER-EN”) held by 60.00 percent. Ferrum Capital Company Limited (“FER-CAP”) held FER-EN by 99.99 percent and 7UP held FER-CAP by 99.99 percent. The disposal of PSG’s ordinary share in 5.00 percent of registered capital or 38,500 shares with an amount of Baht 15 million to buyer who has no relationship and/or related to executives, directors, major shareholders, and



controlling person of the Company and its subsidiaries. Those is reducing its ownership interest from 60.00% to 55.00% without a change in control over the subsidiary. The Group recognized an increase in non-controlling interests of Baht 5.19 million and surplus from changes in ownership interest in subsidiary of Baht 9.81 million.



15. Investments in associates

15.1 Investments in associates as at 31 December 2021 and 2020 consisted of: (Separate financial statements: Nil)

(Unit: Thousand Baht)

| Company | Nature of business | Country of incorporation | Consolidated financial statements | | | | | | | |
|--|---|--------------------------|-----------------------------------|-------|-----------------------|---------|----------------|----------------|----------------|----------------|
| | | | Ownership interest (%) | | Paid-up share capital | | Cost method | | Equity method | |
| | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Universal Waste Management Co., Ltd. (see Note 14.2) | Treatment and disposal of hazardous wastes including transportation | Thailand | - | 30.00 | - | 135,000 | - | 135,000 | - | 144,806 |
| Wangwiset Woodtrade Co., Ltd. | The mill operations sawmill wooden | Thailand | 49.99 | 49.99 | 20,000 | 20,000 | 20,000 | 20,000 | 20,562 | 20,222 |
| System And Software Services Co., Ltd. | Services and sales of equipment related to VR game | Thailand | 35.00 | 35.00 | 3,500 | 3,500 | 3,500 | 3,500 | - | - |
| Pracharat Biomass Maetan Co., Ltd. | Electric power generation and transmission | Thailand | - | - | - | 54,100 | - | - | - | (348) |
| Pracharat Biomass Bannangsata Co., Ltd. | Electric power generation and transmission | Thailand | - | - | - | 72,530 | - | - | - | (714) |
| Krungthai Land Development Co., Ltd. | Mix-Use Building | Thailand | 27.84 | - | 135,000 | - | 350,000 | - | 344,268 | - |
| Total | | | | | | | 373,500 | 158,500 | 364,830 | 163,996 |
| Less: Allowance for impairment | | | | | | | (3,500) | (3,500) | - | - |
| Investments in associates - Net | | | | | | | 370,000 | 155,000 | 364,830 | 163,996 |

(Unit: Thousand Baht)

| Company | Nature of business | Country of incorporation | Separate financial statements | | | | | |
|---|--|-----------------------------|-------------------------------|-------|-----------------------|--------|---------------|---------------|
| | | | Ownership interest (%) | | Paid-up share capital | | Cost method | |
| | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Wangwiset Woodtrade Co., Ltd. | The mill operations | | | | | | | |
| | sawmill wooden | Thailand | 49.99 | 49.99 | 20,000 | 20,000 | 20,000 | 20,000 |
| System And Software Services Co., Ltd. | Services and sales of equipment related to VR game | Thailand | 35.00 | 35.00 | 3,500 | 3,500 | 3,500 | 3,500 |
| Total | | | | | | | 23,500 | 23,500 |
| | | | | | | | (3,500) | (3,500) |
| Investments in associates - Net | | | | | | | 20,000 | 20,000 |



5.2 Disposal of investment in associate company

On 10 March 2021, a meeting of the Board of Directors No. 3/2021 of Seven Utilities and Power Public Company Limited. has passed a resolution approving to dispose of ordinary shares in Universal Waste Management Company Limited (“UWM”), which Ferrum Energy Company Limited (“FER-EN”) held by 30.00 percent. Ferrum Capital Company Limited (“FER-CAP”) held FER-EN by 99.99 percent and 7UP held FER-CAP by 99.99 percent. The disposal of UWM’s ordinary share in 30.00 percent of registered capital or 1,350,000 shares with an amount of Baht 270 million to buyer dated on 31 March 2021.

15.3 Change of investment objective and the approval of the acquisition of shares in associate company

On 22 September 2021, a meeting of the Board of Directors No. 11/2021 of Seven Utilities and Power Public Company Limited has passed a resolution approving to change the investment objective from the investment in long-term leasehold rights for hotel management to the acquisition of shares from Krungthai Land Development Company Limited, which ERV International Company Limited held shares in 27.84 percent of registered capital or 135,000 shares with an amount of Baht 350 million, which registered for share transfer on 22 September 2021.

1. Investment in joint venture

16.1 Investment in joint venture represents investment in entity which is jointly controlled by the Company and another company. Details of this investment as at 31 December 2021 are as follows:

| | | (Unit: Thousand Baht) | | | | | |
|--|----------------------------|-------------------------|------|--|---------|----------------------|---------|
| | | | | Consolidated | | Separate | |
| | | | | financial statements | | financial statements | |
| | | Shareholding percentage | | Carrying amount based on equity method | | Cost method | |
| Joint venture | Nature of business | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Mlink QIR Co., Ltd. | During liquidation process | 60 | 60 | (6,451) | (6,451) | 9,000 | 9,000 |
| Less: Allowance for impairment of investment | | | | - | - | (9,000) | (9,000) |
| Net | | | | (6,451) | (6,451) | - | - |

Mlink QIR Co., Ltd., registered its dissolution with the Ministry of Commerce on 19 February 2018 and currently is in process of liquidation.

16.2 MSET Joint Venture is the Joint Operation which made the agreement on 1 December 2020 with the purpose for participate in bidding and accepting projects, construction, renovation, and installation of digital radio systems on motorways No. 7 and No. 9 by e-bidding method. The joint operator of MSET Joint Venture is M - Solution Company Limited, a subsidiary of the Company. And another joint operator is Set Group Solution Company Limited.

In this regard, the joint operator of MSET Joint Venture share the responsibilities which arising or relation to the investment as follows:

| The joint operator of MSET Joint Venture | Share of the responsibilities which arising or relation to the investment |
|---|--|
| M Solution Company Limited | Investment in the proportion of 100 percent |
| Set Group Solution Company Limited | Responsible for the installation of ATMS and radio systems. |

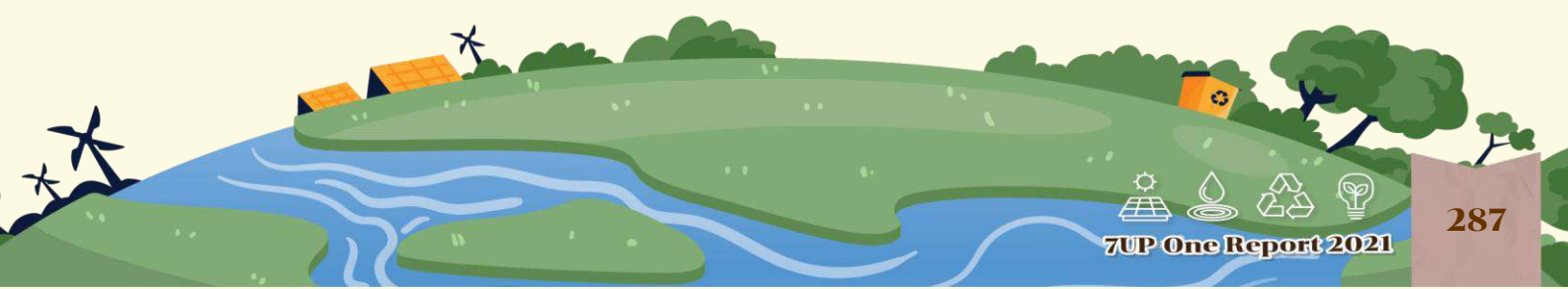
The joint operator agreed that M-Solution Company Limited will be responsible for the accounting and finance of MSET Joint Venture, and representative who makes an offer with a government agency, and responsible for issuing letter of guarantee envelopes, letter of guarantee agreement, and letter of guarantee for advance cash withdrawal by using credit limit and/or securities of M - Solution Company Limited.

In case of any damage to MSET Joint Venture, M - Solution Company Limited agrees to be solely responsible for all damages. Except in the event of damage arising from the work that Set Group Solution Company Limited is responsible for.

On 29 June 2021, a meeting of the Board of Directors No. 8/2021 of Seven Utilities and Power Public Company Limited has passed a resolution approving to dispose all of shares in M - Solution Company Limited to buyer who has no relationship and/or related to executives, directors, major shareholders, and controlling person of the Company and its subsidiaries. This subsidiary was disposed on 30 June 2021.

Therefore, MSET Joint Venture under the joint operation with M - Solution Company Limited, a subsidiary of the Company, was not a joint venture of Seven Utilities and Power Public Company Limited since M - Solution Company Limited was disposed on 30 June 2021.

In case of any damage to MSET Joint Venture in later, Seven Utilities and Power Public Company Limited was no obligation and not responsible for damage incurred.



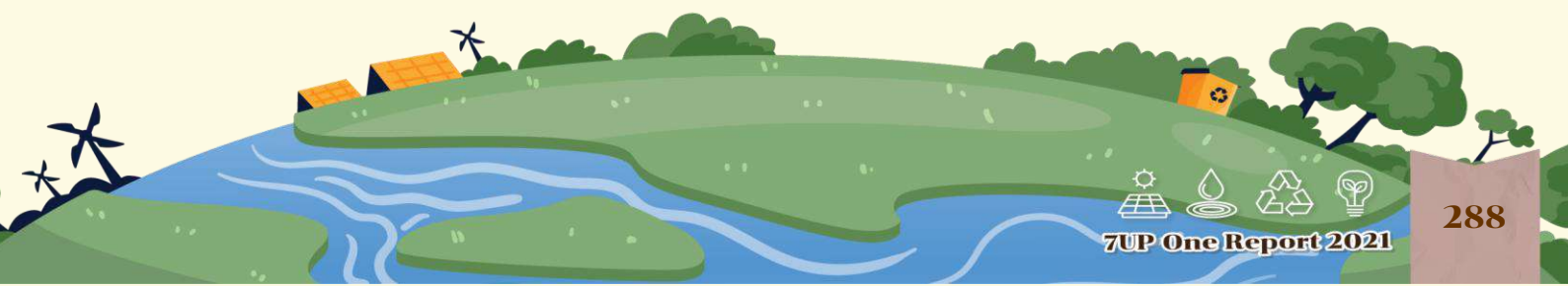
2. Investment properties

Change in investment properties account for the year ended 31 December 2021 and 2020 were summarized as follows:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Net book value at beginning of year | 113,965 | - | 209,800 | 204,680 |
| Revaluation surplus | - | - | - | 5,120 |
| Decrease from revaluation | (111,852) | - | (206,250) | - |
| Reclassification to investment properties | - | 113,965 | - | - |
| Net book value at end of the year | 2,113 | 113,965 | 3,300 | 209,800 |

The Company had office building space for rental to its subsidiaries, associates and third parties thus classified the rental space as investment properties in the separate and consolidated financial statements

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 office building held for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, space rental rate and long-term growth in real rental rate.



18. Property, plant and equipment

Change in property, plant and equipment account for the year ended 31 December 2021 and 2020 were summarized as follows:

(Unit: Thousand Baht)

| | Consolidate financial statement | | | | | | | Balance as at 31 December 2021 |
|--|---------------------------------|--------------------------|--------------|-----------------|-------------------|--|---|-----------------------------------|
| | Balance as at 1 January 2021 | The impact of IFRS 16 | Increase | (Decrease) | Transfer in (out) | Additions From acquisition of business (see Note 4) | Deductions From Sale of business (see Note 14.3) | |
| Cost: | | | | | | | | |
| Land and land improvement | 151,711 | - | - | - | - | 298,425 | - | 450,136 |
| Buildings and building improvements | 404,481 | - | - | (17,287) | 28,222 | 105,192 | (214) | 520,394 |
| Biogas electricity generating system | 112,067 | - | - | - | - | - | - | 112,067 |
| Machinery and equipment | 295,993 | - | 1,972 | (17,909) | 51,833 | 706,573 | - | 1,038,462 |
| Office equipment | 39,207 | - | 314 | (1,575) | - | 2,639 | (2,724) | 37,861 |
| Furniture and fixtures | 4,562 | - | 288 | (29) | 3,721 | 690 | - | 9,232 |
| Motor Vehicles | 8,198 | - | - | - | - | 13,105 | (499) | 20,804 |
| Tools and equipment to repair mobile phone | 11,363 | - | 312 | (71) | 257 | 9,705 | (7,742) | 13,824 |
| Total Costs | 1,027,582 | - | 2,886 | (36,871) | 84,033 | 1,136,329 | (11,179) | 2,202,780 |



(Unit: Thousand Baht)

| | Consolidate financial statement | | | | | | | |
|---|---------------------------------|--------------------------|----------|------------|----------------------|--|--|-----------------------------------|
| | Balance as at 1 January 2021 | The impact of TFRS 16 | Increase | (Decrease) | Transfer in (out) | Additions From acquisition of business | Deductions From Sale of business | Balance as at 31 December 2021 |
| Accumulated depreciation: | | | | | | | | |
| Land improvement | (4,539) | - | (469) | - | - | - | - | (5,008) |
| Buildings and building improvements | (229,049) | - | (16,728) | 6,351 | - | (13,914) | 125 | (253,215) |
| Biogas electricity generating system | (26,414) | - | (6,273) | 684 | - | - | - | (32,003) |
| Machinery and equipment | (79,478) | - | (26,428) | 7,461 | - | (61,814) | - | (160,259) |
| Office equipment | (34,607) | - | (2,196) | 1,383 | - | (2,019) | 2,303 | (35,136) |
| Furniture and fixtures | (1,595) | - | (1,174) | 18 | - | (368) | - | (3,119) |
| Motor Vehicles | (7,394) | - | (609) | - | - | (7,396) | 500 | (14,899) |
| Tools and equipment to repair mobile phone | (7,693) | - | (645) | 53 | - | (3,544) | 5,167 | (6,662) |
| Total accumulated depreciation | (390,769) | - | (54,522) | 15,950 | - | (89,055) | 8,095 | (510,301) |
| Property, plant and equipment - net | 636,813 | | | | | | | 1,692,479 |
| Construction in progress | 112,417 | - | 168,359 | - | (84,032) | 423 | (99,731) | 97,436 |
| <u>Less</u> Allowance for diminution in value | (1,142) | - | (650) | 10 | - | (423) | 1,782 | (423) |
| Property, plant and equipment - net | 748,088 | | | | | | | 1,789,491 |



(Unit: Thousand Baht)

| | Consolidate financial statement | | | | | | | |
|--|---------------------------------|--------------------------|------------|------------|-------------------|--|---|-----------------------------------|
| | Balance as at 1 January 2020 | The impact of IFRS 16 | (Increase) | (Decrease) | Transfer in (out) | Additions From acquisition of business (see Note 4) | Deductions From Sale of business (see Note 14.3) | Balance as at 31 December 2020 |
| Cost: | | | | | | | | |
| Land and land improvement | 132,760 | - | 19,250 | - | (299) | - | - | 151,711 |
| Buildings and building improvements | 484,333 | - | 33,916 | (64,109) | (49,589) | - | (70) | 404,481 |
| Biogas electricity generating system | 147,595 | - | - | (125) | (35,403) | - | - | 112,067 |
| Machinery and equipment | 343,939 | - | 913 | (37,051) | (10,590) | - | (1,218) | 295,993 |
| Office equipment | 42,798 | - | 471 | (519) | (3,172) | - | (371) | 39,207 |
| Furniture and fixtures | 18,350 | - | 17 | (347) | (13,355) | - | (103) | 4,562 |
| Motor Vehicles | 25,366 | (17,007) | - | - | 663 | - | (824) | 8,198 |
| Tools and equipment to repair mobile phone | 4,482 | - | 9 | (7) | 6,879 | - | - | 11,363 |
| Total Costs | 1,199,623 | (17,007) | 54,576 | (102,158) | (104,866) | - | (2,586) | 1,027,582 |



(Unit: Thousand Baht)

| | Consolidate financial statement | | | | | | | |
|--|---------------------------------|--------------------------|----------|------------|----------------------|--|--|-----------------------------------|
| | Balance as at 1 January 2020 | The impact of TFRS 16 | Increase | (Decrease) | Transfer in (out) | Additions From acquisition of business | Deductions From Sale of business | Balance as at 31 December 2020 |
| Accumulated depreciation: | | | | | | | | |
| Land improvement | (4,069) | - | (469) | | (1) | - | - | (4,539) |
| Buildings and building improvements | (270,867) | - | (17,650) | 4,621 | 54,777 | - | 70 | (229,049) |
| Biogas electricity generating system | (56,722) | - | (6,386) | 967 | 35,727 | - | - | (26,414) |
| Machinery and equipment | (78,101) | - | (26,886) | 8,158 | 16,649 | - | 702 | (79,478) |
| Office equipment | (39,464) | - | (2,898) | 511 | 6,874 | - | 370 | (34,607) |
| Furniture and fixtures | (7,174) | - | (834) | 347 | 5,968 | - | 98 | (1,595) |
| Motor Vehicles | (12,399) | 5,044 | (405) | - | (458) | - | 824 | (7,394) |
| Tools and equipment to repair mobile phone | (3,697) | - | (1,522) | 7 | (2,481) | - | - | (7,693) |
| Total accumulated depreciation | (472,493) | 5,044 | (57,050) | 14,611 | 117,055 | - | 2,064 | (390,769) |
| Property, plant and equipment - net | 727,130 | - | - | - | - | - | - | 636,813 |
| Construction in progress | 11,333 | - | 12,881 | - | (11,528) | 99,731 | - | 112,417 |
| Less Allowance for diminution in value | (676) | - | (474) | - | 8 | - | - | (1,142) |
| Property, plant and equipment - net | 737,787 | | | | | | | 748,088 |
| Depreciation for the year ended 31 December | | | | | | | | |
| 2021 | | | | | | | Thousand Baht | 54,522 |
| 2020 | | | | | | | Thousand Baht | 57,050 |



(Unit: Thousand Baht)

| | Separate financial statement | | | | | Balance as at 31 December 2021 |
|--|---------------------------------|--------------------------|----------------|--------------|-------------------|-----------------------------------|
| | Balance as at 1 January 2021 | The impact of TFRS 16 | Increase | (Decrease) | Transfer in (out) | |
| Cost: | | | | | | |
| Land | 130,900 | - | - | - | - | 130,900 |
| Buildings and building improvements | 212,958 | - | - | - | - | 212,958 |
| Office equipment | 28,968 | - | 162 | (205) | - | 28,925 |
| Furniture and fixtures | 871 | - | 33 | (29) | - | 875 |
| Motor Vehicles | 4,029 | - | - | - | - | 4,029 |
| Tools and equipment to repair mobile phone | 2,505 | - | - | - | - | 2,505 |
| Total Costs | 380,231 | - | 195 | (234) | - | 380,192 |
| Accumulated depreciation: | | | | | | |
| Buildings and building improvements | (170,846) | - | (3,204) | - | - | (174,050) |
| Office equipment | (26,956) | - | (1,025) | 202 | - | (27,779) |
| Furniture and fixtures | (482) | - | (173) | 18 | - | (637) |
| Motor Vehicles | (3,708) | - | (309) | - | - | (4,017) |
| Tools and equipment to repair mobile phone | (2,496) | - | (4) | - | - | (2,500) |
| Total accumulated depreciation | (204,488) | - | (4,715) | 220 | - | (208,983) |
| Total property, plant and equipment | 175,743 | | | | | 171,209 |



(Unit: Thousand Baht)

| | Separate financial statement | | | | | Balance as at 31 December 2020 |
|--|---------------------------------|--------------------------|----------------|-----------------|-------------------|-----------------------------------|
| | Balance as at 1 January 2020 | The impact of TFRS 16 | Increase | (Decrease) | Transfer in (out) | |
| Cost: | | | | | | |
| Land | 111,650 | - | 19,250 | - | - | 130,900 |
| Buildings and building improvements | 246,531 | - | - | (33,573) | - | 212,958 |
| Office equipment | 29,047 | - | 122 | (201) | - | 28,968 |
| Furniture and fixtures | 871 | - | - | - | - | 871 |
| Motor Vehicles | 17,698 | (15,061) | - | - | 1,392 | 4,029 |
| Tools and equipment to repair mobile phone | 2,505 | - | - | - | - | 2,505 |
| Total Costs | 408,302 | (15,061) | 19,372 | (33,774) | 1,392 | 380,231 |
| Accumulated depreciation: | | | | | | |
| Buildings and building improvements | (165,858) | - | (4,988) | - | - | (170,846) |
| Office equipment | (26,069) | - | (1,083) | 196 | - | (26,956) |
| Furniture and fixtures | (307) | - | (175) | - | - | (482) |
| Motor Vehicles | (7,089) | 4,598 | (88) | - | (1,129) | (3,708) |
| Tools and equipment to repair mobile phone | (2,492) | - | (4) | - | - | (2,496) |
| Total accumulated depreciation | (201,815) | 4,598 | (6,338) | 196 | (1,129) | (204,488) |
| Total property, plant and equipment | 206,487 | | | | | 175,743 |

Depreciation for the year ended 31 December

2021

Thousand Baht

4,715

2020

Thousand Baht

6,338



As at 31 December 2021 and 2020, the Company and its subsidiaries have mortgaged their land, buildings and machine with total net book value amounting to Baht 302 million and Baht 314 million, respectively. For separate financial statements amounting to Baht 170 million and Baht 173 million, respectively, to secure credit facilities for long-term borrowing from a financial institution (see Note 28).

The Company and its subsidiaries company arranged for an independent professional valuer to appraise the value of certain assets in 2020 on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land was revalued using the market approach
- Buildings and building improvements were revalued using the cost approach

Had the land, buildings and building improvements been carried in the financial statements on a historical cost basis, their net book value as of 31 December 2021 and 2020 would have been as follows:

| | (Unit: Thousand Baht) | | | |
|-------------------------------------|-----------------------|---------|----------------------|--------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Land | 77,659 | 77,659 | 67,200 | 67,200 |
| Buildings and building improvements | 186,918 | 186,337 | 72,828 | 75,687 |

As at 31 December 2021, the Company and its subsidiaries had motor vehicles with net book value of Baht 4 million (2020: Baht 6 million) (Separate financial statements: Baht 2 million (2020: Baht 4 million)).

As at 31 December 2021, the Company and its subsidiaries have certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 232 million (2020: Baht 304 million) (Separate financial statements: Baht 220 million (2020: Baht 264 million)).



1. Right-of-use assets

The recognised right-of-use assets for the year ended 31 December 2021 were summarized as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | |
|--|------------------------------------|-----------------|-----------------|--|--------------------------------------|
| | Balance as at 1 January 2021 | Increase | (Decrease) | Additions From acquisition of business | Balance as at 31 December 2021 |
| Cost: | | | | | |
| Land and land improvement | 221,872 | 2,808 | (31,988) | - | 192,692 |
| Buildings and building improvements | 8,528 | - | - | 3,433 | 11,961 |
| Machinery and equipment | 2,881 | 1,105 | - | - | 3,986 |
| Motor Vehicles | 11,915 | - | - | 1,522 | 13,437 |
| Total Costs | 245,196 | 3,913 | (31,988) | 4,955 | 222,076 |
| Accumulated depreciation: | | | | | |
| Land and land improvement | (19,603) | (21,289) | 5,788 | - | (35,104) |
| Buildings and building improvements | (346) | (386) | - | (3,433) | (4,165) |
| Machinery and equipment | (1,027) | (754) | - | - | (1,781) |
| Motor Vehicles | (6,335) | (2,384) | - | (1,070) | (9,789) |
| Total accumulated depreciation | (27,311) | (24,813) | 5,788 | (4,503) | (50,839) |
| Total Right of use assets - net | 217,885 | | | | 171,237 |

(Unit: Thousand Baht)

| | Separate financial statements | | | | |
|--|------------------------------------|----------------|------------|--|--------------------------------------|
| | Balance as at 1 January 2021 | Increase | (Decrease) | Additions From acquisition of business | Balance as at 31 December 2021 |
| Cost: | | | | | |
| Motor Vehicles | 9,969 | - | - | - | 9,969 |
| Total Costs | 9,969 | - | - | - | 9,969 |
| Accumulated depreciation: | | | | | |
| Motor Vehicles | (5,499) | (1,994) | - | - | (7,493) |
| Total accumulated depreciation | (5,499) | (1,994) | - | - | (7,493) |
| Total Right of use assets - net | 4,470 | | | | 2,476 |

2. Goodwill

Movements of the goodwill account during the year ended 31 December 2021 and 2020 were summarized below.

| (Unit: Thousand Baht) | | |
|---|----------------------|----------------|
| | Consolidated | |
| | financial statements | |
| | 2021 | 2020 |
| Balance as at beginning of the year | 165,470 | 192,697 |
| <u>Less:</u> Decrease from disposal of investment in subsidiary company | - | (27,227) |
| Impairment | - | - |
| Balance as at end of the year | 165,470 | 165,470 |

The Company and its subsidiary have determined recoverable amounts of their cash generating units (CGUs) based on value in use calculation using cash flow projections from financial budgets approved by the management.

The management has considered the growth rate from historical operations, expected market growth rate, gross domestic product growth rate and discount rate which are the rates before income tax which relate to the specific risk in that operating segment.

3. Leasehold right

Change in leasehold rights account for the year ended 31 December 2021 and 2020 were summarized as follows:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------------------|---------------|-------------------------------|----------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Net book value at beginning of the year | 68,304 | 62,653 | - | 13 |
| Additions from acquisition of business | 7,390 | - | - | - |
| Increase | - | 7,954 | - | - |
| Amortization | (4,447) | (2,303) | - | (13) |
| Net book value at end of year | 71,247 | 68,304 | - | - |

During the year 2021, Gold Shores Co., Ltd., which are the subsidiary company, entered into petrol stations agreement for period of 30 years for business operation. The subsidiaries have already paid of Baht 7.39 million for the leasehold rights in 2017



22.Intangible assets

Intangible assets as at 31 December 2021 and 2020 consist of:

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | | Balance as at 31 December 2021 |
|--|-----------------------------------|-----------|-------------|---------------------------------------|--------------------------------|--------------|-----------------------------------|
| | Balance as at 1 January 2021 | Increase | (Decrease) | Increase from business acquisition | Decrease from business sale | Adjustment | |
| Cost: | | | | | | | |
| Computer software and application software | 164,785 | 95 | - | 592 | (141,316) | - | 24,156 |
| Petty patent | 143 | - | (98) | - | - | - | 45 |
| Rights under electricity purchase and sale agreements | 90,420 | - | - | - | - | - | 90,420 |
| Rights and benefits under land lease agreements | 52,379 | - | - | - | - | 9,936 | 62,315 |
| Rights under gas station management agreements | 82,640 | - | - | - | - | - | 82,640 |
| Customer contracts | 52,009 | - | - | - | - | - | 52,009 |
| Rights under concession agreements | - | - | - | 1,368,133 | - | - | 1,368,133 |
| Total Costs | 442,376 | 95 | (98) | 1,368,725 | (141,316) | 9,936 | 1,679,718 |

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | | Balance as at 31 December 2021 |
|--|-----------------------------------|----------|------------|---------------------------------------|--------------------------------|------------|-----------------------------------|
| | Balance as at 1 January 2021 | Increase | (Decrease) | Increase from business acquisition | Decrease from business sale | Adjustment | |
| Accumulated amortization: | | | | | | | |
| Computer software and application software | (59,545) | (1,098) | - | (132) | 39,448 | - | (21,327) |
| Petty patent | (54) | (57) | 98 | - | - | - | (13) |
| Rights under electricity purchase and sale agreements | (18,568) | (3,929) | - | - | - | - | (22,497) |
| Rights and benefits under land lease agreements | (21,472) | (4,373) | - | - | - | (3,471) | (29,316) |
| Rights under gas station management agreements | (14,285) | (3,727) | - | - | - | - | (18,012) |
| Customer contracts | (19,122) | (10,402) | - | - | - | - | (29,524) |
| Rights under concession agreements | - | - | - | (17,513) | - | - | (17,513) |
| Total accumulated amortization | (133,046) | (23,586) | 98 | (17,645) | 39,488 | (3,471) | (138,202) |
| Intangible assets - net | 309,330 | | | | | | 1,541,516 |
| <u>Less</u> Allowance for diminution in value | (101,747) | (105) | - | - | 101,852 | - | - |
| Total intangible assets | 207,583 | | | | | | 1,541,516 |



(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | | Balance as at 31 December 2020 |
|--|-----------------------------------|--------------|-----------------|---------------------------------------|--------------------------------|------------|-----------------------------------|
| | Balance as at 1 January 2020 | Increase | (Decrease) | Increase from business acquisition | Decrease from business sale | Adjustment | |
| Cost: | | | | | | | |
| Computer software and application software | 163,932 | 888 | (1) | - | (34) | - | 164,785 |
| Petty patent | - | 143 | - | - | - | - | 143 |
| Rights under electricity purchase and sale agreements | 90,420 | - | - | - | - | - | 90,420 |
| Rights and benefits under land lease agreements | 69,045 | - | (16,666) | - | - | - | 52,379 |
| Rights under gas station management agreements | 82,640 | - | - | - | - | - | 82,640 |
| Customer contracts | 52,009 | - | - | - | - | - | 52,009 |
| Total Costs | 458,046 | 1,031 | (16,667) | - | (34) | - | 442,376 |



(Unit: Thousand Baht)

Consolidated financial statements

| | Balance as at 1 January 2020 | Increase | (Decrease) | Increase from business acquisition | Decrease from business sale | Adjustment | Balance as at 31 December 2020 |
|--|---------------------------------|----------|------------|---------------------------------------|--------------------------------|------------|-----------------------------------|
| Accumulated amortization: | | | | | | | |
| Computer software and application software | (58,348) | (1,212) | - | - | 15 | - | (59,545) |
| Petty patent | - | (54) | - | - | - | - | (54) |
| Rights under electricity purchase and sale agreements | (14,628) | (3,940) | - | - | - | - | (18,568) |
| Rights and benefits under land lease agreements | (12,521) | (12,291) | 3,340 | - | - | - | (21,472) |
| Rights under gas station management agreements | (10,548) | (3,737) | - | - | - | - | (14,285) |
| Customer contracts | (8,692) | (10,430) | - | - | - | - | (19,122) |
| Total accumulated amortization | (104,737) | (31,664) | 3,340 | - | 15 | - | (133,046) |
| Intangible assets - net | 353,309 | | | | | | 309,330 |
| <u>Less</u> Allowance for diminution in value | (101,747) | - | - | - | - | - | (101,747) |
| Total intangible assets | 251,562 | | | | | | 207,583 |

Amortization for the year ended 31 December

| | | |
|------|---------------|--------|
| 2021 | Thousand Baht | 23,586 |
| 2020 | Thousand Baht | 31,664 |



(Unit: Thousand Baht)

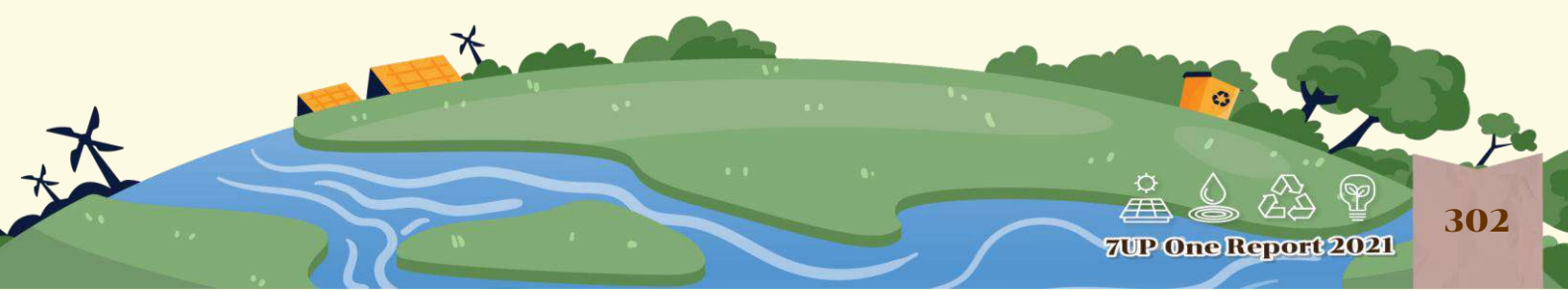
| | Separate financial statements | | |
|----------------------------------|-------------------------------|----------|--------------------------------------|
| | Balance as at | Increase | (Decrease) |
| | 1 January 2021 | | Balance as at 31 December 2021 |
| Cost: | | | |
| Computer software | 22,631 | - | 22,631 |
| Total Costs | 22,631 | - | 22,631 |
| Accumulated amortization: | | | |
| Computer software | (20,067) | (882) | (20,949) |
| Total accumulated amortization | (20,067) | (882) | (20,949) |
| Total intangible assets | 2,564 | | 1,682 |

(Unit: Thousand Baht)

| | Separate financial statements | | |
|----------------------------------|-------------------------------|-----------|--------------------------------------|
| | Balance as at | Increase | (Decrease) |
| | 1 January 2020 | | Balance as at 31 December 2020 |
| Cost: | | | |
| Computer software | 22,592 | 39 | 22,631 |
| Total Costs | 22,592 | 39 | 22,631 |
| Accumulated amortization: | | | |
| Computer software | (19,148) | (919) | (20,067) |
| Total accumulated amortization | (19,148) | (919) | (20,067) |
| Total intangible assets | 3,444 | | 2,564 |

Amortization for the year ended 31 December

| | | |
|------|----------------------|-----|
| 2021 | Thousand Baht | 882 |
| 2020 | Thousand Baht | 919 |



23. Income tax

Income tax expenses for the year ended 31 December 2021 and 2020 consists of the following:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|---------------|----------------------|----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Current income tax | | | | |
| Current corporate income tax charge for the year | 2,299 | 9,616 | - | - |
| Deferred tax | | | | |
| Deferred tax relating to origination and reversal of temporary differences | (13,397) | 4,158 | 357 | (2,315) |
| Income tax expenses reported in the statement of comprehensive income | (11,098) | 13,774 | 357 | (2,315) |

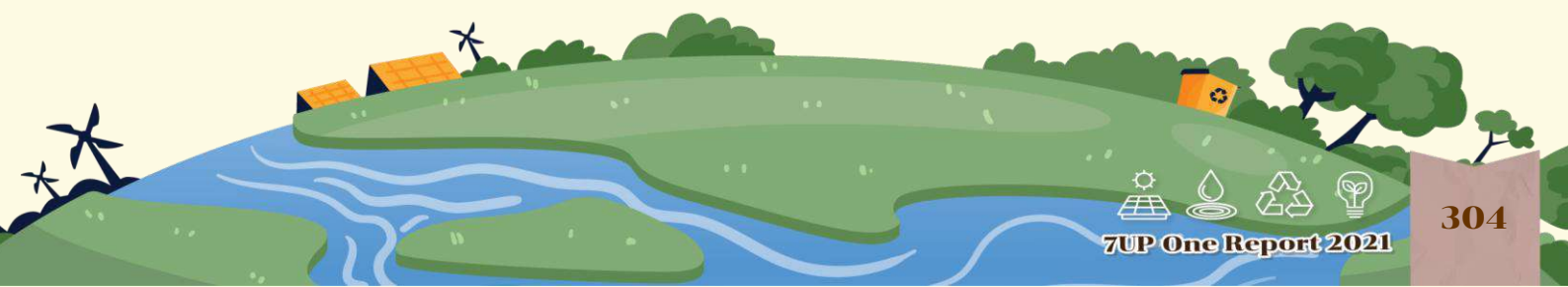
The amounts of income tax relating to each component of other comprehensive income for the year ended 31 December 2021 and 2020 are as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|-----------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Deferred tax on relating to loss from revaluation of land, buildings and building improvements | 22,977 | (23,839) | 41,666 | 3,488 |
| Deferred tax relating to actuarial gain | - | (269) | - | 117 |
| Income tax expenses recognized in the other comprehensive income | 22,977 | (24,108) | 41,666 | 3,605 |



The reconciliation between accounting loss and income tax expenses are as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|---------------|----------------------|----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Accounting gain before corporate income tax | 265,595 | 136,437 | 92,432 | 78,491 |
| Corporate income tax rate | exempt, 20% | exempt, 20% | 20% | 20% |
| Accounting gain before income tax multiplied by income tax rate | 37,818 | 19,974 | 18,486 | 15,698 |
| Tax effects for: | | | | |
| Promotional privileges | (939) | (294) | - | - |
| Utilization of tax loss carry forward | (45,335) | (47,642) | (45,335) | (47,642) |
| Non-deductible of tax expenses | 5,657 | 2,605 | 4,972 | 789 |
| Additional expense deductions allowed | 663 | 833 | 663 | 688 |
| Total | (39,955) | (44,498) | (39,700) | (46,165) |
| Deferred tax assets not recognized | 65,192 | 34,626 | 21,571 | 28,152 |
| Write-off deferred tax assets | - | - | - | - |
| Gain from bargain purchase of investment in subsidiary companies | (30,907) | (2,018) | - | - |
| (Gain) Loss on disposal of investment in subsidiary companies | (19,074) | 6,662 | - | - |
| (Gain) Loss on disposal of investment in associates companies | (24,682) | - | - | - |
| Share of (profit) loss from investment in associates companies | 509 | (972) | - | - |
| Share of profit from investment in joint venture | - | - | - | - |
| Income tax expenses reported in the statement of comprehensive income | (11,098) | 13,774 | 357 | (2,315) |



The components of deferred tax assets and deferred tax liabilities in the statement of financial position as at 31 December 2021 and 2020 were as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Deferred tax assets | | | | |
| Government grants | - | - | - | - |
| Provision for long-term employee benefits | 949 | 2,187 | - | - |
| Provision for investment in subsidiary companies | - | - | - | - |
| Finance lease agreement | - | - | - | - |
| Total | 949 | 2,187 | - | - |
| Deferred tax liability | | | | |
| Surplus on revaluation of assets | 57,266 | 72,430 | 16,037 | 57,677 |
| Surplus on revaluation of investment properties | 1,743 | 24,113 | 1,320 | 1,320 |
| Building and building improvement which changed useful lives | 687 | 330 | 687 | 330 |
| Write off | (316) | - | - | - |
| Additions from the appraisal of acquisition of business | 304,035 | - | - | - |
| Provision for long-term employee benefits | 150 | 268 | (268) | (242) |
| Total | 363,565 | 97,141 | 17,776 | 59,085 |

Deferred tax assets and liabilities balance in statement of financial position were as follows:

| | (Unit: Thousand Baht) | | | |
|---------------------------|-----------------------|-----------------|----------------------|-----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Deferred tax assets | 949 | 2,187 | - | - |
| Deferred tax liabilities | (363,565) | (97,141) | (17,776) | (59,085) |
| Deferred tax - net | (362,616) | (94,954) | (17,776) | (59,085) |



As at 31 December 2021 the Company and its subsidiary companies have deductible temporary differences and unused tax losses totalling Baht 415 million (2020: Baht 188 million) Separate financial statements: Baht 35 million and (2020: Baht 100 million), on which deferred tax assets have not been recognized as the Company and subsidiary companies believe that the future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax losses and deductible temporary differences are summarized were as follows:

| | (Unit: Million Baht) | | | |
|----------------------------------|----------------------|------------|----------------------|------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Unused tax losses | | | | |
| 31 December 2021 | - | 40 | - | 24 |
| 31 December 2022 | 22 | 22 | 15 | 15 |
| 31 December 2023 | 11 | 11 | 2 | 2 |
| 31 December 2024 | 18 | 18 | - | - |
| Deductible temporary differences | 364 | 97 | 18 | 59 |
| Total | 415 | 188 | 35 | 100 |

24. Other Non-Current Assets

Other non-current assets as at 31 December 2021 and 2020 consisted of the following:

| | (Unit: Thousand Baht) | | | |
|---------------------------------------|-----------------------------------|---------------|-------------------------------|------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Deposit for project | - | 20,473 | - | - |
| Others | 22,012 | 1,853 | - | 384 |
| Total other non-current assets | 22,012 | 22,326 | - | 384 |

During the year 31 December 2020, the subsidiaries of SAM Water Supply Co., Ltd. have deposited for construction fee amount Baht 20.47 million and recognition as assets during the year 31 December 2021.



25. Bank overdrafts and short-term borrowings from financial institutions

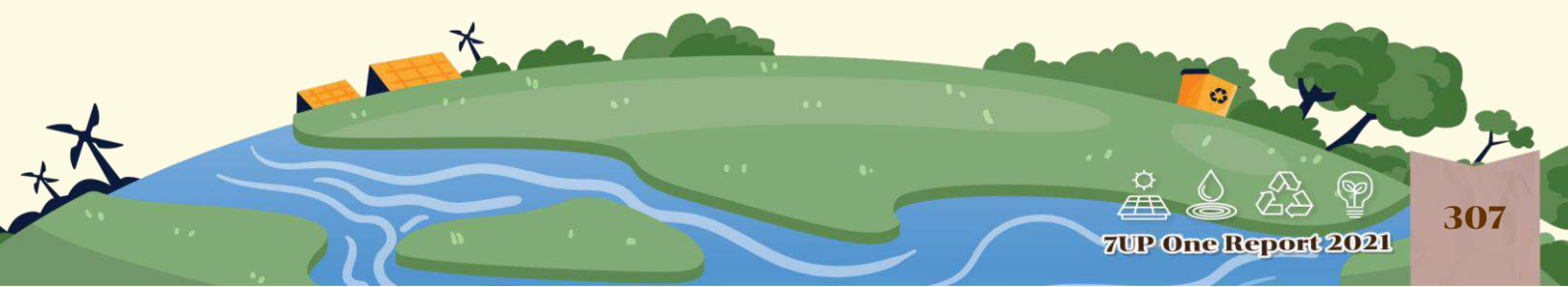
Bank overdrafts and short-term borrowings from financial institutions as at 31 December 2021 and 2020 consisted of the following:

| | Interest rate | | Consolidated | | Separate | |
|-----------------------|---------------------|-------------|----------------------|----------------|----------------------|---------------|
| | (percent per annum) | | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Short-term borrowings | | | | | | |
| from banks | 3.22 - 6.00 | 4.70 – 6.03 | 145,000 | 129,500 | 70,000 | 70,000 |
| Bank overdraft | 5.84 | - | 5,182 | - | 5,182 | - |
| Trust receipt | - | 4.25 – 5.38 | - | 44,546 | - | - |
| Total | | | 150,182 | 174,046 | 75,182 | 70,000 |

26. Trade and other current payables

Trade and other current payables as at 31 December 2021 and 2020 consisted of the following:

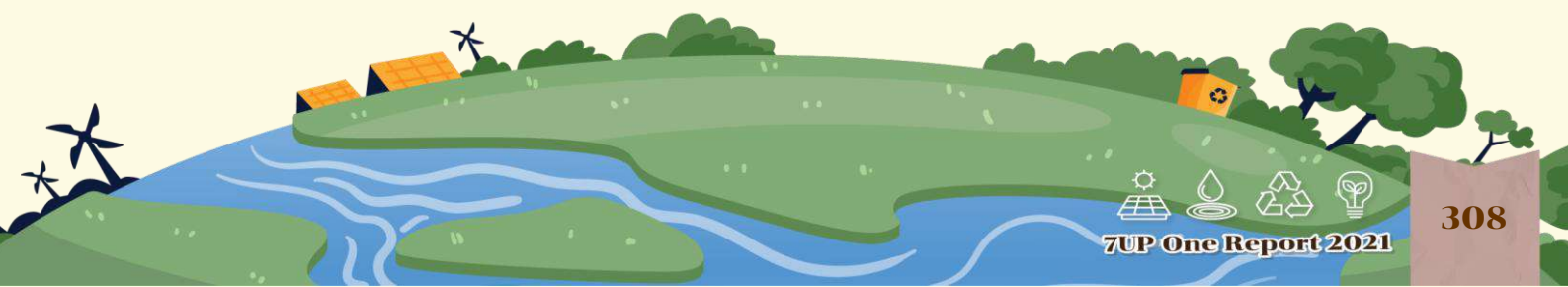
| | Consolidated | | Separate | |
|---|----------------------|----------------|----------------------|---------------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Trade payables - related parties (see Note 5) | 886 | 8,260 | - | - |
| Trade payables - non-related parties | 98,746 | 51,740 | - | - |
| Other payables - related parties (see Note 5) | - | 17,869 | - | 13,869 |
| Other payables - non-related parties | 31,039 | 44,254 | 11,043 | 1,106 |
| Accrued expenses - related parties (see Note 5) | 904 | 1,008 | - | 32 |
| Accrued expenses - non-related parties | 37,438 | 43,759 | 1,938 | 3,058 |
| Accrued interest expenses - related parties (see Note 5) | 2 | 1,352 | 10,776 | 12,096 |
| Accrued interest expenses - non-related parties | 15,734 | 2,172 | 4,970 | 2,029 |
| Deposit received in advance | 100,000 | - | 100,000 | - |
| Others | 118,885 | 25,144 | 2,423 | 1,077 |
| Total trade and other payables | 403,634 | 195,558 | 131,150 | 33,267 |



27. Long-term borrowings from financial institutions

Long-term borrowings from financial institutions as at 31 December 2021 and 2020 consisted of the following: (Separate financial statement: Nil)

| | (Unit: Thousand Baht) | |
|--|-----------------------------------|-----------------|
| | Consolidated financial statements | |
| | 2021 | 2020 |
| Long-term borrowings | 167,704 | 119,524 |
| <u>Less: Current portion</u> | <u>(99,194)</u> | <u>(47,992)</u> |
| Long-term borrowings - net of current portion | 68,510 | 71,532 |



(Unit: Thousand Baht)

| | | Significant terms and conditions of loan agreements | | | Consolidated financial statements | |
|---------------------------------|-------------------|--|--|--|-----------------------------------|--------|
| Company | Credit facilities | Repayment schedule | Collateral | Interest rate (% per annum) | 2021 | 2020 |
| <u>Subsidiaries</u> | | | | | | |
| Phrasaeng Green Power Co., Ltd. | 100,000 | <ul style="list-style-type: none">- 1st to the 8th installments after first drawdown: payment only of interest on the drawn down portion of the loan at the end of each month.- 9th to 19th installments: payment of principal and interest, at not less than Baht 1.57 million- 20th installment: perpetuating the contract for 9 months and paying interest of loan each end of the month for 20th to the 28th installments.- 29th to 55th installment: payment of principal and interest, at not less than Baht 1.57 million- 56th installment: perpetuating the contract for 12 months and paying interest of loan each end of the month for 56th to the 67th installments.- From the 68th installment: payment of principal and interest, at not less than Baht 1.07 million per month with settlement completed within 9 years 9 months. | <ol style="list-style-type: none">1. Land and buildings2. Guarantees by directors of the Company and its subsidiaries | <p>1st to 18th installments: MLR-1% per annum</p> <p>19th to 30th installments: MLR-1.5% per annum</p> <p>From 31st installment: MLR-1% per annum</p> | 29,956 | 36,376 |
| Star Gas Co., Ltd. | 15,000 | <ul style="list-style-type: none">- 1st to 12nd installments: after first drawdown: payment only of interest on the drawn down portion of the loan at the end of each month.- From the 13th installment: payment of principal of Baht 0.21 million, together with separate interest payments, with settlement completed within 8 years. | <ol style="list-style-type: none">1. Guaranteed by directors of the Company and large Company | MLR | 15,000 | - |



| Company | Credit facilities | Significant terms and conditions of loan agreements | | | Consolidated financial statements | |
|---|-------------------|---|--|--------------------------------|-----------------------------------|---------------|
| | | Repayment schedule | Collateral | Interest rate (% per annum) | 2021 | 2020 |
| <u>Subsidiaries (continued)</u> | | | | | | |
| SAM Water Supply Co., Ltd. | 100,000 | - 1 st to 5 th . installments after the first drawdown: only interest on the drawn down portion of the loan is payable, on a monthly basis. - 6 th to 29 th . installments: payment of principal of Baht 2.08 million together with interest - 30 th to 35 th . installment: perpetuating only interest on the drawn down portion of the loan is payable, on a monthly basis. - 36 th to 59 th . installment: payment of principal of Baht 2.09 million together with interest - 60 th . installment: payment of the remaining principal together with interest. | 1. Fixed deposit at Baht 30 million 2. Fully guaranteed by the Company 3. Assignment the collection right of service fee under water treatment solutions for shrimp farms using Ultrafiltration (UF) and Ozone system Contract to bank | 3.58% per annum | 50,800 | 62,560 |
| | 25,000 | - 1 st to 15 th . installment: payment of principal of Baht 0.49 million together with interest. - 16 th to 20 th . installment: perpetuating only interest on the drawn down portion of the loan is payable, on a monthly basis. - 21 th to 55 th . installment: payment of principal of Baht 0.49 million together with interest. - 56 th . installment: payment of the remaining principal together with interest. | 1. Fixed deposit at Baht 30 million 2. Fully guaranteed by the Company 3. Assignment the collection right of service fee under water treatment solutions for shrimp farms using Ultrafiltration (UF) and Ozone | MLR | 17,157 | 20,588 |
| Gold Shores Co., Ltd | 212,000 | - 1 st to 60 th . installment: payment of principal of Baht 4.51 million, together with separate interest payments, with settlement completed within 5 years. | 1. Land and buildings 2. Guarantees by directors of the Company and its subsidiaries | MLR-2.25% per annum | 50,091 | - |
| | 11,000 | - 1 st to 24 th . installment: payment of principal of Baht 0.62 million, together with separate interest payments, with settlement completed within 2 years. | 1. Land and buildings 2. Guarantees by directors of the Company and its subsidiaries | MLR | 5,420 | - |
| Total Long-term borrowings from financial institutions | | | | | 167,704 | 119,524 |
| <u>Less: Current portion of long-term borrowings from financial institutions</u> | | | | | (99,194) | (47,992) |
| Long-term borrowings from financial institutions - net current portion of long-term borrowings from financial institutions | | | | | 68,510 | 71,532 |

Movements in the long-term loans account during the year ended 31 December 2021 and 2020 were summarized below: (Separate financial statement: Nil)

| | (Unit: Thousand Baht) | |
|---|-----------------------------------|----------------|
| | Consolidated financial statements | |
| | 2021 | 2020 |
| Beginning balance of the year | 119,524 | 158,770 |
| <u>Add:</u> Additional borrowings during the year | 70,511 | - |
| <u>Less:</u> Repayment during the year | (22,331) | (39,246) |
| Ending balance of the year | 167,704 | 119,524 |

28. Short-term borrowings and long-term borrowings

Short-term borrowings and long-term borrowings as at 31 December 2021 and 2020 consist of the following:

| | Interest rate (Percent per annum) | | Consolidated financial statements | | (Unit: Thousand Baht) | |
|-------------------------------------|--------------------------------------|------|--------------------------------------|---------------|----------------------------------|----------------|
| | | | | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Short-term borrowings from | | | | | | |
| Related company (see Note 5) | 0.075 - 6.50 | 6.25 | - | 29,007 | 176,709 | 137,175 |
| Director of subsidiary (see Note 5) | - | - | - | 16,432 | - | - |
| Related company | | | | | | |
| (Shareholder) (see Note 5) | - | - | - | 19,794 | - | - |
| Non-related company | 4.00 - 6.75 | - | 126,007 | - | 126,007 | - |
| Non-related person | 4.00 | - | 150,000 | 50 | - | - |
| Total short-term borrowings | | | 276,007 | 65,283 | 302,716 | 137,175 |

| | Interest rate (Percent per annum) | | Consolidated financial statements | | (Unit: Thousand Baht) | |
|-----------------------------------|--------------------------------------|------|--------------------------------------|----------|----------------------------------|----------|
| | | | | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Long-term borrowings from | | | | | | |
| Non-related parties | 7.00 | - | 144,053 | - | - | - |
| <u>Less:</u> Current portion | | | (71,384) | - | - | - |
| Total long-term borrowings | | | 72,669 | - | - | - |



29. Convertible debentures

On 26 May 2020, the Annual General Meeting of Shareholder 2020 has approved the issuance and offering of the convertible debentures on a private placement basis and is not a person related with the company with an amount of not exceeding Baht 650 million, the Company has entered into the convertible debentures agreement to issue the convertible debentures on a private placement basis to Advance Opportunities Fund and Advance Opportunities Fund I. The convertible debentures will be issued from time to time until the amount is Baht 650 million and were summarized below:

| | |
|--------------------------------|--|
| Type of Convertible Debentures | Senior Unsecured Convertible Debentures |
| Currency | THB |
| Total Principal amount | <p>Not exceeding Baht 650 million as it can be broken down to 3 Tranche as below.</p> <ol style="list-style-type: none">1. Tranche I not exceeding Baht 200 million which is divided in to 20 sets and Baht 10 million per set2. Tranche II not exceeding Baht 200 million which is divided in to 20 sets and Baht 10 million per set3. Tranche III not exceeding Baht 250 million which is divided in to 10 sets and Baht 25 million per set |
| Conversion condition | <p>The company which issued the convertible bond following by Tranche (I-III) according to the liquidity of the company. The issuance has to follow the condition precedent which is approval of The Securities and Exchange Commission and other regulator including condition and conversion of such Convertible Debentures.</p> <p>However, the timeframe of the conversion is within 1 year after shareholder's meeting approved the issuance. But it can be reconsidered by shareholder if the company would like to extend these matter.</p> |
| Interest rate | 2 percent per annum, provided that the interest will be paid on a quarterly basis. |
| Maturity period | Not over 3 years after the issuance of each Tranche. |



| | |
|---|--|
| Payback condition | <p>Repay in lumpsum after each due of specific Tranche according to the term and condition of the Convertible Debenture. In such, for each Tranche the maturity period is not over 3 years after the issuance</p> |
| Redeem rights before due date | <p>The holders of the Convertible Debentures may or may not have rights to redeem the Convertible Debentures before due date and/or the issuer of the Convertible Debentures may or may not have rights to redeem the Convertible Debentures before due date too. The redemption has to be followed by the terms and conditions of each set aligned with rules, regulations, laws and/or permissions from related authorized Governmental Bodies.</p> |
| Conversion price | <p>Not lower than 90 percent of market price which does not in the case the price is lower than the offering price offered pursuant to the Notification No. Tor Chor. 72/2558.</p> <p>The market price shall be calculated based on the weighted average price of the Company's shares trading on the Stock Exchange of Thailand for the past 7 - 15 consecutive business days (Floating Conversion Price)</p> <p>However, if the conversion price calculated above is lower than the par value of the company's shares. The company must issue additional compensation shares for the calculation of all shares issued at par value is based on the conversion price.</p> |
| Conversion period | <p>The holder of the Convertible Debentures may exercise their rights of conversion of the Convertible Debentures into the Company's until the close of business on the date falling 7 days prior to the maturity date of the Convertible Debentures.</p> |
| Number of ordinary shares reserved for conversion | <p>650,000,000 shares (equivalent to 17.66 percent of the total issued shares of the Company after registering the paid-up capital which assume that the Convertible Debentures shall be entirely exercised.) (Excluding, the conversion of 7UP-W4).</p> |



Secondary market for ordinary shares issued after conversion

The Company shall arrange to list the ordinary shares issued after the conversion of the Convertible Debentures on the Market for Alternative Investment (MAI) or other stock exchange where the shares of the Company is a listed security at that time.

Thai Accounting Standard No. 32 “Financial Instruments: Presentation”, requires the issuer of convertible debentures to present the debentures’ liability and equity components separately in the statement of financial position. Therefore, upon issuing the convertible debentures, the Company separated these components, determining the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

Movements of convertible debentures net from convertible debenture expenses for the year ended 31 December 2021 and 2020 was summarised as follows:

(Unit: Thousand Baht)

| | Consolidated and Separate financial statements | | | |
|---|--|----------------|--|--------------|
| | Convertible debenture - liability component | | Convertible debenture - equity component | |
| | 2021 | 2020 | 2021 | 2020 |
| Balance as at beginning of the year | 195,643 | - | 3,265 | - |
| Issuing during the year | - | 637,913 | - | 12,087 |
| Amortisation of debenture expenses | - | (40,728) | - | (772) |
| Convertible debenture | (195,643) | (401,542) | (3,265) | (8,050) |
| Balance as at ending of the year | - | 195,643 | - | 3,265 |

On 9 February 2021, the Company has been allocated the total amount of convertible debentures which issued and offered for sale.



30. Non-current provision for employee benefits

30.1 Non-current provision for employee benefits as at 31 December 2021 and 2020 consisted of the following:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------------------|---------------|-------------------------------|--------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Provision for long-term employee benefits | | | | |
| as at Beginning balance of the year | 12,068 | 10,909 | 3,807 | 3,459 |
| Increased from business acquisition | 859 | - | - | - |
| Recognized in profit or loss | | | | |
| Current service cost | 1,616 | 2,401 | 675 | 840 |
| Interest cost | 167 | 276 | 75 | 93 |
| Recognized in other comprehensive income | | | | |
| Actuarial (gain) loss | | | | |
| Demographic assumptions changes | - | 3 | - | 2 |
| Financial assumptions changes | - | 956 | - | 437 |
| Experience adjustments | - | (2,068) | - | (1,024) |
| Benefit paid during the year | - | (159) | - | - |
| Decreased from sales subsidiaries | (5,128) | (250) | - | - |
| Provision for long-term employee benefits | | | | |
| as at end of year | 9,582 | 12,068 | 4,557 | 3,807 |

The Company and its subsidiaries expected that the long term paid in employee benefit in the next year would not be paid. (Separate financial statements: Nil) (2020: Baht 3.22 million (Separate financial statements: Nil)).

As at 31 December 2021 the weighted average duration of the liabilities for long-term employee benefit of the Company and its subsidiaries during 12 - 26 years (Separate financial statements: 17 years) (2020: 11 - 27 years (Separate financial statements: 18 years)).



Significant actuarial assumptions are summarized as follows:

| | Consolidated | | Separate | |
|----------------------|----------------------|------------|----------------------|------------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Discount rate | 1.7 - 2.9 | 1.6 - 2.3 | 2.0 | 2.0 |
| Salary increase rate | 4.0 - 6.0 | 4.0 - 6.0 | 6.0 | 6.0 |
| Turnover rate | 0.0 - 45.8 | 1.9 - 45.8 | 2.9 - 34.4 | 2.9 - 34.4 |

Sensitivity analysis for significant actuarial assumption as at 31 December 2021 and 2020 are summarized below.

(Unit: Thousand Baht)

| | Consolidated | | | | Separate | | | |
|----------------------|-------------------------------|---------|--------------|---------|-------------------------------|-------|--------------|-------|
| | financial statements | | | | financial statements | | | |
| | Liability increase (decrease) | | | | Liability increase (decrease) | | | |
| | Increase 1% | | Decrease 1% | | Increase 1% | | Decrease 1% | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Discount rate | (1,083) | (1,287) | 1,297 | 1,539 | (501) | (501) | 595 | 595 |
| Salary increase rate | 1,261 | 1,461 | (1,079) | (1,253) | 565 | 565 | (488) | (488) |
| | | | | | | | | |
| | Increase 20% | | Decrease 20% | | Increase 20% | | Decrease 20% | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Turnover rate | (1,177) | (1,252) | 1,513 | 1,528 | (472) | (472) | 574 | 574 |

30.2 Provident Fund

The Company established a contributory Provident Fund and registered according to the Provident Fund Act, B.E. 2530 (1987) and Provident Fund Act (No.2), B.E. 2542 (1999). The contributions from the employees are deducted from their monthly salaries, and the Company matches the individuals' contributions.

For the year ended 31 December 2021 and 2020, the Company's contributions recorded as expense in the statements of profit and loss and other comprehensive income are as follows:



| | (Unit: Thousand Baht) | | | |
|--------------------------------|-----------------------|-------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| For the year ended 31 December | 1,411 | 1,691 | 617 | 633 |

31. Share capital, warrants and convertible debenture

Share capital

On 3 February 2021, the Extraordinary General Meeting of Shareholders No. 1/2021 of Seven Utilities and Power Public Company Limited passed a resolution to approve the increase of the registered share capital of the Company, from Baht 2,567,758,861 to Baht 2,922,758,861 by issuing new ordinary shares of 710,000,000 shares with a par value of Baht 0.50 per share. The Company has updated the registered share capital with the Department of Business Development, Ministry of Commerce on 5 February 2021 is completed.

On 12 May 2021, the Annual General Meeting of Shareholders No.1/2021 has passed a resolution approving the Company to reduce the Company's registered capital with an amount of Baht 148,899,175.50 from the existing registered capital with an amount of Baht 2,922,758,861 to a new registered capital with an amount of Baht 2,773,869,685.50 by deducting the ordinary shares which reserve the exercise of conversion rights of the convertible debentures with an amount of 297,778,351 shares with a par value of Baht 0.50 per share.

On 30 June 2021, 7UP-W4 warrant holders exercised their conversion rights according to the announcement of the second exercise of conversion rights. There are 201,225,400 shares resulting from the exercise of rights with a par value of Baht 0.50 per share with an amount of Baht 100,612,700 and the premium on ordinary shares with an amount of Baht 160,980,320. The Company has updated the registered of paid-up share capital of the Company with the Department of Business Development, Ministry of Commerce from Baht 2,470,909,875.50 to Baht 2,571,522,575.50 on 5 July 2021 is completed.



Warrants

The Board of Directors' meeting had a resolution to propose to the Extraordinary General Meeting of Shareholders No.1/2019 held on 31 May 2019 to consider and approve the increase of the Company registered capital by Baht 605,919,620 from the existing registered capital of Baht 3,029,598,102 to Baht 3,635,517,722 by issuing 605,919,620 new ordinary shares at par Baht 1.00 per share to accommodate the exercise of the Warrants to Purchase the Company's Ordinary Shares No.4 ("7UP-W4") to allocate to existing shareholders follows the proportion of rights offering by 5 existing ordinary shares per 1 warrant with an amount of Baht 0.05 per unit.

Exercise prices are as follows:

First exercise price is at Baht 0.50 per share

Second exercise price is at Baht 1.25 per share

Third exercise price is at Baht 2.25 per share

(Proportion of exercise equals to 1 warrant of 7UP-W4: 1 ordinary share)

On 30 June 2021, 7UP-W4 warrant holders exercised their conversion rights according to the announcement of the second exercise of conversion rights is 201,225,400 units with a par value of Baht 0.05 per unit with an amount of Baht 10,061,270 at an exercise price of Baht 1.25 per unit with an amount of Baht 251,531,750 and the remaining unexercised of 7UP-W4 is 404,694,220 units with a par value of Baht 0.05 per unit with an amount of Baht 20,234,711. There were 201,225,400 ordinary shares resulting from the exercised of warrants.

32. Deficit on issuance of share capital at price higher than fair value

Differences between the fair value and offering price of the Company's ordinary shares arose due to the acquisition of the investment in Star Gas Co., Ltd. And its subsidiaries and the issue and offering of additional shares through private placements with strategic investors, who are not only potential sources of investment, but also have experience, knowledge, and expertise in the LPG distribution business, and operation of LPG related business. The offer price was higher than the fair value of the Company's ordinary shares at the date of the acquisition of the investment in the group of Star Gas Co., Ltd.

33. Deficit on changes in percentage of shareholding in subsidiary

Deficit on changes in percentage of shareholding in a subsidiary was the result of the Company acquire an additional 10.84% of the shares of SAM Water Supply Co., Ltd. And dilute 20% of ownership in Energy Revolution Co., Ltd. The effect of change in ownership of subsidiary without



change in control was presented as “Deficit on changes in percentage of shareholding in subsidiary” in the shareholder’s equity in the consolidated statement of financial position.

34. Surplus on revaluation of assets

Surplus on revaluation of assets are surplus from revaluation of land, buildings and building improvements. The surplus is amortized to retained earnings on a straight-line basis over the remaining life of the related assets.

| | (Unit: Thousand Baht) | | | |
|---|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Balance as at beginning of year | 195,729 | 100,427 | 230,708 | 244,658 |
| <u>Add:</u> Revaluation surplus during the year | - | 106,572 | - | 15,400 |
| <u>Less:</u> Revaluation decrease during the year | (89,482) | (8,725) | (165,200) | (26,859) |
| <u>Less:</u> Amortization | (2,074) | (2,524) | (1,340) | (2,491) |
| <u>Less:</u> Release to non-controlling interests | (24) | (21) | - | - |
| Balance as at end of year | 104,149 | 195,729 | 64,168 | 230,708 |

Surplus on revaluation of assets can neither be offset against deficit nor used for dividend payment.



35. Other income

Other income for the years ended 31 December 2021 and 2020 are as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------------------|----------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Unrealized gain on fair value of investment properties | - | - | - | 5,120 |
| Gain on revaluation of investment in other non-current financial asset | - | 31,738 | - | - |
| Gain on sale of investment in other non-current financial asset | 2,897 | - | 2,897 | - |
| Government grant income | - | 118 | - | - |
| Gain on sale of assets | 135 | 7,321 | 17 | - |
| Interest income - related parties | 684 | 6,733 | 49,496 | 52,489 |
| Rental income and utilities | 12,624 | 12,078 | 10,096 | 11,007 |
| Dividends income | 922 | 869 | 292 | 365 |
| Earned for Debts forgiveness | - | 56,374 | - | - |
| Other | 31,593 | 67,012 | 8,403 | 7,936 |
| Balance as at end of year | 48,855 | 182,243 | 71,201 | 76,917 |



36. Expenses by nature

For the years ended 31 December 2021 and 2020 expense by nature consists of significant expenses are as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|----------|----------------------|----------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Employee expenses | 44,225 | 43,237 | 30,146 | 22,004 |
| Management expenses | 20,244 | 30,378 | 9,930 | 11,071 |
| Sale promotion expenses | 14,889 | 26,171 | - | - |
| Rental expenses and common service expenses | 21,167 | 28,010 | 35 | 1,185 |
| Depreciation and amortization | 107,368 | 90,651 | 7,591 | 6,968 |
| Doubtful debts (reversal) | 2,750 | 9,295 | 2,750 | (3,886) |
| Unrealized gain on fair value of investment in other current financial assets | - | 1,124 | - | 1,124 |
| Loss on impairment of investments in subsidiaries (reversal) | - | - | - | 13,327 |
| Professional fees | 26,641 | 28,545 | 18,538 | 21,078 |
| Provision for diminution in value of input tax and withholding tax refundable (reversal) | (4,313) | (33,457) | - | (13) |
| (Profit) Loss on disposal of investment in subsidiary company | (82,043) | 18,794 | (76,673) | - |
| Loss from disposal of its subsidiaries | - | - | - | 22,101 |
| Loss on diminution in value of deposit for business due diligence (reversal) | (15,000) | 15,000 | (15,000) | 15,000 |
| Reversal of allowance for loans and interest | (14,300) | (53,500) | (14,300) | (65,743) |
| Reversal of allowance for investment in subsidiary | (13,327) | - | (13,327) | - |
| Allowance for impairment loss on retention for project | 1,413 | - | - | - |
| Gain on debt forgiveness | (15,000) | - | - | - |



37. Promotional Privileges

The subsidiaries have received promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions, significant outstanding privileges of the subsidiaries are as follows:

| | Phrasaeng Green Power Co., Ltd. | SAM Water Supply Co., Ltd. | | | | | | | | |
|--|---|--|--|--|---|--|--|---|--|--|
| 1. Certificate No. | 58-2136-1-00-1-0 | 62-0718-1-00-1-0 | 62-0719-1-00-1-0 | 62-0720-1-00-1-0 | 62-0721-1-00-1-0 | 62-0722-1-00-1-0 | 62-1441-1-00-1-0 | 62-1442-1-00-1-0 | 64-0471-1-00-1-0 | 64-0472-1-00-1-0 |
| 2. Promotional privileges for | Production of electricity from biogas | Production water for industry | Production water for industry | Production water for industry | Production water for industry | Production water for industry | Production water for industry | Production water for industry | Production water for industry | Production water for industry |
| 3. The significant privileges are | | | | | | | | | | |
| 3.1 Exemption of corporate income tax for net income from promotional privileges and exemption of income tax on dividends paid from the income of the operations throughout the period in which the corporate income tax is exempted. In case that there are losses incurred during the corporate income tax exemption period, the subsidiary is allowed to utilize the losses as a | 8 years Expired April 11, 2024 | 5 years Expired April 4, 2024 | 5 years Expired June 13, 2024 | 5 years Expired June 13, 2024 | 5 years Expired April 30, 2024 | 5 years Expired March 8, 2024 | 5 years Expired January 9, 2025 | 5 years Expired October 31, 2024 | 5 years Expired September 12, 2026 | 5 years Expired September 14, 2026 |

| | Phrasaeng Green Power Co., Ltd. | SAM Water Supply Co., Ltd. | | | | | | | | |
|---|---------------------------------------|----------------------------|--------------|--------------|--------------|--------------|-----------------|-----------------|--------------|--------------|
| deduction against the net income of future years after the expiry of the tax exemption period, but with a time limit of five years after that period. | | | | | | | | | | |
| 3.2 Exemption from income tax on dividends paid from the income of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption. | Granted | Granted | Granted | Granted | Granted | Granted | Granted | Granted | Granted | Granted |
| 4. Date of first earning operating income | 6 July 2015 | 9 April 2019 | 9 April 2019 | 9 April 2019 | 9 April 2019 | 9 April 2019 | 3 December 2019 | 3 December 2019 | 8 March 2021 | 8 March 2021 |

All income of the subsidiaries were income from local promoted operations.



38. Earnings (loss) per share

Basic earnings (loss) per share attributable to shareholders of the parent company is calculated by dividing net earnings (loss) attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the year.

The diluted earnings (loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares being warrants as detailed follow:

The Company has issued and offered warrants No. 4 (“7UP-W4”) to shareholders of the Company, who are entitled on 10 June 2019 (record date). The warrants have no offered price and their terms do not exceed 3 years from the issued date (the issued date is 9 August 2019) at a maximum of 605,919,620 units. The exercise price is at Baht 0.05 per share. The exercise ratio is one warrant to one ordinary share. The warrants can be exercised 3 times which are the followings; the first exercise price is Baht 0.50 per share, the second exercise price is Baht 1.25 per share, and the third exercise price is Baht 2.25 per share. The first exercise date is on 30 June 2020 and the second exercise date is on 30 June 2021.

The outstanding warrants as at 31 December 2021 which were issued and offered to shareholders of the Company did not affect the diluted earnings (loss) per share since the exercise price of the outstanding warrants is higher than the average market price of the Company’s shares during the year ended 31 December 2021.

The basic earnings per share for the year ended 31 December 2021 are calculated as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|-----------|----------------------------------|-----------|
| | 2021 | 2020 | 2021 | 2020 |
| Earnings attributable for the year to ordinary shareholders of the Company (Thousand Baht) | 280,584 | 117,444 | 92,076 | 80,807 |
| Weighted average number of ordinary shares outstanding (Thousand shares) | 5,078,908 | 3,308,155 | 5,078,908 | 3,308,155 |
| Basic earnings per share (Baht per share) | 0.06 | 0.04 | 0.02 | 0.02 |



The diluted earnings per share are calculated as follows:

| | Consolidated | | Separate | |
|--|----------------------|-----------|----------------------|-----------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Earnings attributable for the year to ordinary shareholders of the Company (Thousand Baht) | 280,584 | 118,188 | 92,076 | 81,550 |
| Weighted average number of ordinary shares outstanding (Thousand shares) | 5,089,378 | 3,383,013 | 5,089,378 | 3,383,013 |
| Diluted earnings per share (Baht per share) | 0.06 | 0.04 | 0.02 | 0.02 |

The exercise price of warrants are lower than the average market price during the year. Therefore, there is no diluted earnings per share.

39. Segment financial information and disaggregation of revenue

For the year ended 31 December 2021 and 2020, the Group has 4 reportable segments which consist as follows:

- 1) LPG stations business and Transportation of LPG.
- 2) Operation of investment business, joint investment or business development relating to energy of future energy business.
- 3) Distribution, development and service rendered of Trunked radio and Internet of Things (IoT) business.
- 4) Operating of water waste treatment.

Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in foreign countries.

Major customer

For the year ended 31 December 2021 and 2020, there is no major customer.



The details of segments information for the year ended 31 December 2021 and 2020 are as follows:

(Unit: Million Baht)

| | Consolidated statement of profit and loss and other comprehensive income for the year ended 31 December | | | | | | | | | | | |
|--|---|-------|------------------|------|---|-------|---------------------------------------|------|---------------------------------|------|-------|-------|
| | LPG retail and wholesale business | | Renewable energy | | Trunked radio and Internet of Things (IoT) | | Operating of water waste treatment | | Adjustments and eliminations | | Total | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues from sales - recognize at a point of time | 647 | 640 | 24 | 22 | 8 | 331 | - | - | - | - | 679 | 993 |
| Revenues from rendering services - recognize overtime | 28 | 52 | - | 2 | 1 | 28 | 43 | 44 | - | - | 72 | 126 |
| Cost of sales | (586) | (560) | (17) | (17) | (7) | (245) | - | - | - | - | (610) | (822) |
| Cost of rendering of services | (18) | (32) | - | - | (1) | (88) | (30) | (30) | - | 2 | (49) | (148) |
| Gross profit | 71 | 100 | 7 | 7 | 1 | 26 | 13 | 14 | - | 2 | 92 | 149 |
| Other income | | | | | | | | | | | 436 | 310 |
| Selling expense | | | | | | | | | | | (22) | (33) |
| Administrative expense | | | | | | | | | | | (207) | (261) |
| Finance costs | | | | | | | | | | | (31) | (34) |
| Profit before income tax (expense) income | | | | | | | | | | | 268 | 131 |
| Income tax (expense) income | | | | | | | | | | | 11 | (13) |
| Share profit from investment in associate | | | | | | | | | | | (2) | 5 |
| Profit for the year | | | | | | | | | | | 277 | 123 |



40. Commitments and contingent liabilities

The Company and its subsidiaries have commitments and contingent liabilities other than those disclosed in other notes to financial statements as follows:

40.1 Long-term operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space and equipment. The terms of the agreements are generally between 1 and 30 years.

The Company and its subsidiaries have future minimum lease payments required under these operating leases contracts were as follows:

| | (Unit: Thousand Baht) | | | |
|-----------------------------------|-----------------------------------|------|-------------------------------|------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Payable: | | | | |
| Within 1 year | 514 | 82 | 29 | 35 |
| Over 1 but not later than 5 years | 890 | 29 | - | 29 |

40.2 Service commitments

The Company and its subsidiaries have future minimum lease payments required under these operating leases contracts as at 31 December 2021 and 2020 were as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------------------|------|-------------------------------|------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Payable: | | | | |
| Within 1 year | 400 | 698 | 400 | 691 |
| Over 1 year but not later than 5 years | - | - | - | - |



40.3 Guarantees

40.3.1 Bank guarantees

As at 31 December 2021 and 2020, the Company and its subsidiaries had bank guarantees issued by banks on behalf of the Company and subsidiaries, as follows:

| | (Unit: Thousand Baht) | | | |
|--------------------------------------|-----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Performance guarantees | 24,091 | 26,197 | 22,391 | 24,397 |
| Guarantee electricity use and others | 810 | 810 | 810 | 810 |
| Total | 24,901 | 27,007 | 23,201 | 25,207 |

40.3.2 Related parties guarantees

As at 31 December 2021, the Company's and its subsidiary company's directors have an obligation as a guarantor of credit facilities of SAM Water Supply Co., Ltd. and Phrasaeng Green Power Co., Ltd., the subsidiary companies, amounting to Baht 240 million (31 December 2020: Baht 73 million).

Generally, these guarantees are effective for guarantor as long as the underlying obligations have not been discharged by the guaranteed party.

40.4 Shares Pledge of Subsidiary

On 3 December 2020, a meeting of the Board of Directors' No. 18/2020 of the Company has passed a resolution approving to dispose of 476,552 shares or a 43.52% from totalling 1,034,996 shares or 94.52% in SAM Water Supply Co., Ltd. which is the Company's subsidiary amounting Baht 47.65 million. Therefore, as the year ended 31 December 2020, the Company has the remain of shareholding of 558,444 shares or a 51.00% in SAM Water Supply Co., Ltd. Moreover, the Company purchased 6 shares from other shareholders of SAM Water Supply Co., Ltd. amounting Baht 600. Therefore, the totalling of shares which the Company held is 558,450 shares or a 51.00%.

The Company entered into Share Pledge Agreement with the new shareholder totalling 558,450 shares that belonged to the Company as a secure obligation.



40.5 Other commitments

40.5.1 On 1 January 2016, Phrasaeng Green Power Co., Ltd., a subsidiary, entered into a control and maintenance agreement with respect to electricity generation from biogas with a related company to maintain the biogas generator system, gas delivery equipment and the dynamos and to recruit personnel to monitor and maintain such system, at a total cost of Baht 33 million. The agreement requires the subsidiary to pay monthly control and maintenance wages at the rates specified in the agreement, which is effective from 1 January 2016 to 31 December 2020. The agreement is renewable according to the period of power purchase agreement and the wage rates will be agreed every 5 years.

40.5.2 Phrasaeng Green Power Co., Ltd., entered into a control and maintenance agreement with respect to electricity generation from biogas with a related company to maintain the biogas generator system, gas delivery equipment and the dynamos and to recruit personnel to monitor and maintain such system. Future minimum payments required under this agreement was as follows:

| | (Unit: Thousand Baht) | |
|--|-----------------------|------------------|
| | 31 December 2021 | 31 December 2020 |
| Payable: | | |
| Within 1 year | 4,545 | 4,497 |
| Over 1 year but not later than 5 years | 1,139 | 5,684 |
| Total | 5,684 | 10,181 |

Under the conditions stipulated in the agreement, the subsidiary was required to pay monthly control and maintenance wages at specified rates, which were effective from 1 January 2016 to 31 December 2020. However, on 1 April 2018, the subsidiary company entered into a new agreement and cancelled the former agreement, which is effective from 1 April 2018 to 31 March 2023 and is renewable according to the term of power purchase agreement, with wage rates to be agreed to renew every 5 years.

40.5.3 Phrasaeng Green Power Co., Ltd., a subsidiary company, has commitments under sale and purchase of wastewater agreements with a related company. The agreements have terms of 15 years and can be extended for periods of 10 years at a time.



41. Fair value hierarchy

Some financial assets of the Group have fair value measurement in the statement of financial position at the end of reporting period. Fair value measurement in financial assets were as table below.

(Unit: Million Baht)

| | Consolidated financial statements | | | | | | | |
|---|-----------------------------------|------|---------|------|---------|------|-------|------|
| | Level 1 | | Level 2 | | Level 3 | | Total | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Assets measured at fair value | | | | | | | | |
| Other current financial assets | - | 6 | - | - | - | - | - | 6 |
| Other non-current financial assets | - | - | - | - | 57 | 172 | 57 | 172 |
| Land and land improvements | - | - | 445 | 147 | - | - | 445 | 147 |
| Buildings and building improvements | - | - | 267 | 175 | - | - | 267 | 175 |
| Investment Property | - | - | - | - | 2 | 114 | 2 | 114 |
| Rights under electricity purchase and sale agreements from business combination | - | - | - | - | 68 | 72 | 68 | 72 |
| Rights and benefits under land lease agreements from business combination | - | - | 33 | 31 | - | - | 33 | 31 |
| Rights under gas station management agreements from business combination | - | - | - | - | 65 | 68 | 65 | 68 |
| Rights under concession agreements | - | - | 1,351 | - | - | - | 1,351 | - |

(Unit: Million Baht)

| | Separate financial statements | | | | | | | |
|--------------------------------------|-------------------------------|------|---------|------|---------|------|-------|------|
| | Level 1 | | Level 2 | | Level 3 | | Total | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Assets measured at fair value | | | | | | | | |
| Other current financial assets | - | 6 | - | - | - | - | - | 6 |
| Other non-current financial assets | - | - | - | - | - | 116 | - | 116 |
| Investment properties | - | - | - | - | 4 | 210 | 4 | 210 |
| Land | - | - | 131 | 131 | - | - | 131 | 131 |
| Buildings and building improvements | - | - | 39 | 42 | - | - | 39 | 42 |

In during the year didn't transfer transaction between fair value hierarchy



42. Financial instruments

Financial instruments are any contracts which give rise to both a financial asset of one entity and a financial liability or equity instrument of another entity in the meantime.

As at 31 December 2021 financial instruments of the Company principally comprise cash and cash equivalents, trade and other receivables, loans, investments, short-term and long-term loans and bank overdraft. The financial risks associated with these financial instruments and how they are managed is described below:

The Company has no policy for speculation in or engaging in the trading of any derivative financial instruments.

42.1 Financial risk management policy

42.1.1 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to 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 they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

42.1.2 Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relates primarily to their cash at banks, bank overdrafts, short-term and long-term borrowings. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

42.1.3 Liquidity risk

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



Significant financial assets and liabilities classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date as follows



(Unit: Million Baht)

Consolidated financial statements

| <div> <div>Fixed interest rates</div> <div>Floating</div> <div>Effective interest rate</div> </div> | | | | | | | | | | | |
|---|------|-----------|------|---------------|------|----------------------|------|-------|------|---------------|-----------|
| Within 1 year | | 1-5 years | | interest rate | | Non-interest bearing | | Total | | (% per annum) | |
| 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| - | - | - | - | 160 | 109 | 6 | 8 | 166 | 117 | 0.1 – 0.2 | 0.1 - 0.3 |
| - | - | - | - | - | - | - | 6 | - | 6 | - | - |
| - | - | - | - | - | - | 560 | 467 | 560 | 467 | - | - |
| 33 | 8 | - | - | - | - | - | - | 33 | 8 | 1 – 6.25 | 1 - 7.5 |
| 82 | 68 | - | - | - | - | - | 7 | 82 | 75 | 0 – 6.5 | 0 – 6.5 |
| - | - | - | - | - | - | 57 | 172 | 57 | 172 | - | - |
| - | - | - | - | 32 | 73 | - | - | 32 | 73 | 0.1 - 0.4 | 0.1 - 0.4 |
| 115 | 76 | - | - | 192 | 182 | 623 | 660 | 930 | 918 | | |

Financial liabilities

| | | | | | | | | | | | | |
|--|----|-----|---|---|----|---|---|---|-----|-----|----------------|-----------|
| Short-term loans from financial institutions | 70 | 174 | - | - | 75 | - | - | - | 145 | 174 | MLR-2.25 - 6.0 | 4.3 – 6.0 |
| Bank overdraft | | | - | | | | | | | | | |

Trade and other payables

- - - 196 196

- - - 404 404 - -

Short-term loans related parties

- - - 36 65

276 29 - - 276 0 - 6.8 0 - 6.8

Long-term loans from financial institutions

39 37 39 52 90 30 - - 168 119

2.0 to MLR-

2.25

3.6 to MLR-1%

(Unit: Million Baht)

Consolidated financial statements

| | Fixed interest rates | | | | Floating | | | | Effective interest rate | | | |
|--|----------------------|------|-----------|------|---------------|------|----------------------|------|-------------------------|------|---------------|-----------|
| | Within 1 year | | 1-5 years | | interest rate | | Non-interest bearing | | Total | | (% per annum) | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Liabilities under finance lease agreements | 17 | 24 | 168 | 202 | - | - | - | - | 185 | 226 | 4.8 - 7.9 | 4.8 - 7.9 |
| | 402 | 264 | 207 | 254 | 170 | 30 | 404 | 232 | 1,183 | 780 | | |

(Unit: Million Baht)

| | Separate financial statements | | | | | | | | | | | |
|--------------------------------------|-------------------------------|------|-----------|------|---------------|------|----------------------|------|-------------------------|------|---------------|-----------|
| | Fixed interest rates | | | | Floating | | | | Effective interest rate | | | |
| | Within 1 year | | 1-5 years | | interest rate | | Non-interest bearing | | Total | | (% per annum) | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Financial assets | | | | | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | - | 41 | - | - | - | 41 | 0.1 | 0.1 - 0.3 |
| Other current financial assets | - | - | - | - | - | - | - | 6 | - | 6 | - | - |
| Trade and other receivables | - | - | - | - | - | - | 125 | 210 | 125 | 210 | - | - |
| Short-term loans related parties | 851 | 880 | - | - | - | - | - | - | 851 | 880 | 1 - 6.80 | 1 - 6.80 |
| Short-term loans non-related parties | 81 | 68 | - | - | - | - | - | 7 | 81 | 75 | 1 - 6.75 | 0 - 6.50 |

(Unit: Million Baht)

| | Separate financial statements | | | | | | | | | | | |
|-----------------|-------------------------------|------|-----------|------|---------------|------|----------------------|------|-------------------------|------|---------------|------|
| | Fixed interest rates | | | | Floating | | | | Effective interest rate | | | |
| | Within 1 year | | 1-5 years | | interest rate | | Non-interest bearing | | Total | | (% per annum) | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Long-term loans | - | - | 7 | - | - | - | - | - | 7 | - | 0.1 | - |

| | 932 | 948 | 7 | - | - | 41 | 125 | 223 | 1,064 | 1,212 | | |
|--|-----|-----|---|---|---|----|-----|-----|-------|-------|-----------|-----------|
| Financial liabilities | | | | | | | | | | | | |
| Short-term loans from financial institutions | 70 | 70 | - | - | - | - | - | - | 70 | 70 | 5.8 – 6.0 | 6.0 |
| Bank overdraft | - | - | - | - | 5 | - | - | - | 5 | - | MOR | - |
| Trade and other payables | - | - | - | - | - | - | 131 | 33 | 131 | 33 | - | - |
| Short-term loans from non-related parties | 126 | - | - | - | - | - | - | - | 126 | - | 4.0 – 6.8 | - |
| Short-term loans from related parties | 177 | 137 | - | - | - | - | - | - | 177 | 137 | 0.1 – 6.5 | 0.1 - 6.8 |
| Liabilities under finance lease agreements | 3 | 2 | 1 | 4 | - | - | - | - | 4 | 6 | 5.2 - 7.9 | 5.2 - 7.9 |
| | 376 | 209 | 1 | 4 | 5 | - | 131 | 33 | 513 | 246 | | |

42.1.4 Fair value of financial instruments

Fair value represents the amount for which an asset could be exchange or a liability settled between knowledgeable, willing parties in an arm's length transaction.

Summarized comparison between fair value and book value are as follows:

| | (Million Baht) | | | | (Million Baht) | | | |
|--|-----------------------------------|------------|------------------|------------|-------------------------------|------------|------------------|------------|
| | Consolidated financial statements | | | | Separate financial statements | | | |
| | 31 December 2021 | | 31 December 2020 | | 31 December 2021 | | 31 December 2020 | |
| | Book value | Fair value | Book value | Fair value | Book value | Fair value | Book value | Fair value |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | 166 | 166 | 117 | 117 | - | - | 41 | 41 |
| Other current financial assets | - | - | 6 | 6 | - | - | 6 | 6 |
| Trade and other receivables | 560 | 560 | 467 | 467 | 125 | 125 | 210 | 210 |
| Short-term loans related parties | 33 | 33 | 8 | 8 | 851 | 851 | 880 | 880 |
| Short-term loans non - related parties | 82 | 82 | 75 | 75 | 81 | 81 | 75 | 75 |
| Restricted bank deposit | 32 | 32 | 73 | 73 | - | - | - | - |
| Long-term loans | - | - | - | - | 7 | 7 | - | - |
| Other non-current financial assets | 57 | 57 | 172 | 172 | - | - | - | - |
| Financial liabilities | | | | | | | | |
| Short-term loans from financial institutions | 145 | 145 | 174 | 174 | 70 | 70 | 70 | 70 |
| Bank overdraft | 5 | 5 | - | - | 5 | 5 | - | - |
| Trade and other payables | 404 | 404 | 196 | 196 | 131 | 131 | 33 | 33 |
| Short-term loans related parties | - | - | - | - | 177 | 177 | 137 | 137 |
| Short-term loans non- related parties | 276 | 276 | 65 | 65 | 126 | 126 | - | - |
| Long-term loans from financial institutions | 168 | 168 | 119 | 119 | - | - | - | - |
| Liabilities under lease agreements | 185 | 185 | 226 | 226 | 4 | 4 | 6 | 6 |

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, Trade and other receivables, Short-term loans, Loans from financial institutions, and liabilities under lease agreements, their carrying amounts in the statement of financial position approximate their fair value.



- b) For equity securities, their fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- c) For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

43. Reclassification of account

The Company reclassified certain items in the statement of financial position as at 31 December 2020 with the presentation of the consolidated there was no impact to profit and loss for the period and shareholders' equity which can be summarise as following;

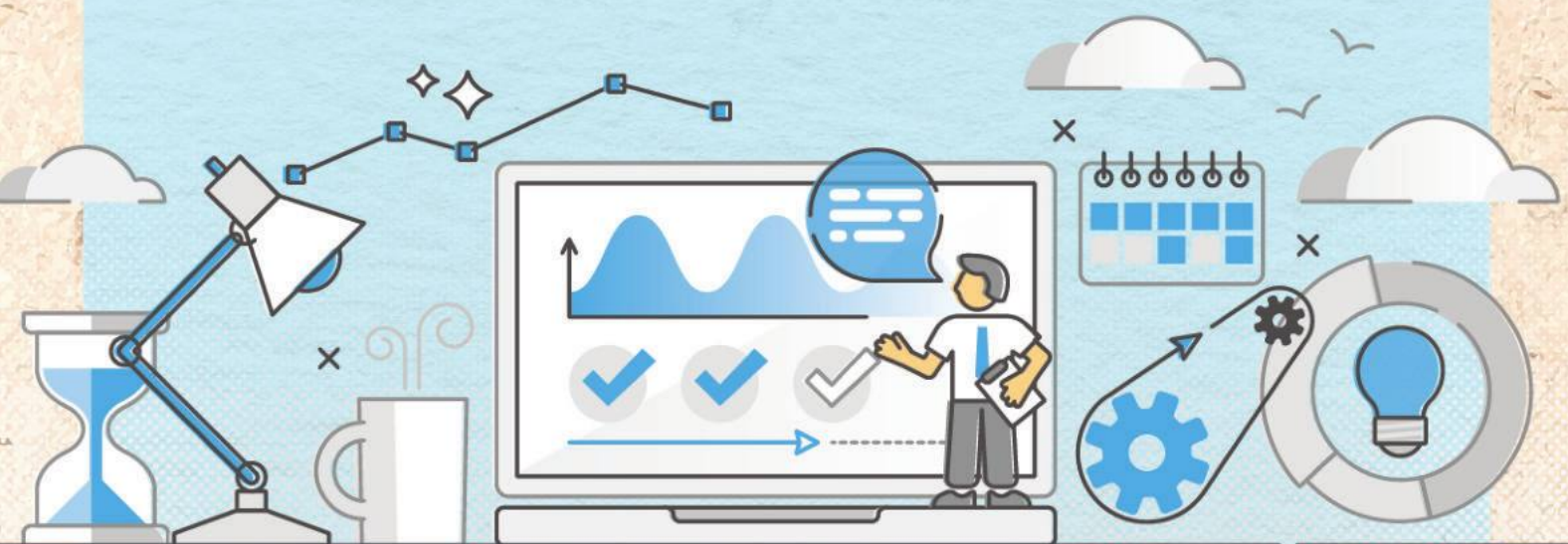
(Unit: Thousand Baht)

| | Consolidated financial statements | | |
|---|-----------------------------------|------------------|---------------------------|
| | Before reclassification | Reclassification | After reclassification |
| Statement of financial position | | | |
| as at 31 December 2020 | | | |
| Liabilities and shareholder's equity | | | |
| Current liabilities | | | |
| Short-term borrowings from related person and parties | 65,283 | (50) | 65,233 |
| Short-term borrowings from non-related person and parties | - | 50 | 50 |



Part 4

Certification of information accuracy



Certification of information accuracy

The company has already reviewed all information containing in annual report carefully. The company, hereby, represent and warrant that all such information are accurate and complete and contain no false statement without any lack of material fact which should have been informed where such information may cause damages to the purchasers of those shares. In addition, the company would like to certify that:

(1) Financial statements and financial information, attached to this filing, are represent accurate and complete without any lack of material fact about the financial status, performance and cash flow of the company and its subsidiaries.

(2) The company is responsible to provide the good disclosure system of the information of the company to ensure that the company discloses the material fact of the company and its subsidiaries accurately and completely. The company also supervises the practice of that system.

(3) The company is responsible to provide the good corporate governance system of the company and supervise the practice of that system. In addition, the company already inform the result of the good corporate governance appraisal as of December 31, 2020 to the Auditor and the Audit Committee of the company including the material incomplete and change of the corporate governance as well as false practice that may influent the preparation of the financial statements of the company and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified. The company has assigned Mr. Monthep Mapiam to sign this document on every page. If any document does not have the signature of Mr. Monthep Mapiam, the company will assume that it is not the information that the company has certified the accuracy of the information mentioned above.

Name

position

signature

1. Mr. Monthep Mapiam

Authorized Director

Monthep Mapiam

2. Mr. Mana Kitirat

Authorized Director

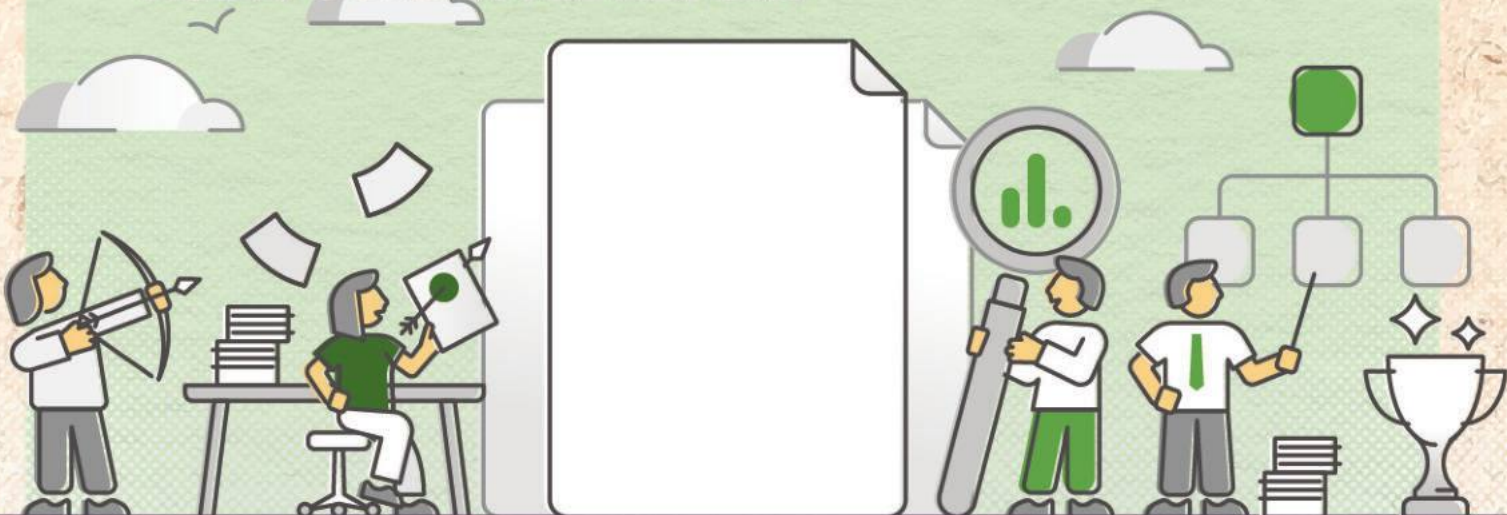
M. Kitirat



Part 5

Attachments

- INFORMATION OF COMPANY DIRECTORS AND COMPANY SECRETARY
- INFORMATION OF SUBSIDIARIES DIRECTORS
- INFORMATION OF CHIEF AUDIT EXECUTIVE AND HEAD OF COMPLIANCE
- BUSINESS ASSET AND INFORMATION OF COMPANY ASSET VALUATION
- CORPORATE GOVERNANCE POLICY BUSINESS PRACTICE ETHICS AND SUBCOMMITTEES CHARTER
- AUDIT COMMITTEE REPORT



Attachment 1





SQN. LDR. SITA DIVARI

**Chairman of the Board
of Directors
Independent Director
Authorized Director**

Age 57 years old

Date of appointment

- Independent Director
October 10, 2017
- Chairman of the Board of Directors
January 26, 2018

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Air Command and Staff College, Class of 43
- Squadron Officer School, Class of 81
- Bachelor of Science, Royal Thai Air Force Academy
- Armed Forces Academies Preparatory School, Class of 24

Working Experiences

- Seven Utilities and Power Public Company Limited
2017 - Present Chairman of the Board of Directors /
Independent Director
- Generali Life Assurance (Thailand) Public Company
Limited
2019 - 2021 Chairman of the Board of Directors /
Independent Director
- Generali Insurance (Thailand) Public Company Limited
2019 - 2021 Chairman of the Board of Directors /
Independent Director
- Eastern Water Resources Development and
Management Public Company
2013 - 2014 Chairman of the Board of Directors

Positions in other listed companies

- Bless Asset Group Public Company Limited
2020 - Present Chairman of the Board of Directors

Positions in other non-listed companies

-None-

Training Program

- Director Certification Program (DCP 178/2013)
- Capital Market Academy Leadership Program,
Class of 10, Capital Market Academy (CMAC)





Mr. Torphong Chaiyasarn

**Independent Director
Chairman of the Audit
Committee
Member of the Nomination
and Compensation
Committee
Authorized Director**

Age 52 years old

Date of appointment

- Director
May 31, 2019
- Independent Director / Chairman of the Audit Committee
November 1, 2019
- Member of the Nomination and Compensation Committee
December 15, 2021

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Master of Political Science (Public Administration), Thammasat University
- The American College London (MBA)
- The American College LA (BBA)

Working Experiences

- Seven Utilities and Power Public Company Limited
2019 - Present Independent Director /
Chairman of the Audit Committee
2021 - Present Member of the Nomination and Compensation Committee
- Ministry of Public Health
2011 Deputy Minister of Public Health

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Training Program

- Digital Transformation for CEO (DCT), Class of 1
- Capital Market Academy Leadership Program, Class of 16, Capital Market Academy (CMA)
- Politics and Government in Democracy for Executives, Class of 12, King Prajadhipok's Institute





Mr. Ekatip Tippavang

**Independent Director
Chairman of the
Nomination and
Compensation Committee
Member of the Audit
Committee**

Age 37 years old

Date of appointment

- Independent Director / Member of the Audit Committee / Member of the Nomination and Compensation Committee
January 26, 2018
- Chairman of the Nomination and Compensation Committee
June 1, 2020

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Member relationship among directors and executives

-None-

Education

- Master of Business Administration in Accounting, Ramkhamhaeng University
- Bachelor of Business Administration in Accounting, Assumption University

Working Experiences

- Seven Utilities and Power Public Company Limited
2018 - Present Independent Director / Chairman of the Nomination and Compensation Committee / Member of the Audit Committee
- We Love Accounting Company Limited
2014 - 2015 Managing Director
- Thanamitr Consulting Company Limited
2010 - 2014 Deputy Managing Director

Positions in other listed companies

- Unique Mining Services Public Company Limited
2018 - Present Independent Director / Member of the Audit Committee

Positions in other non-listed companies

- Automation & Technology Services Company Limited
2018 - Present Chief Financial Officer
- R J Energy Company Limited
2015 - Present Deputy Managing Director

Training Program

- Director Accreditation Program (DAP 149/2018)





Mr. Nitipat Amnatthaloengsak

**Independent Director
Member of the Audit
Committee
Member of the Nomination
and Compensation
Committee**

Age 65 years old

Date of appointment

- Independent Director / Member of the Audit Committee /
Member of the Nomination and
Compensation Committee
April 8, 2021

Shareholding (%) as of Dec. 31,2021

- Myself -None-
- Spouse/Underage child -None-

Member relationship among directors and executives

-None-

Education

- Bachelor of Laws, Thammasat University
- Barrister-at-law, The Thai Bar Under The Royal Patronage

Working Experiences

- Seven Utilities and Power Public Company Limited
2021 - Present Independent Director / Member of
the Audit Committee / Member of the
Nomination and Compensation Committee
- Seven Utilities and Power Public Company Limited
2017 - 2019 Chairman of the Audit Committee /
Chairman of the Nomination and Compensation
Committee
- Nakhonluang Capital Public Company Limited
2017 – 2018 Legal Consultant

Positions in other listed companies

- Unique Mining Services Public Company Limited
2018 - Present Independent Director

Positions in other non-listed companies

- NNA and Consult Company Limited
2018 - Present Director
- Wissen and Co Limited
2006 - Present Senior Lawyer

Training Program

- Director Accreditation Program (DAP 149/2015)





Police Major Ratchata Poompanmoung

Director

Age 33 years old

Date of appointment

- Director
August 26, 2020

Shareholding (%) as of Dec. 31, 2021

- Myself
 - 7UP 5.67% (291,550,000 shares)
 - 7UP-W4 0.25% (1,000,000 units)
- Spouse/Underage child -None-

Member relationship among directors and executives

-None-

Education

- Master of Public Administration,
Rattana Bundit University
- Bachelor of Marketing with Media
Communications, The University of Buckingham,
United Kingdom

Working Experiences

- Seven Utilities and Power Public Company
Limited
2020 - Present Director

Positions in other listed companies

-None-

Positions in other non-listed companies

- Royal Thai Police
 - 2022 - Present Inspector, Office of Human Resources
 - 2016 - 2021 Deputy Inspector, Investigation and
Suppression Sub-Division, Immigration Division 2
 - 2015 - 2016 Deputy Inspector, Sub-Division 5,
Crime Suppression Division

Training Program

- Academy of Business Creativity (ABC), Class of 5,
Sripatum University
- Thai-Chinese Leadership Studies (TCL), Class of 1,
Huachiew Chalermprakiet University





Mr. Geeradej Winthai

Director

Age 51 years old

Date of appointment

- Director
September 7, 2021

Shareholding (%) as of Dec. 31, 2021

- Myself 0.00% (35,000 shares)
- Spouse/Underage child -None-

Member relationship among directors and executives

-None-

Education

- Master of Business Administration (MBA),
Kasetsart University
- Bachelor of Accounting, Thammasat University

Working Experiences

- Seven Utilities and Power Public Company Limited
2021 - Present Director
- Harrods
2015 - 2017 General Manager
- Food Capital Group
2014 - 2015 Business Consultant

Positions in other listed companies

-None-

Positions in other non-listed companies

- S39 Group
2017 - Present General Manager Group

Training Program

-None-





Mr. Mana Kitirat

Director
Executive Director
Authorized Director

Age 48 years old

Date of appointment

- Director
August 14, 2019

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Master of Engineering (Water Engineering and Management), Asian Institute of Technology
- Bachelor of Engineering (Environmental Engineering), King Mongkut's University of Technology Thonburi

Working Experiences

- Seven Utilities and Power Public Company Limited
2019 - Present Director / Executive Director
- Central Hydro Company Limited
2015 - 2018 Project Manager

Positions in other listed companies

-None-

Positions in other non-listed companies

- Universal Waste Management Company Limited
2018 - Present Managing Director

Training Program

- Director Accreditation Program (DAP 168/2020)
- Financial Statements for Directors (FSD 44/2021)





Mr. Monthep Mapiam

Director
Executive Director
Authorized Director
Acting Chief Executive Officer
Chief Operating Officer

Age 44 years old

Date of appointment

- Director
November 4, 2020

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Master of Engineering (Water Resources Engineering), Kasetsart University
- Bachelor of Engineering (Water Resources Engineering), Kasetsart University

Working Experiences

- Seven Utilities and Power Public Company Limited
2020 - Present Director / Executive Director / Acting Chief Executive Officer / Chief Operating Officer

Working Experiences (Cont.)

- Gold Shores Company Limited
2016 - 2020 Managing Director
- Sam Water Supply Company Limited
2016 - 2020 Executive Director

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Training Program

- Business Analysis Program, Faculty of Economics, Chulalongkorn University
- Leader as Communicator by Berkeley Executive Coaching Institute
- Water Leadership Program, Class of 1, Water and Environment Institute for Sustainability, The Federation of Thai Industries
- Corporate Governance for Executives (CGE 16/2020)
- Director Accreditation Program (DAP 185/2021)
- Successful Formulation and Execution of Strategy (SFE 37/2021)





Mr. sittichai kritvivat

Chairman of the Executive Committee

Age 53 years old

Working Experiences

Date of appointment

- Chairman of the Executive Committee
17th October 2019

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Master Degree in Business Administration (Finance)
Western Michigan University, (USA)
- Bachelor of Business Administration (Marketing) (Second class honors), Chiangmai University

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

- Seven Utilities and Power Public Company Limited
2019 - Present Chairman of the Executive Committee
2019 - 2020 Member of the Nomination and Compensation Committee / Chief Executive Officer
2018 - 2020 Director
- Nusasiri Public Company Limited
2018 - 2019 Senior Deputy Chief Executive Officer
- Tune Insurance Public Company Limited
2018 - 2019 Member of the Risk Management Committee
- United Power of Asia Public Company Limited
2016 - 2018 Deputy Chief Financial Officer
- Krungthai Panich Insurance Public Company Limited
2013 - 2016 Executive Vice President (CFO)
Accounting, Finance & Investment

Training Program

- Director Certification Program (DCP 205/2015)
- Chief Transformation Officer





Miss Poonchaya Patkotchakorn

Executive Director Chief Financial Officer

Age 39 years old

Date of appointment

- Executive Director
26th August 2020
- Chief Financial Officer
18th September 2019

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Master of Business Administration (Finance),
Bangkok University
- Bachelor of Management and Information
Science (Accounting), Narasuan University

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Working Experiences

- Seven Utilities and Power Public Company Limited
2019 - Present Executive Director / Chief Financial Officer
- United Power Asia Public Company Limited
2015 - 2019 Vice President of Accounting
- Lucky Group Services (Thailand) Company Limited
2013 - 2015 Assistant Accounting Manager

Training Program

- Orientation Course - CFO Focus on Financial Reporting
Class 8, Federation of Accounting Professions Under The
Royal Patronage of His Majesty The King
- Penetrate the new accounting standard TFRS 9, TFRS 15
and TFRS 16 Essence, impact, guidelines, and case studies,
NYC Management Company Limited
- Know about business by analyzing financial statements,
Accounting Coach (Thailand) Company Limited
- Cash Budgeting Workshop in planning and decision
making for executives, Dharmniti Seminar and
Training Company Limited
- Course CFO 2021, Dharmniti Seminar and Training
Company Limited





Miss Patcharin Singthuen

Company Secretary Senior Vice President of Executive Office

Age 31 years old

Date of appointment

- Company Secretary
4th November 2020
- Senior Vice President of Executive Office
1st June 2021

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- A MSc. Tourism Management and Marketing
Bournemouth University, United Kingdom
- Bachelor of Laws, Faculty of Law
Prince of Songkhla University

Working Experiences

- Seven Utilities and Power Public Company Limited
2020 - Present Company Secretary and
Senior Vice President of Executive Office
2018 - 2019 Executive Secretary
- At peak Company Limited
2017 - 2018 Manager of Operations
- Primeworld Solution Company Limited
2016 - 2017 Head of Business Development

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Training Program

- Company Reporting Program (CRP) Class 17/2017
- Company Secretary Program (CSP) Class 78/2017
- Board Reporting Program (BRP) Class 22/2017
- Effective Minutes Taking (EMT) Class 38/2017
- Preliminary to Corporate Sustainability Class 1/2020
- Smart Disclosure Program SDP
- Financial Statements for Directors (FSD) 44/2021





Mr. Watcharawish Siraphobphumchai

Vice President of Investor Relations

Age 39 years old

Date of appointment

- 2nd May 2018

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Master of Business Administration
University of the Thai Chamber of Commerce
- Bachelor of Business Administration
University of the Thai Chamber of Commerce

Working Experiences

- Seven Utilities and Power Public Company Limited
2020 - Present Vice President of Investor Relations
2018 - 2020 Vice President of Executive Office
- Apple Wealth Securities Company Limited
2014 - 2018 Securities Dealing Manager
- Country Group Public Company Limited
2008 - 2014 Securities Dealing Assistant Manager
- BFIT Public Company Limited
2005 - 2008 Securities Dealing Assistant Manager

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Training Program

- The Challenge of Administration
- Management Leadership Competencies





Mr. Kandanai Srangtoneng

Vice President of Compliance

Age 37 years old

Date of appointment

17th May 2019

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Master of Laws, Ramkhamhaeng University
- Bachelor of Laws, Ramkhamhaeng University
- Bachelor of Economics, Sukhothai Thammathirat University

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Working Experiences

- Seven Utilities and Public Company Limited
2019 - Present Vice President of Compliance
- Nusasiri Public Company Limited
2015 - 2019 Assistant Vice President of Internal Audit
- Areeya Property Public Company Limited
2010 - 2015 Senior Internal Audit Officer
- Ramkhamhaeng Institute of Languages
2008 - 2009 Special Project Officer

Training Program

- Internal Auditing Certificate Program (IACP) Class 10, Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- Certified Professional Internal Audit of Thailand (CPIAT) Class 48, The Institute of Internal Auditors of Thailand
- Anti-Corruption Practical Guide (ACPG) 51/2020
- Smart Disclosure Program (SDP)
- Preliminary to Corporate Sustainability (P01)
- Sustainability Risk and Materiality Analysis (S04)





Mr. Chaowalit Chunratsathian

Vice President of Human Resource

Age 40 years old

Date of appointment

19th May 2021

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Bachelor of Business Administration, Bangkok University
- Diploma of Business Administration, Bangna Commercial College

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Working Experiences

- Seven Utilities and Power Public Company Limited
2018 - Present Vice President of Human Resource
- Gold Shores Company Limited
2016 - 2018 Human Resource Manager
- Chonlakisakol Company Limited
2015 - 2016 Human Resource Manager

Training Program

- Implementation of Labor Laws, WASO Training Center
- Personal Income tax and Benefits for HR Department, HR Center
- Safety Officer at Management Level, Safety and Health at Work Promotion Association (Thailand)
- ISO 14001 and ISO 22000
- Good Manufacturing Practices & Hazard Analysis Critical Control Point (GMP & HACCP)





Mrs. Nannaphat Laopattananon

Vice President of Accounting The person supervising accounting

Age 40 years old

Date of appointment

- Vice President of Accounting
4th January 2021
- The person supervising accounting
28th January, 2022

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- Faculty of Business Administration Ramkhamhaeng
University

Working Experiences

- Seven Utilities and Power Public Company Limited
2021 – Present Vice President of Accounting
- 2018 – 2019 Personal Business
- Major Development Public Company Limited
2014 - 2015 Accounting Manager
- Seafco Public Company Limited
2009 – 2013 Assistant Accounting Manager
- DIA Audit Co., Ltd
2004 - 2008 Assistant Auditor

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Training Program

- Analysis of financial statements and professional ethics of accounting Course, Department of Business Development
- Accounting Informatics Course, Department of Business Development



The Directors profile of the subsidiary operating the core business.

1. Gas and petrol service stations business

Star Gas Company Limited

- **Mr. Monthep Mapiam Position Director Authorized Director**

The information appears in the biographies of directors and executives page 347

- **Mr. Chanin Kiatthaveepong Position Director Authorized Director**

Age : 45 Years old

Shareholding in 7UP as of February 28, 2022 : -None-

Date of appointment as a Director : 2015 - Present

Relationship between directors and executives : -None-

Education : Bachelor Degree of Finance and Banking, Assumption University

Training : Director Accreditation Program (149/2018)

Working Experience :

- 2012 – 2015 : Assistant Management Director, Sukhothai Grand Estate Co., Ltd.

Positions in other listed companies : -None-

Positions in other non-listed companies : -None-

2. Renewable energy business

Ferrum Energy Company Limited

- **Mr. Monthep Mapiam Position Director Authorized Director**

The information appears in the biographies of directors and executives page 347

- **Mr. Mana Kitirat Position Director Authorized Director**

The information appears in the biographies of directors and executives page 346

3. Utilities business

Gold Shores Company Limited

- **Mr. Suvicha Panichpol Position Director**

Age : 52 Years old

Shareholding in 7UP as of February 28, 2022 : 0.315 percent



Date of appointment as a Director : 27 February 2014

Relationship between directors and executives : -None-

Education : Bachelor's degree of Faculty Of Commerce And Accountancy At Chulalongkorn University

Training : -None-

Working Experience :

2014 – present: Director of Gold Shores Co., Ltd.

Positions in other listed companies : -None-

Positions in other non-listed companies : -None-

- **Miss Chomkamol Poompsnmoung Position Director Authorized Director**

Age : 39 Years old

Shareholding in 7UP as of February 28, 2022 :

- 7UP 0.02% (1,040,000 shares)

- 7UP-W4 2.00% (8,100,000 shares)

Date of appointment as a Director : 24 January 2022

Relationship between directors and executives :

Sister of Police Major Ratchata Poompanmoung (Director)

Education :

BA Business and Administration (Pass), University of Kent at Canterbury, UK

BA Economics and Business Administration (1st Class Honors) Hannings, UK

MSc International Marketing (Merit) University of Surrey, UK

MA Politics, Governance and Democracy (Pass), Royal Holloway, University of London

Training :

Director Certification Program Class 193/2014

Senior Justice Executives Program Class 9

Senior Executives Program , Thailand Energy Academy

Working Experience :

2012 – 2014 Chief Executive Officer (Acting), World Gas (Thailand) Co., Ltd.

Positions in other listed companies :

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

Committee / Chief Executive Officer, WP Energy Public Company Limited



Positions in other non-listed companies :

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

- **Police Major Ratchata Poompanmoung Position Director**

The information appears in the biographies of directors and executives page 344

- **Mr. Monthep Mapiam Position Director Authorized Director**

The information appears in the biographies of directors and executives page 347

- **Mr. Wuthichart Kalyanamitra Position Director**

Age : 58 Years old

Shareholding in 7UP as of February 28, 2022 : -None-

Date of appointment as a Director : 24 January 2022

Relationship between directors and executives : -None-

Education :

Master's degree, Master of Arts, Political Science, Ramkhamhaeng University

Bachelor's degree, Bachelor of Arts, Political Science, Ramkhamhaeng University

Training :

- Directors Certification Program (DCP), class 77
- Understanding The Fundamental of Financial Statements, class 2
- Corporate Governance Program for Directors and Executives of State Enterprises and Public Organizations, Class 2 Public Sector Director and Executive Development Institute (PDI)
- National Defense Course, Class 54, National Defense College
- Capital Market Academy Senior Executive Program, Class 9
- Top Executive Program in Energy Science, Class 4
- Senior Justice Administration Program, Class 19



Working Experience :

- 2015 - 2017 Governor of the State Railway of Thailand
- 2007 - 2015 Managing Director, Transport Company Limited

Positions in other listed companies : -None-

Positions in other non-listed companies : -None-

Sam Water Supply Company Limited

- **Mr. Monthep Mapiam Position Director Authorized Director**

The information appears in the biographies of directors and executives page 347

- **Mr. Mana Kitirat Position Director Authorized Director**

The information appears in the biographies of directors and executives page 346

- **Mr. Nicholas John Wood Position Director Authorized Director**

Age : 56 Years old

Shareholding in 7UP as of February 28, 2022 : -None-

Date of appointment as a Director : 21 December 2020

Relationship between directors and executives : -None-

Education :

- Bachelor of Science (BSc) and Master of Engineering (MEng) Degrees in Electrical and Electronic Engineering from the University of Bath.
- MBA from the London Business School

Training : -None-

Working Experience :

- 2011 Founded Resonance Asset Management
- 2009 Was a member of the senior management team at Men Group Plc., one of the world's largest independent alternative asset management Businesses (LON:EMG), based in London, New York and Zurich. Most recently he was founder, CEO and chief investment officer of man Environmental Capital Opportunities (ManECO), and a member of the Management Committee of Man Investments.

Positions in other listed companies : -None-

Positions in other non-listed companies : -None-



- **Mr. Qiao Herman Cai Position Director Authorized Director**

Age : 53 Years old

Shareholding in 7UP as of February 28, 2022 : -None-

Date of appointment as a Director : 21 December 2020

Relationship between directors and executives : -None-

Education :

- Master of Finance from Hong Kong Polytechnic University
- BA in Banking & Finance from the University of South Australia,
- A Postgraduate diploma in Marketing from the Chinese University of Hong Kong

Training : -None-

Working Experience :

- 2012 Founded Resonance Asset Management
- Has over 20 years experience in the water, wastewater and waste-to-energy sector across Asia and Europe.
- Has Experience in investing via PPP, BOT, BOO and Concession models, and in developing.

Positions in other listed companies : -None-

Positions in other non-listed companies : -None-

- **Mr. Chanin Kiatthaveepong Position Director Authorized Director**

The information appears in the biographies of directors and executives page 355



Attachment 2



Attachment 2 Details of directors and directors of subsidiaries

| Name lists | subsidiaries | | | | | | | | | | | | | | | |
|---------------------------------------|--------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----|----|
| | STG | TWP | SSP | SPP | SAM | FEC | FEN | EFS | SSS | PSG | ERV | ERI | WWS | CTL | GS | HD |
| Mr. Montheap Mapiam | / | / | / | | / | / | / | / | / | / | / | / | / | / | / | / |
| Mr. Mana Kitirat | | | / | | / | / | / | / | | / | / | / | | | | |
| Miss Papatchaya Puenpa | | | | / | | | | | | | | | | | | |
| Mr. Chanin Kiatthaveepong | / | / | | | / | | | | | | | | | | | |
| Mr. Ar-thit Samakkun | | | | | | | | | | | | | | | | |
| Mr. Phairoch Klaytongkum | | | | | | | | | | / | | | | | | |
| Mr. Suchat Tunglamare | | | | | | | | | | / | | | | | | |
| Mr. Nicholas John Wood | | | | | / | | | | | | | | | | | |
| Mr. Qiao Herman Cai | | | | | / | | | | | | | | | | | |
| Mr. Tanapot Suppasri | | | | | | | | | | | | | / | | | |
| Mr. Prakit Wuttisetarak | | | | | | | | | | | | | / | | | |
| Mr. Somkiet Yanyongphanit | | | | | | | | | | | | | | | | |
| Mr. Tharatip Tarathamrat | | | | | | | | | / | | | | | | | |
| Mr. Pathrlap Davivongsa | | | | | | | | | | | | | / | | | |
| Miss Nattachanepak Pattarasattayakorn | | | | / | | | | | | | | | | | | |
| Mr. Preecha Laohapongchana | | | | | | | | | | | | | | / | | |
| Miss Chawaporn Laohapongchana | | | | | | | | | | | | | | / | | |
| Mr. Thanakit Udomcharoenchaikij | | | | | | | | | | | | | | / | | |
| Miss Chomkamon Poompanmoung | | | | | | | | | | | | | | | / | / |
| Mr. Suvicha Panichpol | | | | | | | | | | | | | | | / | / |
| Pol. Maj. Ratchata Poompanmoung | | | | | | | | | | | | | | | / | / |
| Mr. Wutthichart Kanlayanamitr | | | | | | | | | | | | | | | / | / |



Company Name

| | | |
|-----|---|--|
| STG | : | Star Gas Company Limited |
| TWP | : | Tawatpinyo Company Limited |
| SSP | : | Star Solar Power Company Limited |
| SPP | : | Star Petroleum Plus Company Limited |
| SAM | : | SAM Water Supply Company Limited |
| FEC | : | Ferrum Capital Company Limited |
| FEN | : | Ferrum Energy Company Limited |
| EFS | : | Energy For Society Company Limited |
| SSS | : | System and Software Services Company Limited |
| PSG | : | Phrasaeng Green Power Company Limited |
| ERV | : | Energy Revolution Company Limited |
| ERI | : | E R V International Company Limited |
| WWS | : | Wangwiset Woodtrade Company Limited |
| KTL | : | Krungthai Land Development Company Limited |
| GS | : | Gold Shore Company Limited |
| HD | : | Hydro Enterprise and Aqua design Company Limited |



Attachment 3





Miss Thamonwan Phalalum

Internal Audit Manager

Age 31 years old

Date of appointment

27th September 2020

Shareholding (%) as of Dec. 31, 2021

- Myself -None-
- Spouse/Underage child -None-

Family relationship among directors and executives

-None-

Education

- MSc. International Business Management,
Executive Business School, Bournemouth
University, United Kingdom
- Bachelor of Engineering (Chemical Engineering)
(International Programme), Thammasat
University

Working Experiences

- Seven Utilities and Power Public Company Limited
2020 - Present Internal Audit Manager
- Kasikorn Bank Public Company Limited
2015 - 2020 Service Fulfillment Strategy Specialist

Positions in other listed companies

-None-

Positions in other non-listed companies

-None-

Training Program

- Fundamentals for New Auditor Certificate
- Road to Certify CAC (IOD)
- Road to Join CAC (IOD)
- Smart Disclosure Program (SDP) Class 3/2020
- Operation Risk Management Training Program
- Project Management Training Program
- Safety, Occupational Health and Environment in
the Workplace Training Course for General and
New Employee



Attachment 4



Attachment 4 Detail of Assets Valuation

| Company | Asset | Fair Market Value (Baht) | | Appraiser | Objective of valuation | Valuation report date |
|--|--|--------------------------|-----------------|---|--|-----------------------|
| | | Cost Approach | Income Approach | | | |
| Seven Utilities and Power Public Company Limited | 3 plots of land, total area of 0-3-85.0 rai and 2 buildings 1. 8 floors building with basement which area around 8,028 square meters. 2. Garage area around 120 square meters. | 222,649,440 | 209,800,000 | Value Asset Company Limited (Mr. Kanyawit Yaiyang) | To know the current market value of assets | 2 November 2020 |
| Seven Utilities and Power Public Company Limited | 3 plots of land, total area of 0-3-85.0 rai and 2 buildings 1. 8 floors building with basement which area around 8,028 square meters. 2. Garage area around 120 square meters. | 223,163,600 | 3,300,000 | CPM Capital Company Limited (Mr. Noppun Leelittigoonchai) | To know the current market value of assets for recording the book value of investment properties | 24 December 2021 |

Attachment 5



Attachment 5 Company Policy, Guideline practice on corporate governance, Ethic and Committee Chater

Please see the detail in part 2 at clause 7



Attachment 6



Audit Committee Report

Seven Utilities and Power Public Company Limited's Audit Committee consists of three qualified independent directors. The Audit Committee executed its Board of Directors-appointed duties which agreed with the Stock Exchange of Thailand (SET) regulations, the Securities and Exchange Commission (SEC) criteria and those under its own charter.

The Audit Committee is responsible for any duties concerning verifications to ensure that the company has the accuracy and completeness of financial statements, appropriate and effective internal control and internal audit systems. Moreover, the Audit Committee is authorized to consider the internal audit independence as well as the appointment, demotion, removal of the chief audit executive. The Audit Committee also reviewed to ensure the observance of the securities and exchange law or laws relating to the company's business, considers the qualifications, independence, performance and compensation of an auditor in order to propose the appointment, termination and auditor compensation to the company's Board of Directors, considers disclosure of the company's information in case of any related items or items with the conflicts of interest so that such disclosure is accurate and complete and other duties assigned by the company's Board of Directors.

In 2021, the Audit Committee held 4 meetings to conduct its duties according to the responsibilities as stipulated in the charter as follows:

| Meeting No. | Date of Meeting | Mr. Torphong Chaiyasarn | Mr. Ekatip Tippavang | Mr. Nitipat Amnatthaloengsak ¹ |
|-------------|-------------------|----------------------------|-------------------------|--|
| No. 1/2021 | February 25, 2021 | Attended | Attended | |
| No. 2/2021 | May 13, 2021 | Attended | Attended | Attended |
| No. 3/2021 | August 11, 2021 | Attended | Attended | Attended |
| No. 4/2021 | November 11, 2021 | Attended | Attended | Absence |

Remark ¹Mr. Nitipat Amnatthaloengsak, Member of the Audit Committee was newly appointed on April 8, 2021



The Audit Committee meetings are attended by the management team to present information, listen to opinions and recommended beneficial information for management in addition to using the Audit Committee's observations for supervising operations to be more concise than the previous year. For independence in considering information, which requires that there is an exclusively with the auditor on one occasion in absence of management team, therefore the Audit Committee meeting on February 25, 2021 to listen to opinions and recommended from the auditor. In 2021, the Audit Committee reviewed key issues that can be summarized as follows:

1. Review of financial statements

The Audit Committee reviewed the company's quarterly and annual financial statements with management team and auditor. It asked auditor about the accuracy and completeness of financial statements, adjustment of material account entries and accounting perfections affecting such financial reports, adequacy and suitability of account recording, audit scope, information disclosure that was accurate, complete and adequate. All these elements ensured that the financial statements abided by legal requirements as well as accounting standards under generally accepted accounting principles that were credible and timely, and that adequate information was disclosed for user's benefit. The opinions of the Audit Committee are rhyme with the auditor in that the aforementioned financial statements were accurately prepared in terms of significant contents in compliance with financial statements standards.

2. Review of internal control system

The Audit Committee reviewed the internal control system and examine internal audit activity leading to adequate and effective in order to ensured that the company's internal control system is adequate and suitability to prevent and reduce risk in order to operate the business in comply with the established targets, as well as giving opinions and recommendations in any issues to increase internal control system efficiency and pass to management team to consider and process accordingly. In addition, the Audit Committee considered the evaluation of the internal control system at the organizational level in different aspects such as control environment, risk assessment, control activities, information and communication, and monitoring activities.

3. Review of risk management

The Audit Committee emphasized on various risks. that the chief audit executive and auditor have reported by having the management team consider risk factors, determine measures to prevent and control risks that affect the operations and targets of the organization.



4. Review of compliance with the laws, regulations and policies

The Audit Committee reviewed the company's operation procedures and noticed that the company's compliance with laws, related regulations to achieve good corporate governance and in accordance with the laws governing securities and exchange, the Stock Exchange of Thailand regulations and laws related to the company's business protocols.

5. Selection, appointment and propose compensation of the auditor for the year 2021

The Audit Committee endorsed Mr. Sompop Pholprasarn and/or Miss Wannawat Hemachayart and/or Miss Tippawan Pumbansao, all of the Mazars Company Limited as the auditor of the company and subsidiaries by considering qualifications and independence under SEC practice, including past performance. Moreover, the Audit Committee considered compensation for the Board of Directors' concurrence and the shareholders' approval at the annual general meeting.

6. Review the related party transactions or those with potential conflicts of interest

The Audit Committee reviewed and provide advice to the related party transactions or those with potential conflicts of interest to comply with the laws governing securities and exchange, the Stock Exchange of Thailand regulations to ensure sensible conformance to normal transactions and disclose accurate and complete information.

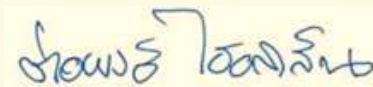
7. Review anti-corruption measures

The Audit Committee reviewed the business risk assessment, establish guidelines to control, prevent and monitor the risks of corruption as well as following the procedures completely and the company has announced its intention to join the Thai Private Sector Collective Action Against Corruption (CAC) which was certified on September 30, 2021.

Furthermore, the Audit Committee assessed its own performance as a group and individuals. The assessment result to be considered together for improving performance efficiency to achieve the company's goals.



In conclusion, the Audit Committee executed its charter duties and responsibilities with due competence, care, prudence and independence while providing opinions and recommendations for the equitable benefit of all stakeholders. Its view is that the company's financial statements are accurate, credible, and align with generally accepted accounting standards with sufficient internal control and internal audit systems. It does not show any problem or error in the internal control system whatsoever in the report, in addition, the company follows the regulations, laws and governance specifications with accuracy, reason and suitability for relevant performance and real business during year 2021 properly, morality and reasonable of the particulars to protect the benefit of the company and stakeholders equally.



(Mr. Torphong Chaiyasarn)
Chairman of the Audit Committee





บริษัท เซเว่น ยูทิลิตี้ส์ แอนด์ พาวเวอร์ จำกัด (มหาชน)

**Seven Utilities and Power
Public Company Limited**