



UAC Global Public Company Limited

" 25 Years of Sustainable Future "

ANNUAL REPORT 2020
[form 56-1 One Report]

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Message from the Board of Directors



In 2020, the impacts from slowdown of global economies and trades caused by outbreak of new coronavirus (COVID 2019) and nose-diving prices of crude oil and petrochemical products led to reduction of performance on revenues of UAC Global Public Company Limited (“UAC”) by Baht 1,300 million, when comparing with the year 2019. UAC tried every way to control costs and emphasized all business units to enhance efficiency, combining with Work from Anyway practice and commencement of digital transformation process to apply more in the organization, consequently, total net profit was Baht 259.04 million, an increase by Baht 105.47 million, or representing 68.68 percent, when comparing with 2019. Summary of significant events in 2020 for shareholders and investors’ acknowledgment were as follows:


- UAC marked the 25th anniversary for business operations by having trade and investment in 3 main businesses: Trading business in energy industry; chemical products production business, and energy production business. UAC Group has 7 subsidiaries, 210 employees in total with offices and production plants in many areas of the country and is now developing waste management project in Vientiane, Lao PDR, which is the first project in a foreign country.
- UAC securities moved from the Market for Alternative Investment (mai) to be traded in the Stock Exchange of Thailand (SET) on February 19, 2020, after they have been listed in mai since 2010 to open opportunities to general and institutional investors to see the increased potential of the Company.
- UAC has been selected in the “Thailand Sustainability Investment (THSI)” list from the Stock Exchange of Thailand for 5 consecutive years and has been recognized as ‘Excellence’ level from assessment results in Corporate Governance Report (CGR) for 3 consecutive years.
- UAC has completely and safely arranged the AGM on May 7, 2020 under strict COVID-19 prevention measures and all agenda have been approved by the shareholders, including an approval of the dividend payment from performance in 2019 at the rate of Baht 0.135 per share on April 30, 2020.
- UAC maintained high level of liquidity to support for slowdown of economic conditions and could redeem Baht 400 million debentures on June 12, 2020 including issue debentures amounting to Baht 300 million on June 18, 2020. UAC also received dividend from investment in the joint venture on biodiesel production totaled Baht 143.56 million and has short-term and long-term loans with low interest from domestic financial institutes which were sufficient for business operations.

- UAC paid interim dividend from performance of the first 9-months of the year to the shareholders at the rate of Baht 0.06 per share on December 9, 2020.
- UAC did not receive any complaint on its business operations from any stakeholder and has fully complied with all relevant laws, rules and regulations.
- UAC has complied with human rights principles of the United Nations on employment and nurturing of employees at all levels. Safe workplace has been provided without any severe accident.

With regards to strategies to keep UAC growing steadily, the Board of Directors has arranged the meetings to discuss about future directions jointly with the management and the business operation targets in 2021-2023 have been adjusted to conform to overall economic conditions by moving forward to trading and investment in Circular Economy and Green Chemicals. In addition, UAC will try to maintain adequate liquidity to make total EBITDA higher than 15 percent and to increase ROE to be more than 20 percent, as well as to adhere to corporate governance principles, to operate business with transparency and fairness to all stakeholders with anti-corruption in all forms, to consider of society, environment and enhance the development and progress of employees at all levels to keep UAC moving ahead sustainably.

On behalf of the Board of Directors, we would like to express our gratitude to all shareholders and stakeholders, including the management and the employees of UAC Group for continual support and confidence in UAC. UAC Group will determine to operate and build prosperous businesses sustainably as per aspiration of

"25 Years of UAC to Keep Moving Forward to Sustainability"



(Assoc.Prof.Dr. Paiboon Sareewiwatthana)
Chairman of the Board of Directors



Mr. Chatchaphol Prasopchoke
President & Chief Executive Officer



Financial Highlights

(Unit : Million Baht)

Financial Highlights	2020	2019	2018
Total Assets	3,130.43	3,045.07	4,032.66
Total Liabilities	1,506.84	1,601.23	2,728.63
Total Shareholders' Equity	1,623.59	1,443.84	1,304.03
Total Revenue from Sales and Service	1,269.23	2,871.96	2,552.89
Selling and Administrative Expenses	207.81	253.64	223.16
Other Revenues	24.06	31.62	55.97
Share of gain(loss) from Investment in Associated Company	263.07	72.51	59.13
Profit for the Year	259.04	153.57	136.51
EBITDA	442.17	352.66	361.11
Earning per Share (Baht)	0.406	0.245	0.21
Registered Capital	367.18	367.18	367.18
Paid-up Capital	333.80	333.80	333.80
Financial Ratio	2020	2019	2018
Net Profit Margin (%)	20.41	5.35	5.35
Return on Equity (%)	18.52	12.31	10.97
Return on Assets (%)	8.78	4.63	3.88
Debt to Equity (times)	0.98	1.15	2.15

Board of Directors

1. Assoc.Prof.Dr.Paiboon Sareewiwatthana

- Chairman of the Board of Director

2. Mr.Kitti Jivacate

- Director
- Chairman of Executive Committee

3. Mr. Chatchaphol Prasopchoke

- Director
- Chief Executive Officer & President
- Member of Executive Committee
- Member of Risk Management Committee

4. Miss Nilrat Jarumanopas

- Director
- Chief Financial Officer
- Member of Executive Committee
- Member of Corporate Governance Committee

5. Assoc.Prof.Dr.Aekkachai Nittayakasetwat

- Independent Director
- Chairman of Audit Committee
- Chairman of Corporate Governance Committee
- Member of Nomination & Remuneration Committee
- Member of Risk Management Committee

6. Assoc.Prof.Dr. Paritud Bhandhubanyong

- Independent Director
- Chairman of Risk Management Committee
- Member of Audit Committee
- Member of Nomination & Remuneration Committee

7. Miss Jeerapan Jinda

- Independent Director
- Chairman of Nomination & Remuneration Committee
- Member of Audit Committee
- Member of Corporate Governance Committee



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The Audit Committee Report

The Audit Committee consists of 3 Independent Directors, namely

- | | |
|--|---|
| 1. Assoc.Prof. Dr. Aekkachai Nittayakasetwat | Chairman of the Audit Committee/ Independent Director |
| 2. Assoc.Prof. Dr. Paritud Bhandhubanyong | Audit Committee Member /Independent Director |
| 3. Miss Jeerapan Jinda | Audit Committee Member/Independent Director |

The 3 directors possess qualifications as per requirements of the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), and are fully qualified pursuant to the Audit Committee Charter. They have knowledge, competency and experiences on accounting and financial matters and can perform duties, express opinions independently and they do not involve in managerial tasks

The Audit Committee performed duties on supervision of the Company's operations on compliance with the Company's policy and in conformity with the relevant regulations and laws; on promotion for preparation of the accounting and financial reporting pursuant to the international standards, including on strengthening of effective and efficient internal control system, internal audit and organizational risk management. They can perform duties independently as per assigned by the Board of Directors, concordantly with the Charter and the Best Practice Guidelines for the Audit Committee and in line with the requirements of the SEC and the SET. The Audit Committee put emphasis on the Company on compliance with the corporate governance principles and risk management that can support the management on performing the work towards the strategies and business objectives effectively and efficiently, as well as on development and maintenance of effective and efficient internal control to increase opportunity on achievement of the organizational goals and adjustment to the changing business environment.

In 2020, the Audit Committee convened 6 meetings in total, with attendance by all members every time, together with the management, the internal auditor and the external auditor. The Audit Committee performed duties to the best of its abilities as per the scope.

Summary of significant operations was as follows:

1. Review of financial reports

The Audit Committee reviewed the quarterly and annual financial statements of the Company and its subsidiaries for the year 2020 which were prepared according to the Thai Financial Reporting Standards (TFRS), which is in conformity with the International Financing Reporting Standards (IFRS). The Committee also attended a meeting with the external auditor without the management to independently discuss the acquisition and review of material information for preparation of the financial statements, the disclosure of information in accordance with the financial reporting standards for the benefits of the user of the financial statements, Key Audit Matters (KAM), connected transactions and transactions which might have conflict of interest before proposing to the Board of Directors for consideration and approval. In 2020, the external auditor has expressed an unqualified opinion, did not find any material observation or any indication of suspicious behavior.

The Audit Committee was of the opinion that the Company's internal control system was sufficient for the financial reporting preparation process to make certain that the Company's financial reports have been made pursuant to the Generally Accepted Accounting Principles (GAAP) and the laws pertaining to the Company's business operations. Material information in the financial status and performance of the Company have been adequately, correctly and suitably disclosed and in a timely manner, so that the shareholders or the stakeholders can have adequate information for making decision.

2. Review of connected transaction and transaction which might have conflict of interests

The Audit Committee reviewed connected transactions and transaction which might have conflict of interest and disclosed to the SET for acknowledgement correctly as per the specified timeframe for transparency and equally fairness to all shareholders. Connected transaction and transaction which might have conflict of interest have been undertaken based on the right principles, passed the transparent approval process, by taking into consideration the Company's benefits as if they were undertaken with the third party (arm's length basis). There are monitoring and inspection system to ascertain that such transactions have been undertaken pursuant to the correct, transparent, reasonable processes and for the best interest of the Company, pursuant to the Company's policy and regulations of the SEC and the SET.

The Audit Committee was of the opinion that connected transaction and transaction which might have conflict of interest have been undertaken pursuant to the normal business practices, with reasonable trade conditions and prices and for the best interests of the Company. In addition, information has been completely and adequately disclosed as per regulations of the SEC and the SET.

3. Review of internal control system

The Audit Committee reviewed the results of internal control system assessment on quarterly basis, which covered both operating system and information technology system and also the assessment pursuant to the assessment form on adequacy of the internal control system which have to be submitted to the Office of the SEC. For 2020, it was found that the management put emphasis on building up awareness to enhance moral, ethical behavior and code of conduct to employees continually, and risk management in order to find causes and guidelines for prevention of possible damage to the Company which included accounting and financial, usage of resources, protection and safeguarding of properties, operations, information technology and compliance. The Audit Committee has provided useful recommendations suitable with the current business conditions and monitored rectification of problems as per the internal auditor's report to ascertain that the auditing activities are independently, fairness, covering material risks and consistent with the internal control professional standards.

The Audit Committee was of the opinion that the Company's internal control system was sufficient and appropriated with its business operations. This corresponded with the external auditor's opinion which reported that there was no material deficiency that might affect the Company's financial statements. This is one of the missions stipulated in the Audit Committee Charter. Internal control system assessment result has been reported to the Board of Directors for acknowledgement every quarter.

4. Review of compliance with the laws on securities and exchange

The Audit Committee reviewed the Company's operations on compliance with the laws on securities and exchange, regulations of the SEC, the SET and the laws pertaining to the Company's business operations and was of the opinion that no transaction was against the laws and the relevant regulations. The Company has clear policy on compliance with the laws on securities and exchange, regulations of the SEC and the SET including the laws relevant to the Company's business operations.

5. Supervise the internal audit operations

The Audit Committee considered and selected EI Business Advisory Company Limited, the independent auditor, as the Company's internal auditor for 2020, including reviewed and approved the annual audit plan for 2020 which has been prepared pursuant to the Company's material risks and focused on auditing of efficient operations of important control points, including annual budget, adequacy of personnel and supervision of auditing activities pursuant to the specified work plans.

The Audit Committee was of the opinion that the auditing activities were suitable, adequate and efficiently. The annual audit plan corresponded to the Company's goals and risks.

6. Consider on selection and appointment of the external auditor

The Audit Committee considered and selected the auditor for 2021 by taking into consideration the auditor's independency, previous performance, skills, competency and experiences on auditing of businesses of the Company and the Group of Companies. The Audit Committee considered that the auditors from EY Company Limited have independency, possess adequate knowledge and experiences that can provide beneficial recommendations on preparation of the financial reporting and improvement of the internal control of the Company, hence, it resolved to propose to the Board of Directors to further propose to the shareholders' meeting for consideration on appointment of the external auditor and approval of the audit fee.



(Assoc. Prof. Dr. Aekkachai Nittayakasetwat)

Chairman of the Audit Committee

The Corporate Governance Committee Report

The Board of Directors puts strong emphasis on promotion and compliance with corporate governance principles to strengthen confidence of all stakeholders. The Board of Directors assigned the Corporate Governance Committee which consists of 3 members to propose corporate governance practices to the Board of Directors, supervise operations of the directors and the management to ensure that they shall comply with the corporate governance principles specified in the Company's corporate governance policy. In 2020, the Corporate Governance Committee has arranged 1 meeting to review and improve the Company's corporate governance policy to make it correspond to the international operating practice as well all relevant laws, rules, criteria and regulations. This Committee also monitored the operations pursuant to 5 main topics which can be summarized as follows:

1. The Right of Shareholders

- Provide sufficient information on date, time, venue and meeting agenda of the 2020 Annual General Meeting of Shareholders as well as all information related to the agenda which are required to be considered to the shareholders in advance and on timely manner.
- Disseminate information related to the 2019 Annual General Meeting of Shareholders through the Company's website in advance to allow the shareholders to have adequate time to study information as well as facilitate the shareholders so that they can fully exercise their rights to participate and to vote in the meeting. As a result, the Company obtained 100 scores from assessment on AGM Checklist by the Thai Investors Association.

2. The Equitable Treatment of Shareholders

- As part of corporate governance principle, the Company allowed the shareholders to propose meeting agenda and nomination of director's name for the General Meeting of Shareholders in advance during September 18, 2019 to December 31, 2019.
- The Company specified that the directors and the executives are obligated to report their securities holding of the Company. In case of trading of the Company's securities, they shall report the Company Secretary at least 1 day in advance and shall report all of the Company's securities they hold to the Office of the Securities and Exchange Commission within the specified period of time.

3. The Role of Stakeholders

- The Company is well aware of importance of the rights of all stakeholders by conducting business legally and correspondingly to the laws, regulations or standards or requirements and such business operation shall not have any adverse effects to environment, community and society as well as all groups of stakeholders. The Company has specified "Dishonest Act Prevention Policy and Anti-corruption Policy" and set up measures to prevent and handle dishonest or corruption cases which may occur or has occurred in the Company. Social responsibility policy has also been defined by emphasizing on conducting business with social and environmental responsibility as well as placing importance on promotion and support activities for the society, community and environment continually, for instance, UAC and its subsidiaries jointly supported medical equipment and alcohol gel to the hospitals and the suffered people to protect themselves and fight against spread of coronavirus (COVID-19), provide soil improvement materials to municipals and temples located around Mae Tang District, Chaing Mai Province and etc. Moreover, the company is aware of the environmental impact of greenhouse gas emissions in the factory area. In 2020, the PPP and the Mae Taeng plant can reduce greenhouse gas emissions by 28,061 tons / year and 18,178 tons / year, respectively.

- The Company has provided channels for the stakeholders and the investors to notify, suggest, file a complaint or clue with regard to illegal act, correctness of financial statement, defective internal control system or any act which is against the ethics principles to the Board of Directors via the Audit Committee at email address: chairman_auditcom@uac.co.th or visit the Company's website and click at Icon: Whistleblower Form. Details of the person who notifies such information (the whistle blower or the informant) or the clues shall be kept confidential to protect the right of such informant. During 2020, the Company did not receive any complaint or clue on illegal act at all.

4. Disclosure and Transparency

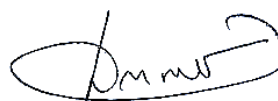
- The Company has participated in the 'Opportunity Day' Event arranged by the Stock Exchange of Thailand to hold a press conference on performance of the Company 3 time and video of this activity including the supporting document has been publicized on the Company's website, so that the investors can access to such information at all times.
- The Company has prepared the Annual Information Disclosure Form (56-1 Form) and the Annual Report. In addition, the information of the Company's performance on quarterly basis as Management Discussion and Analysis and Factsheet including important information for the shareholders, the investors and general public which consisted of adequate, reliable and update material information have also been disclosed via various channels continually, such as Elcid System of the Stock Exchange of Thailand, including the Company's website (www.uac.co.th).

5. Responsibilities of the Board of Directors

- The Board of Directors is required to conduct self-assessment every year and the result from such assessment in 2020 was in 'Excellence' level. In addition, in 2020, assessment results on performance of member of the Board individually and by all committees were also in 'Excellence' level.

With strong determination to operate business with transparency and fairness, the corporate government operations of the Company has been recognized at national level which can be witnessed from the following achievements: The Company's assessment results from the 2020 Corporate Governance Report Program (CGR 2020) of Thai Listed Companies by the Thai Institute of Directors Association (IOD) was ranked in the "Excellent" level and selected as "Thailand Sustainability Investment (THSI)" for 2020 from the Stock Exchange of Thailand, for five consecutive year.

As corporate governance is an important element that can effectively and sustainably contribute and build up value of the Company's business operations, therefore, the Corporate Governance Committee will put its best efforts to supervise the Company on strictly compliance with the corporate governance policy, anti-corruption policy, fraud protection policy and code of conduct as well as to develop corporate governance practices to be on par with the standardized level on continued basis. In addition, the Company became a member of the Partnership Against Corruption for Thailand (PACT Network) which could lead to efficient and transparent operations with objectives to earn more confidence from all stakeholders that the Company has considered the benefits of all stakeholders.



(Assoc. Prof. Dr.Aekkachai Nittayagasetwat)

Chairman of the Corporate Governance Committee

The Risk Management Committee Report

The Company's Risk Management Committee comprises of 2 Independent Directors and 1 Executive Director. The Chairman of the Risk Management Committee is Assoc. Prof. Dr. Paritud Bhandhubanyong, the Independent Director, and the committee members are Assoc. Prof. Dr. Aekkachai Nittayagasetwat, the Independent Director and Mr. Chatchaphol Prasopchoke, the Executive Director.

In 2020, the Risk Management Committee arranged 5 meetings to conduct material operations which could be summarized as follows:

1. Considered and approved the adjustment of the enterprise risk management guideline pursuant to COSO ERM Framework 2017 principle, so that it could be applied to conform and associate with the Company's vision, mission and strategy.
2. Considered and approved the arrangement of the training course on "Risk Management pursuant to COSO ERM Framework 2017 Principle" for the risk management working group, the management and the relevant persons.
3. Considered and approved the amendment of risk management manual to make it conform to the COSO ERM Framework 2017 Principle.
4. Considered enterprise risks in 2020 including risks from changes in external environment factors and risk mitigation management plan.
5. Considered and approved the arrangement a special meeting on "the Company's Measure, Plan and Preparedness for the Crisis of New Coronavirus (COVID-19) Pandemic and Strategic Risks during 'New Normal Era'".
6. Considered the report on drilling result of the business continuity management plan (BCP) for 2020.

The Risk Management Committee was of the opinion that during the past year the Company has adjusted and developed the enterprise risk management system continually, for instance, enterprise risk management culture has been encouraged and cultivated; risk management plan and business continuity management plan had been concretely prepared; the meetings to monitor and review risk management to ensure compliance with the plan have been arranged, and risks from changes of external environment factors and other crises which may affect the Company's operations have been monitored.

The Company could adequately manage material risks and could control risk management in acceptable level. The Company also determined to improve risk management system pursuant to the policy under the corporate governance principles.



(Assoc. Prof. Dr. Paritud Bhandhubanyong)

Chairman of the Risk Management Committee

The Nomination and Remuneration Committee Report

The Nomination & Remuneration Committee comprises of 3 Independent Directors, namely Miss Jeerapan Jinda, the Chairman and two Committee Members who are Assoc. Prof. Aekkachai Nittayakasetwat and Assoc. Prof. Dr. Paritud Bhandhubanyong. In 2020, the Nomination & Remuneration Committee held 2 meetings with the Company's management and essence of the meetings can be summarized as follows:

1. To consider the nomination of the director to replace the vacant director position:

The Committee has considered and resolved to nominate Mr. Kitti Miss Nilrat Jarumanopas and Assoc. Prof. Dr. Aekkachai Nittayakasetwat to replace the vacant director positions because they are fully qualified with regards to proficiency, expertise, working experiences and etc. They also do not possess any prohibited characteristics under the Public Limited Company Act, the Law on Securities and Exchange Act and the relevant notifications, requirements and/or regulations.

2. To assess performance of the Chief Executive Officer & President

The Committee has assessed annual performance of the Chief Executive Officer & President in order to consider on adjustment of his salary and annual bonus and to propose to the Board of Directors.

3. To consider and approve bonus allocation and payment for 2020

The Committee has considered on approval of bonus allocation and payment for 2020 by comparing the performance of 2020 with the budget, in addition, information on average rate of bonus payment and profitability in 2018 and 2019 and survey of wage labor market were also taken into account for consideration. Such bonus allocation was proposed by Management and the Committee has agreed with the criteria and procedure which were considerably clear, transparent and appropriate.

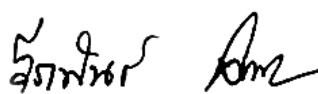
4. To consider draft budgeting of wage for 2021

The Committee has considered draft budgeting by divided into 2 parts, i.e. draft budgets for salary and for bonus which has been proposed by the Management and information gained will be used as framework for wage management for 2021. However, draft budgeting of salary of the Chief Executive Officer & President will not include in this draft budgeting.

5. To consider Chairman of Executive Committee and Chief Executive Officer & President salary

The Committee has considered salary of Chief Executive Officer by comparing his annual performance assessment business operating results and salary assessment of 2020 and 2019 as well as survey of wage labour market in the similar industry.

In conclusion, the Nomination & Remuneration Committee has performed duties pursuant to the Charter which has been approved by the Board of Directors and pursuant to the corporate governance principles. In addition, the Committee was of view that the Company has clear, transparent and fair criteria and methods for wage management which are in line with corporate governance principles and they are considered for the best interests of the Company.



(Miss Jeerapan Jinda)

Chairman of the Nomination & Remuneration Committee



Business Operation and Performance

Structure and Operations of the Group of Companies

Policy and Business Overview

UAC Global Public Company Limited was incorporated on June 28, 1985 and listed on Market for Alternative Investment (mai) on October 11, 2010. and was later listed on the Stock Exchange of Thailand (SET) in Petrochemicals & Chemicals Sector on February 19, 2020. the Company engaged in business of import and distribution of chemicals and equipment used in various industries, i.e., off-shore natural gas exploration and production, gas separation plant, oil refinery, upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power and utilities plant, and etc.

Furthermore, the Company has expanded its businesses by investing in the projects related to renewable and alternative energy, for instance, biodiesel plant through the associated company (Bangchak Biofuel) which is a joint investment with the subsidiary of Bangchak Corporation Public Co., Ltd. ("BCP"), petroleum production plant in Sukhothai Province, the biogas power plant by using energy crops (Napier grass) as fuel, Solar PV Rooftop projects including investment in chemicals business, i.e. latex polymer and latex emulsion used in the country's infrastructure industries to build on existing business for sustainable growth, including to conduct study on project development and investment in utilities business concerning tap water system. The Company emphasizes on conducting business under following vision and mission:

Vision

The Company determines to be an environmental friendly operator of clean energy, petrochemicals and utilities and it shall maintain its national leadership and to be accepted at international level.

Missions

1. To determine to engage business in clean and environmental friendly energy, petrochemicals and utilities beneficially to the country, environment and society,
2. To operate business by adhering to corporate governance principles by treating business partners fairly, transparently and anti-corruption.
3. To be responsible to shareholders by adding values to business continually and creating stable returns to the shareholders in the long run.
4. To determine to become a happy organization by taking into consideration the fair working environment and compensation and promotion of career path of the employees.

For more than 25 years of experiences, the Company's business expanded continually by emphasis on projects related to renewable and alternative energy. During the 2014 Annual General Meeting of Shareholders on April 4, 2014, the meeting approved to change the Company's name from "Universal Adsorbents and Chemicals Public Company Limited" to "UAC Global Public Company Limited" to support present and future business operations. The Company registered the change in the Company's name with the Ministry of Commerce on April 18, 2014.

Business Operation Goals

The Company's first priority in operating the business is the customer and goals of its business operations are as follows:

1. Supply good quality and up-to-standard products as per specified by the customers. There are procurement and selection processes of such products with Certificate of Acceptance and product details for continual delivery as per the customers' requirements.
2. Build customer satisfaction from quality of products delivered and after-delivery processes, as well as deliver products on time or as per the customers' requirements.
3. Improve the works continually by focusing on the employee engagement and the organization with fair management. Support for quality development and processes to enhance knowledge to employees which will lead to favorable impact on selection and presentation of qualified products to the customers.
4. Increase revenue and products in main customer groups, i.e. energy industry, petrochemical, lubricant and utilities system groups.
5. Expand investment in renewable energy industry and utilities business continually, in order to make them become the main sources to increase the Company's net profit sustainably.
6. Put emphasis on safety of the employees and the related parties. Stringent safety system must be arranged to prevent injury or damage-related accidents.
7. Prevent and anti-corruption for business operations in every kind by encouraging the directors, the executives and the employees to realize about good corporate governance principles and motivate them to observe those principles continually.

UAC Core Value

W

WORKPLACE HAPPINESS

E

ETHICS

R

RESPONSIBILITY

U

UNITY

A

AUTHENTICITY

C

COMPETENCY

Summary of significant developments and changes of the Company during the past 5 years:

2016

- The Company became 1 of the 5 companies which have been selected to participate in the Corporate Sustainability Advisory Program, Batch 2. This program has been supported by mai to develop knowledge on sustainable development to the listed companies in mai. In addition, the Company has been awarded from “2016 Thailand Sustainability Investment: THSI”, where 51 listed companies have been selected and it was one of 6 listed companies in mai.
- On January 29, 2016, which was the last exercised date of UAC-W1, UAC-W1 holders notified their intention to exercise their rights totaled 26,467,570 units, representing the Company's shares of 35,731,200 shares, accounting for 198,504,685.35 Baht, which made the paid-up registered capital of the Company amounted to 333,802,650.50 Baht, dividing into 667,605,301 ordinary shares at par value of 0.50 Baht per share.
- On April 1, 2016, UAC Energy Co., Ltd. (the subsidiary) has accepted delivery of power plant business Sao Thian-A and Pra Du Thao, located at Kongkrait District, Sukhothai Province with total generating capacity of approximately 7 MW, from Ratchburi Energy Co., Ltd.
- The 2016 Annual General Meeting of Shareholders resolved to approve the capital increase under General Mandate of 200.28 million shares to issue and offer to right offering amounting to 133.52 million shares and private placement amounting to 66.76 million shares, including to issue and offer debentures in the amount of not exceeding 1,000 million Baht. The first offering date of debenture was made on May 26, 2016, at offering amount of 500 million Baht and at interest rate of 5.3% with objectives to repay short-term loan, to invest in gas pipeline project and to serve as working capital of the Company. Its maturity date is May 25, 2018.
- On May 19, 2016, the Company paid cash dividend to its shareholders at the rate of 0.10 Baht per share, with total dividend payout of 66,760,530.10 Baht, or accounting to 81 % of net profit after required legal reserves.
- UAC Energy Co., Ltd. increased its registered capital from 70 million Baht to 90 million Baht and 95 million Baht, respectively to support the acquisition of power plant business from Ratchburi Energy Co., Ltd.
- On June 17, 2016, the Company purchased all of ordinary shares of UAC HYDRO from Hydrotek Public Co, Ltd. and the name of UAC HYDRO has changed back to UAC Utilities Co., Ltd. on July 25, 2016.
- The Company was one of the 30 listed companies in mai which have been selected to participate in the program to enhance listed companies innovation capabilities in making use of organizational innovation management of the Stock Exchange of Thailand which has been arranged by National Innovation Agency (NIA). In addition, presentation on research and development work on chemical products of UAC Advance Polymer Co., Ltd. (UAPC) has received “Total Innovation Management Award”.
- Bangchak Bio-fuel Company Limited (BBF), an associated company that the Company held 30% of its shares, has increased its generating capacity from 360,000 liters/day to 810,000 liters/day to support the increased demand and commercial operation of such increased capacity has commenced on the 2nd quarter of 2016.
- The Company has cooperated with PTT Exploration and Production Public Co., Ltd. (PTTEP) on construction of natural gas pipeline from Sao Thian-A source to Petroleum Production Plant (PPP) to increase feedstock on producing compressed natural gas (CNG), liquefied petroleum gas (LPG) and natural gasoline liquids (NGL), so that the plant could be operated at full capacity as per design. Commissioning test has been conducted on July 2016 and commercial operation has commenced on August 2016.
- On December 16, 2016, UAC Energy Co., Ltd. (the Company's subsidiary) has sold 2 of its solar PV rooftop projects, which have total generating capacity of 300 kW, installed at Bangkok Dec-con Public Co., Ltd. to Bangkok Dec-Con Public Co., Ltd.
- On December 20, 2016, UAC Utilities Co., Ltd. (the Company's subsidiary), acquired shares of Odin Power Co., Ltd., at ratio of 10% of paid-up registered capital of 200 million Baht, to jointly invest in 3 MW power plant project to produce and supply electricity generated from waste in the Southern region and other projects in the future.

2017

- The Company established the following subsidiary company and associated company:
 - UAC Top Energy Co., Ltd. (“UAC Top Energy”), the subsidiary, has been established on January 13, 2017. It is an indirect subsidiary that the Company holds share through UAC Energy Co., Ltd. which holds 75% of shares. This entity has registered capital of 500,000 Baht and has objective to invest in solar energy project; and
 - ODIN Myanmar Co., Ltd. (“ODIN Myanmar”), an associated company, has been established on November 30, 2017. It is a joint venture between ODIN Power Co., Ltd. (“ODIN”) and UAC Energy Co., Ltd. (“UAC Energy”) at ratio of 60% and 40%, respectively and it has objective to invest in energy project in overseas.
- The 2017 Annual General Meeting of Shareholders resolved to approve the capital increase under General Mandate of 200.28 million shares to issue and offer to right offering amounting to 133.52 million shares and private placement amounting to 66.76 million shares.
- On April 24, 2017, the Company paid cash dividend to its shareholders at the rate of 0.05 Baht per share, with total dividend payout of 33,380,265.05 Baht, or accounting to 26.76% of retained earnings.
- The Company has increased registered capital of its subsidiary companies to support for business operation and investment in various projects as follows:
 - UAC Utilities from 10 million Baht to 30 million Baht;
 - UAC Energy from 95 million Baht to 200 million Baht.
- The Company received “2017 Thailand Sustainability Investment: THSI” Award, for the 2nd consecutive year. This year, 65 listed companies and 7 listed companies in mai have been selected.
- Petroleum Production Plant (PPP) which is located at Sukhothai Province has been certified for ISO14001:2015 Environmental Management System and OHSAS18001:2017.
- The Company received a Platinum Honorable Certificate from the Occupational Health and Safety Standard System and Working Environment Promotion Project for Medium and Small Enterprises.

2018

- On February 2018, UAC Top Energy Co., Ltd. has increased its registered capital from 500,000 Baht to 7,000,000 Baht to support for investment in solar PV rooftop project at Kingboard Laminate Manufacturing Co., Ltd., which has generating capacity of 752.40 kW. Commercial operation date and revenue recognition of this project has commenced since Q3/2018. Later on December 2018, UAC TOP Energy Co., Ltd. has sold such project to BCPG Public Company Limited at 23.92 million Baht.
- On February 2018, the Company signed a working capital loan extension agreement with Kasikornbank Pcl. (KBANK) for an additional credit amount of 497 million Baht for investment on expansion of trading business.
- During the 2018 Annual General Meeting of Shareholders, the meeting has resolved and approved the following matters:
 - Approved the decrease of the Company’s registered capital amounting to 200.28 million shares (from capital increase under General Mandate).
 - Approved the increase of the Company’s registered capital amounting to 66.76 million shares to support for exercise of the Warrants (UAC-W2).
 - Approved the issuance and offering of 66.76 million units of UAC-W2 to the existing shareholders at ratio of 10: 1, exercise ratio of 1:1, exercise price: 5.55 Baht, tenor: 2 years.
- On April 20, 2018, the Company paid cash dividend to the shareholders at the rate of 0.12 Baht per share with total dividend payout of 80,112,636.12 Baht, or accounting for 59.77% of net profit.
- On June, 2018, the Company issued bonds amounting to 400 million Baht, 2-year, interest 5.5% to use as working capital and for future investment.
- On July 2, 2018, the Company has issued and offered warrants to purchase ordinary shares of the Company No. 2 (UAC-W2) in the amount of not exceeding 66.76 million units to the existing shareholders.
- On August, 2018, UAC arranged “UAC Technical Symposium” by cooperating with principles of the leaders on technology and global products under oil and refinery, petrochemical, power plant and utilities industries to exchange knowledge and strengthen relationship among the companies in the same business groups.

- On October 9, 2018, the Company paid interim cash dividend for 2018 to the shareholders at the rate of 0.10 Baht per share at total sum of 66,760,530 Baht, or accounting for 34.16% of retained earnings.
- On November 2018, the Company signed a financial support contract with Thai Military Bank Plc. at the credit amount of 840 million Baht for investment in expansion of trading business.
- Petroleum Production Plant (PPP) received additional associated gas from Siam Moeko Co., Ltd. approximately 300,000 million cubic feet/day. Consequently, current generating capacity of PPP is more than 90% (or approximately 1.80 million cubic feet/day).
- The Company received “2018 Thailand Sustainability Investment: THSI” Award, for the 3rd consecutive year. This year, 79 listed companies and 6 listed companies in mai have been awarded.
- The Company has been recognized as ‘Excellence’ Level from assessment under 2018 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors.
- The Company gained 100 full scores during 2018 Assessment of Quality on Arrangement of Annual General Meeting of Shareholders by the Thai Investors Association.
- Petroleum Production Plant (PPP) received a certificate on “2018 Pilot Outstanding Enterprise on Occupational Health, Safety and Working Environment” from Department of Labor Protection and Welfare.
- On April 2019, UAC Energy Co., Ltd., the subsidiary, has entered into the contract for waste management project to produce renewable energy and process recycled product, in Vientiane, Lao PDR with total investment value of USD30 million or approximately 990 million Baht to generate electricity for sale to government with capacity of approximately 6 MW; to sell recycled plastic to private company with expected buying volume of approximately 13,200 ton/year and to sell chemical fertilizer to agricultural entity of Lao PDR with expected buying volume of approximately 30,000 ton/year.
- On September 2019, UAC Energy Co., Ltd. has purchased additional 17,499 shares in UAC Top Energy Co., Ltd. from Sunthornwipat Green Energy Co., Ltd., consequently at present, UAC Energy Co., Ltd. holds shares of 99.99% in UAC Top Energy Co., Ltd.
- UAC TPT Pellets Co., Ltd. has registered for business dissolution because its commercial operation has not been commenced.
- The Company has been recognized assessed as ‘Excellence’ Level from assessment under 2019 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors.

2019

- On May 9, 2019 during the 2018 Annual General Meeting of Shareholders, the meeting resolved and approved the dividend payout for performance from January 1 to December 31, 2018 at the rate of 0.16 Baht per share. The Company has already paid interim dividend on October 9, 2018 at the rate of 0.10 Baht per share, or equaled to 66,760,530.10 Baht. Such dividend has been paid from unappropriated retained earnings. Hence, remaining dividend to be additionally paid was at the rate of 0.06 Baht per share, or equaled to 40,056,318.06 Baht. The dividend has been allocated from unappropriated retained earnings and net profit and the remaining dividend has been paid on April 20, 2019.
- Biogas power plant from energy crops in Mae Tang received the outstanding renewable energy award from Thailand Energy Award 2019 under category of On-Grid Project.
- Petroleum Production Plant (PPP) received 2019 Green Industrial Level 4 from Ministry of Industry. This award reiterated good image and attitude toward environmental friendly industry and it made the industries and the surrounding communities accept as well as reduce cost on business operations.
- The Company received Rising Star Sustainability Awards under the Sustainability Excellence Award Group and also received “2019 Thailand Sustainability Investment: THSI” Award, for the 4th consecutive year. This year, 90 listed companies and 8 listed companies in mai have been awarded.

Awards received in 2019

Significant Developments and Changes in 2020



- On February 19, 2020, UAC securities moved from the Market for Alternative Investment (mai) to be traded on the Stock Exchange of Thailand (SET) under Industrials Group in Petrochemicals & Chemicals Sector to enhance confidence to the shareholders and the investors.
- On May 7, 2020, the 2020 Annual General Meeting of Shareholders passed the following resolutions:
 - Approve the dividend payment for operating performance from January 1, 2019 to December 31, 2019 at the rate of Baht 0.135 per share, pursuant to the resolution of the Company's Board of Directors No. 3/2020 on April 7, 2020. The Company has already paid the interim dividend on April 30, 2020 at the rate of Baht 0.135 per share, totaling Baht 90,126,715.64 or dividend payout ratio at 88.74% of the net profit.
 - Approve the issuance and offering for sale of Debt Instrument in the Form of Debentures in the amount of up to Baht 2,000,000,000, or in equivalent amount of other currencies, with objectives to repay existing bank debt, to expand business and/or to serve as working capital including to make available alternative investment product for Company's investors.
- Redemption of debentures and offering for sale of debentures as follows:
 - On June 12, 2020: Redeem Baht 400 million debentures which was due on maturity date.
 - On June 18, 2020: Raise fund by issuing debentures in named certificate form, unsecured and unsubordinated to the institute investors and/or major investors amounting to Baht 300 million, with maturity date on June 18, 2022.

- On June 30, 2020: Notify the last exercise date of UAC-W2. UAC-W2 holders notified their intention to exercise their rights totaled 898 units, representing 898 ordinary shares. Hence, currently the Company has 667,606,199 ordinary shares in total.



- On August 26, 2020, UAC signed a Memorandum of Understanding for Academic Purpose with Mae Jo University for capacity building program on energy study.



- UAC signed an agreement with Sunsweet Public Company Limited, to be a consultant for construction project of biogas system by using raw material from residue waste from production process within the plant.
- UAC was qualified for FTSE Global Index, an international securities index, for calculation in FTSE Micro Cap Series, for the latter part of 2020, with effective from September 18, 2020. This announcement can increase attraction to UAC securities security and enhance confidence of both local and international institutional investors.
- Offering of shares in the subsidiary and the associated company for business restructure as per the Company's policy which focused on Core Business, i.e., investment in renewable energy and clean chemical products, as follows:

- Offer 30% of shares of UAC Utilities Company Limited (Subsidiary) to PTE Plus Company Limited (PTE Plus), an expert in Petroleum Exploration and Production services.
- Offer total of 49% of shares in Sebigas UAC Company Limited to a new shareholder, because Sebigas UAC operates in EPC business, which is classified as Non-Core Business.
- UAC received dividend from investment in Bangchak Bio-fuel Company Limited (BBF), an associated company, amounted to Baht 143.56 million from its operating performance in 2019 and the first part of 2020.
- UAC securities have been selected for sSET calculation for the first half of 2021 which can reflect liquidity for trading and securities distribution to general investors at adequate level.
- The Company received 100 full scores (Excellent Level) during 2020 Assessment of Quality on Arrangement of Annual General Meeting of Shareholders by the Thai Investors Association.

Activities for Sustainability

- Mae Tang Plant donated the subsoil irrigation system (SIS) to Thung Luang Temple as soil amendment for planting herb. This activity can strengthen local wisdom inheritance and develop the environment on sustainable basis.
- PPP delivered HDPE pipes to government agencies, tambon administration organizations and temples located in areas surrounding Kokrat Sub-district, Kongkrait District, Sukhothai Province to help minimize flooding problems during rainy season.



- UAC and its subsidiaries jointly supported medical equipment and alcohol gel to the hospitals and the suffered people to protect themselves and fight against spread of coronavirus (COVID-19).
- Mae Tang Plant donated rice and dried food to Forest Fire Extinguishing Association, Fang District, Chiang Mai Province as morale support for the officers who performed forest fire-fighting operations.



- The Company's employees participated in 2020 maiA Virtual Run for Thai Red Cross Society, during the period from September 1, 2020 to October 31, 2020, which can collect running distance totaled 5,716.59 kilometers. The Company also donated Baht 50,000 for this charity activity.

Awards and Achievement



- "2020 Thailand Sustainability Investment (THIS)" Award. The Company received this award for the 5th consecutive year which signified business operations with environmental, social and corporate governance responsibility or ESG and a good model for business operations as an alternative for the investors who need to invest in securities with sustainability.
- The Company has been recognized as 'Excellence' level from assessment under 2020 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD).
- PPP has been certified for ISO45001:2018 (Occupational Health and Safety Management System) from the Management System Certification Institute (Thailand) (MASCI).

- Chief Executive Officer and President participated in SET Social Impact Gym Project, arranged by the Stock Exchange of Thailand, the Market for Alternative Investment (mai) and mai Listed Company Association (maiA) as a volunteer mentor to enhance knowledge and develop the Social Enterprise (SE) operators. In 2020, he gave advises and recommendation to Petchburi Tourism Community Enterprise.
- In 2020, PPP could reduce CO2 emission generated from flaring of associated gas and from power utilization which could absorb 22,839 ton and 222 tons of CO2 respectively. For Mae Tang Plant, as 10,082 tons of corn had been purchased to be used as raw material so it could reduce CO2 emission of more than 8,096 tons from corn burning.

General Information

Name of Company	: UAC Global Public Company Limited
Type of Business:	: The Company engages in business of import and distribution of chemicals and equipment used in various industries, i.e. offshore natural gas exploration and production, oil refinery, upstream petrochemicals, engine oil lubricant manufacturing plants, polymer and plastic manufacturing plant, chemical industrial plants, power and utilities plant as well as investment in alternative energy and utilities system.
Registration No.	: 0107553000085
Registered Capital	: 367,183,150.50 Baht
Paid-up Capital	: 333,803,099.50 Baht
Number of Shares	: 667,606,199 Shares
Par value	: 0.50 Baht
Address of Head Office	: No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700
Web Site	: www.uac.co.th
Corporate Secretary	: 0-2936-1701 Ext. 118 Email: sajjaporn@uac.co.th
Investor Relations	: 0-2936-1701 Email: ir@uac.co.th

Nature of Business

Income Structure

The Company engages in business of import and distribution of chemicals and equipment used in various industries; investment in projects related to renewable and alternative energy by its own or via its subsidiaries and the associated companies; investment in chemicals business, i.e. latex polymer and latex emulsion including conducts the study and development project for investment in utilities business concerning tap water system of its subsidiaries. Revenue structure of the Company is as follows:

Type of Income	2020		2019		2018	
	MBaht	%	MBaht	%	MBaht	%
1. Products in Energy and Petroleum Related Business Group	638.78	41.04%	2,129.50	71.55%	1,718.59	64.42%
2. Products in Industrial Business Group	174.42	11.21%	144.22	4.85%	179.65	6.73%
3. Products in Manufacturing Business	274.58	17.64%	346.18	11.63%	342.80	12.85%
4. Other Products ^{1/}	20.55	1.32%	52.67	1.77%	62.04	2.33%
5. Provision of Services ^{2/}	18.70	1.20%	1.84	0.06%	22.42	0.84%
6. Energy	142.21	9.14%	197.55	6.64%	227.40	8.52%
Total Income from Sales and Services	1,269.23	81.55%	2,871.96	96.50%	2,552.89	95.69%
Other Incomes ^{3/}	24.06	1.55%	31.62	1.06%	55.97	2.10%
Total	1,293.28	83.10%	2,903.58	97.56%	2,608.86	97.78%
Profit Sharing from investment in associates	263.07	16.90%	72.51	2.44%	59.13	2.22%
Total Revenue	1,556.35	100.00%	2,976.08	100.00%	2,667.99	100.00%

Remark :

- 1/ Income from sales of Other Products means income received from export of Crude Glycerin and etc.
- 2/ Income from Provision of Services means income from EPC contract, installation service and consultancy fees.
- 3/ Other Incomes are commission from selling of products and services, interest income, gain from foreign exchange rate and proceeds from assets disposition and etc.

Information about Products

1. Import and Supply of Chemicals and Equipment for Industrial Use

Nature of Products or Services

The Company engages in business of import and supply of chemicals and equipment used in various industries, such as, natural gas exploration and production, refinery, petrochemicals, lubricant oil production plant, polymer and plastic industrial plant, chemical industrial plant, power plant and utilities and etc. Products and services supplied by the Company can be classified into 4 groups according to nature of business and services of the customers as follows:

1.1) Products in Energy and Petroleum Business Group, such as

- Oil & Gas Refinery and Petrochemicals
- Emission & Waste Management

1.2) Products in Industrial Business Group, such as

- Chemicals Products
- Power and Utility

1.3) Other Products, i.e. crude glycerin, refined glycerin and other export products

1.4) Provision of services, such as consultancy and coordination services for design of manufacturing process, refineries, petrochemical industrial plants and other industries.

Details of Products in each Business Group are as follows:

1.1) Products in Energy and Petroleum Business Group

1.1.1) Products in Oil & Gas Refinery and Petrochemicals

Most of products in this group are Adsorbent and Molecular Sieve to sieve adulterants in crude oil and natural gas before they are entering into the production processes. Details of products in this group are as follows:

- Adsorbent and Molecular Sieve are synthetics substances and their porous structure can help adsorbing more than one substance. They have properties to adsorb unwanted substances, such as sulfur dioxide (SO₂), carbon dioxide (CO₂) and mercury (Hg) from feedstock, i.e. crude oil, natural gas, before entering into refining process. These products are available in both powder and pellet. Their application depends on suitability of product. They are mostly used in oil refinery, petrochemical plants, ethylene plant, aromatics plant and gas separation plant and etc.
- Ceramic & Alumina Balls are round shaped synthetic substances and available in various sizes depending on their application. They must be jointly used with Catalyst Adsorbents and Molecular Sieve to help balancing flow of natural gas and hydrocarbon in reaction tower.
- CO₂ Membrane Separation is an equipment to separate carbon dioxide from natural gas and used in natural gas production process in the Gulf of Thailand.
- Desorbent for PX extraction is liquefied chemicals to separate paraxylene from hydro carbon. It is typically used in aromatics plants.
- CCR Catalyst is used in Continuous Catalyst Regeneration Unit to increase octane of gasoline and amount of aromatics in oil refinery and aromatics plants.
- Isomerization Catalyst. It is used to enhance octane of light naphtha.
- Hydrocracking Catalyst. It is used to crack heavy molecular weight into diesel oil and light oil to add more value.
- Triethylene Glycol (TEG) is chemical used to adsorb humidity from natural gas before transporting into undersea natural gas pipeline, then to gas separation plant, because undersea natural gas pipeline has a very low temperature, which can coagulate humidity in natural gas and subsequently clog up the pipeline.
- Oil & Gas Field Chemicals are used in oil rig and natural gas industry, for instance, they are used to reduce hydrogen sulfide (H₂S Scavenger), to reduce biocide and to use as corrosion inhibitor in natural gas/oil pipeline because they are acid contaminants, such as carbon dioxide and hydrogen sulfide in natural gas/oil. Since such pipelines are laid undersea, corrosion and rust can cause damage to pipeline and leakage of natural gas/oil into the sea.

- Filter and Coalescer are used to separate unwanted solid or liquid from natural gas, oil and petrochemicals. They are mostly used in processes which require refined quality.
 - Filter is equipment to sieve solid substance from liquid substance/gas, for instance filter dust and absorber from natural gas or oil.
 - Coalescer is equipment to separate liquid from gas and separate liquid from liquid, for instance separate particle liquid from gas before it goes into Gas Compressor to prevent damage within Gas Compressor, and separate water from oil.

Anyhow, in large structural process, Filter and Coalescer are mostly used together, by using Filter to sieve solid substance from liquid/gas first, then follow by Coalescer, so that liquid/gas obtained shall have good standards enough to enter into production processes.

- Cracking Coil and Reformer Tube are made of special material which can be used for production of ethylene, propylene and hydrogen in the oil refineries and petrochemical plants as they have heat resistance property.
- DMDS (Dimethyl Disulfide) is catalyst chemicals. It is mainly used in oil refinery, aromatics plant and olefins plant.
- Antioxidant for Jet Fuel is chemicals to mix with jet fuel to reduce and maintain oxygen to be in appropriate level.
- Hydro-processing Catalysts are used to eliminate sulfur nitrogen and heavy metals from diesel oil, naphtha and aromatics. They are mainly used in quality improvement units of oil refineries to reduce pollution to be in international standards.
- Merox Chemical is used to change molecular structure of sulfur to be in non-hazardous form and it is mostly used in oil refineries.
- Process Chemicals are used in production process of oil refinery to increase efficiency and reduce problems. The company offers wide range of products that can be used, such as beginning from crude oil receiving process, refinery process, and oil/product quality improvement process and they can be divided into 4 main types as follows:
 - Chemicals used in production process in oil refinery to maximize its efficiency, such as:
 - > Crude Demulsifier is used to increase separation efficiency of water or salt in oil, for easily treatment and prevention refining process from damaging caused by salt and temper.
 - > Chemicals to improve quality of crude oil which has high acidity. As oil prices tend to be higher, so oil refineries try to refine cheap crude oil for maximum profits, but usually cheap crude oil has high acidity and it can cause corrosion problem to pipeline of refining units of the refineries. The products sold by the Company can adjust such acidity and the Company also has service to measure acidity level in oil refinery.
 - Antifoulant is used in production units which are exposed to risk from temper, for instance, chemicals to prevent polymers from clog up in Heat Exchanger, or anti-corrosion chemicals in distillation columns.
 - Chemicals to improve oil quality. Sometimes quality of oil products, i.e. diesel oil, gasoline and fuel oil, which are obtained from refining process of crude oil is not as per the specified standards, so it is needed to use oil improvement chemicals, such as anti-oxidation, turbidity reduction, corrosion prevention, or substance to increase pour point, lubrication and conductivity and etc.

- Chemicals used in petrochemical production. They are antifoulant and chemicals to improve quality of polymers, i.e. anti-oxidation and substance for degeneration prevention from UV and etc.
- Ethanolamine, i.e. Monoethanolamine (MEA), Diethanolamine (DEA), Methyl diethanolamine (MDEA) are used to separate carbon dioxide and sulfur dioxide from liquefied petroleum gas (LPG). It is mostly used in oil refinery and petrochemical plants.
- Anti-icing Additive is chemical used in fighter jet fuel to prevent fuel from clotting up in low temperature atmosphere.
- Sulfolane is chemical to separate gasoline from aromatics.
- Antifoam is used to prevent form in systems of oil refinery and petrochemical plants.
- Dewaxing Agent is chemical to dewax in basic lubricant oil production process.
- Diisopropanolamine (DIPA) is chemical to separate carbon dioxide and sulfur dioxide from liquefied petroleum gas (LPG). It is mostly used in oil refinery and petrochemical plant.

1.1.2) Products in Emission & Waste Management Group

- VOC Removal Catalyst is used to reduce Volatile Organic Chemicals and bad odor of oil and petrochemical vapors. It is usually used in oil refinery, petrochemicals plant, enameled wire plant, and etc.
- Activated Carbon is used to adsorb odor and adulterant. It is synthetic carbon with porous features and their porous structure can help adsorbing more than one substance. It has properties to adsorb humidity, odor, vapor in manufacturing process of chemical plants, refineries, chemical tanks, oil tanks and etc. This product is available in both powder and pellet. Their application depends on suitability of product. They are mostly used in oil refinery, petrochemical plants, ethylene plant, aromatics plant and gas separation plant and etc.
- Regenerative Thermal Oxidizer (RTO). It is a system to eliminate Volatile Organic Chemicals and odors in the gas separation plant, the petrochemical plant and other chemical plant by using ceramic medium furnace to exchange heat between hot gas from combustion and gas before passing into the furnace,

1.2 Products in Industrial Business Group

1.2.1) Chemicals Products

Chemical products consist of solvent, additives and catalyst, which are parts of the raw materials in products manufacturing industry processes and they can be used on continuous industries, such as paint and printing ink industry, chemical coating and resin manufacturing industry, textiles industry, lubricant and industrial oil industry, metal work industry and bio-diesel plant. Major chemical products supplied are as follows:

- Ethanolamine Group which comprises of Monoethanolamine (MEA), Diethanolamine (DEA) and Triethanolamine (TEA) which has base solvent properties. Its application depends on chemical properties, physical properties and appropriateness of each product. It is mostly used as ingredient for production of shampoo, hair conditioner, fabric softener, detergent, cosmetics and in medicines, cement, printing ink and other midstream industries.
- Ethylene Glycol Group, which comprises of Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG) and Polyethylene Glycol, which has solvent properties. Its application depends on chemical properties, physical properties and appropriateness of each product. It is mostly used as mixture for production of coating and resin, building paints, steel, wood, plastics paints, printing ink, detergent including textiles and synthetic fiber products.
- Glycol Ether Group, such as Butyl Glycol Ether (BGE), Butyl Diglycol Ether (BDGE), Ethyl Glycol Ether (EDGE), Ethyl Acetate (EAc), Isopropyl Acetate (IPAc), Butyl Acetate (BAC) and Isobutyl Acetate (IBAc),

has solvent properties and is used in various industries, such as shellac, lacquer, thinner, paint, dye, printing ink, pain removing solution, glue, as well as used as components in packaging industry, pesticide and herbicide products, detergent, surface cleaning products to eliminate rust and oil stain and sterilization in industrial plants and for household use.

- Other chemical products and solvents are Methanol, chemical mixed with detergent and surfactant. Its application depends on chemical properties and appropriateness of such products.
- Polyglycol Group is synthetic lubricant which has high boiling point and low pour point. It is suitable for use in works with high temperature or high pressure, such as incombustible hydraulic oil, high pressure resistance compressor oil.
- Polyisobutene Low/High MW Group can be used as raw material for production of 2 stroke motor oil to increase efficiency on reduction of white smoke, used as additives to increase tackifier for production of hot melt or pressure sensitive glue and used in production of insulator for cooled equipment, such as insulator for air-conditioner or refrigerator including used to increase viscosity index for lubricants.
- Metal Working Additives Group can be divided into 2 main groups as follows:
 - Additives to increase efficiency of lubricant and industrial oil to increase cleaning properties and heat transfer efficiency, reduce rusting & friction and lubricate heat resistant works.
 - Anti-oxidation Additive is used to reduce antioxidant reaction which is arising from exposure or exchange of air.
 - Emulsifier is chemical used to increase solubility property of oil.
 - Biocide is a substance used to inhibit the growth of bacteria and fungi in order to prevent putrid of oil and metal work.
- Brake Fluid for all types of vehicles. Both DOT3 and DOT4¹ are available.
- Sodium Methyllate is catalyst for production of bio-diesel oil.
- Bleaching Earth (Bleaching Clay) is used in vegetable oil and bio-diesel production process.
- Hydrogenation Catalyst is mainly used in oil and vegetable oil industry, such as production of margarine, white cheese and non-dairy creamer. Fully Hydrogenation will not cause trans-fat (trans fatty acid) and catalyst distributed by the Company is used in Fully Hydrogenation only.

1.2.2 Products in Power & Utility Group

Machines and equipment for power plant, tap water production plant and raw water treatment plant supplied by the Company include:

- Filter and Coalescer are used to separate unwanted solid or liquid from natural gas and oil which are used as fuels for power plant which needed cleanliness and complete combustion.
 - Filter is equipment to sieve solid substance from liquid substance/gas, for instance filter dust and absorber from natural gas or oil.
 - Coalescer is equipment to separate liquid from gas and separate liquid from liquid, for instance separate particle liquid from gas before it goes into Gas Compressor to prevent damage within Gas Compressor or separate water from oil.

¹ DOT3 is automobile brake fluid suitable for general vehicle, with drying boiling point is over 260°C and wet boiling point is over 145°C. DOT4 is automobile brake fluid suitable for vehicle which requires to have high speed, vehicle with modified engines, vehicle which is required to drive at long distance and truck which is frequently required to drive along steep slope areas. Its drying point is over 260°C and wet boiling point is over 160°C.

- Oil Filter System is equipment used to separate water and dirtiness in hydraulics oil and transformer oil of the power plant.
- Vanish Removal System is equipment used to separate dirtiness which is in forms of vanishes or polymers in hydraulics oil and transformer oil of the power plant.
- Micro Filtration System is used to separate dirtiness contaminating in water, so that quality of water will be as per required that it can be used in tap water production process or used for production of steam of the power plant.
- Reverse Osmosis (RO) is used to produce water with high purity; usually it is used in tap water production process or used for production of steam of the power plant.
- Condensate Polishing System is equipment to separate dirtiness and organic matter in purified water system of the power plant.
- Mist Eliminator is a system to separate mist from natural gas before it enters into gas turbine in order to increase production efficiency.
- Vibration & Condition Monitoring System is the system and equipment used to measure abnormal vibration of mechanical rotating machine, such as turbine in power plant, compressor in oil refineries and general industrial factories.
- Filter Cloth/Filter Bag is a rough filter kit and is generally used to separate dirtiness from chemicals and water system.

1.3 Other Products, such as crude glycerin, refined glycerin and other exported products.

- Crude Glycerin. It will be processed until it becomes Refined Glycerin.
- Refined Glycerin is non-toxic substance and it can be used in all applications, such as substrate or additive, so it can be widely used, for instance it can be used as ingredient or supplementary in plasticizer, cosmetics, soap, toothpaste production process, toiletry and personal hygiene products, pharmaceutical and animal food products.

1.4 Provision of Service, such as provision of advisory, coordination with other companies with regard to design process of oil refinery, petrochemical industry and other industries; construction and installation work and inspection and cleaning services of reactor and heat exchanger.

Warehouse and Transportation of Products to Customers

The Company has 1 leased warehouse located at No. 999 Moo 4, Soi Tessaban Bang Pu 99 (Sermmit), Sukhumvit Road, Bang Pu Sub-district, Muang Samut Prakan District, Samut Prakan Province. It has been rented from a juristic person who is related to the Company. It is a warehouse building with utilization areas of 2,200 square meters on areas of 2 rai to store stocks of products and chemicals. Packages of chemicals stored in the Company have various sizes and all of them have Certificate of Acceptance (COA) from the manufacturers and are pending for delivery to the customers.

The Company supplies products from such warehouse to its customers by using various sizes of trucks hired from the third party transportation operators which have been registered to certify safety operation under the standards of Department of Industrial Works. For safety of the warehouse, the Company has employed security guards to station at the warehouse 24 hours a day. Hazardous chemicals shall be divided by chemical type and stored as per prescribed by laws with the hazardous control officer in the warehouse. The Company shall not allow any third party or any person even its employees whose duties are not related to such warehouse to enter into the warehouse without permission. In addition, the Company has executed an insurance policy to cover goods stored in the warehouse in case of accident during storage period or from operations as well as the insurance policy for goods during transportation to the customers as well.

Process for Products Receiving and Storing in the Warehouse and Delivery to the Customers

- **Process for receiving products from the manufacturers**

1. After the warehouse officers receive order from the Purchasing Department, they shall prepare areas including goods receipt form.
2. When goods are delivered at the warehouse, the warehouse officers shall inspect and accept goods as per details obtained from the Purchasing Department. The following information shall be inspected:
 - Details of goods to be stored into the warehouse by inspecting at the tag attached to its storage tanks.
 - Number of goods to be stored in the warehouse by counting the number of storage tank.
3. Warehouse officer shall fill in the number of goods received and defective goods (in case there are defective goods) in the goods receipt form and record the stock then submit details to the relevant departments, such as Purchasing Department and Accounting Department.
4. In case the goods received do not conform to the purchase order or there are any defective goods, the warehouse shall submit information to the Purchasing Department for verification and notify to manufacturer and/or the product insurance company.

- **Process and procedure for goods disbursement to deliver to the customers**

1. After receiving Purchase Order (PO) from the customers, the service coordinating officer shall request for goods disbursement form in advance then request the Administration and Customer Service Manager to sign and approve.
2. The service coordinating officer shall submit goods disbursement form, financial document and other document to the warehouse officer to disburse goods from the warehouse.
3. The service coordinating officer shall be responsible for transportation arrangement by contact with the truck drivers and request them to pick up the goods on specified date and time, then record in the goods delivery report.
4. The warehouse officers shall prepare the goods which must be corresponding to the goods disbursement form in advance then place them in waiting areas pending for delivery.
5. The security guard shall record license plate of the truck including the drivers' names who will deliver goods out of the warehouse in the daily log, so that the Administration and Customer Service Manager can inspect such document.
6. The warehouse officers shall return a copy of financial document, such as original invoice, copy of tax invoice received from the customers to the service coordinating officer to further forward to the accounting officers, so they can follow up for payment pursuant to accounting practices and regulations.

Quality and Standards of Products Supplied

The Company places importance on quality and standards of the products supplied to ensure that they are in compliance with specifications agreed with the customers. Chemicals that the Company orders from the manufacturer shall be packed in closed drum with Certificate of Acceptance (COA) from the manufacturer before they are shipped to the Company. The Company shall supply such chemicals in closed drum with COA to the customers without opening the drum to ensure that the customer shall receive products with complete quality and standards from the manufacturers.

In addition, the Company has been certified on ISO 9001:2015 Quality Management System Standards from SGS (Thailand) Co., Ltd. for import and distribution of chemicals, adsorbent, catalysts, filter and equipment used in oil, energy, petrochemicals and utilities business.

Characteristics of Customers and Target Customers

The Company's customer groups are manufacturers in various industries which need chemicals and equipment to use in their production process. Main customer groups of the Company are the manufacturers in infrastructure industries of the country, i.e. gas separation plant, oil refinery, petrochemicals and etc. Products sold by the Company can be used variedly, depending on application requirements of the customers. Target customers can be divided by service & products characteristics into 4 groups as follows:

Product and Service Groups	Target Customers
1.Products in Energy and Petroleum Group <ul style="list-style-type: none"> Oil & Gas Refinery and Petrochemicals Emission & Waste management 	<ul style="list-style-type: none"> Drilling and production unit of natural gas and petroleum products both onshore and offshore, gas separation plant, petrochemical plants, ethylene plant, aromatics plant and contractors of oil refinery and petrochemicals plants All types of industrial plants
2.Products in Industrial Group <ul style="list-style-type: none"> Chemicals Products Power & Utility 	<ul style="list-style-type: none"> General industrial plants which manufacture industrial products and consumers products, such as production plant for shampoo, fabric softener, detergent; industrial paints, printing ink, cement, lubricant mixing plant, biodiesel production plant, glue manufacturing plant, vegetable oil production plant, metal lubricant oil production plant and etc. Refineries, power plant and tap water production plant for the public and for all types of industries.
3.Other products <ul style="list-style-type: none"> Crude Glycerin Refined Glycerin 	<ul style="list-style-type: none"> Refined glycerin production plants in the country and overseas. Plasticizer manufacturing plants, personal hygiene products manufacturing plants, such as cosmetics, toothpaste, soap, hand sanitizer gel.
4.Service provision <ul style="list-style-type: none"> Provision of consultancy and coordination services for design of manufacturing process Turnkey construction and installation Inspection and cleaning services Construction and installation services 	<ul style="list-style-type: none"> Groups of refineries & petrochemical plant, alternative energy & renewable energy and all types of industrial plants

The Company always has good relationship with the customers and new products has been sought continually to respond to the customers' needs. Apart from selling various types of products and equipment, the Company also provides related consultancy and after-sales-services to the customers. The Company places importance on quality of products and on time delivery and commits to improve work operations continually by conducting satisfactory survey with the customers regularly, and the results gained shall be used to improve our operation. The Company also provides suggestions and jointly plans with the customers to enhance efficiency of service provision, as well as completely complies with conditions, criteria and requirements of the customers, so the Company has always been trusted by the customers.

Pricing Policy

Pricing policy used by the Company is cost plus pricing and selling price must be flexible pursuant to market prices of each type of products. Most of chemicals products supplied by the Company are products of crude oil refinery process and petrochemical productions. Pricing mechanism of products or product costs of the Company shall be defined and fluctuated by pricing condition of oil and petrochemicals. Consequently, product pricing must be flexible and suitable with nature of each product, target group of customer, quantity and value of purchasing order and it must also be able to compete with other competitors in the market and at the same time it must be able to maintain adequate margin to support expenses on sales, management and operations.

Distribution and Distribution Channel

Almost of the Company's products are sold within the country by the Company's sales team who work in head office in Bangkok and branch office in Rayong Province. Sales team shall divide responsibility into each product group, and shall contact, take care of customers' requirements and present products directly. They also contact with the manufacturers or the business partners continually, so that demand of the customers including details of products, tendency of quantity and pricing in the manufacturer's market, competitive environment in the market shall be acknowledged in advance for purposes of effective planning and fixing of product price.

Most of the products supplied by the Company have received purchase order from the customers in advance with preparation period for purchasing and delivery process as per agreed schedule. The customers usually specify their requirements, standards, sources or manufacturers for the Company, so that the Company can procure the products in accordance with their requirements, including propose price and sales conditions in bidding nature. Most of the products supplied are products which are made from the manufacturers trusted by the customers and corresponding to the customers' production process standards which they have to use them continually.

Procurement of Products and Services

Most of the products supplied by the Company have been imported from many manufacturers in foreign countries and most of them are world-class manufactures of leading chemicals products and equipment used in oil refinery and petrochemicals industries. The Company has a policy to focus on distribute and being a distributor of the products with good quality and standards that conform to requirements of the customers, with clear process on selection of product, COA, source and details of products, i.e. type of chemicals, chemicals compounds, chemical hazardous preventive and corrective action and etc. The business partners who supply the products to the Company must register with the Company and the Company shall regularly review such list for effective operations and creation of confidence on the product supplied.

The Company plans about purchase order for products to be supplied to the customers in advance in the appropriated amount by taking into consideration market trends, requirements of the customers in each period and inventory amount. Reasons are that the Company can prepare products adequately for such supply, can reduce loss from opportunity loss due to shortfall amount of inventory or inability to supply products on time and sufficiently with the customers' demand. At the same time, the inventory kept in the warehouse must be controlled in suitable level and it should not be kept in warehouse for a lengthy period of time that it can cause burdens to the Company.

The Company is a distributor and agent of products in each product group for the following manufacturers:

Product and Service Group	Manufacturer/Distributor
1. Products in Energy and Petroleum Group	
• Oil & Gas Refinery and Petrochemicals	UOP LLC
	PALL Corporation Filtration and Separations
	INEOS Oxide
	Nikki Universal Co., Ltd.
	Manoir Industries
	GC Glycol Co., Ltd.
• Emission & Waste management	Dorf Ketel Chemicals
	Donau Carbon
	Nikki Universal Co., Ltd.
	Honeywell

Product and Service Group	Manufacturer/Distributor
2. Products in Industrial Group	
<ul style="list-style-type: none"> Chemical Products 	GC Glycol Co., Ltd. INEOS Oxide Clariant Chemicals Daelim Corporation Evonik Industries
<ul style="list-style-type: none"> Power & Utility 	Pall Corporation Filtration and Separations Pall Water Toray RO membrane Brüel & Kjær Vibro
3. Other products	
Crude Glycerin and Refined Glycerin	Bangchak Biofuel Co., Ltd
4. Provision of Services	
<ul style="list-style-type: none"> Provision of consultancy and coordination services for design of manufacturing process Construction and installation services Inspection and cleaning services 	UOP LLC Vogelbusch GmbH PALL Corporation Filtration and Separations MP / Tube Tech

Environmental Impact

The Company pays most attention to the environment and it has clear policy not to perform business which may cause impact to the environment. In addition, there are quality control processes for chemicals supplied by the Company in all levels, such as from the manufacturing of containers used for packaging and leakage prevention during transportation. The Company strictly complies with ISO9001:2015 Standard and also established the emergency plan including designated the persons responsible for emergency plan to support in case there is unforeseeable event.

The Company foresaw business opportunities on environment, hence in 2011, Sales Unit has been established to oversee products and services relevant to environment, both for air and water for all type of industries.

Competition

There are many business operators who have engaged in business of import and distribution of chemical products and equipment because there are various chemicals for various industries. Each business operator has different expertise. The Company has an expertise on distribution of chemicals and products for oil refineries, gas separation plant and petrochemicals industries. Competition in this industrial group is not harsh when compared with other industries because the operators in this field have to be the specialized experts and must have good experienced sales team who can provide suggestions, advices and after-sale services to the customers. Additionally, new comers may find that it is quite difficult to enter in this field of business because they need to have long term relationship with the customers and a lot of investments when compared with supply of chemicals and equipment to general industries.

It is quite complicated to identify market share of the Company by industry groups because there are a lot of chemicals and equipment suppliers and range of their supplied products are so vast. Anyway, the Company has readiness to compete with other distributors because the Company has experiences and the specialized sales team to sell chemicals and equipment for large infrastructure industries and the products sold have good quality and standards in world class level with after-sales-service. In addition, the Company always has good relationship with the customers, so we are trusted by the customers for a long time.

Competitive Strategies

The Company has experiences and skills on distribution of chemicals and equipment for various industries and most of them are infrastructure industries of the country. During over 20 years of business operations, the Company has always developed and increased type of products supplied to meet the increased and diversified demand of the customers. The competitive strategies of the Company are to focus on strengthening long term satisfaction and relationship with the customers. Our marketing and competitive strategies are as follows

1. Supply good quality products which are corresponding to the customers' need both on quantity and quality from the worlds' leading manufacturers with Certificate of Acceptance (COA). Products shall be tested and controlled to ensure their quality and standards by the Company's team and the third party's surveyor so that the products shall be strictly conformed to the specified standards, therefore the Company can guarantee quality and standards of the products sold.
2. Always keep the customer satisfied with regards to products and services provided. The Company studies tendency of the product's markets continually to seek and select new products which can respond to the needs of the customer in each group of industry. In addition, the Company keeps contacting, strengthening good relationship and taking care of the customers continually to ensure that the products can be offered correspondingly to the demand and schedule of the customers. The Company also has after-sales-service process to acknowledge problems and provide corrective solutions to prevent any reoccurrence of such problem, which can lead to sustainable satisfaction to the customers in the long term.
3. Emphasize on complete and on time delivery of products, as well as safety transportation by hiring the specialized transportation company for maximum efficiency and avoidance of any potential accident from transportation. This practice can reduce cost on procurement of trucks and administration and management costs of transportation personnel.
4. Fix price properly and flexibly pursuant to pricing conditions in each market. As most of the products sold by the Company are by-product from crude oil refinery and petrochemical processes, so their pricing mechanism have been defined and varied by condition of oil and petrochemical prices. Hence, pricing has to be fixed with flexibility, appropriateness and competitively and at the same time their margin must be adequately maintained to support the selling and administrative expenses and other operations. The Company regularly follows up prices of the relevant products in the world market, so that prices of its products can be fixed appropriately and effectively corresponding to the world market. Pricing and margin shall be based on qualifications and competitiveness of product in each product group.
5. Focus on sale directly to customers in main industries in large volume and on continued basis by sales teams who have experiences and knowledge on products who shall contact and provide details on products correspondingly to the customers' demand as well as provide consultancy and after sales services which can increase satisfaction, sales income and good image to the Company as the keen expert in this business.

Industrial Trends and Competition

The competition on business of import and distribution of chemicals and equipment used in large infrastructure industries, such as oil refinery, petrochemical industry and large power plants is not intense because chemicals and equipment used have good quality as per the standard and the operator must have specialized knowledge and good relationship with the customers and it is a business which required a lot of investments when compared with distribution of chemicals used in general industries. Instead, the business operators tend to compete by adding value to the products supplied by increasing consultancy and recommendation services including finding new products which can increase value and reduce costs to the customers in order to better respond to the customers' needs.

However, the business operators might face the problem concerning the policy on request for construction of new plant which specified that there must be a study on occupational health and environment impact assessment and this process may take time to consider. In addition, fluctuation of crude oil price, trade wars between China and the USA,

impacts from coronavirus (Covid-19) pandemic which led to decrease of jet fuel consumption as a result from reduction of air traffic and cargo transportation, and short-term sluggish of domestic and global economic situations may cause the business operator to postpone the investment of new project or reduce size of new investment. Such factors impacted the Company and the competitors who are traders on import and distribution of chemicals related to oil refinery and infrastructure industries.

2. Manufacturing and Distribution Business of Latex Emulsion and Latex Polymer

UAC Advance Polymer & Chemicals Co., Ltd. (UAPC), a subsidiary, has been established on January 21, 2015, in which the Company held 99.97%, by acceptance entire business transfer from Advance Polymer & Chemicals Co., Ltd. (APC) on April 30, 2015. UAPC engages in manufacturing and distribution business of chemicals. Products and services of UAPC can be divided into 3 categories: emulsion polymer, trading and toll manufacturing, with details as follows:

2.1 Emulsion Polymer

UAPC engages in business of manufacturing and distribution of emulsion polymer or it is generally known as “Latex”. Most of products are liquid polymer which has binder properties, for instance it can firmly bind two different materials with each other. Emulsion polymer is important element used in many industries, for example, mixing with pigment to make paint firmly affix with the wall surface or mixing with printing ink in order to make ink has long last stay with paper.

All of emulsion polymer manufactured by UAPC is water base polymer, so they are more environmental friendly and can be safely used by the consumers when compared with other type of emulsion polymer which uses oil, thinner as solvent base during manufacturing process. Water base emulsion polymer manufactured by UAPC will be mixed for production of finished goods in various industries, such as painting and coating, adhesives and adhesive tape, textiles and garment industry, construction material industry including ink and printing industry and etc.



2.2 Trading Business

Apart from manufacturing of emulsion polymer, UAPC also focuses on trading business of finished products and raw material chemicals to further respond to the customers' requirements as well as to increase new customer bases from the existing customer bases. There is wide-range of products under trading business and most of them are UV Coating, Polyurethane Dispersion (PUD) and Emulsion Wax, and etc.

2.3 Toll Manufacturing

UAPC also offers toll manufacturing service to many customers covering various types of chemical products for industries and application purposes.

UAPC's current production capacity is 24,000 tons per year and as UAPC has been granted BOI promotion privileges from the Board of Investment (BOI), it has high potential to grow. In 2020, UAPC has invested in a new research and development center which has better quality and more environmental friendly so its competition edge, marketing channels and customer bases can be further expanded.

Location of UAPC Head Office and Plant Site

Head Office of UAPC is located at No. 1, TP&T Tower, 21st floor, Soi Vibhavadi-rangsit 19, Vibhavadi-rangsit Road, Chatuchak Sub-district, Chatuchak District, Bangkok.

UAPC owns 1 manufacturing plant and 1 warehouse, of which such properties belong to UAPC, with details as follows:

Manufacturing plant: It is located at no. 50 Moo 3, Sikhio-Chaiyaphum Road (Highway No. 201), Sikhio Sub-district, Sikhio District, Nakhon Ratchasima Province. It has total areas of 14-3-80 rai.

Warehouse: It is located at no. 998 Moo 2, Next to Soi 1C, off Soi Thetsaban Bang Pu 77 (Bang Pu Industrial Estate), Sukhumvit Sai Kao Road (Highway No. 3), Phraekkasa Sub-district, Mueang Samut Prakan District, Samut Prakan Province. It has total areas of 9-2-0 rai.



Characteristic of Customers and Target Groups

UAPC has more than 100 customer bases who are large, medium and small production manufacturers in various industries, both domestically and abroad. Customers groups classified by type of industries are as follows:

- Painting and coat industries
- Printing ink and printing industries
- Toll manufacturing services
- Floor coating industries
- Adhesives and adhesive tape industries
- Construction material industries
- Textiles and garment industries
- Other groups

Trends and Competition

In 2020, industries which used products manufactured by UAPC significantly slowed down due to declining economic performance caused by coronavirus (COVID-19) pandemic, which was recession that happened all over the world. However, some industries, such as adhesive and adhesive tape industry, printing ink and printing industries and toll manufacturing, can maintain their balance due to the rise of on-line shopping. Hence, packaging production and printing industries have tendency to be better than previous period.

With regards to cost, during early of 2020, prices of most of raw material have been decreased which was beneficial to UAPC, however, due to fluctuation of raw material prices during the last quarter of 2020, prices of raw materials have quickly increased.

Pricing Policy

Pricing policy of all types of products shall be as per market prices because there are many competitors in the market. Normally, product price of major competitors shall be used as standard for setting up price list of products for selling in the market. However, product price list of each customer shall be differently, depending on usage amount and status of each customer, for instance, do they have good financial history or not, or are they the companies under the credible group of companies which have plan or potential for business expansion that will employ UAPC to be their manufacturer or distributor or not. Nonetheless, UAPC already has standard price list and it shall be improved constantly as per situation of raw material markets and customers' requirements. For new products to be manufactured for sale, UAPC shall primarily survey demand in the market and prices the customers wish to purchase, after that price list shall then be determined.

Environmental Impact

Environmentally friendly policy is UAPC's main policy. In June 2020, UAPC has been certified for ISO14001:2015 Environmental Management Systems which can be certified that UAPC sincerely implemented the environment policy. In addition, UAPC also focused on development of products currently available to be the environmentally friendly products and planned to increase development of these environmentally friendly products continually for sustainable growth of business, economic and society.

3. Investment in Renewable and Alternative Energy Projects

3.1 Petroleum Production Plant (PPP)

The Company invested in the Petroleum Production Plant (PPP) in Sukhothai Province, which engages in natural gas separation plant, by using residue gas (associated gas) which is by-product from oil drilling from Burapa-A production platform of Siam Moeko Co., Ltd. and Sao Thian-A production platform of PTT Exploration and Production Public Co., Ltd. (which are not the connected person of the Company) that obtain the petroleum concession in Burapa source, Kongkrailat District, Sukhothai Province from the Ministry of Energy to transform into various petroleum products which can be used as fuels, such as:

- 3.1.1) Liquefied Petroleum Gas : LPG
- 3.1.2) Natural Gasoline : NGL
- 3.1.3) Fuel Gas : C1

This plant has capacity to receive raw material about 1.8-2.0 million cubic feet per day and its designed production capacity is approximately 19,681 tons per year, comprising Fuel Gas (C1) for 12,036 tons per year, LPG for 6,300 tons per year and NGL for 1,345 tons per year. Investment for this project is approximately 620 million Baht. The commissioning test has been commenced since January 2014 and sales of LPG and NGL had been started since May 2014, while sales of CNG had been started on November 2014.

In 2016, the Company has invested 110 million Baht for construction of 2 natural gas pipelines between Petroleum Production Plant (PPP) and Sao Thian-A power plant to increase stability on raw material and production capacity. One pipeline has diameter of 8 inches while the other has diameter of 3 inches and each pipeline has a distance of 7 KM. PPP received associated gas from Sao Thian-A platform of PTT Exploration and Production Public Co., Ltd. (which is not the Company's connected person) at Kongkrailat District, Sukhothai Province via 8 inch gas pipeline and return Fuel Gas C1 to Sao Thian power plant of UAC Energy Co., Ltd. via 3 inch gas pipeline to be used as feedstock for generation of electricity. The construction of such project has been commenced on February 2, 2016 and completed on June 30, 2016. The commissioning test has been performed on July 2016 and commercial operation date has commenced on August 2016.

The plant can recognize revenue of the existing phase continually since the first quarter of 2014 and can recognize revenue from the expansion phase which received gas from Sao Thian-A platform since the third quarter of 2016. The production process of PPP uses benefits from associated gas. Hence, it can help reduce unnecessary flare gas, pollution and destruction of environmental conditions which have impact to the communities and the environment located in the surrounding areas.

In 2018, PPP could produce petroleum products continually; however the output did not reach the set target because the feedstock producer, Siam Moeko Co., Ltd., has stopped its production since April 2017 to October 2018 and CNG purchase and sale agreement with PTT Public Co., Ltd. has also been expired on August 2018. Consequently, PPP has adjusted its production process by increasing supply of fuel gas to Sao Thien-A power plant of UAC Energy Co., Ltd.

In 2020, PPP still kept on its production operation by focusing on running the plant continually with reliability and reducing the equipment breakdown problem as well as improving the production process for better efficiency. However, due to unfavorable economic situations and huge reduction of petroleum prices and such external factors impacted the plant's performance. PPP has also been impacted from other external and uncontrollable factor because Siam Moeko Co., Ltd. stopped supplying gas from Burapa-A platform since June, hence, PPP did not have adequate associate gas for production.

Characteristics of Product or Service

Petroleum Production Plant (PPP) engages in gas separation plant business by using associated gas, a by-product from crude oil production, to transform and separate into various petroleum products as follows:

3.1.1) Liquefied Petroleum Gas: LPG

Liquefied Petroleum Gas is hydrocarbon compound which has Propane (C3) and Butane (C4) as their main components. It has more density than air (heavier than air) with odorant. Its quality has been controlled pursuant to the "Notification of the Department of Energy Business Re: Prescribing characteristics and quality of liquefied petroleum gas, B.E. 2559". It has been stored in the form of liquid under pressure within steel container. LPG has a wide variety of uses, such as fuel for cooking in household, fuel for industrial sector or alternative fuel for some groups of vehicles.

3.1.2) Natural Gasoline : NGL

Natural Gasoline Liquids (NGL) is hydrocarbon component which is heavier than LPG (C5+). It has liquefied, clear, odorless properties with high inflammable. NGL can be used as feedstock or substrate in solvent industry or paint industry.

3.1.3) Fuel Gas : C1

Fuel Gas (C1) is hydrocarbon compound which has Methane (C1) as its main component. This gas has less density than air (lighter than air) and it is odorless. Fuel Gas C1 has been supplied as fuel to Sao Thien-A power plant of UAC Energy Co., Ltd. for power generation from the Gas Engine Generator and some gas has been used as fuel within the plant. Presently, the Company has already stopped CNG (Compressed Natural Gas) production.

Project Site



Project site : No. 1/1, Moo 8, Baan Boploa, Tumbol Kokrat, Amphur Kongkrailat, Sukhothai Province

Pricing Policy

Liquefied Petroleum Gas: LPG

Selling price of Liquefied Petroleum Gas (LPG) is pursuant to the LPG price structure announced by the Energy Policy and Planning Office (EPPO) which includes excise tax and local government tax plus transportation cost pursuant to floating LPG price policy to promote competition. The Company also remits fund into the oil fund and requests for reimbursement at the rates announced by the Notification of the Committee on Energy Policy Administration (CEPA). LPG price structure has referred to main factors, such as global LPG price (LPG Cargo), import expenses and etc. The Company also entered into LPG purchase and sales agreement with all customers.

Natural Gasoline: NGL

Selling price of Natural Gasoline Liquids (NGL) is pursuant to the pricing formula jointly determined between UAC Global Public Co., Ltd. and the Purchaser, who is the fuel trader pursuant to Section 7 of Fuel Trade Act B.E. 2543 (2000) by referring to the main factors, such as prices of Naphtha in Singapore Market (MOPS or Mean of Platts Singapore) and exchange rate of US Dollar.

Fuel Gas: C1

Selling price of Fuel Gas C1 is pursuant to the price mutually agreed in the purchase and sales agreement between UAC Global Public Co., Ltd. and UAC Energy Co., Ltd.

Supply and Distribution Channel

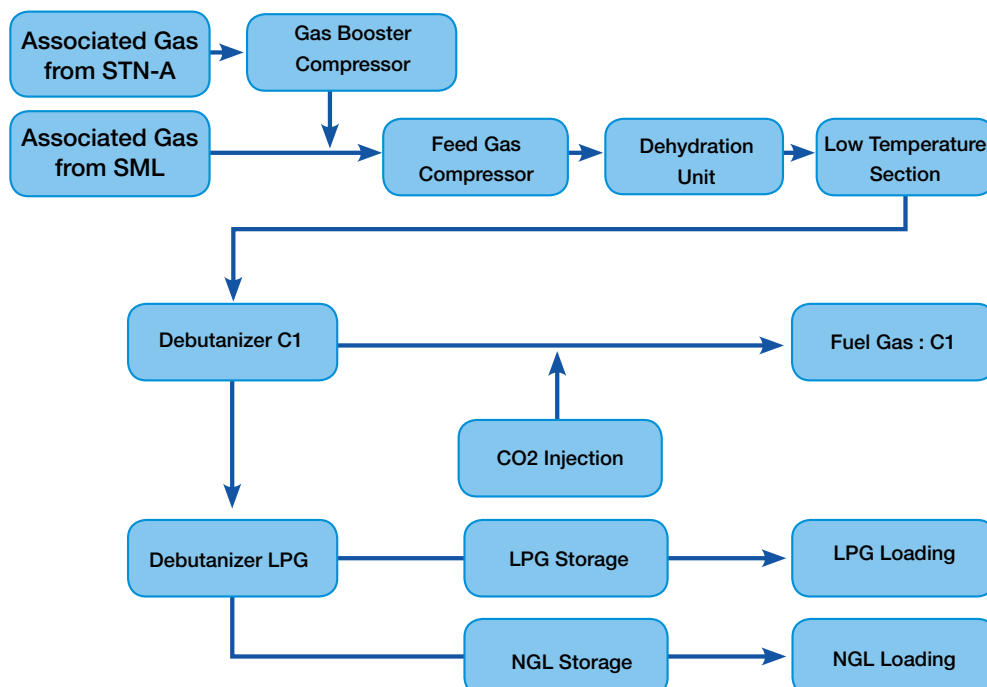
The Company sells LPG to the fuel trader pursuant to Section 7 of Fuel Trade Act B.E. 2543 (2000), and sells NGL to the domestic solvent operators. LPG and NGL shall be transported via petrol tanker. Fuel Gas has been sold to be used as fuel to Sao Thian-A power plant of UAC Energy Co., Ltd. via 3 inch natural gas pipeline which has distance of 7 kilometers.



Procurement of Products or Services

Production process

Manufacturing technology used by PPP is Refrigerant Process or Dew Point Control Unit (DCPU) to control quality of natural gas. This technology is generally used by the gas separation plants as it is suitable with the small gas sources. Main principle of this gas production process is to increase pressure through dehumidifier and reduce temperature of natural gas until gas is condensed into liquid. After that, liquefied gas will be sent to the refinery tower to distill into petroleum products, i.e. Fuel Gas (C1), LPG and NGL, respectively.



Feedstock and feedstock supplier

The Company procured feedstock used in the PPP Plant as follows:

- Associated Gas, which is by-product of crude oil production process, is the main feedstock of PPP's production process. The Company entered into Associated Gas Purchase and Sales Agreement with Siam Moeko Co., Ltd. (SML) to purchase associated gas from Burapa A Platform. The Company also entered into Associated Gas Purchase and Sales Agreement with PTT Exploration and Production Public Co., Ltd to purchase associated gas from Sao Thian-A Platform.

Material information of the Associated Gas Purchase and Sale Agreement with Siam Moeko Co., Ltd.

Execution Date	April 25, 2012
Parties to the Contract	1. Universal Adsorbent and Chemicals Public Co., Ltd. (former name of UAC Global Public Co., Ltd.) or the "Purchaser", and 2. Siam Moeko Co., Ltd. (SML), or the "Seller".
Effective period of the agreement	36 months after the effective date of the agreement and it will be automatically renewed for 12 consecutive months each time, except either party notifies its intention not to renew the agreement at least 3 months in writing.
Goods to be purchased and sold	Gas obtained from crude oil production process from Burapa-A Platform, located in Block L10/43, L11/43 Petroleum Concession.
Purchase price	As per mutually agree between the Purchaser and the Sellers

Material information of the Associated Gas Purchase and Sales Agreement with PTT Exploration and Production Public Co., Ltd.

Execution Date	April 1, 2016
Parties to the Contract	1. UAC Global Public Co., Ltd. or the "Purchaser" 2. PTTEP Siam Co., Ltd. (PTTEPS) and PTT Exploration and Production Public Co., Ltd., which has investment ratio in the concession of 75% and 25%, respectively, or the "Sellers".
Effective Date	From April 1, 2016 to March 14, 2521.
Goods to be purchased and sold	Gas obtained from crude oil production process at Sao Thian-A Platform, located in Block S1 Petroleum Concession.
Purchase price	As per mutually agreed between the Purchaser and the Sellers

Supporting materials for production process

- Carbon dioxide (CO₂) is used to mix with Fuel Gas to control its quality to make it suitable as fuel used for power generation. The Company stores carbon dioxide in the reserve tank within the plant. Such liquid carbon dioxide has been purchased from domestic suppliers.
- Propane 99.9% is chemicals used in production process as coolant in cooling system to reduce temperature in the production unit. Such propane has been purchased from domestic suppliers.
- Hot Oil (Hi Temp Oil 500) is heat convection medium substance from gas combustion and such heat will be used to boil liquid to separate gas in separate distillation columns. The Company purchases Hot Oil (Hi Temp Oil 500) from domestic supplier.
- Molecular Sieve is chemicals used in dehumidifying unit as desiccant in natural gas. This chemical is in the distribution list supplied by the Company.

Environmental Impacts

The production of petroleum products from the plant in Kongkrait District, Sukhothai Province uses and maximizes benefit of residue gas from oil drilling at Burapa-A Platform of Siam Moeko Co., Ltd. and Sao Thian-A Platform of PTT Exploration and Production Public Co., Ltd. Therefore, it can help reduce pollution and waste because such residue gas does not have to be disposed by flaring as flame from flare can cause air pollution and environmental problems to the nearby communities and usage of such associated gas can also reduce heavy metal compound of crude oil manufacturers.

In addition, the Company has arranged the public hearing session with the villagers and the stakeholders of the project to assess social and environmental impacts as well as prepared the environmental impact assessment (EIA) report to propose to the Office of Natural Resources and Environmental Policy and Planning (ONEP). Such EIA report has been approved on February 28, 2013. In addition, the environmental report (ER) has also been prepared to propose to the Environmental Report Consideration Committee, Energy Business Department. Such report has been approved by the Director-General of Energy Business Department on January 18, 2016. In 2017, the Petroleum Production Project has been certified for ISO9001: Quality Management System, ISO 14001: Environmental Management System and OHSAS 18001: Occupational Health and Safety Management (ISO45001) from the Management System Certification Institute (Thailand) (MASCI). In addition, on September 5, 2019, PPP also received Green Industrial Level 4 for 2019 from the Ministry of Industry, which can reinforce image and good attitude towards the environmental friendly factor and lead to mutual acceptance between the industries and the surrounding communities, as well as to help reduce business operation costs.



In 2020, PPP reduced CO₂ emission generated from flaring of associated gas and from power utilization totaled 22,839 ton and 222 tons respectively, which is equivalent to planting of 417,593 trees for 10 years and 3,335 for 10 years, respectively to absorb such amount of CO₂ emission.

Industrial Trend and Competition

Growth for industrial trend of the Petroleum Production Plant (PPP) in Kongkrait District, Sukhothai Province was rather slowed down because the oil producers, i.e. Siam Moeko Co., Ltd. and PTT Exploration and Production Public Co., Ltd. slowed down their crude oil production and associated gas. Consequently, it impacted production of C1, LPG, and NGL of the PPP because volume of supplied feedstock was decreased and lower than the plan. Competitive condition of the plant in the same industry is rather low, because PPP is a small plant with small total production capacity. It is supplement of energy requirement in transportation and industrial sectors in the lower northern areas which still have continual demand.

3.2 Generation and Distribution of Electricity from Solar Power

UAC Energy Co., Ltd. (UAC Energy) and Solar Energy Roof Power Co., Ltd. (SERP), the Company's subsidiaries, invested in 2 Solar PV Rooftop construction projects of Metropolitan Electricity Authority and Provincial Electricity Authority with total generating capacity of 2 MW. Commercial operation date (COD) of 2 projects had already commenced and revenue has been recognized since the third quarter of 2014.

Characteristics of Products or Services

It generates and supplies electricity from renewable energy in form of solar PV rooftop.



Project site : Saha Thai Steel Pipe Public Co., Ltd. (SHT), Samut Prakarn Province, invested by UAC Energy



Project site : Von Bundit Co., Ltd. (VBD), Surat Thani Province, invested by SERP

Characteristic of Customer and Target Customers

Direct customers of the Company for distribution of electrical energy are Metropolitan Electricity Authority (MEA) and Provincial Electricity Authority (PEA).

Rooftop Lease Contract

Contract	Party to Contract	Contract Term	Details
1. UAC Energy Co., Ltd. (UAC Energy)			
1.1 Rooftop lease contract for Solar PV Rooftop	Saha Thai Steel Pipe Public Co., Ltd.	25 years (June 20, 2015 to June 20, 2040)	<u>Leased Property</u> Warehouse rooftop of Saha Thai Steel Pipe Public Co., Ltd., with total areas of 8,000 square meters. <u>Leased Rate</u> 1,052,631.58 Baht per Year <u>Contract Renewal</u> Nil <u>Termination</u> The lessor agrees not to terminate this contract, except the lessee is in default for at least 6 months, provided that the lessor must notify the lessee to correctly comply with the conditions in writing.

Contract	Party to Contract	Contract Term	Details
2. Solar Energy Roof Power Co., Ltd. (SERP)			
2.1 Rooftop lease contract for Solar PV Rooftop	Von Bundit Co., Ltd.	25 years (November 25, 2014 to June 29, 2040)	<u>Leased Property</u> Rooftop of Von Bundit Co., Ltd., with total areas of 10,368 square meters. <u>Leased Rate</u> 45,000.00 Baht per Month, payment must be paid every 3 months. <u>Contract Renewal</u> Nil <u>Termination</u> Notify in writing at least 60 days in advance.

Power Purchase Agreement

1. Power Purchase Agreement with Metropolitan Electricity Authority

Power purchase agreement from very small power producers (for electricity generated from renewable energy) of UAC Energy Co., Ltd.

Party to Contract : Metropolitan Electricity Authority

No. of Agreement : 1 Agreement

Details of the Power Purchase Agreement

Project	Contracted Sales Capacity	Project Location	Scheduled Commercial Operation Date
1.	998.28 kWp	Phrapadaeng District, Samut Prakarn Province	June 20, 2015

Details of agreement : Metropolitan Electricity Authority and UAC Energy agree to enter into 1 power purchase agreement at voltage of 24 kilovolt, as per Regulations for the Purchase of Power from Very Small Power Producers (for Electricity Generated from Renewable Energy) at the purchase point as per detailed above.

Purchase and sales condition : Power producer shall sell electricity to the Power Utility within the date specified in the Agreement (scheduled commercial operation date to supply electricity to the Metropolitan Electricity Authority).

Contract Term: Contract term is 25 years from the Commercial Operation Date and it will be expired on December 31, 2038.

Contract Termination:

- 1). The power producer shall submit a written notice to the Power Utility notifying his intention to stop selling electricity by requesting for contract termination.
- 2). If any party fails to comply with any provision in the Agreement, the other party shall send a notice request such party to rectify and if such defaulting party fails to rectify thereof, the other party is entitled to terminate the Agreement.

2. Power Purchase Agreement with Provincial Electricity Authority

Power purchase agreement from very small power producers (for electricity generated from renewable energy) of Solar Energy Roof Power Co., Ltd.

Party to Contract : Provincial Electricity Authority

No. of Agreement : 1 Agreement

Details of the Power Purchase Agreement

Project	Contracted Sales Capacity	Project Location	Scheduled Commercial Operation Date
1.	752.4 kWp	Muang District, Surat Thani Province	July 28, 2015

- Details of agreement : Provincial Electricity Authority and Solar Energy Roof Power Co., Ltd. agree to enter into 1 power purchase agreement at voltage of 33,000 volt, as per Regulations for the Purchase of Power from Very Small Power Producers (for Electricity Generated from Renewable Energy) at the purchase point as per detailed above.
- Purchase and sales condition : Power producer shall sell electricity to the Power Utility within the date specified in the Agreement (scheduled commercial operation date to supply electricity to the Provincial Electricity Authority).
- Contract Term : Contract term is 25 years from the Commercial Operation Date and it will be expired on December 31, 2038.
- Contract Termination:
- 1). The power producer shall submit a written notice to the Power Utility notify his intention to stop selling electricity by requesting for contract termination.
 - 2). If any party fails to comply with any provision in the Agreement, the other party shall send a notice request such party to rectify and if such defaulting party fails to rectify thereof, the other party is entitled to terminate the Agreement.

Pricing Policy

Pricing policy of electricity shall be as per specified by Metropolitan Electricity Authority or Provincial Electricity Authority which shall be Feed in Tariff (FIT) throughout the contract term of 25 years.

Technology Used

Solar panels shall convert sunlight into direct current (DC) then it will be transmitted to combiner box, where it will be collected and delivered to the inverter, then direct current will be converted to alternating current (AC). Afterward the transformer will be used to increase pressure, so that it can be supplied to the government's power utilities.

Solar Cell Insurance

The Company has managed to reduce business risks, apart from carrying out the scheduled operation & maintenance in each cycle every year, is to affect industrial all risks insurance policy for solar cells. Such insurance policy shall provide coverage from the loss or damage caused by natural disaster, burglary, accident to machinery, loss of profit from business operation as well as provides coverage for business operations which may impact to the third party that may cause damage to the Company.

Environmental Impact

Solar PV rooftop does not cause any environmental impact.

Industrial Trend and Competition

The entrepreneur who is granted license to generate and supply electricity from various types of renewable energy shall supply to the government agencies pursuant to prices and conditions obtained from application submission for license. Therefore, this business does not have direct competition with other entrepreneurs.

3.3 Power Generation from Fuel Gas and Associated Gas

On June 1, 2015, the Board of Directors of UAC Global Public Co., Ltd. has approved UAC Energy Co., Ltd. (its Subsidiary) to acquire 2 power plants, Sao Thian-A power plant and Pra Du Thao power plant, from Ratchburi Energy

Co., Ltd. at total value of Baht 205 million. Sao Thian-A power plant is located at Moo 11, Nongsaothien Tai Village, Krainai Sub-district, Kongkrailat District, Sukhothai Province while Pra Du Thao power plant is located at Moo. 11, Thammaikrai Village, Kong Sub-district, Kongkrailat District, Sukhothai Province. Business transfer of such 2 power plants have been completed on April 1, 2016, and UAC Energy Co., Ltd. can recognize revenue from electricity supply immediately from the business transfer date, so it can generate long term revenues to the Company.

Sao Thian-A power plant has generating capacity of 3.9 MW and its uses fuel gas, by-product from gas separation process of Petroleum Production Plant (PPP) and associated gas of Sao Thian-A crude oil production well of PTT Exploration and Production Public Co., Ltd, which has been granted concession from Energy Ministry in Sao Thian-A Source, Kongkrailat District, Sukhothai Province, as its fuel to produce electricity. Such electricity will be supplied to distribution and transmission system of Provincial Electricity Authority. In 2019, its total generating capacity was approximately 13,900 MWh per year.

Pra Du Thao-A power plant has generating capacity of 3.0 MW and its uses associated gas, by-product from Pra Du Thao-A crude oil production well of PTT Exploration and Production Public Co., Ltd, which has been granted concession from Energy Ministry in Pra Du Thao-A Source, Kongkrailat District, Sukhothai Province, as its fuel to produce electricity. Such electricity is supplied to distribution and transmission system of Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA). In 2019, its total generating capacity was approximately 4,000 MWh per year.

Characteristic of Product or Service

Products of Sao Thian-A power plant and Pra Du Thao-A power plant are electricity. Sao Thian-A power plant supplies electricity to transmission and distribution system of the Provincial Electricity Authority (PEA), while Pra Du Thao-A power plant supplies electricity to the Electricity Generating Authority of Thailand (EGAT) and the Provincial Electricity Authority (PEA).

Power Plant Site



Project site : Sao Thian-A power plant is No. 143 Moo 11 Ban Nongsaothian, Tambon Krainai, Amphur Kongkrailat, Sukhothai Province



Project site : Pra Du Thao-A power plant is No. 32, Moo 11, Ban Tummaigrai, Amphur Kongkrailat, Sukhothai Province

Pricing Policy

Pricing policy of electricity will be as per Regulation on Power Purchase from Small Power Producers which has been jointly specified in Non-Firm Power Purchase Agreement between the Company and the Purchaser, which are Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA).

Distribution and Distribution Channel

The Company sells all of its generated electricity through transformer and into transmission system of Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) where determination of purchase price is as per Regulation on Power Purchase from the Very Small Power Producers (VSPP).

Procurement of Product or Service

Production

The Company's Sao Thian-A power plant and Pra Du Thao-A power plant used gas turbine generators, 4 stroke turbo charger motor with complete combustion. Thermal energy obtained from fuel combustion shall be changed into mechanical energy to drive gas turbine shaft, then mechanical energy will be transformed into electrical energy. After that voltage of generated power will be increased via transformer from 400 volt to 22 kilovolt, then it will be supplied to transmission system of the Power Utility. This technology is generally used by the power plant and it is appropriated with the power plant which has small source of gas.

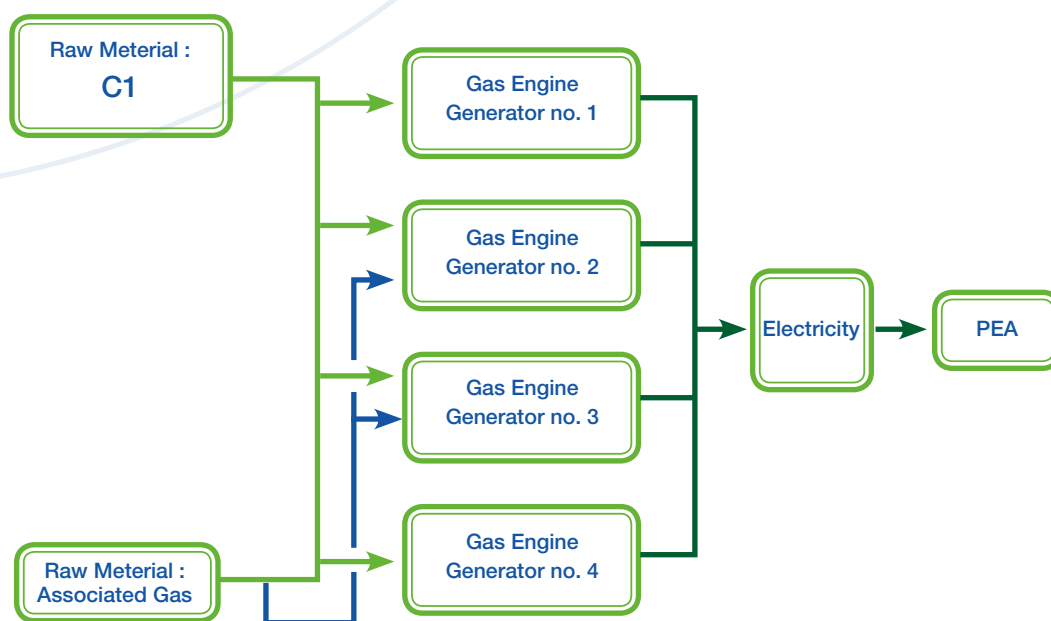


Diagram of overview production process of Sao Thian-A power plant

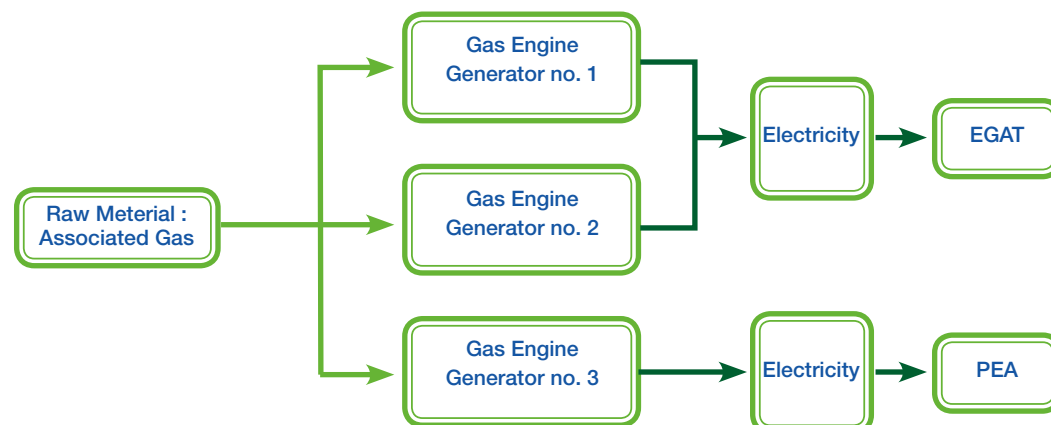


Diagram of overview production process of Pra Du Thao-A power plant

Feedstock

• Procurement of feedstock to be used in Sao Thian-A power plant

1. Fuel gas is main feedstock for power generation process which has been purchased from UAC Global Public Co. Ltd.'s Petroleum Production Plant (PPP), located in Kongkrait District, Sukhothai Province. Such fuel gas has been supplied via 3 inches natural gas pipe and distance from PPP to Sao Thian-A power plant is approximately 7 kilometers. UAC Energy Co., Ltd. has entered into Fuel Gas Supply Agreement with UAC Global Public Co., Ltd.

Material information of Fuel Gas Supply Agreement with UAC Global Public Co., Ltd.

Execution Date	July 1, 2016
Party to Contract	1. UAC Energy Co., Ltd. or the "Purchaser", 2. UAC Global Public Co., Ltd. or the "Seller"
Effective date of agreement	From July 1, 2016 to March 14, 2021
Products to be purchased and sold	Fuel Gas (Methane : C1) from Petroleum Production Plant (PPP)
Purchase price	As per mutually agreed between the Purchaser and the Seller

2. Associated gas is by-product of petroleum production process of Sao Thian-A Platform of PTT Exploration and Production Public Co., Ltd. which obtained petroleum concession for Sao Thian-A Source, Kongkrait District, Sukhothai Province from the Ministry of Energy. UAC Energy Co., Ltd. has entered into Associated Gas Supply Agreement with UAC Global Public Co., Ltd. Sao Thian-A power plant shall use associated gas in case Sao Thian-A Platform has increased a large volume of production capacity that Petroleum Production Plant (PPP) cannot take or in case the Petroleum Production Plant (PPP) cannot supply fuel gas, such as during annual maintenance period.

Material information of Associated Gas Supply Agreement with UAC Global Public Co., Ltd.

Execution Date	April 1, 2016
Party to Contract	1. UAC Energy Co., Ltd. or the "Purchaser", 2. UAC Global Public Co., Ltd. or the "Seller"
Effective date of agreement	From April 1, 2016 to March 14, 2021
Products to be purchased and sold	Associated gas from Sao Thian-A Platform located in Block S1 Petroleum Concession.
Purchase Price	As per mutually agreed between the Purchaser and the Seller.

• Procurement of feedstock to be used in Pra Du Thao-A power plant

1. Associated gas is main feedstock for power generation process of Pra Du Thao-A power plant. Associated gas is by-product of petroleum production process of Pra Du Thao-A Platform of PTT Exploration and Production Public Co., Ltd. which obtained petroleum concession from Pra Du Thao-A Source, Kongkrait District, Sukhothai Province from the Ministry of Energy. UAC Energy Co., Ltd. has entered into the Associated Gas Supply Agreement with UAC Global Public Co. Ltd.

Material information of Associated Gas Supply Agreement with UAC Global Public Co., Ltd.

Execution Date	April 1, 2016
Party to Contract	1. UAC Energy Co., Ltd. or the "Purchaser", 2. UAC Global Public Co., Ltd. or the "Seller"
Effective date of agreement	From April 1, 2016 to March 14, 2021
Products to be purchased and sold	Associated gas from Pra Du Thao-A Production Platform located in Block S1 Petroleum Concession.
Purchase Price	As per mutually agreed between the Purchaser and the Seller.

Environmental Impact

The Company's power plants in Kongkrailat District, Sukhothai Province use fuel gas as main feedstock. Such fuel gas is regarded as clean energy because it has high efficiency with complete combustion, and low pollution so it can reduce greenhouse gas effect which is the cause of global warming problems. In addition, usage of associated gas obtained from petroleum production of Sao Thian-A Source and Pra Du Thao-A Source of PTT Petroleum and Production Public Co., Ltd. as fuel can reduce air and noise pollution problems caused by flaring associated gas into the atmosphere, as well as reduce impact to nearby communities and environment.

Industrial Trend and Competition

In 2020, performance of Sao Thian-A power plant has decreased because good quality fuel gas supplied via natural gas pipeline to the power plant by the fuel seller (Petroleum Production Plant –PPP) has reduced. Nonetheless, in case the seller cannot supply fuel gas, the associated gas which is the backup fuel, can be used. For Pra Du Thao-A power plant, its overall performance was also decreased because PTT Exploration and Production Public Co., Ltd., associated gas producer, decreased its production.

Competitive condition of the power plants in the same industry is rather low because Sao Thian-A power plant uses fuel gas and associated gas which is by-product of petroleum production process as fuel for power generation and supply to the Provincial Electricity Authority (PEA). While Pra Du Thao-A power plant which is the first power plant in Kongkrailat District, Sukhothai Province that uses associated gas, by-product of petroleum production process, as fuel for power generation and supply to the Electricity Generation Authority of Thailand (EGAT) and the Provincial Electricity Authority (PEA). When comparing about generating capacity, it was found that total generating capacity of the Company is much lower than other companies' power plants located nearby which are also engage in power generation business. However, there is competition from other industries, such as renewable energy industry, i.e. solar energy. Presently, many private companies pay much attention and invest in power generation from solar cells because it is renewable, clean energy and will not cause noise or air pollution and it also uses low investment costs. There are also alternative energy, such as wind, hydro and biofuel energy, and etc. Such alternative energy has been supported by the government agencies because they can be used to replace fossil energy, such as coal, crude oil, natural gas and etc. Alternative energy is regarded as clean energy, as it will not cause pollution and is environmental friendly. According to a 15 Year Alternative Energy Promotion and Development Plan (2012-2021), alternative energy will be promoted to be used at ratio of 20% of total energy. Consequently, in the future, competition of alternative energy industry has tendency to grow continually.

3.4 Electricity Generation from Biogas by using Energy Crops

The Company invested in a 1.5 MWp biogas power plant which used energy crop as main raw material in Mae Tang District, Chiang Mai Province. Commercial operation date of this project has been commenced on December 2015. In addition, UAC TPT also invested in 2 projects in Phuphaman District, Khon Kaen Province and construction of both projects had already been completed. Currently 1 project is now commencing its commissioning test to prepare readiness for supply of electricity. Generating capacity of each project is 1.5 MWp. Both projects are now requesting for the electricity selling permit from Provincial Electricity Authority (PEA). Total generating capacity of these plants will be 4.5 MWp, however, it will depend on policy and consideration of the public sector agencies.

Biogas Power Plant from Energy Crops, Mae Tang

Mae Tang biogas power plant is located in Mae Tang District, Chiangmai Province on the leased land closed to pig farm of Mongkol and Sons Co., Ltd. (which is not the Company's connected person). It has area of approximately 15 rai and generates electricity from biogas which is obtained from fertilization of energy crop. Its maximum capacity has been designed to produce 1.5 MWp. Such power plant has been certified on ISO 9001:2015 Quality Management Systems from SGS (Thailand) Co., Ltd. on December 2016.

Characteristic of Product or Service

Maximum electrical energy sold is 1.0 MWp at voltage of 22,000 volts and frequency of 50 Hz, which has been obtained from fertilization of energy crops until it has methane gas at approximately 50-55%, then supplied to the generator from biogas.

Project Site



Project Site: Mae Tang District, Chiang Mai Province

Characteristics of customers and target customers

The Company only distributed electrical energy to its direct customer, Provincial Electricity Authority (PEA) because the Company's biogas plant for electricity generation from energy crop was the project which has been initiated with cooperation of the government sector by the Energy Policy and Planning Office (EPPO), Ministry of Energy pursuant to "Promotion of Biogas Technology for Industrial Plants" project to promote the use of energy crops then transformed into biogas to be used as an alternative heat and power source.

Pricing Policy

Pricing policy of electricity shall be as per Notification of the Energy Regulatory Commission Re: Purchase of electricity from renewable energy (excluding solar energy) at "FiT" or "Feed in Tariff" for the Very Small Power Producer (VSPP) from Renewable Energy Program with the contract term of 20 years.

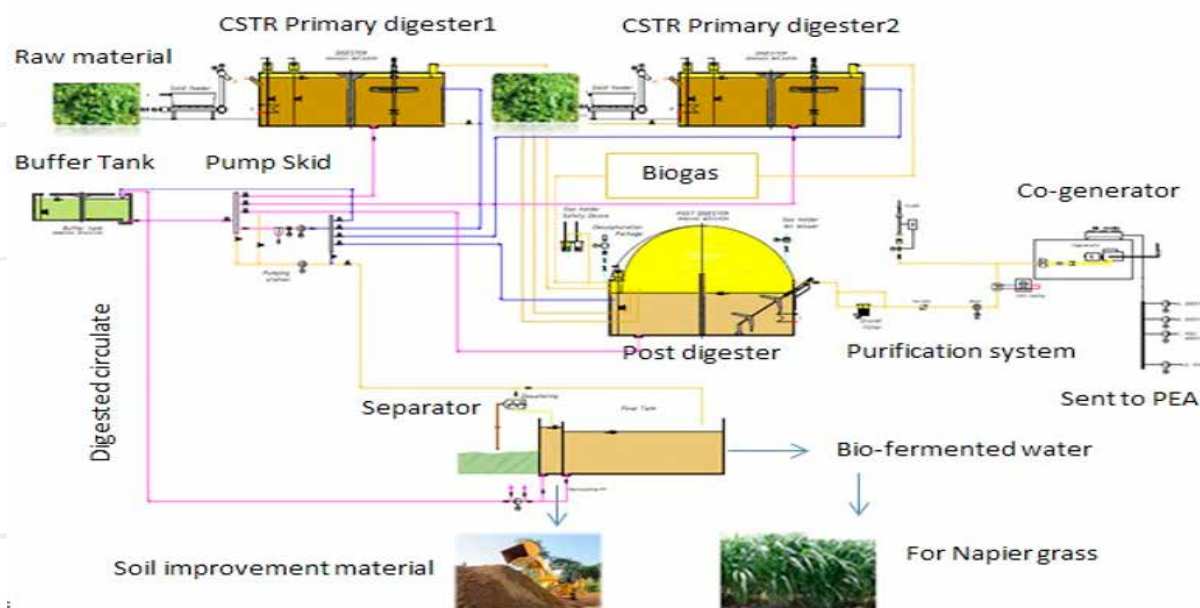
Material Information of the Power Purchase Agreement

Execution Date	June 26, 2015
Parties to the Contract	1. Universal Adsorbent and Chemicals Public Co., Ltd. (former name of UAC Global Public Co., Ltd.), and 2. Provincial Electricity Authority (PEA)
Goods to be purchased and sold	Power energy
Contract Term	20 years from the Commercial Operation Date (COD)
Amount of power energy purchase and sold	Power energy not exceeding 1.0 MW at the maximum, at voltage of 22,000 volt.
Purchase price	As per specified in the agreement

Procurement of Product or Service

Production

This power plant, which uses biogas as fuel, applies the Continuously Stirred Tank Reactor (CSTR) technology of Italy to increase biogas output production, so that it can be used as fuel for power generation. Main raw materials for power generation are energy crops and pig increment is used as raw material for start-up process. The machinery in the production process will run automatically and continuously to digest organic waste to be biogas before entering into biogas quality improvement system and then to power production process. Power generated will be supplied to the Provincial Electricity Authority (PEA) and for its own usage in the plant.



Firstly, energy crops will be loaded into the Continuously Stirred Tank Reactor (CSTR) for digestion process into biogas. After that such biogas will be dehumidified, increased pressure and feed into power generation system to supply electricity to the Provincial Electricity Authority.

Digested slurry will be extracted and sludge will be produced as soil amendment and sold to the farmers. Some extracted water will be reused in the system to maintain the condition and the rest will be used for planting Napier Grass and corn including other agricultural crops to reduce the farmers' consumption of chemical fertilizers.

Raw Material

Main raw material for production of biogas which will be used as fuel for power generation derives from Green Grass Development Co., Ltd., the major Napier grass grower and supplier, located closed to the Company's plant. This company also purchases Napier grass from the nearby farmers who are crofters to supply to the Company. Therefore, raw material procurement and transportation is quite easy and convenient.

Presently, Green Grass Development Co., Ltd. has areas of approximately 1,000 rais for planting Napier grass, so it can supply adequate Napier grass for power production of the Company throughout the year.

In addition, after the corn harvesting season or when the corn has been sold to the market, the farmers will sell corn stalks to the Company's plant to be used as an alternative raw material. Therefore, it can benefit many parties, for instance it can make farmers have additional income, it can reduce pollution caused by stalk burning which led to smog and PM10 and PM2.5 problems in the North and it can make the power plant has additional raw material for power generation all year long.

Quality Improvement of By Product from Production Process

There were approximately 500-600 tons per months of by products from electricity generation process from energy crops after the separator. These products can be used as soil improvement and mixture with soil for planting to increase microorganism and plant nutrient, N P K, in the soil. They can condition the decaying land from agricultural harvest, solve acid soil problem and it can be used as substrate for manufacturing of organic fertilizer.

The plant implemented the project to improve quality of soil improvement materials where formula and ingredients have been invented and new machines have been provided to increase amount and quality and develop products for better results. The plant has cooperated with the communities and distributed the plant's by-products from production process to the farmers living nearby the plant continually for more than 3 years. Thus, it can make the farmers have more income, reduce expenses, healthy and safely that they have been accepted by the farmers who used this product.

Initiation for Manufacturing as Packaging

After by-product from production process have been accepted in the market, the Company began to manufacture in packaging form, improve fermentation formula, and launch as 1-kilogram-ready for usage bag for more convenience, easier usage and transportation. The plant is now studying about palletization process to maintain quality of soil improvement and for longer storage. This product can also add value and develop into new products of Mae Tang Plant.



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Environmental Impact

Power generation from biogas fuel by using energy crop as main raw material at Mae Tang Plant in Mae Tang District, Chiangmai Province can reduce air pollution problem and reduce corn stalk burning which is one of the causes of smog problems. In 2020, the Company purchased 10,082 tons of corn to be used as raw material, so it could reduce CO₂ emission from corn burning for more than 8,096 tons.

Therefore, it can be regarded as this biogas power plant can help reduce pollution from the communities. This plant is a small power plant and is under energy conservation project that does not cause impact to the environment and the nearby communities, so it does not require to prepare the Environmental Impact Assessment (EIA) report.

The plant employed the third party agency to prepare the Code of Practices (COD) report and measure quality of the environment. Its results have been monitored every year to enhance confidence on safety to the employees and the surrounding communities.

Industrial Trend and Competition

This Biogas Technology Promotion Program for Industrial Plant is the program supported by the government and there are power purchase agreements with exact firm FiT (Feed in Tariff) rate for 20 years, so there is not competition with regard to the production. In addition, this biogas power plant is classified as a very small power producer (VSPP), so the power output is very small when compare with power consumption of Thailand.

3.5 Vientiane Waste Management Project, Lao PDR

The Company has invested in waste management project in Vientiane, Laos PDR under Vientiane Waste Management Co., Ltd. or VWM, which is a joint venture of 3 companies, namely, UAC Energy Co., Ltd., SBANG Sustainable Energies Ltd. and Kwan Muang Group Co., Ltd. VWM has entered into a concession agreement to produce renewable energy from solid waste to sell to the Vientiane Administration Organization, Lao PDR led by the Department of Planning and Investment of Vientiane Capital.

Vientiane Waste Management Project, Lao PDR is a project to transform solid waste into renewable energy and recycled products. Presently, this project is under construction of waste sorting system, Phase 1 with sorting capacity of 200 tons per day and it is expected the construction shall be completed within 2021.

Nature of Product or Service

Products generated by Vientiane Waste Management Project in Lao PDR can be divided into 3 types as follows:

- Electricity from solid waste with generating capacity of 6 MW.
- Products from recycled plastic.
- Organic fertilizer from organic waste

Project Site



Project Site: Baan Na Phasook (Milestone 32) Xaythany, Vientiane, Lao PDR.

Material Information of the Concession Agreement

Execution Date	April 2, 2019
Parties to the Agreement	1. Vientiane Capital Administration Organization by the Department of Planning and Investment of Vientiane Capital. 2. Vientiane Waste Management Co., Ltd. (VMW)
Concession Agreement	Waste management by transforming waste into renewable energy and recycled products
Term of Agreement	45 Years from the execution date of the Concession Agreement.

3.6 Production and Distribution of Bio-diesel

The Company has joint investment in Bangchak Biofuel Co., Ltd. ("BBF") with BBGI Co., Ltd., a subsidiary of Bangchak Petroleum Plc. ("BCP"), at shareholding ratio of 30% and 70%, respectively. BBF is located in Bang Pa-in District, Phra Nakorn Sri Ayudhya Province and engages in business of production and supply of biodiesel which is liquefied fuel used as substitute mixture with some part of diesel oil obtained from petroleum process in order to produce various types of diesel oil such as biodiesel B7. Initially, BBF's production capacity of biodiesel was 360,000 liters per day, later in 2014,

BBF has invested in construction of the 2nd plant located in the same area of the 1st plant to increase its production capacity by 450,000 liters per day. The construction has been completed and the revenue has been recognized since the third quarter of 2016, with total production capacity of 810,000 liters per day. In 2020, production capacity has increased to 1,000,000 liters per day to produce B100 Type 2 as per the latest standard of the Department of Energy Business.

Characteristic of Product or Service

BBF is a producer and supplier of biodiesel (B100), liquefied fuel, obtained from crude palm oil or products from palm oil, such as Palm Stearine which has to undergo chemical process called transesterification process by making palm oil interact with alcohol, i.e. methanol, and alkaline is used as catalyst until it generates ester which has property closed to diesel called "biodiesel" or "B100". This plant also has crude glycerin (technical grade), by-product from biodiesel production process, which currently has high demand in the markets because they can be used to produce other chemical products in upstream industry apart from usage in food, medicine and cosmetics industry and etc.

Characteristic of Customer and Target Customer

- **Biodiesel Product**

All of biodiesel products produced are supplied within the country and main target customers are oil companies as biodiesel can be mixed with diesel oil to obtain biodiesel at various grades. Presently, major customer is Bangchak Corporation Public Co., Ltd. (BCP).

- **Crude Glycerin and Refined Glycerin**

Glycerin, a by-product of biodiesel production, shall be sold to the major traders both within and outside the country to further resale to the users in other industries, such as food, medicine and cosmetics industry including upstream industries of chemical products.

In 2020, refined glycerin unit with capacity of 30,000 tons/year is now under construction and it is expected that its commercial operation date will be commenced in 2021.

Pricing Policy

Selling price of biodiesel that BBF used for negotiation or bidding with the customers will be mainly referred to the pricing formula announced by the Energy Policy Management Commission, Re: Reference prices of denature ethanol and fatty acid methyl ester biodiesel.

BBF determined selling price of crude glycerin by referring to glycerin prices in Asian markets then applied with discount as per quality or grade of products as criteria for negotiation on prices for export to abroad.

Competition

Currently, there are many biodiesel operators and total production capacity exceeds the demands in the county, however, BBF did not have much impact from such business competition because biodiesel produced by BBG has good quality and conforms to standards of Department of Energy Business and it can be mixed with diesel oil in various ratio then sold to the oil users. While crude glycerin, a by-product of biodiesel production, shall be sold to the major traders, both within and outside the country.

The government continually promotes usage of biodiesel as renewable energy and diesel B10 has been announced to be used as basis since January 1, 2020 and it is expected that demand tendency of biodiesel in the future will be increased which is in line with the increased consumption of biodiesel and the government policy on promotion for usage of biodiesel and renewable energy constantly. Presently, BBF has expanded its production capacity to 1,000,000 liters per day in total to respond to domestic biodiesel consumption expansion.

Competitive Strategy

1. The Company chose to use automatic production technology with flexible raw materials, though it has higher investment cost, but competitiveness on operating cost is better, because it has high yield and demand of utilities, i.e. fuel, electricity and chemicals is much lower normal (Batch) system. Consequently, production cost will be reduced in the long term.
2. With technology for flexible usage of raw material, the plant can choose various kinds of raw material as per different requirements of customers in each season.

Environmental Impact

There are 3 types of wastes from biodiesel production process: waste water, air & noise pollution and solid waste. BBF Plant has to comply with the requirements of the concerned government agencies, for instance, discharge of waste water must be controlled to be as per the Notification of the Ministry of Science and Technology and air emission from the industrial plant must be controlled to be as per Notification of the Ministry of Natural Resources and Environment as well as Enhancement and Conservation of the National Environmental Quality Act. For the past period, BBF has sent environmental measurement report to the Department of Industrial Works and it had passed standards prescribed.

In addition, main raw materials used in the biodiesel production process of BBF are from nature, by-products and waste from production process which are biodegradable and do not cause impact to the environment. However, there are some chemical components which may cause impact to the environment, such as waste water and solid waste. BBF has measures for disposal of such waste as follows:

1.) Waste Water

BBF has waste water treatment system and reused water from production process in order to minimize discharge of effluent. There are approximately 100 cubic meters of waste water per day from production process but there is no heavy metal contaminated in such waste water.

In order to reduce usage of resources, such as water and chemicals, BBF has designed the waste water management system by using the constructed wetland systems, so that it will be the first biodiesel plant in Thailand which has zero discharge.

Treated water from main water treatment system of the project will be sent to reverse osmosis system and such water will be reused in other activities, such as in cooling tower, for watering tree and for cleaning purpose. Hence, there will not be water from production process discharged to the environment, which is as per qualification of effluent of the Department of Industrial Works, Ministry of Industry.

2.) Solid Waste

During biodiesel production process, it incurs solid waste but such waste can be used in other industries, for instance sludge and bleaching clay can be used as agricultural fertilization. For the remaining solid waste, it will be disposed by the outsource company.

3.) Air Pollution & Noise

As the biodiesel of BBF is a closed system by using residue methanol for reactivation process, so there is no chemical fume emitted into the air, therefore it is not required to have air treatment system. In addition, noise level does not exceed the controlled standard, so no special management system is required.

4. Engineering, Procurement and Construction (EPC) and Operation & Maintenance (O&M) Service Business

4.1 Sebigas UAC Co., Ltd., an associated company, is a joint venture between UAC Energy Co., Ltd., a subsidiary, and Sebigas S.r.L., Italy which engages in electrical energy and biogas production business, as well as has expertise on EPC contract for biogas power plant for more than 50 projects in Europe. This company was established on October 4, 2013 with objectives to operate EPC contract for biogas plant and other energy plants, both in Thailand and countries in South East Asia.

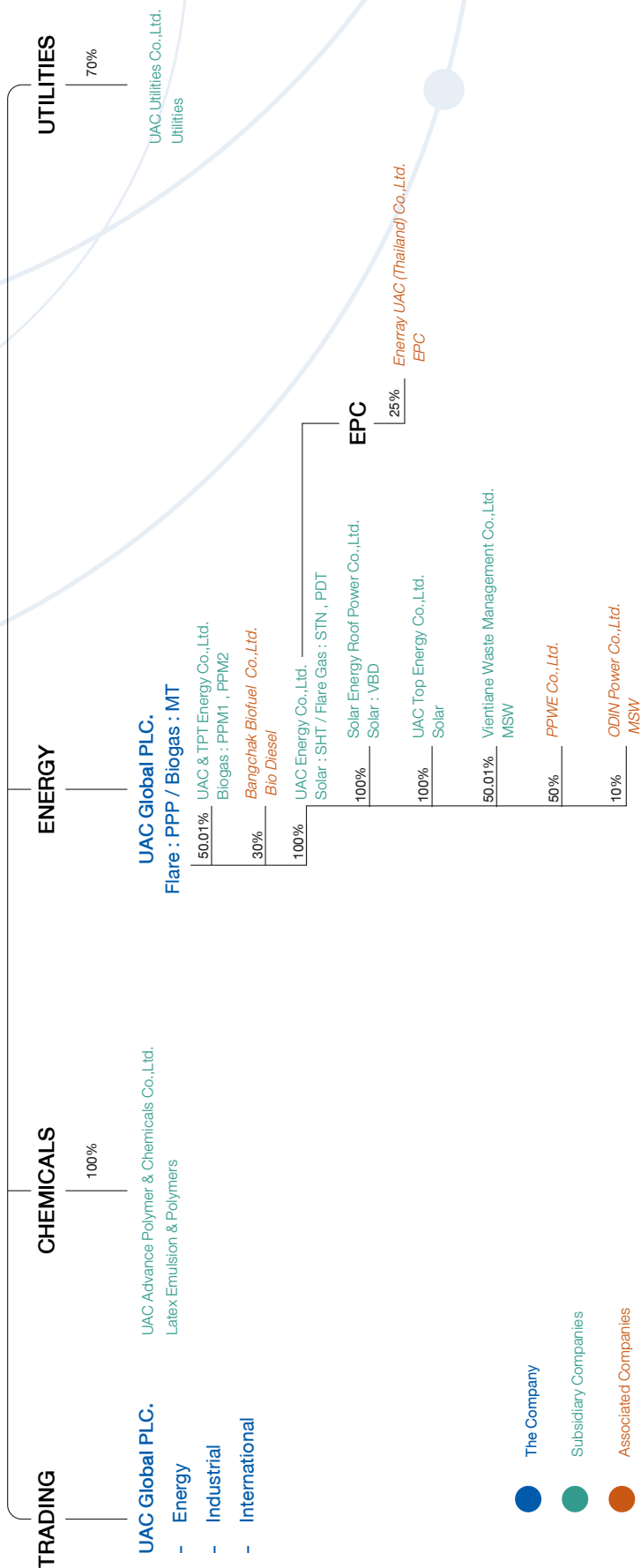
However, on October 2020, UAC Energy Co., Ltd. sold its total shares in Sebigas UAC Company Limited to a new shareholder, because Sebigas UAC operates in EPC business, which is classified as Non-Core Business. This sale is favorable to the Company's business structure and in line with the Company's policy which focuses on Core Business, i.e. investment in renewable energy and clean chemical products.

4.2 Enerray UAC (Thailand) Co., Ltd., an associated company, is a joint venture between UAC Energy Co., Ltd., a subsidiary, and Enerray S.p.A, Italy which has expertise on EPC contractor of solar energy power plant in Europe. This company was established on March 15, 2016 with objectives to operate EPC contractor for solar energy power plant and Operation & Maintenance (O&M) services both in Thailand and countries in Southeast Asia. Currently, there is project which is under construction and providing O&M services.

Company shareholding structure

Business Structure

UAC GLOBAL PUBLIC COMPANY LIMITED



- The Company
- Subsidiary Companies
- Associated Companies

General Information of Subsidiary and Associated Companies

Subsidiary Company : 7 companies

- (1) **Name of Company** : **UAC Utilities Company Limited**
- Shareholding Portion : 70%
- Type of Business : Investment in renewable energy and utilities projects
- Registration No. : 0105554049345
- Registered Capital : 100,000,000 Baht
- Paid-up Capital : 100,000,000 Baht
- Number of Shares : 1,000,000 Shares
- Par value : 100 Baht
- Address of Head Office : No 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2936-1701
- Facsimile : 0-2936-1700
- (2) **Name of Company** : **UAC & TPT Energy Company Limited**
- Shareholding Portion : 50.01%
- Type of Business : Investment in Biogas plant for transportation and general industry
- Registration No. : 0105555167953
- Registered Capital : 150,000,000 Baht
- Paid-up Capital : 99,600,000 Baht
- Number of Shares : 1,500,000 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2936-1701
- Facsimile : 0-2936-1700
- (3) **Name of Company** : **UAC Energy Company Limited**
- Shareholding Portion : 100%
- Type of Business : Investment in energy projects
- Registration No. : 0105556136130
- Registered Capital : 200,000,000 Baht
- Paid-up Capital : 200,000,000 Baht
- Number of Shares : 2,000,000 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2936-1701
- Facsimile : 0-2936-1700

- (4) Name of Company : Solar Energy Roof Power Company Limited**
- Shareholding Portion : 100% (Shareholding by UAC Energy Company Limited)
- Type of Business : Generating and distribution of electricity from Solar power
- Registration No. : 0105556138311
- Registered Capital : 12,525,000 Baht
- Paid-up Capital : 12,525,000 Baht
- Number of Shares : 125,250 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2936-1701
- Facsimile : 0-2936-1700
-
- (5) Name of Company : UAC Advance Polymer & Chemicals Company Limited**
- Shareholding Portion : 100%
- Type of Business : Manufacturing and distribution of latex emulsion and polymer
- Registration No. : 0105558011415
- Registered Capital : 180,000,000 Baht
- Paid-up Capital : 180,000,000 Baht
- Number of Shares : 1,800,000 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 21st Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2537-9016
- Facsimile : 0-2537-9015
-
- (6) Name of Company : UAC Top Energy Company Limited**
- Shareholding Portion : 100% (Shareholding by UAC Energy Company Limited)
- Type of Business : Generating and distribution of electricity from Solar power
- Registration No. : 0105560006113
- Registered Capital : 7,000,000 Baht
- Paid-up Capital : 7,000,000 Baht
- Number of Shares : 70,000 Shares
- Par value : 100 Baht
- Address of Head Office : No. 1, TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Telephone : 0-2936-1701
- Facsimile : 0-2936-1700
-
- (7) Name of Company : Vientiane Waste Management Company Limited**
- Shareholding Portion : 50.01% (Shareholding by UAC Energy Company Limited)
- Type of Business : Waste Management at Vientiane, LPDR.
- Registration No. : 058375564000
- Registered Capital : 72,900,000,000 LAK
- Paid-up Capital : 21,877,647,333.63 LAK
- Number of Shares : 36,450,000 Shares
- Par value : 2,000 LAK
- Address of Head Office : Dongsavath Village, Sisatthanak District, Vientiane, LPDR.
- Telephone : (+856) 20 99903393

Associated Company : 6 companies

(1) Name of Company : Bangchak Biofuel Company Limited

Shareholding Portion	: 30%
Type of Business	: Production and distribution of biodiesel and by-products
Registration No.	: 0105551029246
Registered Capital	: 281,500,000 Baht
Paid-up Capital	: 281,500,000 Baht
Number of Shares	: 2,815,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 28, Moo 9, Bangkrason Sub-district, Bangpain District, Pranakornsiyayutthaya Province 13160
Telephone	: 035-276-500
Facsimile	: 035-276-549

(2) Name of Company : Enerray UAC (Thailand) Company Limited

Shareholding Portion	: 25% (Shareholding by UAC Energy Company Limited)
Type of Business	: Engineering, Procurement and Construction of energy projects
Registration No.	: 0105559045038
Registered Capital	: 6,000,000 Baht
Paid-up Capital	: 6,000,000 Baht
Number of Shares	: 60,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 18 th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

(3) Name of Company : PPWE Company Limited

Shareholding Portion	: 50% (Shareholding by UAC Energy Company Limited)
Type of Business	: Investment in energy projects
Registration No.	: 0105559005541
Registered Capital	: 1,000,000 Baht
Paid-up Capital	: 1,000,000 Baht
Number of Shares	: 10,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 2/2 Soi Krungthep Kritha 8(5), Krungthep Kritha Road, Huamark Sub-District, Bangkapi District, Bangkok 10240
Telephone	: 0-2379-3902
Facsimile	: 0-2379-3097

(4) Name of Company : ODIN Power Company Limited

Shareholding Portion	: 10% (Shareholding by UAC Energy Company Limited)
Type of Business	: Investment in energy projects
Registration No.	: 0115541003996
Registered Capital	: 200,000,000 Baht
Paid-up Capital	: 200,000,000 Baht
Number of Shares	: 2,000,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 333/3 Moo 6, Thumbon Bang Preang, Amphur Bang Bor, Samut Prakarn Province 10560
Telephone	: 0-2108-0360-6
Facsimile	: 0-2108-0367

(5) Name of Company : ODIN Myanmar Limited

Shareholding Portion	: 40% (Shareholding by UAC Energy Company Limited)
Type of Business	: Investment in energy projects
Registration No.	: 0115560028281
Registered Capital	: 1,000,000 Baht
Paid-up Capital	: 1,000,000 Baht
Number of Shares	: 10,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 333/3 Moo 6, Thumbon Bang Preang, Amphur Bang Bor, Samut Prakarn Province 10560
Telephone	: 0-2108-0360-6
Facsimile	: 0-2108-0367

(6) Name of Company : Sebigas UAC Company Limited

Shareholding Portion	: 49% (Shareholding by UAC Energy Company Limited. In October 2020, UAC Energy has offered all 49% of shares of Sebigas UAC to a new shareholder.)
Type of Business	: Engineering, Procurement and Construction of energy projects
Registration No.	: 0105556161801
Registered Capital	: 14,000,000 Baht
Paid-up Capital	: 14,000,000 Baht
Number of Shares	: 140,000 Shares
Par value	: 100 Baht
Address of Head Office	: No. 1, TP&T Tower, 18 th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	: 0-2936-1701
Facsimile	: 0-2936-1700

Subsidiary Companies

1. **UAC Utilities Co., Ltd. ("UAC Utilities")**, the Company's subsidiary, has been established on April 8, 2011. The Company holds 69.9998%, PTE Plus Co., Ltd. holds 30.00% and the management holds 0.0002% of shares in this entity. Its current registered capital is 100 million Baht and its objective is to engage in business relating to utilities and energy.
2. **UAC & TPT Energy Co., Ltd. ("UAC TPT")**, the Company's subsidiary, has been established on November 12, 2012. The Company holds 50.0099%, TPT Thepprathanporn Co., Ltd. holds 49.9900% and the management holds 0.0001% of shares in this entity. Its current registered capital is 150 million Baht and its objective is to operate business relating to production of biogas to be used for electricity generation, transportation and general industries.
3. **UAC Energy Co., Ltd. ("UAC Energy")**, the Company's subsidiary, has been established on August 26, 2013. The Company holds 99.99985% and the management holds 0.00015% of shares in this entity. Its current registered capital is 200 million Baht and its objective is to invest in the energy-related projects.
4. **Solar Energy Roof Power Co., Ltd. ("SERP")** has been established by acquisition of ordinary shares from Sun Edison Energy (Thailand) Co., Ltd. on November 18, 2014. SERP is an indirect subsidiary where the Company holds shares through UAC Energy. UAC Energy holds 99.9976% and the management holds 0.0024% of shares in this entity. SERP's current registered capital is 12.525 million Baht and its objective is to generate and supply electricity from solar energy.
5. **UAC Advance Polymer & Chemicals Co., Ltd. ("UAPC")**, the Company's subsidiary, has been established on January 21, 2015 by acceptance entire business transfer from Advance Polymer and Chemicals Co., Ltd. (APC). The Company holds 99.9998% and the management holds 0.0002% of shares in this entity. Its current registered capital is 180 million Baht and its objectives are to manufacture and distribute latex emulsion and latex polymer for use in various industries, such as paint and coating, printing ink and publishing, adhesive, paper, synthetic material to be used as raw material in production of textiles and garment and etc.
6. **UAC Top Energy Co., Ltd. ("UAC Top Energy")** has been established on January 13, 2017. It is an indirect subsidiary where the Company holds shares via UAC Energy. UAC Energy holds 99.9971% and the management holds 0.0029% of shares in this entity. Its current registered capital is 7 million Baht and its objective is to invest in energy projects.
7. **Vientiane Waste Management Company Limited ("VWM")** has been incorporated in Vientiane, Lao's People Democratic Republic on June 3, 2019. VWM is an indirect subsidiary where the Company holds shares via UAC Energy. UAC Energy holds 50.01%, SBANG Sustainable Energies Ltd. holds 29.99% and Kwan Muang Group Company Limited holds 20.00% of shares in this entity. VWM's current registered capital is 72.90 million Kip and its objective is to invest in waste management project to produce renewable energy and process recycled product in Vientiane, Lao PDR.

Associated Companies

1. **Bangchak Biofuel Co., Ltd. ("BBF")**, which has been established on March 12, 2008, is an associated company in which the Company holds 30.00% and BBGI Co., Ltd., a subsidiary company of Bangchak Corporation Plc. ("BCP") holds 70% of shares of this entity. BBF's current registered capital is 281.50 million Baht and its objective is to produce and supply biodiesel which is liquefied fuel used as substitute mixture with some part of diesel oil obtained from petroleum process in order to produce various types of diesel oil such as biodiesel B7 or B10 and etc.
2. **Enerray UAC (Thailand) Co., Ltd. ("ENERRAY UAC")**, an indirect associated company, has been established on March 15, 2016. It is a joint venture between UAC Energy holding 25.00%, ENERRAY S.p.A ("ENERRAY") holding 49.00% and Legal and Commercial Service International Company Limited holding 26.00% of shares. Enerray UAC's current registered capital is 6 million Baht and its objectives are to operate EPC contract for solar energy power plant and to provide Operation & Maintenance (O&M Services) both in Thailand and countries in Southeast Asia.
3. **PPWE Co., Ltd. ("PPWE")**, an indirect associated company, has been established on January 12, 2016. It is a joint venture between UAC Energy holding 49.98%, QTC Energy Public Co., Ltd. ("QTC") holding 49.98%, the management holding 0.02% and other group holding 0.02% of shares. PPWE's current registered capital is 1 million Baht and its objective is to engage in investment business of energy projects.

4. **Odin Power Co., Ltd. ("ODIN")**, an indirect associated company, has been established on December 20, 2016. It is a joint venture between UAC Energy holding 10.00%, SNC Former Public Co., Ltd. holding 55.00%, Forth Corporation Public Co., Ltd. holding 10.00% and other natural persons holding 25.00% of shares. ODIN's current registered capital is 200 million Baht and its objective is to invest in power plant project from waste and alternative energy.
5. **ODIN Myanmar Co., Ltd. ("ODIN Myanmar")**, indirect associated company, has been established on November 30, 2017. It is a joint venture between UAC Energy holding 40.00% and ODIN holding 60.00% of shares. ODIN Myanmar's current registered capital is 1 million Baht and its objective is to invest in energy projects overseas.
6. **Sebigas UAC Co., Ltd. ("SEBIGAS UAC")**, the Company's associated company, has been established on October 4, 2013. SEBIGAS UAC is a joint venture between UAC Energy which holds 49.00%, SEBIGAS S.r.L. which holds 49.00% and Legal and Commercial Service International Company Limited which holds 2.00% of shares in this entity. SEBIGAS UAC's current registered capital is 14 million Baht and its objectives are to engage in business of EPC contract for biogas power plants and provision of O&M services, both in Thailand and countries in Southeast Asia. In October 2020, UAC Energy has offered all 49.00% of shares of Sebigas UAC to a new shareholder.

Shareholding Structure

List of Top 10 Major Shareholders		No. of Shares	Percent
1.	Jivacate Group	375,136,763	56.19%
	1.1 Mr. Kittti Jivacate	323,557,263	48.47%
	1.2 Miss Chavisa Jivacate	25,918,500	3.88%
	1.3 Miss Alisa Jivacate	25,661,000	3.84%
2.	Jarumanopas Group	46,738,906	7.00%
	2.1 Miss Nilrat Jarumanopas	30,524,601	4.57%
	2.2 Miss Niranuch Jarumanopas	16,144,305	2.42%
	2.3 Mr. Prasong Jarumanopas	70,000	0.01%
3.	Sareewiwatthana Group	45,586,659	6.83%
	3.1 Mrs. Waranee Sareewiwatthana	1,620,505	0.24%
	3.2 Miss Pimsiri Sareewiwatthana	23,906,137	3.58%
	3.3 Miss Pichsinee Sareewiwatthana	20,060,017	3.00%
4.	Mrs. Mayuree Wongkaewcharoen	12,600,000	1.89%
5.	Lerdachkul Group	14,464,575	2.17%
	5.1 Mr. Chiaranai Lerdachkul	12,187,530	1.83%
	5.2 Mrs. Ladda Lerdachkul	2,277,045	0.34%
6.	MR. Perawat Tanmarpimonta	11,150,000	1.67%
7.	Lumprasert Group	8,474,166	1.27%
	7.1 Miss Kalaya Lumprasert	8,439,591	1.26%
	7.2 Miss Malee Lumprasert	27,825	0.00%
	7.3 Mr. Surachai Lumprasert	6,750	0.00%
8.	Miss Niriin Jui - in	7,181,110	1.08%
9.	Thai NVDR Company Limited	5,997,943	0.90%
10.	Mr.Chatchaphol Prasopchoke	4,545,642	0.68%
	Total Major Shareholders	531,875,764	79.67%
	Minor Shareholders	135,730,435	20.33%
	Total	667,606,199	100.00%

The remaining registered capital amounting to Baht 33,380,051 have been reserved for exercise of the Company's warrants at the amount not exceeding 66,761,000 shares at par value of Baht 0.50, which already expired on June 30, 2020

Registered capital and paid-up capital

Registered capital and paid-up capital

The company has a registered capital and paid-up capital at the amount of Baht 367,183,150.50 and Baht 333,803,099.50 respectively, divided into 667,606,199 common shares at a par value of Baht 0.50.

Restrictions on foreign shareholding

The number of foreign shareholders and percentage of foreign shareholding shall not be more than 49 percent of total issued and paid-up share capital of the Company. As at December 31, 2020, the number of shares held by the foreigners was approximately 0.002 percent of the Company's total paid-up share capital.

As at December 31, 2020, Thai NVDR Company Limited ("Thai NVDR"), a subsidiary company of the Stock Exchange of Thailand, has issued the Non-Voting Depository Receipt (NVDR) to the Company's shareholders as underlying assets at 5,997,943 shares or 0.90 percent of the issued and paid-up share capital. The holders of NVDR are entitled to benefits from the Company's shares, but they cannot exercise their voting rights at the shareholders' meeting because they are not the direct shareholders of the Company. However, in practice, Thai NVDR can attend the shareholders' meeting and cast its votes pursuant to its independent judgment, not by order of the holders of NVDR.

In addition, the number of the Company's shares invested by the investors in NVDR may be varied, which cannot be defined by the Company. However, the investor can examine the number of NVDR shares at the website of the Stock Exchange of Thailand at www.set.or.th/nvdr.

Issuance of Other Securities

UAC-W2

The Company has allocated UAC-W2 amounting to 66,759,974 units to its existing shareholders pursuant to right offering ratio of 10 existing shares : 1 UAC-W2 (in case there was any fraction of shares, such fraction was disregarded). Shareholders who were eligible to UAC-W2 in this part must be the shareholders whose names appeared in the share registration book on the Record Date (which was March 7, 2018).

The exercise date of UAC-W2 will be on the last business day of March, June, September, and December of each year throughout the term of this warrant. The first and the last exercised date are September 28, 2018 and June 30, 2020 respectively. The exercise rate is 1 unit per 1 ordinary share, exercised price is Baht 5.55 per share. In summary, the shareholders have expressed their intention to exercise UAC-W2 for 898 units or 898 common shares.

Debentures

In 2020, the company has issued and offered unsubordinated debentures, Named Certificate, Unsecured and with Debenture Holder Representative at the amount of Baht 300,000,000, offering to Institutional investors and/or high net worth investors with 3-month interest payment.

As of December 31, 2020 UAC posted Baht 300,000,000 Baht in outstanding bonds as detailed below.

Issue Date	Amount (Units)	Par (Baht)	Amount (Baht)	Interest rate (%/year)	Maturity (year)	Redemption Date
18 June 2020	300,000	1,000	300,000,000	5.5	2	18 June 2022

Report on utilization of Debentures proceeds

Objective	Amount (Baht)	Period	Details of the progress
Loan repayment and working capital	300,000,000	June - September 2020	1. Loan repayment 248 Mill. Baht 2. working capital 52 Mill. Baht

The dividend payment policy

The dividend payment policy of the Company

The Company's dividend payment policy is fixed at the minimum 40% of net profit of the separate financial statement after taxes and all statutory reserves required by law. However, such dividend payment must also depend upon cash flow, investment plan, terms and conditions in agreements bound by the Company, including legal restrictions, necessities, and appropriateness in the future. In addition, the Board of Directors' resolution on approval of the dividend payment is required to be proposed to the shareholders' meeting for the approval, except in case of the interim dividend, where the Board of Directors has power to approve and then report to the shareholders' meeting for acknowledgement in the next meeting.

Dividend payment 2018 - 2020

Dividend payment	2018	2018		2019	2020
		Interim	Annual		Interim*
Dividend / Share	0.16	0.10	0.06	0.135	0.06
Net profit margin / Share	0.21			0.25	0.245
Dividend distribution ratio on separated financial statement (%)	89.19			88.74	24.71

Note : *The Board of Directors Meeting No. 8/2020 on November 11, 2020 has resolved to approve for the interim dividend payment from net profit to the shareholders at the rate Baht 0.06 per share for Performance of 9M/2020

The dividend payment policy of the subsidiaries

The subsidiaries dividend payment policy consideration on dividend payment is required to have the resolution from the annual general meeting of shareholders and it can do so only after the company sets aside not less than 5 percent of its annual net profit as a legal reserve fund until this fund attains an amount of not less than 10 percent of the registered capital. The Board of Directors may consider for an interim dividend payment to the shareholders, nevertheless, if the company has accumulated loss, dividend payment shall not be allowed.

Risk Management

Risk Management Policy and Plan

Policy

The Risk Management Committee has announced the enterprise risk management policy to make the operations of organization achieve the predefined targets effectively and efficiently, to add value to the organization including all stakeholder groups and to make the relevant persons understand about risk management principles so they can apply them appropriately. Thus, all departments are obligated to comply with the specified policy as follows:

- 1) Risk management is responsibility of every executive and employee. Each department has duty and responsibility to identify and assess its risks as well as specify suitable measures to prevent or minimize risks and prepare risk management report pursuant to risk management procedures.
- 2) Risk management process is an integral part for making decision on planning strategy, work plan and operations of the Company.
- 3) Risk management working group shall be appointed to perform duties as follows:
 - Consider and define material strategic risks and risk management plan to present to the Risk Management Committee.
 - Plan, review, monitor and inspect risk identification and assessment of each department, including risk management plan, and present to the Risk Management Committee.

Arrange training to provide knowledge on risk management to the employees in the organization. Encourage and support on provision of knowledge and understanding about risk management guidelines and procedures to the executives and employees continually to cultivate habitual action to personnel at all levels on awareness of importance and engagement in enterprise risk management operations and make it become part of the corporate culture which can lead to sustainability.

Risk Management Framework

The Company put emphasis on systematic risk management by applying COSO ERM 2017 guideline as framework and guideline to apply with the enterprise risk management to make them conform to the rapid changes of the Company or environmental conditions at present.

COSO ERM 2017

Risk management guideline pursuant to COSO ERM 2017 Framework is divided into 5 principles and those principles must be connected and associated with each other for attainment to the risk management objectives. Important values of 5 principles are as follows:

1st Principle: Governance & Culture

Plan overall risk management framework to make sure that risk management has been supervised and cultivated as risk culture.

- Set up risk management policy
- Set up risk management structure

- Set up roles and responsibilities of the Board of Directors or the relevant risk management teams
- Arrange activities on risk management culture, for instance, communications from the management about importance of risk management, management as a role model for risk management, arrangement of trainings to personnel at all levels of the organization, putting risk agenda in the main meeting, provision of reward or recognition to the employee who has outstanding role model on risk, appointment of risk management champion, and etc.

2nd Principle: Strategy and Objective Setting

The Company set up work plans to enhance value in the future through strategic and business objectives formulation processes. The organization should specify acceptable risks (risk appetite) which are consistent with strategic formulation and risks will be considered as a part of strategy selection criteria. In addition, business objective will determine strategic operating guidelines, general operations and factors that the organization should place importance to and they will also be basis for risk identification, assessment and response.

3rd Principle: Performance

Strategic plan will be expanded to business objectives setting and work plans to attain to the targets. Hence, it must have plans to handle uncertainty risk which may prevent the strategic plan from achievement. Risk must be assessed to sort out priority and manage resources properly.

- Prepare Risk Map
- Specify Key Risk Indicator
- Prepare Portfolio View of Risk

4th Principle: Review and Revision

Monitor and review progress of risk management plan by comparing with strategic plan to ensure that the Company can achieve the targets as planned. In addition, changes from various factors which may affect the Company's business target and strategy must be assessed. Risk management must be appropriately reported, so that risk management can be constantly developed and improved.

5th Principle: Information, Communication, and Reporting

Risk management system must be appropriately developed by using proper technology on preparation of risk management information. Risk management, risk management culture and performance must be suitably reported to the employees throughout the organization. Suitable report and communication channel for each group of stakeholders shall be provided.

Risk Factors of the Company's Business Operations

Strategic risks from operations

The Company engaged in businesses on clean energy, chemicals and utilities with investment plans both domestically and internationally, as well as to seek for business opportunities on new investments. The Company may face risks from uncertainty of business environment, fluctuation of economic conditions, raw material prices, amount of raw material and petrochemicals prices. Those risks may prevent the Company from attainment to the strategic targets specified. Therefore, in order to reduce such risks, every year the Board of Director's meetings have been arranged to jointly analyze future tendency of business environmental conditions, review and adjust direction of business operation strategies to make them corresponding to the changing business environmental conditions.

Risks from changes in government's policy (Investment)

The Company may have risk from changes in government policies because the government's sectors may slow down or change their existing policies, including the policy on alternative energy. In 2020, Ministry of Energy issued the

guidelines on community power plant policy and such guidelines conformed to the Company's investment in biogas power plant from energy corps. Nonetheless, the Company still moved forward with the project investments in CLMV countries and put emphasis on increase of production efficiency of the Company's projects currently in operation.

Risks from changes in government's policy (Petroleum Production Plant : PPP)

The prices of products produced from the Petroleum Production Plant are fluctuated pursuant to the world market prices. However, for the past period, the government has the policy to promote usage of natural gas as alternative fuel for transportation sector in order to reduce impact to economic conditions due to the adjustment of prices of crude oil and petroleum products in the world market. Other reasons were to reduce pollution to the environment and to support energy strategy of the country which encouraged usage of fuel that can be procured from domestic sources. The prices of LPG sold in the country have been controlled by the public sectors continually and they are still below prices of the world market and do not vary much. Hence, the entrepreneur cannot determine selling price appropriately, fairly and consistent with the actual production cost. Beginning from August 1, 2017, LPG business has been liberalized to encourage for complete competition of LPG markets, hence the Company may have risks with regards to pricing as the importers may have lower costs.

Risks from changes in government's policy (Biodiesel : BBF)

At present, the government sectors encourage the production and usage of biodiesel instead of diesel fuel with objectives to reduce import of fuel from foreign countries, to increase energy stability and to support usage of alternative energy from plants which are domestic productivity. Many measures have been set up to assist and support the biodiesel manufacturers, for instance, support on raw materials or expansion of oil palm plantation areas; support biodiesel manufacturers pursuant to privileges and benefits of the Board of Investment (BOI); mandatory usage of biodiesel (B100) to mix with high speed diesel fuel; prescription of the referenced selling prices of biodiesel; creating biodiesel markets by using taxing measures so that retail prices of biodiesel shall be lower than diesel fuel; prescription of characteristics and quality of biodiesel and etc.

However in the future, if the government sectors change the policy on support of production and usage of biodiesel, biodiesel manufacturers may have been impacted and their return on investment may not be as per estimated or the return may not worth the investment. Anyhow, the opportunity that the government sectors may revoke such biodiesel supporting policy is very rare because the Ministry of Energy has objective to promote biodiesel in the AEDP2015 (Alternative Energy Development Plan) which specified that by 2036, demand for B100 must be increased to 14 million liters per day from the present amount of only 6 million liters per day. The Ministry of Energy specified mixture proportion of biodiesel at 10%.

Risks from highly dependent on major customers (Trading)

The Company's income derives from sale of products and provision of services to major customers and nature of business of most of the major customers can be divided into many business groups and demand of products of each group is diversified. The Company has separated process on orders, dealing and negotiation with each business group. Ratio of combined sales income from each major customer in each business was rather high when comparing with the Company's overall sales income.

The Company may have risks from dependent on major customers in some certain extents. However, when considering that such major customers require to use the Company's products on continued basis as some of them are essential for their manufacturing process and because the Company is a distributor of those products which are manufactured by the well-known and biggest manufacturers in foreign countries which have been trusted by the customers, so the customers' demands for such products have increased consistently and continually. In addition, the Company maintained good relationship with such customers for many years and apart from selling various products and equipment, the Company's experienced sales teams who are knowledgeable in this field of business have also provided relevant consultancy service including after-sales-services. The Company has conducted customer satisfaction survey to improve services constantly. Moreover, the Company also provides suggestions and jointly plans with the customers to increase efficiency of services

rendering as well as fully complies with the rules, criteria and requirements of the customers, so the Company is trusted by the customers all along. Besides, the Company has a policy to develop new products and additionally find new customers to reduce risks from highly dependent on any customer.

Risk relating to dependence on a few major customers (Petroleum Production Plant : PPP)

The Company has supplied fuel gas or methane gas to generate electricity into the transmission line system of the Provincial Electricity Authority. However, due to the economic recession which impacted to crude oil prices, therefore amount of feedstock, associated gas, has been decreased, so production of LPG and NGL have been reduced accordingly. The Company supplied LPG to the potential purchasers who are in the group of fuel traders under Section 7 of Fuel Trade Act B.E. 2543 (A.D. 2000), while NGL has been supplied to the general petrochemicals manufacturers.

Risks from dependent on major customer (Bangchak Biofuel : BBF)

At present, most of biodiesel products of Bangchak Biofuel are supplied to Bangchak Corporation Public Co., Ltd., a parent company of Bangchak Biofuel. According to B100 Biodiesel purchase and sales contract between Bangchak Biofuel and Bangchak Corporation Public Co., Ltd., it is specified that Bangchak Corporation Public Co., Ltd. is obligated to purchase at least 60 percent of total biodiesel produced at normal purchase price and term of conditions. The remaining portions shall be supplied to other fuel traders.

Bangchak Biofuel may have risk from dependent on a major customer. However, the opportunity to lose such primary customer is very unlikely because Bangchak Corporation Public Co., Ltd. is a parent company and a founder of Bangchak Biofuel and Bangchak Biofuel is also capable to sell biodiesel products to other customers who are the major oil companies.

Since demand of biodiesel depends on usage demand of diesel fuel in the market, which depends on economic growth of the country, demand on vehicle usage, tendency on diesel fuel prices and other fuels including growth and substitution of energy usage in various forms, so if demand of diesel fuel changes from anticipated, it may impact to supply of biodiesel and income of Bangchak Biofuel.

Risks relating to environmental impact

As the Company's production process may cause pollution to the communities located near the plant, therefore the Company prevented such problem by setting up the energy and environmental management working group to specify the operating guidelines and monitor environmental-related management results, both within and outside the plant, by using 3R Concepts, i.e. Reuse, Reduce and Recycle. Thus, the plant can reduce amount of waste in the production process, reduce disposal of scrap outside the plant and reduce waste disposal expenses. Production process has been improved to reduce consumption of water and energy, especially electric current consumption. The Company started to develop solar energy project by installing solar cell roof on rooftop of the plant and building to reduce usage of electric current. In addition, production process has been improved to reduce particle matter and odor. Performance has been measured continually and inspection results of the past year revealed that the Company passed all industrial criteria and they did not impact or destroy environmental conditions and resources of the communities.

PPP received certificates on ISO 45001:2008 (Occupational Health and Safety (OH&S) Management System) and ISO 14001:2015 (Environmental Management System) from the Management System Certification Institute (Thailand) (MASCI).

MT Plant submitted the environmental checklist every 6 months as per regulation of the Energy Regulatory Commission (ERC) on preventive, corrective and monitoring measures for inspection of environmental impacts in case of usage of biogas as fuel for power generation B.E. 2560.

Social Risks

Risk on human right

The Company places importance on personnel who performing duties based on knowledge and capability equally, without any discrimination on gender, nationality and religion, pursuant to human right principles. Human right policy

has been specified as framework for such operations. Moreover, the Company has extensively expanded responsibilities on human right operations to include trade partners throughout supply chain by applying trade partner risk assessment for mutually and sustainable business development which covering practices on labor and human rights, occupational health, safety and environment.

The Company has the practical guidelines to reduce impacts from human right risks in case risk arises by not only specifying human right policy and communicating to the employees and trade partners for acknowledgement but also specifying process to monitor and review performance on human right constantly. Channel to listen to opinion and suggestions from the employees and the third party have been provided and feedback gained will be reviewed for improvement. Consequently, the Company can prevent and minimize risks which may lead to human right violation. With regard to trade partner, the Company conducted human right risks assessment beginning from selection process of trade partners to evaluation of trade partner which covering practices on labor and human rights, occupational health, safety and environment. Complaint or whistle-blowing channel to listen to such opinion has been arranged to improve and rectify in the process.

From overall risk management on the Company's human rights, no issue for such risk has been found.

Corporate Governance Risks

Risk from having principal shareholder who has authority to specify management policy

Presently, Mr. Kitti Jivacate, who holds a position of Chairman of Executive Committee Officer and his family is regarded as having the majority vote to control policy and management tasks in the Company, as well as can control almost resolutions of the shareholders' meeting, except in matters that the laws or the Company's articles of association specified that it required to have three fourth votes of the shareholders' meeting. Therefore, other shareholders may have risk from inability to collect votes to balance the matters proposed by the principal shareholders.

However, in order to make business operations of the Company transparent with balance of power, the Company has established the management structure which is responsible by the competent personnel and also specified a clearly scope of work and delegation of authority to the directors and the executives. Three independent external persons have been appointed to be the members of the Board of Directors (all of them are the Audit Committee) which is more than one thirds of total 7 directors, to audit, balance decision making including consider and approve the matters before presenting to the shareholders' meeting. Additionally, the Company has prescribed measures on transaction with person who might have conflict of interest by restricting voting right of the concerned person. The Company also establishes an internal audit unit by employing the personnel who can work independently and report directly to the Audit Committee. Main duty and responsibilities of this internal audit unit are to oversee internal control system to ensure that it complies with the specified system, in order to strengthen confidence of the shareholders with regard to transparency and balance of the management power of the Company. In addition, the Board of Directors has assigned the Risk Management Committee to prepare organization risk management manual and appointed the working group to study, monitor and review risk management plan of the Company continually.

Risk from cyber threat

Risk from cyber threat is very crucial and it can affect operations of the Company, particularly, vital work systems, such as network, finance & accounting system, human resources and internal management system. Such systems contained personal data possessed by the Company. If the Company's information technology system and accessibility to personal data possessed by the Company encountered the problem, operations and reputation of the Company will be impacted. As a result, the Company invested in work systems development to support new technology and prevent cyber threat risks, for instance, computer networks have been improved to make them available for usage and to avoid network system and server failure, in order to keep the system functioning continually. Strict security control measures have been specified, for instance, firewall, determination of data accessible right, arrangement of DR Site to support for emergency circumstance, so that the business can be operated continually.

Risks relating to production

Risk relating to fluctuation of volume of feedstock (Petroleum Production Plant : PPP)

Main feedstock used in the petroleum production process of the plant (PPP) is associated gas, which is by-product from crude oil production process. The Company has entered into the contract to purchase and sell of associated gas with Siam Moeco Company Limited (SML) from the petroleum concession area at Burapa-A production platform and has entered into the contract to purchase and sell of associated gas with PTT Exploration and Production Public Co., Ltd. (PTTEP) from petroleum concession area at Sao Thien-A production platform. However, Siam Moeco Company Limited (SML) has terminated the petroleum concession contract from Burapa-A production plant in the middle of 2020, thus presently associated gas from crude oil process supplied by PTTEP to the Company was inadequate for production in the forecasted amount, so the Company encountered problems of feedstock shortfall or quality of feedstock supplied as it may not be as per expected, which may impact to performance of the plant. In order to reduce such risk, the Company has negotiated to increase additional amount of associated gas and extend the gas procurement contract to be longer period as well as to plan for procurement of raw material from other petroleum concession areas located nearby.

Furthermore, the Company may have risk from changing of associated gas price because usage of associated gas is regarded as usage of benefit of by-product of petroleum production, which is natural resource of the country. The determination of purchase and sales price of associated gas is required to have approval from the Department of Natural Fuels first because it shall impact fee income of the public sectors to be occurred in the future. Therefore, if price of the associated gas increases, it shall impact cost of main raw material, which consequently shall impact performance of the Company.

Risks from fluctuation of amount and price of raw materials (Bangchak Biofuel : BBF)

Since production of biodiesel still mainly depends on crude palm oil and prices crude palm oil are fluctuated pursuant to demand and supply of the market. The imbalance of demand and supply shall have impact to stability of crude palm oil prices and it may impact biodiesel production cost.

Bangchak Biofuel is aware of the risk from fluctuation price of crude palm oil which is main cost for bio-diesel production. Thus, in order to reduce risk from fluctuation of amount of raw materials, it has selected more than 30 good quality and credible manufacturers as its trading partners in order to diversify risks on raw materials procurement. Additionally, it has executed a long term contract (3 years) for purchase and sales of crude palm oil with some of major suppliers with agreed amount in each contract and criteria of purchase price shall be referred to market prices of crude palm oil market

Risks from changes in costs of goods (Trading)

Some part of chemical products distributed by the Company are products of petrochemical industries of which their prices are fluctuated pursuant to prices of crude oil in the world's markets including energy and petrochemical industrial conditions which have cyclical changes. Such conditions make the Company has risks on cost of goods which might unavoidably impact to margin of the Company. To minimize such risk, the Company keeps tracking movement of chemical product prices both domestically and overseas, as well as tendency of crude oil prices in the world market constantly in order to prepare itself for changes in cost of goods and to conduct sales and inventory management plan effectively.

However, such risks from changes in product prices in the world market can be limited to some certain levels, because most of the Company's customers are in the petroleum and petrochemical business, so they have good and thorough understandings about conditions, trends and cyclicity of energy and petrochemical industries. Hence, the Company has flexibility in fixing selling prices of products if there is any change which can have impact to such product prices. Moreover, most of the products ordered or imported for distribution already have purchase orders from the customers or they are products with the annual purchase and sales contract and purchased prices have already been fixed.

Risk relating to a change of technology

At present, rapid development and changes of technology lead to many innovations and material changes to business operations, so many work processes have to be adjusted to conform to the changes of technology to order to be able to respond to the customers and trade partners' requirements.

The Company foresaw the importance on development of information technology in the organization to catch up with such changes in order to reduce risks and opportunity loss for business operations and to enhance its competition edge. The Company has plans to improve and develop information technology system to make them ready to support for expansion of new works and businesses in the future. Implementation of ERP system which can integrate with the Company's core business processes and can connect information real time is now under study. In addition, information technology system security has been prepared to strengthen efficiency of work operations and for modernization. The Company also specified a policy to encourage the employees at all levels to place importance of innovation for sustainable growth.

Risks from dependent on principal manufacturer (Principle)

The Company imports and places orders on chemical products and equipment used in various industrial plants with the manufacturers from abroad and within the country and the Company is a distributor of some principal manufacturers.

The Company has been appointed as the distributor of products and equipment of such principal manufacturers with official distribution appointment contract and clear contract renewable conditions. Nonetheless, the Company may have risk if such manufacturer does not renew the contract or terminates the contract upon the expiry term which can make the Company loses income from being the distributors of such products.

During the past period, the Company can maintain good relationship and has been trusted by all of those principal manufacturers continually. The Company has a tendency to increase order from such manufacturers in proportion to the growth of sales amount of the Company. Therefore, the Company is confident that the distribution contract shall be renewed continually in the future. Moreover, the Company did not have any historical record for unable to renew contract with such principal manufacturers at all.

Financial Risk

Risks Relating to Foreign Exchange Rates

Fluctuation of foreign exchange rate can impact Trading Business of the Company because most of the products have been ordered and imported from foreign countries of which most of them are denominated in US Dollar, while most of products are sold within the country and incomes are largely denominated in Baht. Therefore, the Company is exposed to fluctuation risk from exchange rates. Therefore, the Company has a policy to reduce risk relating to exchange rates by entering into the Currency Forward Contract for Trading Business to make it appropriated with debt burden, increasing revenue ratio from exporting (natural hedge), like the past year including closely monitoring movement of foreign exchange rate.

Fund raising and financial costs

The Company engages in business of investment in the renewable & alternative energy projects including production, import and distribution of chemicals and equipment used in various industries, such as off-shore natural gas exploration and production, oil refinery, upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power plant and utilities plant. The objectives for expansion of renewable energy business by means of investment or joint venture are to generate long term revenue and sustainable profit. The Company has carefully and cautiously planned about loan and capital to prevent such investment impact to working capital or liquidity in normal business operations and for steadily growth in the future. The Company's financing activities and implementation financial instrument shall be based on the appropriated financial costs in order to increase alternative and flexibility sources of loan via money market and capital market, as well as to arrange for proper financial cost structure for future growth, including closely monitoring of money market and capital market.

Driving Business for Sustainability

UAC Global Public Co., Ltd. determines to operate business by following sustainable development guidelines, adhering to good corporate governance principles, transparency, together with social and environmental responsibility by taking into consideration all stakeholders to contribute to sustainable business development and strong organization. The Company focuses on three dimensions: economic aspect, i.e., financial growth; social aspect, i.e., personnel development, good working environment, community and social development, and environmental aspect, i.e., excellence working process, safety, environmentally friendly and good quality and effective control system.

With the intention to keep the organizational business operations on sustainability achieving, up to standard, with intensively and concretely execution to ensure that operations shall be as per predetermined plans, consistent with the specified organizational mission and vision and can enhance confidence of all stakeholders, the Company has set up the sustainable development policy, where the sustainability working group has been appointed to drive and oversee the sustainable development works pursuant to the policy and target by integrating with 5 Goals of Sustainable Development Goals (SDGs)



On Economic Aspect

- **Growth of business value.** The Company determines and places importance on inventing innovation within the organization, enhancement, and support for development of new products and services to respond to the targets on driving business of customers and partners which are changing in line with the ever-changing global business which put strong emphasis on SDGs to add value and to grow together pursuant to the sustainable development framework of the Group of Companies.

On Social Aspect

- **Taking care of employees and society.** The Company gives priority on taking good care of the employees and the society, both inside and outside, beginning from internal society, which are the employees who are the major key for driving the organization to sustainability. The employees will be provided with fair remuneration and welfares, development of knowledge, skill, capability, concept and ethics on management and working and at the same time employee will be encouraged to participate in the social and community activities through environmental and social projects or activities continually.

On Environmental Aspect

- **Excellence Management.** The Company promotes and supports the enhancement of the employees' productivity, such as 5 S. activities and Kaizen Suggestion in a form of small group concretely and continually with aims to develop the reduction of cost and waste in the working processes to move forward to become the organization with Total Quality Management (TQM). It was quite proud to present that the employees enthusiastically and enjoyably participated in those activities, therefore Key Performance Indicators (KPIs) have been successfully achieved as per targeted.
- **Environmentally friendly business operation.** The Company aims to operate the environmentally friendly businesses by strictly complying with the laws and regulations on environment, including the regulations of the Environmental Management System (ISO14001:2005) on harmoniously and amicably living together with the communities surrounding the plants and for jointly development on sustainable basis.

In addition, the Company also has strong determination to improve and develop business models continually to catch up with the changes, add value to the business in the long term, risk management and business continuity management by implementing modern information technology system to improve the internal process, research, development, and invention together with taking care of all groups of stakeholders for mutually and sustainably growth.

More details are published in the Sustainability Report 2020 which is a part of this report and it has been disseminated in the company's website: www.uac.co.th.

Management Discussion and Analysis

Overview of Operating Results

The Company engages in business of import and distribution of chemicals and equipment used in various industries, i.e. off-shore natural gas exploration and production, oil refinery, petrochemicals plants, base oil plant, polymer and plastics plant, chemical industrial plant and power plant. The Company also undertakes business relating to rendering of services on installation and construction of utilities system, provision of consultancy services and marketing recommendations for alternative energy and renewable energy investment projects. The Company's subsidiaries engage in business of

- 1) production and distribution of electricity and renewable energy
- 2) production and distribution of chemical products, i.e. latex emulsion and latex polymer
- 3) Waste management to produce renewable energy and process recycled product (unrealized income)

Executive Summary

In 2020, countries around the world, including Thailand, have been affected by the pandemic of coronavirus (COVID-19) situation and slowdown in economy and trade around the world; including the price of crude oil and petrochemical products that have dropped significantly. As a result, the Company had a decrease in revenue from sales and services of more than Baht 1,602.73 million, mainly due to a decrease in revenue of oil refinery and petrochemical customers of Baht 1,495.20 million, revenue in the energy business of Baht 54.55 million, and revenue in Chemical products of Baht 71.36 million. However, the biodiesel business that the Company has jointly invested with a subsidiary of Bangchak Corporation Public Company Limited (BCP) continued to receive profit sharing from investment of Baht 263.07 million. Hence, the Company and its subsidiaries still maintained a high level of liquidity by controlling expenses in all areas, focusing on more efficient performance in every business unit, including the beginning of the digital transformation process by deploying in the Company. As a result, the comprehensive income of the Company and EBITDA exceeded the expectations of Baht 271.17 million and 442.17 million, respectively.

Trading: there was a decrease in revenue from customers of all industry groups, especially the oil refinery and petrochemical sectors due to a decrease in production capacity resulting in a decrease in the demand for products and services. As a result, the revenue from sales and services of Trading business decreased Baht 1,476.83 million or 63.43% YoY. However, from the situation of COVID-19, the Company has adjusted the marketing strategy to focus on products with gross profit higher than 20%.

Manufacturing - Energy: In 2020, Mae Teang Power Plant and Solar Power Plant generated electricity as target, while PPP Plant got less Associated Gas which was not enough for production. As a result, the revenue from energy group decreased 27.61% YoY to Baht 143.02 million.

Manufacturing - Chemical: The revenue from sales of Chemicals was Baht 274.82 million which decreased by Baht 71.36 million from the previous year or 20.61% YoY due to the economics recession and the fluctuation of raw materials price which increased more than 30%.

The operating results of the separated financial statement for the year period ended December 31, 2020

The Consolidated Financial Statement (Unit: Million Baht)	2020	2019	YOY	
			Million Baht	%
Revenue from Sales	1,225.00	2,850.45	(1,625.45)	(57.02%)
Revenue from Service	44.23	21.51	22.72	105.62
Gross Profit	239.97	386.14	(146.18)	(37.86%)
Other Income	287.12	104.12	183.00	175.75%
Selling & Administrative Expenses	207.81	253.64	(45.83)	(18.07%)
Finance Cost	56.82	61.61	(4.79)	(7.78%)
EBT	262.46	175.02	87.45	49.96%
Tax	(3.42)	(21.45)	(18.03)	(84.04%)
Total Comprehensive Income	259.04	153.57	105.47	68.68%
EBITDA	271.17	163.88	107.29	65.47%
EPS (Baht/Share)	442.17	352.66	89.51	25.38%
Total Comprehensive Income	0.406	0.245	0.161	65.71%

The operating results of the consolidated financial statement for the year period ended December 31, 2020, resulted in increase in net profit of Baht 107.29 million or 65.47% from the corresponding period of the previous year as the following details below:

- Revenue from sales and services decreased Baht 1,602.73 million or 55.81% from the corresponding period of the previous year, mostly from the decrease of revenue from Big Lot of Trading which was a non-regular transaction decreased Baht 854.14 million, the decrease of revenue from Manufacturing-Energy and Manufacturing-Chemical at the amount of Baht 54.55 million and Baht 71.36 million, respectively.
- Gross profit was Baht 239.97 million which decreased Baht 146.18 million or 37.86% from the corresponding period of the previous year, in compliance with the decrease in revenue from sales and services. Gross profit margin was 18.91% of revenue from sales and services increased from the corresponding period of the previous year (2019 = 13.45%)
- Other income increased Baht 183.00 million or 175.75% from the corresponding period of the previous year, mostly from the profit sharing from investment in BBF at the amount of Baht 263.07 million due to the government policy of using B10 resulting in higher demand of biodiesel.
- Selling and Administrative expenses decreased Baht 45.83 million of 18.07% from
 - Selling expenses decreased Baht 14.74 million in consistent with a decrease of revenue, mostly from the decrease of expenses of export, transportation and salespersons
 - Administrative expenses decreased Baht 31.09 million, mostly from the decrease of impairment of assets and, investment and doubtful debts of the Company and Subsidiaries of Baht 34.50 million and from controlling expenses during COVID-19 situation.
- Finance cost decreased Baht 4.79 million or 7.78% from the corresponding period of the previous year due to the decrease in liabilities.
- Comprehensive Income increased Baht 107.29 million or 65.47% from the corresponding period of the previous year, mostly from profit sharing from investment in BBF of Baht 263.07 million.

Classification of Revenue and Expenses – Consolidated Financial Statements in 2020

Revenues from Sales and Services

Types of Revenue (Unit: Million Baht)	2020	2019	Increase/(Decrease)	
			Amount	Amount
1. Product in Energy and Petroleum Related Business Group	638.78	2,129.50	(1,490.72)	(70.00%)
2. Products in Industrial Business Group	174.42	144.22	30.20	20.94%
3. Products in Manufacturing Business	274.58	346.18	(71.60)	(20.68%)
4. Other Products	20.55	52.67	(32.12)	(60.98%)
5. Provision of Services	18.70	1.84	16.86	916.53%
6. Income from Energy Business	142.21	197.55	(55.35)	(28.02%)
Total Revenues	1,269.23	2,871.96	(1,602.73)	(55.81%)

The consolidated financial statements in 2020 recorded that approximately 50.33 percent of total revenues derived from sales and services of products in Energy and Petroleum Group, followed by Production and Distribution of Chemical Products Group, i.e. latex emulsion and latex polymers, which has ratio of 21.63 percent, then Industrial and Energy Groups with ratio of 13.74 percent and 11.20 percent, respectively. Ratio of income from Provision of Services and products in Other Group was closely to each other, i.e. 3.09 percent of total revenues from sales and services.

Other Revenues

Other Revenues (Unit: Million Baht)	2020	2019	Increase/(Decrease)	
			Amount	Amount
1. Share of profit from investment in associates (A)	263.07	72.51	190.56	262.82%
2. Other incomes :-				
Interest received	1.40	1.03	0.37	36.02%
Disposal of fix assets	1.38	0.00	1.38	100.00%
Gain on exchange rate	2.71	18.50	(15.79)	(85.37%)
Oil fund tax compensation - LPG	6.35	5.29	1.06	20.05%
Others	12.22	6.80	5.42	79.77%
Total Other Incomes (B)	24.06	31.62	-7.56	23.92%
TOTAL (A)+(B)	287.12	104.12	183.00	175.75%

Total Expenses

Total Expenses (Unit: Million Baht)	2020	2019	Increase/(Decrease)	
			Amount	Amount
Selling expenses	53.73	68.47	(14.74)	(21.53%)
Administrative expenses	154.07	185.16	(31.09)	(16.79%)
Finance cost	56.82	61.61	(4.79)	(7.77%)
Total Expenses	264.63	315.25	(50.62)	(16.06%)

Analysis of Financial Position

Financial Position (Unit: Million Baht)	December 31, 2020	December 31, 2019	Increase/(Decrease)	
			Amount	Amount
Total Current Assets	466.38	533.55	(67.17)	(12.59%)
Total Non-current Assets	2,664.03	2,511.52	152.51	6.07%
Total Assets	3,130.44	3,045.07	85.37	2.80%
Total Current Liabilities	630.12	1,160.93	(530.81)	(45.72%)
Total Non-current Liabilities	876.72	440.30	423.42	99.12%
Total Liabilities	1,506.84	1,601.23	(94.39)	(5.89%)
Total Shareholders' Equity	1,623.59	1,443.84	179.75	12.45%
Total Liabilities and Shareholders' Equity	3,130.43	3,045.07	85.36	2.80%

Material changes in assets, liabilities and shareholders' equity for financial positions of the consolidated financial statements for the year ended December 31, 2020 were as follows:

Total Assets was Baht 3,130.43 million, increased Baht 85.36 million or 2.80%, mostly from the decrease in current assets of Baht 67.18 million and non-current assets of Baht 152.54 consisted of;

1. Cash and cash equivalents increased Baht 36.09 million.
2. Trade and other receivables decreased Baht 87.52 million in compliance with the decrease in revenue from sales
3. Property, plant and equipment was Baht 1,643.14 million which increased Baht 17.67 million, consisted of Property, plant and equipment of Baht 1,536.62 million and right-of-use assets due to TFRS 16 adoption of Baht 106.52 million.

Total Liabilities was Baht 1,506.84 million, decreased Baht 94.39 million or 5.89%, mostly from the decrease in current liabilities of Baht 530.80 million and the increase in non-current liabilities of Baht 436.42 million, consisting of;

1. Trade and other payables decreased Baht 45.26 million
2. Current portion of debenture decreased Baht 400 million by fully repayment of bond on June 12, 2020. Then, the company issued and offered new bond (Name-Registered Certificate of Unsubordinated and Unsecured Debentures) of Baht 300 million on June 18, 2020 which will be due on June 18, 2022.
3. Current portion of long-term loan decreased Baht 82.82 million due to principal repayment exemption for 6-12 months from financial institution.
4. Current portion of liabilities under long-term lease agreements of Baht 23.75 million consisted of TFRS 16 adoption at the amount of Baht 7.80 million and lease agreement of Baht 15.95 million.
5. Lease liabilities, net of current portion of Baht 104.19 million consisted of TFRS 16 adoption at the amount of Baht 101.31 million.

Total Shareholders' Equity was Baht 1,623.59 million, increased Baht 179.75 million or 12.45%, resulting from income of business performance.

Liquidity of Cash Flow

Liquidity of the Company for the year ended December 31, 2020 of the consolidated financial statements was as follows:

Cash Flow (Unit: Million Baht)	December 31, 2020
Profit before tax	262.46
Profit from operating activities before changes in operating assets and liabilities	179.15
Net cash flows from operating activities	173.57
Net cash flows from (used in) investing activities	109.57
Net cash flows used in financing activities	(251.64)
Effects of exchange rates on cash and cash equivalents	(0.09)
Net increase (decrease) in cash and cash equivalents	36.09
Cash and cash equivalents at beginning of period	40.46
Cash and cash equivalents at end of period	76.55

Cash flow statement for year 2020, the company had net cash flow from operating activities of Baht 179.15 million, mainly from profit before income tax Baht 262.46 million, receipt from trade receivable and other receivable Baht 79.04 million, payment of trade payable and other payable Baht 30.97 million and payment of interest and tax Baht 65.13 million.

Net cash flow acquired in investing activities of Baht 109.57 million, mainly from the receipt of dividend income from BBF of Baht 143.56 million and from purchase of fixed assets and assets under concession agreement of Baht 34.86 million.

Statement of cash flows used in financing activities of Baht 251.64 million, mostly from the repayment of debentures (net) of Baht 100 million, loan repayment from financial institutions (net) of Baht 69.76 million and dividend payment of Baht 130.18 million.

From the above activities, the Company had a net increase in cash and cash equivalents of Baht 36.09 million, with cash brought forward as of January 1, 2020 in the amount of Baht 40.46 million, and cash ended as of December 31, 2020 was Baht 76.55 million.

Financial Ratio

Financial Ratio	Consolidated		
	2020	2019	2018
Liquidity Ratio			
Current Ratio (time)	0.74	0.46	1.00
Quick Ratio (time)	0.50	0.32	0.31
Average Collection Period (day)	61.56	34.48	46.06
Average holding period (day)	45.74	89.27	107.06
Average payment period (day)	45.34	36.03	48.49
Cash Cycle (day)	61.96	87.73	104.63

Financial Ratio	Consolidated		
	2020	2019	2018
Profitability Ratio			
Gross profit margin (%)	18.91	13.45	13.70
Net profit margin (%)	20.41	5.35	5.35
Return on equity : ROE (%)	18.52	12.31	10.97
Efficiency Ratio			
Return on assets : ROA (%)	8.78	4.63	3.88
Return on fixed asset : ROFA (%)	24.08	16.77	14.73
Asset turnover (time)	0.42	0.82	0.73
Financial Policy Ratio			
Debt to Equity Ratio : D/E (time)	0.98	1.15	2.15
Time Interest Earning Ratio (time)	4.12	16.14	(3.56)
Debt Service Coverage Ratio (time)	2.24	1.23	1.52

In 2020, the Company maintained the ratio of Net Debt to Equity at 0.67 time which was lower than the nominal rate of 3 times in accordance with the conditions of issuance of debenture.

Auditor's Remuneration

In 2019 and 2020, the Company paid remuneration to the auditor at 2,600,000 and 2,760,000 Baht respectively, excluding non-audit fee.

Financial Ratio

Liquidity ratio

Current Ratio (time)

Total Current Assets

Total Current Assets

Quick Ratio (time)

Total current assets – Net Inventories

Total current assets

Average Collection Period (day)

360 Days

Account Receivable Turnover Ratio

Average holding period (day)

360 Days

Inventory Turnover Ratio

Average payment period (day)

360 Days

Account Payable Turnover Ratio

Cash Cycle (day)

Average Collection Period + Average holding period -
Average payment period

Profitability Ratio

Gross profit margin (%)

(Revenue from Sales and Service - Cost) x 100

Revenue from Sales and Service

Net profit margin (%)

Net Profit

x 100

Revenue from Sales and Service

Return On Equity (%) ROE

Total Comprehensive Income x 100

Average Total Shareholders' Equity

Efficiency Ratio

Return on assets (%) ROA

Total Comprehensive Income x 100

Average Total Assets

Return On fixed assets (%) ROFA

(Total Comprehensive Income + Depreciation) x 100

Average Net Fixed Assets

Asset turnover (time)

Total Revenue

Total Average Assets

Financial policy Ratio

Debt to Equity Ratio (time) D/E

Total liabilities

Total shareholders' equity

Interest Coverage Ratio (time)

(Net Cash Flows From Operating Activities + Tax + Interest)

Interest

Debt Service Coverage Ratio (time)

EBITDA

(Principal payment in 1 year + Cash interest paid in cash flow statement)

Dividend Payout Ratio (%)

Dividend Payout x 100

Net Profit After Tax - Statutory Reserve

General Information and Other Material Information

General Information

Name and Location of the Referenced Persons:

- | | |
|---------------------|---|
| 1) Share Registrar: | Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building
93 Ratchadapisek Road, Dindaeng, Bangkok 10400
Telephone 0-2009-9999 |
| 2) Auditor: | Mr. Chatchai Kasemsrithanawat (CPA No. 5813)
EY Office Company Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road, Klongtoey,
Bangkok 10110
Telephone 0-2264-0777 |

Legal Dispute

The Company and its subsidiaries do not have any lawsuit, arbitration case or other proceeding which is significantly or directly relevant to the Company and its subsidiaries which could be believed that it may have adverse effect to the properties of the Company or its subsidiaries more than 5 percent of the shareholders' equity as at December 31, 2020 or it may impact to the business, financial position, performance and operation trend in the future of the Group of Companies.

Secondary Market

The Company and its subsidiaries do not list in any foreign stock market.



Corporate Governance

Corporate Governance

The Company realizes and puts emphasis on implementation of management system which is effective, transparent and accountability to enhance confidence of all parties concerned and for sustainable growth of business by performing the works ethically and complying with all relevant laws. Hence the Company has defined corporate governance policy to elevate the existing operations, so that they can have clearly and systematically standards. Such policy has been put into practice and must be observed by the Company's employees at all levels to strengthen the truly corporate governance culture. There is also policy or operation to maintain fundamental rights of the shareholders that they should be fairly obtained pursuant to the laws or more than that for maximum profit of the Company, the shareholders and the stakeholders in the long run and on sustainable basis. In addition, the Company has publicized the corporate governance policy in its website and also makes available to the directors, the executives and all employees for their acknowledgement and realization on importance of corporate governance on promotion of sustainable growth of the Company.

Corporate governance policy and practice

Policy and practice related of the Board of Directors

- **Nomination of the directors and the executives**

The Nomination and Remuneration Committee shall have duty to nominate the qualified persons to hold position of the Board of Directors, the Chief Executive Officer and the President upon vacancy of such position or to replace the director who is retired on rotation. The consideration criteria shall focus on persons who have skills and experiences necessary for business operations of the Company both current and future. Director Pool of IOD or other related entities or Professional Search Firm (if any) will be used as reference list for qualified candidates as well as Board Skill Matrix which will be used to define required qualifications to create diversification of Board of Directors Structure, not limited to sex, age and education. The qualifications are specified as follows:

- 1) Having qualifications conforms to the Public Limited Act, the Securities and Exchange Act, rules of the Securities and Exchange Commission, rules of the Stock Exchange of Thailand and the corporate governance principles of the Company;
- 2) Having diversified knowledge, capabilities and experiences on various professional fields which shall be consistent with corporate strategy and beneficial and can add value to the Company;
- 3) Having characteristics which support and promote the corporate governance operations to strengthen value to the Company, performing duties with accountability, care and loyalty and can fully devote times for the Company.

Besides, the Company allowed the shareholders to propose director's name in advance. Nomination and Remuneration Committee will consider proposed candidate according to the specified criteria and propose to Board of Director to agree before approving by shareholders' meeting.

To select and appoint the Chief Executive Officer and President, Nomination and Remuneration Committee will select the candidates who meet the specified qualifications and propose to Board of Directors to approve the appointment with majority votes. The selection and appointment of director shall be based on method specified in articles of associations of the Company. Nomination and Remuneration Committee will select qualified candidate as specified procedure above and propose to Board of Directors to agree and the candidate who has been appointed is required to have an approval from the shareholders' meeting. Resolution of the shareholders' meeting shall be made by a majority of votes of the shareholders who present and have the voting rights.

1. The Company's Board of Directors shall consist of at least 5 directors, who have been appointed by the shareholders' meeting and not less than one half of total directors must reside in the kingdom.

2. The shareholders' meeting shall elect the directors pursuant to the following criteria and methods:
 - (1) Each shareholder shall have a number of votes equal to the number of shares held.
 - (2) Each shareholder may exercise all the votes he/she has to elect one or several persons as director or directors. If several persons are to be elected as directors, the shareholder may not allot his/her votes to any person in any number.
 - (3) The candidates who have the highest votes in descending orders shall be appointed as the directors until all of the director positions are filled. In case the votes for candidates in descending order are tied, which would make the number of directors to be exceeded, the Chairman is entitled to a casting vote.
3. During every annual general meeting, at least one-third of directors shall retire. If the number of directors is not a multiple of three, then the number of directors closest to one-third shall retire. The directors who shall retire in the first and the second year after the registration of the Company shall be selected by drawing lot, and for subsequently years, the longest serving directors shall be retired. A retired director may be re-appointed.
4. Any director who shall resign from directorship position shall submit a resignation letter to the Company and such resignation shall be effective from the date such letter arrives at the Company.

The resigned director under paragraph one may inform his or her resignation to the registrar under the Public Company Act.
5. In case of vacancy of director's position due to reasons other than by retirement in due course, the Board of Directors may appoint a person who is qualified and does not possess any prohibited qualifications specified in the Public Limited Act and laws on securities and exchange to be the director in the next Board of Directors' meeting. Except in a case where the remaining term of a director is less than 2 months, then the term of the newly appointed director shall expire at the same time as the director he/she substitutes.

The resolution of the Board of Directors under paragraph one shall consist of votes not less than three fourths of the remaining directors.
6. The shareholders' meeting may have a resolution to remove any director prior to expiration of his or her term with the votes not less than three fourths of votes of shareholders present at the meeting and have the voting right which must have accumulated shares not less than one half of total shares of the shareholders present at the meeting and have the voting right

• **Directors and Executives Remuneration**

Payment conditions

- The Committees who are entitled to the remuneration are the Board of Directors, the Executive Committee and the Audit Committee only.
- Each director can hold the director position in any other specific committees and is entitled to receive a director's remuneration in accordance with the position he/she holds.
- The Company's director and executive director will receive remuneration as salary pursuant to the rates approved by the shareholders' meeting. However, in case the executive director is also a member of the Board of Directors and/or a member of any other specific committee, such executive director shall not be entitled to the remuneration as the committee member of the Board of Directors and/or as the member of any specific committee. He/she shall be entitled to the remuneration in the part of the executive director only.
- The Board of Directors and the specific committee shall be entitled to receive the director's remuneration from the Company as gratuity, meeting allowance, pension, bonus or any benefits pursuant to the regulations or as per considered by the shareholders' meeting. Such remuneration may be as per an exact amount or as per defined criteria and shall be specified occasionally or it shall be in effect until further change. Moreover, they

shall also earn the allowances and fringe benefits pursuant to the Company's regulations without having any impact to rights of the officers and employees of the Company who have been elected as the committee with regards to remuneration as the committee and benefits as the officer or employee of the Company. Besides, such remuneration payment shall not against or contradict to qualifications of the Independent Director which has been specified in the laws governing securities and exchange.

- All non-executive directors of the Company are entitled to bonus. In case the Company deems appropriated, the Company may consider on payment of bonus to all non-executive directors. The Board of Directors shall decide when the bonus shall be made as well as details on bonus payment, for instance paying bonus to all non-executive directors who still hold the position. In case term of office of any non-executive directors is less than one year, bonus payment may be made proportionately to term of office of such non-executive directors.

• **Independence of the Board of Directors from the management**

the Board of Directors has a policy that Non-executive Directors shall hold meeting among themselves, as necessary to consider the issues of their interests without the management presenting. In 2020, such meeting has been arranged on December 18, 2020 and results of the meeting have already been notified the Chief Executive Officer. The number of meeting held and meeting attendance of each committee member can be summarized

• **Development of the Directors and the Executives**

The Board of Directors has a policy to encourage and facilitate on provision of trainings and seminars to the directors and executives to enable them to continuously improve their performance and enhance their knowledge and capability to increase their competency in operating business efficiently and consistent with the current situation. Every time there is a change of a director or there is a new director, the Corporate Secretary shall provide the new director useful document and information which will be beneficial for performing duty as well as arrange an orientation session to introduce business structure, structure of the Board of Directors, scope of authority and responsibility, relevant laws as well as nature of business, business directions and policies of the Company for such new director. Moreover, the Chairman or the person assigned by the Chairman shall arrange plant visit tour for such new director in order to make him/her understand each production process, so that he/she can perform the work effectively.

• **Self-assessment of the Board of Directors**

The Board of Director has specified the policy that mandated all directors to assess performance of the whole committee and individually as well as the Committees for operations in each year. Self-assessment Form of the whole Board of the Directors and the individual director comprises of 6 main topics: (1) Structure and Qualifications of the Board; (2) Roles and Responsibilities of the Board; (3) the Board Meeting; (4) the Board's Performance of Duties, (5) Relationship with the Management; and (6) Self-development of Director and Development of the Executive. Additional details in each topic will be provided to the director to support their consideration. The Board Self-Assessment Form shall be reviewed on appropriateness every year. The Corporate Secretary shall collect and summarize results of self-assessment of the whole committee and individually including assessment result of the Committees to be presented to the Board of Directors. Results from assessment shall be used for efficient development of the Board.

• **Supervision on Operations of the Subsidiaries and the Associated Companies**

The Board of Directors has oversight mechanism that can control, supervise on administration and is responsible for operations of the subsidiaries to preserve benefits of the Company's investments. The Company's representatives are assigned to be the director and/or the executive in the subsidiaries and the associated companies pursuant to shareholding proportion of such companies. The Board of Directors shall consider and approve on appointment of the Company's representative to hold position of director and or the executives in the subsidiaries and the associated companies, as well as their power, duty and responsibilities. In addition, with regards to stipulation of important policy on business operations of the subsidiaries and the associated company, they shall be presented to the Company's Board of Directors to consider and approve before proposing to the Board of Directors of the subsidiaries or the associated companies, so that the supervision on their operations shall be efficiently and in line with the operation criteria of the Company.

Policy and practice related of the Shareholders and Stakeholders

Responsibility to shareholders

- **Encourage the shareholders to exercise their right and take care of the shareholders**

The Company recognizes and emphasizes the importance of the fundamental rights of the shareholder, as an investor in the securities and as owner of the Company, i.e. right to receive the warrants issued by the Company, right to buy, sell, transfer shares in their possession, right to share in profits of the Company, right to have adequate access to the Company's information, right in the shareholders' meeting, right to express opinions and to jointly make decision on significant matter of the Company, i.e. allocation of dividend, election or removal of the directors, appointment of an auditor, approval of the significant transaction which has impact to direction of the Company's business operations, amendment of the Company's affidavit, certificate of incorporation, articles of associations and etc. The Company also encourages all members of the Board of Directors, the executives and the auditor to participate in the shareholders' meeting. In addition, the Company also facilitated and encouraged the shareholders and the institutional investors to attend the shareholders' meeting by assigning the Investor Relations officers to compile proxies and any issue in the meeting agenda in case the meeting agenda has been proposed in advance.

Due to the outbreak of new coronavirus (COVID-19) in Thailand in 2020 and pandemic situations elevated continually and in wider extent that the government sectors requested for cooperation to refrain from arrangement of the activity which may have large gatherings of people, so the Board of Directors' meeting no. 3/2020 on April 7, 2020 passed a resolution to postpone the 2020 Annual General Meeting of Shareholder from Friday 10th April 2020 at 14.00 hrs. as per approved by resolution of the Board of Directors' meeting no. 2/2020 on February 26, 2020 to be Thursday 7th May 2020 at 10.00 hrs. at the meeting room on the 25th floor, TP&T Tower. The Company strictly complied with measures stipulated by the government sectors. The shareholders and the institutional investors could attend the meeting conveniently as the meeting has not been arranged on national holiday or public holiday. The Company performed the works pursuant to the corporate governance principles as follows:

Invitation to the Shareholders' Meeting in Advance

During the Meeting of the Company's Board of Directors No. 2/2020 on February 26, 2020, the meeting resolved to arrange the 2020 Annual General Meeting of Shareholders on April 10, 2020. The Company has disclosed the meeting resolution, meeting date, agenda and informed other information via Elcid system of the Stock Exchange of Thailand on the next day, which was February 27, 2020, for the shareholders' acknowledgment in advance. After that, the meeting invitation has been sent to Thailand Securities Depository Co., Ltd., the Company's securities registrar, to further sent to the shareholders at least 7 days in advance before the shareholders' meeting. including a complete supporting document as well as opinions of the Board of Directors for each agenda, in both languages, Thai and English, on the Company's website on March 9, 2020, which was not less than 30 days before the meeting date. The shareholders and the investors have also been informed of such disclosure via the SET's Elcid system as well.

Moreover, due to coronavirus (COVID-19) pandemic situations, the Board of Directors resolved to approve the postponement of the 2020 Annual General Meeting of Shareholders to be on Thursday 7th May 2020 at 10.00 hrs. The Company has notified the postponement of the 2020 Annual General Meeting of Shareholders via the Stock Exchange of Thailand's Elcid system on April 7, 2020 and publicized the notification on convening of the shareholders' meeting in advance in the daily newspaper for 3 consecutive days, from April 13-15, 2020.

On the Shareholders' Meeting Date

During the 2020 Annual General Meeting of Shareholders, all 7 members of the Board of Directors, including the auditor and the Company's legal advisor have attended the meeting. Before the meeting commenced, the chairman of the meeting introduced the directors, the auditor and the Company's legal advisor to the shareholders and assigned the legal advisor to explain to the shareholders on how ballots are cast and counted including how to vote for the agendum on election of the director to replace the director who is retired on rotation which must be voted one person

at a time. The shareholders or the proxy have also been invited to jointly participate and examine the vote counting during the meeting. During 2020 Annual General Meeting of Shareholder, the Company asked for one volunteer to help count the votes. However, no shareholder or proxy volunteered to do the task, so Mr. Somyod Suteerapornchai, the legal advisor, were assigned for examining the vote counting during the meeting.

The meeting has been conducted in accordance with sequence of the agenda listed in the invitation to the meeting and no agenda which has not been specified in the meeting invitation has been added. Information has been provided according to the agenda and the shareholders including the proxy were encouraged to express opinion, suggestion or enquiry. The time provided for consideration of each agenda was reasonable and adequately. The Chairman and the executives have answered any enquiry clearly, precisely and pay attention to all questions before requesting the meeting to vote in each agendum. The policy on remuneration and method on prescribing remuneration of the directors has been presented to the shareholders. The shareholder must have an opportunity to exercise the right to vote on election of the director individually, so that the director who has the most appropriated qualification will be selected. For agendum on selection of director, the shareholders shall put their voting cards in the box to be kept as evidence.

In case any shareholder is unable to attend the meeting by himself/herself, the Company shall allow such shareholder to proxy any independent director or any person to attend on his/her behalf, by using one of proxy forms attached with the meeting invitation to the shareholders' meeting. During 2020 Annual General Meeting of Shareholders, there were 18 shareholders attended the meeting by themselves with total shares of 410,418,843 shares and 31 proxies with total shares of 93,613,612 shares. Therefore, there were 49 people presented in the meeting with total shares of 504,032,455 shares, or accounting for 75.50 percent of total 667,605,301 issued shares, which constituted the quorum pursuant to the law and pursuant to the Company's articles of association.

After the Shareholders' Meeting

During every meeting, a minute of meeting must be taken and important enquiries and suggestions must be recorded therein accurately and completely as well as voting results in each agendum, i.e. approved, disapproved, abstained and invalid ballot. The resolution of the minute must be publicized via the Elcid system of the SET on the next working day after the meeting date, of which for this year, it was on May 8, 2020. The minute of meeting has been sent to the Stock Exchange of Thailand, the Office of Securities and Exchange Commission, the registrar of the public limited company, Department of Business Development, Ministry of Commerce on May 20, 2020 which was within the specified timeframe of 14 days. In addition, the minute of meeting of 2020 Annual General Meeting of Shareholders, both in Thai and English, including video and audio of such shareholders' meeting have also been posted on the Company's website.

- **The Equitable Treatment of Shareholders**

The Company treats all shareholders equally, regardless of gender, age, race, nationality, religion as follows:

Propose meeting agenda and nominate a candidate for the director position

The Company has an equitable treatment policy for all shareholders, particularly the minority shareholders by allowing the minority shareholder, individually or collectively, who hold minimum shares not less than 200,000 shares for at least 6 consecutive months to propose any meeting agenda for the shareholders' meeting as well as to nominate a suitable candidate for the director position, together with the detailed information for consideration and/or qualifications and consent of the candidate who shall be nominated in advance of the shareholders' meeting. The Company by the Nomination and Remuneration Committee shall screen the agenda which are truly beneficial and shall select the candidate with properly qualifications before proposing to the Board of Directors for consideration, then specify in the meeting agenda.

On September 18, 2019, the Company has invited the shareholders to propose agenda and nominate the candidate for director position in advance for the Annual General Meeting of Shareholders via the SET's Elcid system including

the Company's website, under topic of "Investment Relations". Criteria and method for such proposal and nomination have also been specified. The period for such proposal and nomination was from September 18, 2019 to December 31, 2019 before the Nomination and Remuneration Committee arranges the meeting to select the one third of directors who shall be retired on rotation and before the Board of Director holds a meeting to consider the agenda for the Annual General Meeting of Shareholders. However, no agenda has been submitted for the Company's consideration and the Corporate Secretary has reported to the meeting of the Board of Directors for their acknowledgement already.

Facilitate the shareholders during the shareholders' meeting

The Company has arranged the shareholders' meeting at the Company's headquarter which can be conveniently reached via buses or personal cars as there were adequate parking areas. The Company also provided adequate staff to facilitate the shareholders and the proxy who attended the meeting. The registration shall be opened 2 hours in advance before the meeting and it has been expanded to the period before the consideration of the last agenda. Barcode system has been used for registration process for conveniently, speedily and precisely purposes. Furthermore, duty stamps have also been provided for the shareholders' proxies, free-of-charge.

All shareholders shall have equitable right. Before each meeting, the chairman or the assigned person shall clearly explain how ballots are cast and counted and shall provide reasonable time to all shareholders to express their opinions, suggestions and inquiries in each agenda. The chairman shall conduct the meeting in accordance with sequence of the agenda. The Company does not have a policy to add agenda without notifying the shareholders in advance, so that all shareholders shall have time to study agenda before they make any decision.

• Prevention on Usage of Inside Information

For transparency and prevention of abusive self-dealing from usage of the Company's inside information which has not yet been disclosed to the public, including for avoidance of scandal on appropriateness of securities trading of the insider, and for fairness of all stakeholders, the Company has stipulated policy and practices concerning usage of inside information pursuant to the Company's corporate governance principles for strictly observance by the Company's directors, executives and employees. Essence which has been specified in the corporate governance policy which could be summarized as follows:

1. The Company's directors, executives and employees shall maintain the secret and/or inside information of the Company by not disclosing or exploiting it for their personal gains or for the third party's gains directly and indirectly. They shall not purchase, sell, transfer or accept transfer the Company's securities using the Company's secret and/or inside information, and/or enter into any juristic act using the Company's secret and/or inside information that may cause damages to the Company either directly or indirectly.
2. The directors, the executives and the employees in work units who acquire the Company's inside information shall not use such information prior to public disclosure, and shall not purchase, sell, transfer or accept transfer the Company's securities in one (1) month period prior to public disclosure of quarterly financial statements and yearly financial statements and at least three (3) days after disclosure of such information.

However, the said requirements shall also apply to the spouse and children under legal age of the Company's directors, executives and employees. If any person violates the said requirements, he/she must be disciplinarily and/or legally punished and/or punished as the case may be.

The Company provided information to the directors and the executives on their obligations to report their securities holding of the Company and penalty clauses pursuant to the Securities and Exchange Act B.E. 2535 and the regulations of the Stock Exchange of Thailand. In case the directors or the executives purchased or sold the Company's securities, such directors or the executives are required to notify the Corporate Secretary at least 1 day in advance and file a report on their holdings of the Company's securities, including of their spouses and children under legal age pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 every time they buy or sell such securities within 3 days to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand and the Company's Board of Directors for acknowledgement and further dissemination to the public

Moreover, the Company established the disciplinary penalty against the employees who exploit usage of or disclose inside information which, if released prematurely, would cause damage to the Company. Various penalties have been imposed, such as verbal warning, written warning, probation and termination of employment, by firing or discharging, as the case may be.

- **Conflict of Interest**

The Company's policy concerning the conflict of interest is based on principle that any decision making on business operations shall be based on maximum profits of the Company only and shall avoid any acts which may cause conflict of interest. The directors, the executives and the employees shall review and disclose the transactions with conflict of interest for the Company's acknowledgement, as well as to inform their relationship or connection with such transaction. During any consideration, person who is related to or connected with such transaction shall not participate in consideration process and shall not have power to authorize such transaction. Any undertaking to be conducted shall bear in mind about its suitability, prices and conditions, like conducting the transactions with the third party.

The Company also adheres to the equitable treatment of shareholders and prescribes the transparent and auditable management policy and guidelines on conflict of interests, especially in consideration on transaction between the Company and the interest person or the related persons. In case of such incident, such interest person shall report to the Company immediately and shall not participate in consideration or voting in such matter. The Company also stipulates the guidelines to prevent the director or the executive who has an interest in transaction from participating in decision making process. During the vote session at the Board of Directors, any director with such interests shall not be entitled to vote. In addition, the Company considered about type of related transaction or connected transaction and value of transaction by referring to Notification of the Capital Market Supervisory Board No. TorJor 21/2551 Re: Rules on Entering into Connected Transaction and strictly disclosed to the Stock Exchange of Thailand, requested for approval from the Board of Directors or requested for approval from the shareholders, as the case may be. Related transaction or connected transaction has been disclosed in the Annual Report under Section "Person with Mutual Interests and Related Transaction". Such related transaction has been performed pursuant to fair and at arm's length basis, and necessity including reason for such transaction must also be specified.

The Audit Committee shall propose the connected transactions and the transactions with conflict of interest to the Board of Directors for consideration and approval and they shall be carefully considered to ensure compliance with criteria of the Stock Exchange of Thailand as well as to disclose them in the annual report.

Responsibility to stakeholders

- **The Role of Stakeholders**

The Company recognizes the rights of all stakeholders, including the internal stakeholders (i.e. the shareholders, the executives and the employees of the Company) and the external stakeholders (i.e. the creditors, the customers, the business partners, the competitors, the government sector, the societies and the communities). The Company realizes that the supports and opinions from all stakeholders shall be beneficial to the business operations of the Company. Therefore, the Company shall comply with the laws and the related regulations to ensure that the rights of those stakeholders are under good care. In addition, during the course of business operation, the Company has taken into consideration the rights of all stakeholders pursuant to the following policy and guidelines:

Shareholders

To treat all shareholders equally, maintain their benefits and not perform any action which may violate or lessen their rights; to strongly commit to increase maximum satisfaction to the shareholders by taking into consideration the sustainable growth of the Company; to increase value added and appropriate returns on continued basis as well as to adhere to good corporate governance.

Employee

- On treatment of employees: The employees shall be treated equally and fairly, with regards to opportunity, compensation, fringe benefits, i.e. provident fund, life insurance, health and accident insurance, employee's loan welfare, welfare for employee's children scholarship and potential development. All employees are regarded as valuable resources and key factor to drive the organization to achievement.
- On consideration of annual compensation and allocation of welfare to employees: Consideration is made by referring to the Company's operating results and compensation of the companies in same group of industry, so that determination of compensation and welfare shall be fair and in the same direction for both the Company and its subsidiaries, both for short-term and long-term. Remuneration rates have been reviewed to ensure that they are in appropriated level and competitive with companies in the same industry. In addition, the employees' performance shall be evaluated pursuant to Pay for Performance system where performance of all employees shall be assessed into 2 aspects, i.e. performance achievement based on KPI and potential based on competency assessment. The Company also encouraged for the growth of employees' career pursuant to career path, and the employees shall have opportunity to transfer to other position or to be assigned to take responsibilities pursuant to their knowledge at the Company's newly expanded business. In case there is a vacant position, the existing employees will be informed for applying for such position first. In addition, welfares provided by the Company are also better than those required by the laws, such as provident fund, medical welfares and etc.
- On organizational development with aim to become the learning organization: This can be done by enhancement of corporate culture and working atmosphere, team work, capabilities of the employees and ensure that they have securities in their careers and confidence in their quality of life and safety at work. The Company shall listen to opinions, recommendation and complaint from the employees at all levels equally and fairly.
- On arrangement of various activities to encourage participation among the employees: These efforts included provision of annual medical check-up services and vaccination against influenza to the employees of the Company and its subsidiaries every year. The employees' family members can also enjoy special benefit on annual medical check-up service at the hospital equivalent to the benefit obtained by the employees.

Customer

To determine to create satisfaction and confidence to customers; take good care and be responsible for customers. Customers shall receive good, qualified and safely products/services at the appropriated prices and pursuant to the prescribed standards. The Company shall strictly comply with the conditions and agreements made with customers. The Company shall develop itself to increase standards of products and services continually and shall maintain good and sustainable relationships with the customers as well as shall not exploit the customers' information for the benefits of its own or of the related persons. In 2020, scores obtained from customers' satisfaction assessment were 90.74 percent, which was regarded as Excellent level.

Business partners and creditors

To take into consideration the equality, fairness and integrity while conducting business. To have business ethics and maintain mutual benefits with the business partners and the creditors by strictly observing laws and rules jointly specified. To not request for, receive or pay any fraudulent benefits while dealing business with the business partners. To strictly comply with conditions and treat the creditors fairly as well make repayment in timely manner, maintain warranty securities and other conditions under the agreement fully and correctly and pursuant to good corporate governance principles. The creditors and the business partners shall be reported in advance if the obligations in the contracts cannot be met and corrective measures shall be jointly discussed.

Business partner shall be selected based on the following criteria:

- Compliance with the law, possess social ethical standards and put emphasis and consideration on human rights, society and environment.
- Having good business operation condition with stable financial status, verifiable workplace and good tracking records. Such company must not have any restriction for trading due to corruption or fraudulent act or is listed as work abandoner or in blacklist of the public and private sectors.
- Provision of satisfied works, with regards to quality, prices, delivery schedule and services.
- Ability to deliver products constantly and respond to the changes with flexibility.

Competitors

To treat the business competitors pursuant to the international practices under the laws on trade competition principles and shall adhere to good and equally competition rules. To not obstruct any business competitors, do not damage reputations of the business competitors by accusing, mudslinging and attacking ungrounded or perform any actions which are unfair to the competition.

Public sector:

To emphasize transparency and integrity while performing any transactions with the officials or the government agencies in order to avoid any improper actions and against best management practices as well to oppose the offer of a bribe to the government officials to facilitate or for benefits of the Company.

Communities, societies and environment

The Company has the policy to conduct the business with community, social and environmental responsibilities with regards to safety, quality of life and natural conservation; to promote effective use of energy; to realize the quality of life of the community and society as well as to assure that all of operations or decisions made or all products and business undertakings of the Company are performed appropriately and complied with the laws, rules, regulations and standards and they do not have any impact to the environment, community, society as well as all stakeholders. The Company also encourages its employees to have consciousness and responsibility to the surrounding communities, society and environment and to provide coordination with the activities arranged by the communities that the Company have business with, as appropriated.

The Company determines to conduct many social and environmental responsibility projects in order to be a part in developing community and society as well as realizes about the social responsibility or the impacts which may incur to all stakeholders for sustainable business operation in the future. Moreover, the Company also established the social responsibility policy by focusing on conducting business with social and environmental responsibility including supporting the social, community and environmental activities on continued basis. The Company emphasized on significance of fundamental human rights, respect of right and freedom without discrimination and non-infringement of intellectual property or copyright including anti all kinds of corruption. There is also a quality policy which places importance on procurement of good and quality products, delivery of goods correctly and on timely manner. Additionally, the personnel must be developed to increase the competitive edge and efficiency. The employees shall strictly uphold to these principles for work efficiency and effectiveness. For more details on activities performed with the stakeholders and social responsibility in 2020, please see "2020 Sustainability Report", which shall form an integral part of this annual report.

Policy and practices on non-infringement of intellectual property

The Company respects and complies with the law on intellectual property and establishes a policy forbidding all operations which has nature of infringement of intellectual property in all respects in the code of conduct and the employee's ethics for the employees' acknowledgement and strictly compliance. Details on such practices are as follows:

- All employees must respect right of the intellectual property's owners. Information technology and communication shall be prudently and carefully used pursuant to the legal and Company's requirements.
- Before using the third party's works or information obtained in the Company, they must be inspected to ensure that such works or information obtained does not infringe other person's intellectual property.
- Upon termination of employment, all intellectual properties including works in all forms and format must be returned to the Company.

Policy on human rights

The Company recognizes and puts emphasis on human right principles. Hence, policy on human rights has been stipulated to make the Board of Directors, the executives and the employees well aware of its importance and respect human rights of all people in all aspects, as well as the society and communities in each area, which shall include:

- To equally treat people pursuant to human rights principle, without any discrimination.
- To avoid any act which violates human rights.
- To support and promote human rights.
- To communicate, disseminate, provide knowledge and understanding; formulate guidelines; oversee and support persons relevant to business operations throughout the business value chain, the goods and service provider, the contractor including the business partners, so that they can take part in operating business uprightly with respect to human rights and treat people pursuant to the human rights principles.

Anti-Corruption

The Company has specified the anti-corruption policy and set up measures to prevent and handle corruption which might occur or has occurred in the Company by taking into consideration moral principle, mercy, righteousness and principles of law. In addition, the Company has announced and implemented the "Anti-corruption Policy", so as to make the directors, the executives and the employees at all levels realize the importance of business operations with morality, transparency and accountability as well as to prevent all activities of the Company and its subsidiaries from corruption.

The Company also provided the channels for the stakeholders and the investors to notify, suggest, file a complaint or clue with regard to illegal act, correctness of financial statement, defective internal control system or any act which is against the ethics principles to the Board of Directors via the following channels:

- | | |
|-----------------------------------|---|
| - Chairman of the Audit Committee | Email: chairman_auditcom@uac.co.th
Letter : No. 1, TP & T Tower, 19th floor, Soi Vibhavadirangsit 19,
Vibhavadirangsit Road, Chatuchak Sub-district, Chatuchak District,
Bangkok 10900 |
| - Corporate Secretary | Email: sajaporn@uac.co.th
Tel. No.: 0 2936 1701 Ext. 118 |
| - Company's Website | Click at icon: Whistleblower Form |

Details of the person who notifies such information (the whistle blower or the informant) or the clues shall be kept confidential to protect the right of such informant including the person who cooperates in fact finding. There are protection measures in place to make the whistle blower or the information including the person who cooperates for fact-finding confident that they will not be impacted from such complaint or from notifying such clue. The Company has communicated the "Anti-Corruption Policy" and "Fraud Protection Policy" to all employees during orientation session and also publicized via the Company's bulletin board, Data Center as well as on the Company's website for acknowledgement and strictly compliance by the directors, the executives and the employees.

Anti-corruption Policy : http://www.uac.co.th/src/misc/content/anti_corruption_th.pdf

Fraud Protection Policy : <http://www.uac.co.th/src/misc/content/fraud-protection-policy.pdf>

The Company has specified guidelines on monitoring and assessment on compliance with the fraud protection policy and anti-corruption policy, where the Internal Audit Unit will inspect the internal control system, assess risks including corporate governance and will provide suggestions on continued basis. The Internal Audit Unit shall determine an annual audit plan which must be approved by the Audit Committee and shall report the inspection results including recommendations to the Audit Committee every quarter. If, after the investigation of the complaint or the facts from investigation, it is found that there is reasonable evidence that it should be believed there is any transaction or action which may be regarded as malpractice or corruption, the Audit Committee shall report to the Company's Board of Directors to inform the improvement/correction measures within the period of time the Audit Committee deems appropriated.

Code of Conduct

The Board of Directors adheres to the equitable and fair business operations and specifies a written code of conduct and the employees' ethic to put into practice and disseminate to the directors, the executives and the employees as practical guidelines. Objectives are to express its intention to conduct business with transparently, ethically and responsibility to the stakeholders, by taking into consideration the societies and environment through the trainings and various communications within the organization. Such code of conducts shall reflect goodwill and practical guidelines to be observed by all employees. Ethical framework include respect and comply with laws, interests and conflicts of interests, use of inside information and maintenance of confidential information, internal control system and internal audit, receiving and giving of gifts, properties or other benefits, intellectual properties, information technology and communication, political rights and impartiality, employees treatment and responsibility to stakeholders with details in enclosure 8.

The Company has announced and informed all employees for their acknowledgement and strictly compliance beginning from the orientation when they start to work as well as promoted on compliance with such guidelines continually. The internal audit unit shall regularly follow up their performance then report to the Audit Committee for its acknowledgement. In 2020, the Company communicated internal information to all employees via a variety of methods including online training on business ethics and employee ethics. After the training, the test to measure the employees' knowledge and understanding has been conducted and average scores obtained were 17.36 from full scores of 20.

Significant development and changes of the policy, regulation and Corporate governance system

The Board of Directors has duties to consider and provide opinions on important matters concerning business operations of the Company, such as vision, mission, strategies, risks, corporate governance policy, action plan and budget as well as to monitor performance of the executives to ensure their efficiency and effectiveness on compliance with the specified policies and action plan. The vision, missions, strategies, corporate governance policy, objective, business operation direction including important policies of the Company must be reviewed and considered every year or when nature of business has significantly changed. In 2020, The Board of Directors has considered and reviewed vision, missions, corporate governance policy, strategies and resolved that it's still appropriate and consistent with business operation for 1-4 years (2017-2020). However, The Board of Directors will regularly consider and review strategies to accommodate changes in government policy and economic situation, both domestic and international, to enhance the business expansion continuously and sustainably.

The Board of Directors also monitored, supervised and implemented the specified strategies and the management has to present the operating results by comparing with the specified targets to the Board of Directors' meeting every quarter. Such information will be used for closely monitoring the operating results of the management and to ensure that they shall be as per the specified strategy.

corporate governance policy

The Company has prepared a written corporate governance policy and it has been approved by the Board of Directors' meeting No. 1/2010 on May 6, 2010 and the amendment of such corporate governance policy has been approved during the Meeting of the Board of Directors No. 1/2014 on February 21, 2014. The Board of Directors assigned the Corporate Governance Committee to regularly review and monitor on compliance with such policy at least once a year to increase efficiency on supervision and to make the Company's corporate governance standards conform to the corporate governance principles and to present to the Board of Directors for acknowledgment. The Company has communicated about the corporate governance policy to everyone in the organization for correct and mutual understanding and encouraged everyone to comply with such policy accordingly.

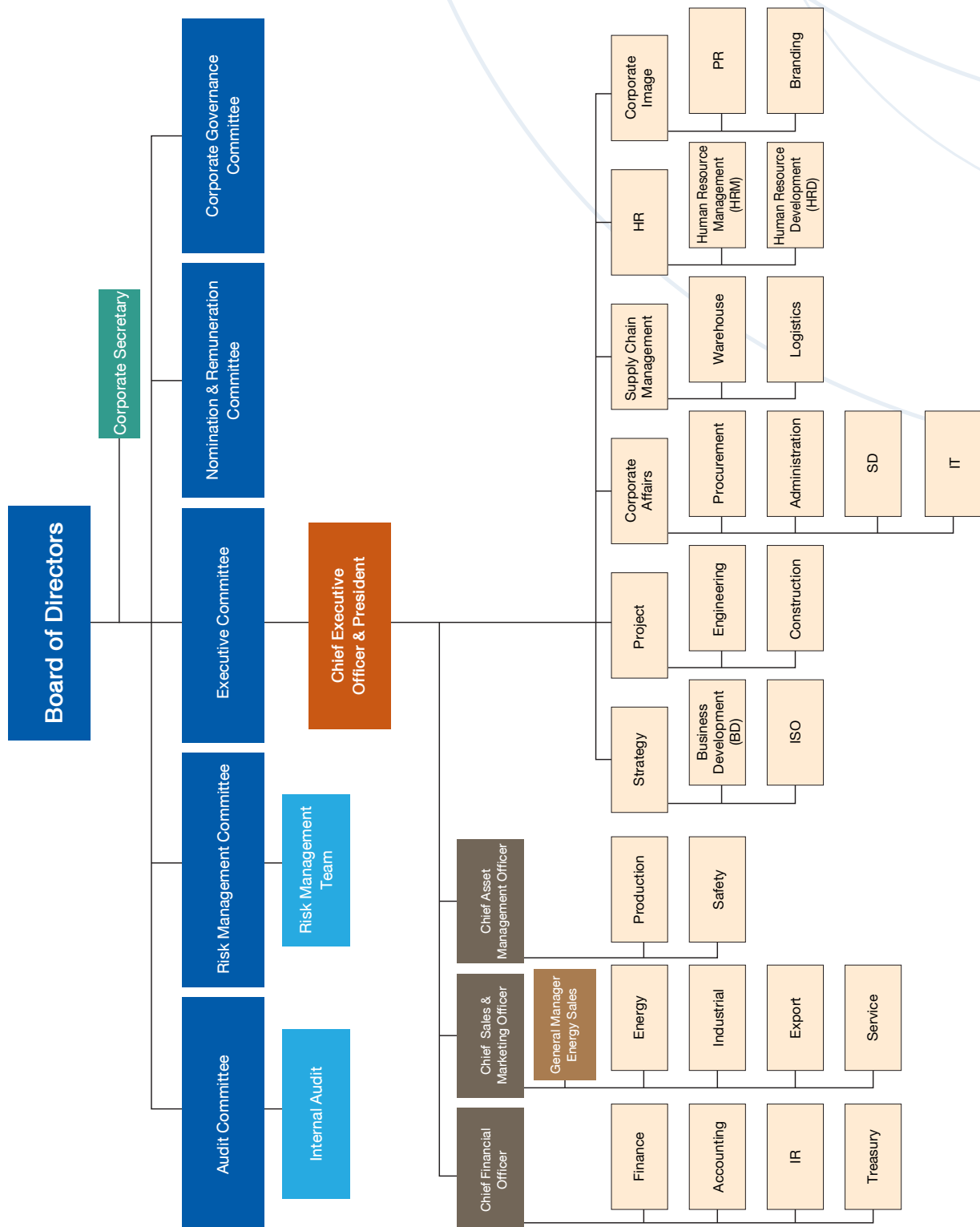
In 2020, the Company's average score on corporate governance performance was 94 percent ("Excellent") which was higher than average score of overall listed companies which was at 83 percent. In addition, the Company received full 100 scores from assessment on quality on arrangement of the annual general meeting of shareholders (AGM Checklist) from the Thai Investors Association. These outstanding scores were solid proof of the Company's chiefly focus on monitoring and development of operations by following the Company's corporate governance standards.

Practices pursuant to corporate governance principle that the Company has not yet complied are as follows:

Not Yet Complied	Reason
1. The Chairman of the Board is an independent director.	Segregation of duties between the Board of Directors and the top executives has been clearly specified. The Chairman of the Board of Director is not the same person of the Chief Executive Officer and the Chairman of the Board will not participate in daily management tasks, so there is a balance of power between the corporate governance and the management.
2. More than 66% of the members of the Board of Directors must be non-executive directors.	
3. More than 50% of the members of the Board of Directors must be the independent directors.	
4. The Board of Directors has a policy to limit the number of years that the independent director can hold office to not more than 9 years.	Even though it is specified that the term of the independent director shall be not more than 3 periods or 9 years, but the Board of Directors may consider to extend the term of office of the independent director if there is a reasonable cause and it will be beneficial to the Company and the shareholders. The reasons are that the Board believes that the independent director who holds office more than 9 years can understand nature of business operations of the Company and still maintain independence on consideration, giving opinion or recommendation which will be beneficial to the Company because qualifications of the independent director specified by the Company are stricter than criteria specified by the SEC and the SET.

Corporate Governance Structure and Important Information about the Board of Directors, the Committees, the Management and the Employees

Corporate governance structure



Structure and Component of the Board of Director

The component on number of the directors in the Board of Directors has been arranged to suit with size of business. At present, the Board of Directors consists of 7 members, 4 of them are non-executive directors and 3 of them are executive directors. Of all total numbers of directors, 3 of them are Independent Directors. The Company has specified criteria on selection and qualifications of the Independent Director as follows:

The Independent Director

The Company prescribes that at least one third of total members of the Board of Directors shall be the Independent Directors. The Board of Directors or the shareholders' meeting, as the case may be, shall appoint the Independent Director to be members of the Board of Directors. One thirds of the Board of Directors and at least 3 members must be the Independent Directors.

Criteria on selection of the Independent Director shall be based on criteria on selection of the Board of Directors. The Independent Director shall not possess prohibited characteristics pursuant to the Public Company Act and the relevant laws on securities and exchange, including the notifications, regulations and/or rules. The Independent Director must have the appropriated education, specialized skills and experiences. They must be proposed at the shareholders' meeting for consideration and approval to be the Company's director. In addition, if any Independent Director vacates from office before an expiration of the term, the Board of Directors may appoint another Independent Director who possesses the abovementioned qualifications to replace such vacated position and the term of the new Independent Director shall be equal to the remaining term of the Independent Director that he or she replaces.

The Board of Directors has specified qualifications of the Independent Director which are stricter than criteria of the Office of the Securities and Exchange Commission and the Stock of Thailand as follows:

1. Holding shares not exceeding 1.0 percent of the total number of voting shares of the Company, its parent company, its subsidiary, its associated company or a controlling person of the Company, provided that, the shares held by the related person of such Independent Director shall also be counted for this purpose.
2. Not being or having been a director involved in the management, an employee, a consultant with a monthly wage or a controlling person of the Company, its parent company, its subsidiary, its associated company, a subsidiary in the same level, a major shareholder or a controlling person of the Company, except he/she has resigned from such position at least 2 years prior to the date of appointment as an Independent Director.
3. Not being related by blood or legal registration as a father, mother, spouse, sibling and child, including as a spouse of the child of an executive officer, a major shareholder, a controlling person or a person who will be nominated to become an executive officer or a controlling person of the Company or its subsidiary.
4. Not having or had a business relationship with the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company in the manner which may interfere the exercise of independent judgment, including not being or having been a major shareholder, or a controlling person of a person having a business relationship with the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, except where such restriction had passed for not less than 2 years prior to the appointment as an Independent Director.
5. Not being or having been an auditor of the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, and not being a major shareholder, a controlling person or a partner of an audit office for which the auditor of the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company work, except where such restriction had passed for not less than 2 years prior to the appointment as an Independent Director.
6. Not being or having been a professional service provider, including a legal consultant or financial advisor who receives service fees exceeding Baht 2 million from the Company, its parent company, its subsidiary,

its associated company, a major shareholder or a controlling person of the Company, and must not be a significant shareholder, a controlling person or a partner of such professional service provider, except where such restriction had passed for not less than 2 years prior to the appointment as an Independent Director.

7. Not being a director appointed to represent the Company's Board of Directors, a major shareholder or a shareholder who is related to the Company's major shareholder.
8. Not being in a business of the same nature as, and of significant competition to that of the Company or its subsidiary or not being a significant partner of a partnership or not being a director who is involved with management tasks, a staff member, an employee, a consultant with a monthly wage or holds shares more than 1.0 percent of total shares with voting rights of another company which is engaged in a business of the same nature as and of significant competition to that of the Company or its subsidiary.
9. Not having any other characteristic which prevents the giving of an independent opinion on operations of the Company.

The Independent Director shall examine and certify its own independent qualifications at least once a year, by notifying such result together with a report on bio data of director at year end for preparation of annual information disclosure form (56-1 Form) and annual report of the Company.

The Audit Committee

The Board of Directors or the shareholders' meeting (as the case may be) shall appoint at least 3 directors to be the Audit Committee of the Company and the Subsidiaries. Each member of the Audit Committee shall be an Independent Director and must not be a director who is appointed from the Board of Directors to make decision with regards to the business operations of the Company, its parent company, its subsidiary, its associated company, a subsidiary in the same level, a major shareholder or a controlling person of the Company. He or She must not be a director of the Company, its parent company, its subsidiary, a subsidiary in the same level of the listed company only. The Audit Committee shall have qualifications pursuant to the laws on securities and exchange, including notifications, regulations and/or rules of the Stock Exchange of Thailand on qualifications and scope of work operations of the Audit Committee.

In addition, at least 1 member of the Audit Committee shall have adequate knowledge, understandings and experiences on accounting or finance that can audit credibility of the financial statement as well as perform other duties as the Audit Committee.

The Executives

The Company has a policy to select the persons who are knowledgeable, capable and have relevant experiences concerning with the Company's business. The selection process must comply with rules on human resources management and must have been approved from the Board of Directors or the person appointed by the Board of Directors.

The Nomination and Remuneration Committee shall consider and select a person who shall hold a position of the Chief Executive Officer and the President. The appointment of the Chief Executive Officer and the President are required to have an approval from the Board of Directors. The Chief Executive Officer and the President are assigned to appoint the qualified, capable and experienced persons concerning with the Company's business to be an employee in various levels. However, the appointment of a chief or person who is responsible for audit and internal control is required to have an approval from the Audit Committee first.

The Board of Directors

• Structure of the Board of Directors

The Board of Directors consists of the knowledgeable and experienced members in diverse fields useful for Company's business without any discrimination against age, gender and educational background and does not possess the prohibited

characteristics pursuant to the law on public limited companies. The Board has important role in setting up policies and overall image of the organization, including supervising, auditing and evaluating performance of the Company against the given plans to ensure that they are in line with the laws, regulations, and resolutions of the shareholders' meeting with honesty, ethics and under code of conduct. It shall supervise the management tasks of the executives to ensure that they are as per the specified targets and guidelines for the maximum benefits to the Company and the shareholders. The Company has the policy on restriction on holding of director position where each director can hold director position not more than 5 listed companies, so that the Company can gain maximum benefits from each director because he/she can devote his/her time to perform duty effectively and efficiently. The Chief Executive Officer and the President shall report to the Board of Directors in case they hold director position in other company, except in the case where they have been assigned to hold such position by the Company.

The structure of the Company's Board of Directors is that more than one third of total members of the Board of Directors are the Independent Directors to act as balance of power on casting vote while considering various matters and the Audit Committee shall comprise of 3 Independent Directors (42.88%). The Company has a policy that term of office of the Independent Director shall not be more than 3 terms, 3 years each. The Board of Directors may consider on renewal of term of office of the Independent Director if there are reasonable cause and beneficial to the Company and the shareholders.

At present, the Board of Directors consists of 7 members, 4 of them are non-executive directors who are qualified to be Independent Directors (57.14%) (3 of them are Independent Directors and members of the Audit Committee) and 3 executive directors who are the Chairman of Executive Committee, Chief Executive Officer & President and the Chief Financial Officer. The number of the Company's Independent Directors is compliance with the criteria specified by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand which specified that it must not less than one thirds of total number of directors.

The Board of Directors has appointed various Committees, namely the Executive Committee, the Audit Committee, the Nomination and Remuneration, the Risk Management Committee and the Corporate Governance Committee to conduct specific matters and propose them to the Board of Directors for consideration or acknowledgement. Such Committees shall have the rights and duties as per specified in their scope of duty and responsibilities. Furthermore, the Company has a policy to assess performance and review operations of the Committees every year.

The Board of Directors has a policy that the Chairman of the Board and the Chief Executive Officer must not be the same person for clarity on responsibilities between specifying supervisory policy and routine management. Roles and responsibilities of the Board of Directors and that of the executives are clearly defined and segregated with balance of power. The Board of Directors has duty to formulate the policy and oversee the operations of the executives at policy level, while the executives perform their duties in various aspects pursuant to the specified policy.

The Board of Directors has appointed Miss Sajjaporn Rammayaprayoon as the Corporate Secretary on May 3, 2012 who shall have duties and responsibilities as per specified by the Securities and Exchange Act B.E. 2535. The Corporate Secretary shall be responsible for providing advice on laws and regulations that the Board of Directors and the executives must be well aware, supervising the Board's activities, arranging the Board's meeting and shareholders' meeting of the Company, recording a minute of meeting of the Board's meeting and the shareholders' meeting, monitoring and coordinating on compliance with the Board's resolutions as well as preparing and keeping important documents of the Company, such as a register of directors, a notice calling the director meeting, a minute of meeting of the Board of Directors and an annual report of the Company, a meeting invitation to the shareholders' meeting and a minute of shareholders' meeting; keeping a report on interest filed by a director or an executive and performing any other tasks as specified in the Securities and Exchange Act.

The Board of Directors comprises of:

No.	Name	Position
1	Assoc. Prof. Dr. Paiboon Sareewiwatthana	Chairman of the Board of Directors
2	Mr. Kitt Jivacate	Director
3	Miss Nilrat Jarumanopas	Director
4	Mr. Chatchaphol Prasopchoke	Director
5	Assoc. Prof. Dr. Aekkachai Nittayakasetwat	Chairman of Audit Committee and Independent Director
6	Assoc. Prof. Dr. Paritud Bhandhubanyong	Audit Committee and Independent Director
7	Miss Jeerapan Jinda	Audit Committee and Independent Director

Miss Sajjaporn Rammayaprayoon is a secretary of the Board of Directors.

The Authorized Directors

The authorized directors to sign and bind the Company are Mr. Kitt Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, two of three directors jointly sign together with the Company's seal affixed.

Term of the Company's Directors

During every annual general meeting, at least one-third of directors shall retire. If number of directors is not a multiple of three, then number of directors closest to one-third shall retire. The directors who shall retire in the first and the second year after registration of the Company shall be selected by drawing lot, and for subsequently years, the longest serving directors shall be retired. A retired director may be re-appointed.

Scope of Authority and Responsibilities of the Board of Directors:

- 1) To oversee and manage the operations of the Company to ensure compliance with the laws, objectives and articles of association of the Company as well as the resolutions of shareholders' meetings, except the matters which have to be obtained an approval from the shareholders' meeting first, for instance, any activity that laws has specified that it must have an approval from the shareholders' meeting, any undertaking of the connected transaction and any acquisition or disposal of the significant assets according to the regulations of the Stock Exchange of Thailand or the other government agencies, and etc.
- 2) To review and approve the significant matters, i.e. vision, mission, strategy, policy, business plan and budget, project investments which do not list in an annual budget, management structure, management power, policies concerning corporate governance, any transaction or action which shall have significant impact to financial position, liability, status, business operations and reputation of the Company, interim dividend payment and any other matters specified by the Stock Exchange of Thailand or as required by laws.
- 3) To supervise performance of the management to ensure compliance with the approved policies, business plans and budget.
- 4) To consider and appoint the qualified person who does not possess the characteristics that are prohibited under the Public Company Act B.E. 2535 (A.D.1992) (including any amendments) and laws on securities and stock exchange as well as the related notifications, regulations and/or rules, in case of a vacancy of a director's position due to the reasons other than by retirement in due course including to appoint the Company's President & Chief Executive Officer.
- 5) To consider on appointment and to determine duty and responsibilities of the Sub-committees as follows:
 - 5.1 To establish the Sub-committees as appropriated and necessary to assist the work operations under the responsibilities of the Board of Directors, i.e. the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee and the Risk Management Committee and etc.
 - 5.2 To consider and approve duties and responsibilities of the Sub-committees, as well as the changes in components of the appointed Sub-committees.

- 6) To establish the reliable accounting system, financial reporting and auditing system as well as to ensure that the internal audit and internal control system are efficiently and effectively, including approve the changes in the significant policies and practices concerning the accounting and internal control system of the Company.
- 7) To supervise and ensure that the Company has the comprehensive risk management system including effective risk management, reporting and monitoring procedures.
- 8) To report the responsibilities of the Board of Directors on preparation of financial report by presenting them jointly with the auditor's report in an annual report.
- 9) To preserve the best interest of the major and minor shareholders on an equitable basis, and to treat all shareholders and stakeholder fairly.
- 10) To oversee and ensure that there are clear and transparent management procedures concerning the connected transactions between the Company and the related persons in place to prevent any conflict of interest by disclosing the correct and adequate information as well as report to the Board of Directors constantly.
- 11) To evaluate the performance of the Board of Directors as follows:
 - 11.1 To prescribe criteria and method on performance evaluation of the Board of Directors and to evaluate their effectiveness constantly.
 - 11.2 The Board of Directors shall evaluate their own performance every year and shall also make the statement on their performance results including the corporate governance policy applied in the Company in an annual report.
- 12) The following operational powers shall be exercised only after they have obtained an approval from the shareholders' meeting first, provided that, any director or person who might have any conflicts, interests or conflict of interest regarding any transaction with the Company or its subsidiary (if any) must not participate in voting on it:
 - (a) Any activity that the laws has specified that it must have an approval from the shareholders' meeting first;
 - (b) Any transaction that any director may have some interests and in scope that the laws or regulations of the Stock Exchange of Thailand prescribed that it must have an approval from the shareholders' meeting first.
- 13) The Board of Directors may authorize one or more directors or any person to act on its behalf. However, the abovementioned authorization shall not include the delegation of authority or sub-authorization which can entitle the director or such authorized person to approve any undertaking that such person or a person who might have conflict of interest, interests or any benefits in any other manners against benefits of the Company or its subsidiary as well as request for an approval from the shareholders' meeting to perform any related transaction and any acquisition or disposal of the significant assets according to the regulations of the Stock Exchange of Thailand and notifications of the Securities and Exchange Commission and/or the related agencies for such undertakings.

The Board of Directors understands roles, duties and responsibilities toward the shareholders and can devote time to fully perform duties. Board structure has adequate balance of power as at least one thirds of total members of the Board, but not less than 3 persons, are the independent directors. The Company's 3 independent directors are the Audit Committee and they have independency, knowledge, and experiences to review creditability of the financial statements as well as to perform other duties as the Audit Committee. In addition, authority between the Board of Directors and the management has been clearly assigned as per the disclosed details.

• Segregation of Duties between the Board of Directors and the Management

The Board of Directors has segregated power, duties and responsibilities on establishing supervisory policies and routine management clearly. The Chairman of the Board of Directors, the Chief Executive Officer and the President are appointed by the Board of Directors. The Chairman of the Board who must not be the same person as the Chief Executive Officer shall take the lead and have key roles in making decision concerning the Company's policies as a result of the meetings of the Board of Directors under business objectives jointly considered and established by the Board and the

executives. During each meeting, all directors are encouraged to actively participate as well as express their opinions independently. The Chairman shall also act as a chairman of the shareholders' meeting of the Company. However, the Chairman shall not engage in routine tasks but shall support and give advice on business operations to the executives through the Chief Executive Officer constantly. The Chief Executive Officer shall be responsible for business management under the power authorized by the Board of Directors. Details of the power, duties and responsibilities of the Board of Directors have already been specified in the "Management Structure."

The Chief Executive Officer and the President shall be responsible for management of the Company within the scope of authority assigned by the Board of Directors, the Company's article of association, resolution of the shareholders' meeting, resolution of meeting of the Board of Directors' meeting or the Committees' meetings. In addition, they can give order or perform any works necessary and appropriated to make the operation successfully achieve and also have power to approve for placement, appointment, transfer, removal as well as determine compensation and welfare of the employees, provided that, they shall not be contrary with the assigned authority or resolution of the Board of Directors.

The Sub - Committees

- **The Audit Committee:** All members of the Audit Committee are the Independent Directors as follows:

No.	Name	Position
1.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Chairman of the Audit Committee
2.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Member of Audit Committee
3.	Miss Jeerapan Jinda	Member of Audit Committee

Mrs. Jarunee Boonmungee is a secretary of the Audit Committee.

Assoc. Prof. Dr. Aekkachai Nittayagasetwat and Miss Jeerapan Jinda have sufficiently skills and experiences to assume duties of auditing accountability of the financial statement.

Term of Office of the Audit Committee

Term of the Audit Committee shall be 3 years each, except in case of retire on rotation pursuant to the Company's articles of associations. The retired director may be re-appointed but not more than 3 times. The Board of Directors may consider on renewal of term of office of the Independent Director if there are reasonable cause and beneficial to the Company and the shareholders. The Audit Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board of Directors.

Scope of duty and responsibilities of the Audit Committee

Scope of duty and responsibilities of the Audit Committee assigned by the Board of Directors including those required to report to the Board of Directors are as follows:

- 1) To review the sufficiency, credibility and transparency of the financial reporting by coordinating with the external auditor and the executives who are responsible for preparing of quarterly and yearly financial reports;
- 2) To review the Company's internal control system and internal audit to ensure that they are suitable and effective, to determine independence of the internal audit unit, including approve the appointment, transfer and dismissal of the chief of the internal audit unit or any other unit in charge of the internal audit activities;
- 3) To ensure that the Company complies with the laws on securities and exchange, regulations of the stock exchange and the laws related to the Company's business;
- 4) To select, propose and terminate an independent person who will be the Company's auditor, and to fix his or her remuneration then propose to the Board of Directors to further request for appointment from the annual general

meeting of shareholders, as well as to attend the meeting with the auditor without any participation of the executives at least once a year. In 2020, the Audit Committee and the auditor have attended joint meeting on November 11, 2020.

- 5) To have the power to engage an independent consultant, as necessary at the Company's expenses;
- 6) To review the connected transactions, or transactions that may lead to conflicts of interest, to ensure that they are reasonable, compliance with the laws and regulations of the stock exchange and the Capital Market Supervisory Board, and for maximum benefits of the Company;
- 7) In carrying out duties, if the Audit Committee has found or is suspicious about any of the following transactions or activities which may have material impacts to the financial position or performance of the Company, the Audit Committee must report the Board of Directors to take corrective action immediately:
 - Transaction with the conflicts of interest;
 - Fraud or unusual transaction or significant deficiency in the Company's internal control system;
 - Violation or breach of laws on securities and exchange, notifications and regulations of the Stock Exchange of Thailand, the Office of Securities and Exchange Commission and Capital Market Supervisory Board and the laws related to the Company's business.

In case the Board of Directors or the executives fails to take corrective action within a reasonable period of time, the Audit Committee's member may report such transaction or activity to the Office of Securities and Exchange Commission or the Stock Exchange of Thailand.

- 8) If the Company's auditor discovered any suspicious circumstance concerned with the director, manager or any person responsible for the Company's operations, which violated the law and the auditor has reported such issue to the Audit Committee. The Audit Committee must conduct an additional investigation without delay and shall report the result of the preliminary investigation to the Office of Securities and Exchange Commission and the auditor within 30 days from the notification date of the auditor.
- 9) To prepare the Audit Committee's report and disclose in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and included at least the following recommendations:
 - (a) Recommendation on accuracy, completeness and creditability of the Company's financial report,
 - (b) Recommendation on adequacy of the Company's internal control system,
 - (c) Recommendation on compliance with laws on securities and exchange, the stock exchange's regulations, or other laws related to the Company's business,
 - (d) Recommendation on suitability of the auditor,
 - (e) Recommendation on transactions that may cause conflicts of interests,
 - (f) Number of the Audit Committee's meetings and attendance of such meetings by each committee member,
 - (g) Overall recommendations or observations that have arisen while the Audit Committee performed its duties in accordance with the Charter, and
 - (h) Other matters which should be made available to the shareholders and general investors within scope of duty and responsibilities assigned by the Company's Board of Directors.
- 10) To perform any other tasks as assigned by the Board of Directors, as necessary.

In performing the operations pursuant to scope of work, duty and responsibilities, the Audit Committee shall have power to invite the concerned management, the executives or the employees of the Company to report, provide opinion, participate in the meeting or submit document which is deemed relevant and necessary.

In addition, the Board of Directors has power to amend the scope of duty and responsibilities of the Audit Committee as it deems necessary and appropriated.

- **The Nomination and Remuneration Committee: All members of the Nomination and Remuneration Committee are the Independent Directors as follows:**

No.	Name	Position
1.	Miss Jeerapan Jinda	Chairman of Nomination and Remuneration Committee
2.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Member of Nomination and Remuneration Committee
3.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Member of Nomination and Remuneration Committee

Mr. Bovornwich Nonthawong is a secretary of the Nomination and Remuneration Committee.

Term of Office of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall hold office for a term of 3 years each. The retired director may be re-appointed. The Nomination and Remuneration Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board of Directors.

Scope of duty and responsibilities of the Nomination and Remuneration Committee

- 1) To establish the clear, transparent and suitable policies, criteria, methods and procedures for benefits of the Company with regards to nomination, removal or termination of employment of the directors and top executives of the Company and to propose to the Company's Board of Directors for consideration and approval.
- 2) To consider and nominate the list of the persons qualified to be the member of the Board of Directors, the Sub-committee and top executive to the Board of Directors, in case of vacancy of such position or upon expiration of the term.
- 3) To specify the remuneration policy for the directors and top executives of the Company then to propose to the Board of Directors for consideration and approval.
- 4) To consider the compensation packages for the Board of Directors and the Sub-committees which shall include the meeting allowances, salaries, bonuses, shares and other relevant fringe benefits and to propose to the shareholders' meeting for consideration and approval.
- 5) To develop a succession plan for the important executive positions and such plan must be constantly reviewed, by taking into consideration importance of position, nomination and development, so that such executive successor shall have knowledge, capabilities, experiences and other qualifications which meet requirements and be beneficial to the Company.
- 6) To perform any other tasks assigned by the Board of Directors, as appropriated

- **The Risk Management Committee consists of:**

No.	Name	Position
1.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Chairman of Risk Management Committee
2.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Member of Risk Management Committee
3.	Mr. Chatchaphol Prasopchoke	Member of Risk Management Committee

Miss Nirada Phromrach is a secretary of the Risk Management Committee.

Term of Office of the Risk Management Committee

The Risk Management Committee shall hold office for a term of 3 years each. The retired director may be re-appointed. The Risk Management Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board.

Scope of duty and responsibilities of the Risk Management Committee

- 1) To establish the overall policies and guidelines on risk management of the Company which shall cover financial risks, marketing risks, risks related to transportation and inventory, investment risks and other risks which might impact the operations and reputation of the Company to propose to the Board of Directors for consideration and approval;
- 2) To establish the criteria on risk measurement and risk limits acceptable by the Company;
- 3) To consider the material risks of the Company and to propose the measures to prevent or reduce such risks to be in acceptable level;
- 4) To oversee, monitor, evaluate as well as to improve the operation plans to reduce risks which are suitable for business operations of the Company on continued basis;
- 5) To review adequacy of risk management policy and system which shall include efficiency of the system and compliance with the specified policy;
- 6) To report the risk reduction operation to the Board of Directors regularly and in case of critical matter which may have significant impact to the Company, such matter shall be reported to the Board of Directors for consideration expeditiously;
- 7) To perform any other tasks assigned by the Board of Directors, as appropriated.

• The Corporate Governance Committee consists of:

No.	Name	Position
1.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Chairman of Corporate Governance Committee
2.	Miss Jeerapan Jinda	Member of Corporate Governance Committee
3.	Miss Nilrat Jarumanopas	Member of Corporate Governance Committee

Miss Sajjaporn Rammayaprayoon is a secretary of the Corporate Governance Committee.

Term of Office of the Corporate Governance Committee

The Corporate Governance Committee shall hold office for a term of 3 years each. The retired director may be re-appointed. The Corporate Governance shall be directly responsible for the Board of Directors and shall have power, duty and responsibilities as per assigned by the Board.

Scope of duty and responsibilities of the Corporate Governance Committee

- 1) To study and draft the Corporate Governance Policy under framework of the present laws, criteria, rules and regulations of the regulatory bodies, i.e. the Stock Exchange of Thailand, the Office of Securities and Exchange Commission and the relevant agencies as well as pursuant to the international corporate governance practices.
- 2) To propose the Corporate Governance Policy to the Board of Directors for consideration and approval, so that the directors and the executives can use it as the best practices. In addition, the Corporate Governance Policy Statement must also be prepared.
- 3) To supervise, oversee and provide suggestions to the Company's directors and the management on performing duties and responsibilities pursuant to the framework and criteria of the good corporate governance policy to smoothen the operation of the Management; to make it valid for operation and continuity appropriately pursuant to the expectation of the shareholders and the stakeholders.

- 4) To consider, review and improve the corporate governance policy on continued basis or at least once a year so that such policy shall always be up to date and consistence with the international practices as well as the law, criteria rules and regulations as well as the recommendations of the internal regulatory organizations responsible for the corporate governance affairs.
- 5) To monitor and assess the operations of the directors and the executives pursuant to the prudent practices specified in the corporate governance policy every year at the end of the year.
- 6) To prepare the annual corporate governance assessment report and propose to the Board of Directors during the Board of Directors' meeting of the following year including suggest any necessary recommendations and opinions.
- 7) To suggest the best practices guidelines on ethics and business ethics of the directors, executives, officers and employees of the Company.
- 8) To appoint the task force to support the corporate governance operations as necessary and appropriated.
- 9) To perform any other tasks assigned by the Board of Directors.

• **The Executive Committee consists of:**

No.	Name	Position
1.	Mr. Kitti Jivacate	Chairman of Executive Committee
2.	Miss Nilrat Jarumanopas	Member of Executive Committee
3.	Mr. Chatchaphol Prasopchoke	Member of Executive Committee
4.	Miss. Preeyaporn Thanaratset *	Member of Executive Committee
5.	Mr. Chaiyot Chunwijitra *	Member of Executive Committee

Miss Sajjaporn Rammayaprayoon is a secretary of the Executive Committee.

* Miss. Preeyaporn Thanaratset and Mr. Chaiyot Chunwijitra began to hold executive director positions on November 12, 2020 as per resolution of the Board of Directors' meeting no. 8/2020 dated November 11, 2020.

Term of Office of the Executive Committee

Term of the Executive Committee shall be 3 years each. The retired director may be re-appointed. The Executive Committee shall be directly responsible for the Board of Directors and shall have power, duty and responsibility as per assigned by the Board of Directors.

Scope of duty and responsibilities of the Executive Committee

- 1) To oversee and manage the Company's business operations as per assigned by the Board of Directors;
- 2) To define details on recruitment, training, employment and termination of employment of the Company's employees, as well as to define benefits and welfare of the employees which are appropriated with situations, customary practices and consistent with the current applicable laws;
- 3) To formulate policy, business plan, annual budget, management structure and management power in each line of business of the Company to propose to the Board of Directors for approval;
- 4) To consider and approve the capital expenditure which is out of the annual budget or exceeds the annual budget not more than Baht 30 million per transection/project and to approve an additional expense which exceeds the annual budget not more than 10 percent. In case the cost exceeds the specified limit, the Executive Committee shall propose to the Board of Directors for further consideration and approval.

- 5) To consider and approve for the joint investment in the consortium or joint venture with the project cost not more than Baht 50 million. In case the cost is more than the specified amount, the Executive Committee shall propose to the Board of Directors for further consideration and approval. The Executive Committee shall also have power to approve for any loan or request for credit of the Company at the amount not exceeding Baht 50 million.
- 6) To monitor and follow up the operations of the Company to ensure that they are effectively compliance with the specified management policies and guidelines.
- 7) To perform any other tasks assigned by the Board of Directors from time to time.

However, authority of the Executive Committee as well as delegation of authority to other persons that the Executive Committee deems appropriated shall not include authority or delegation of authority to approve any transaction that the Executive Committee or relevant person who might have conflict of interest, interests or any other benefits in any other manners against the benefits of the Company or its subsidiary or transaction which is not under normal business operation of the Company. Such foregoing transactions are required to submit to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval pursuant to the Company's articles of association or as per required by law/or the relevant laws.

The Executives

The Executives comprise of:

No.	Name	Position
1.	Mr. Chatchaphol Prasopchoke	Chief Executive Officer & President
2.	Miss Nilrat Jarumanopas	Chief Finance and Accounting Officer
3.	Miss Preeyaporn Thanaratset	Chief Sales & Marketing Officer
4.	Mr. Chaiyos Chunvijitra	Chief Asset Management Officer
5.	Mr. Anawat Durongpinon	General Manager Energy Sales

Scope of duty and responsibilities of Chief Executive Officer and/or the President

Chief Executive Officer and/or President shall have duty and responsibilities on management of the Company as per assigned by the Board of Directors, include the following matters and activities:

- 1) To perform day-to-day business operations of the Company;
- 2) To prepare the policy, business plan and budget, management structure and management powers of the Company to propose to the Executive Committee for consideration before proposing to the Board of Directors for approval;
- 3) To undertake the tasks or operations pursuant to the approved policy, business plan and budget;
- 4) To approve the expenses or investment out of annual budget or exceed annual budget, at the amount not exceeding Baht 5 million for the President and not exceeding Baht 10 million for the Chief Executive Officer.
- 5) To have the power to approve the disbursement pursuant to the budget which has been approved by the Board of Directors, for instance to disburse the amount not exceeding Baht 300,000 each, to disburse an advance payment at the amount not exceeding Baht 100,000 each, to entertain and provide gift pursuant to the monthly budget at the amount not exceeding Baht 200,000, to acquire the fix asset at the amount not exceeding Baht 2 million, to approve the quotation at the amount exceeding Baht 50 million, to approve sales order at the amount exceeding Baht 50 million for the President.
- 6) To have the power to write off a bad debt in case of the President, not exceeding Baht 500,000, in case of the Chief Executive Officer, not exceeding Baht 1 million.

- 7) To develop the organization and personnel to ensure that both of them shall be qualified and effective on continued basis.
- 8) To be the authorized person of the Company to manage the Company's businesses to make them achieve the objectives, regulations, policies, rules, regulations, orders, resolutions of the shareholders' meeting and/or resolutions of the Board of Directors;
- 9) To oversee and maintain good image of the organization;
- 10) To perform any other tasks assigned by the Board of Directors and/or any Sub-committee.

However, the power of the Chief Executive Officer and/or the President as well as delegation of authority to other persons that the Chief Executive Officer and/or the President deems appropriated shall not include the power or delegation of authority to approve any transaction that he or the relevant person who might have conflict of interest, interests or any other benefits in any other manners against the benefits of the Company or its subsidiary or the transaction which is not under normal business operation of the Company. The foregoing transactions are required to submit to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval pursuant to the Company's articles of association or the relevant laws.

Remuneration Policy for the Executive Committee and the Executives

The remuneration policy of the Company for the executive committee and executives is appropriated and is based on the Company's performance by comparing with the companies in the same business/industry and the economic situation including appropriateness of duties and responsibilities of each director and executive. It is provided as the committees' remuneration and/or salary and bonus.

The Company carefully considered about the remuneration paid to the Company's executives, i.e. President & Chief Executive Officer and each executive (collectively called the "Executives" as per determination of definitions in the notification relating to issuance and offer for sale of securities). to ensure that it is appropriated and in comparable rate with the same group of business industry in order to attract and retain the qualified executives. The executives with greater duty and responsibilities will earn greater remuneration appropriated with the increased responsibilities based on principle and policy specified by the Board of Directors, performance of the Company as well as scope of responsibility and performance of each executive. For consideration of short-term remuneration of the executives, the Company used performance assessment results of the Chief Executive Officer and the President which has been conducted every year and the Nomination and Remuneration Committee would use such assessment results to consider for salary and bonus of each executive before proposing to the Board of Directors for consideration and approval. For long-term remuneration, i.e. Employee Joint Investment Program (EJIB), approval shall be considered on case by case basis in order to stimulate motivation for work to attain the organization's targets.

The Remuneration to the Executives Committee and the executives

The Executives

In 2020, the Company has paid the remuneration to the executives as follows:

Remuneration	2019		2020	
	No. of Person	Remuneration (Million Baht)	No. of Person	Remuneration (Million Baht)
1. Salary, bonus and other remunerations, i.e. commission, vehicle cost and contribution to social security fund	5	27.41	5	20.06
2. Contribution to provident fund	5	0.79	5	0.69
Total	5	28.20	5	20.75

Personnel

As at December 31, 2020, the Company has total 112 employees (excluding 5 executives) and all of them are permanent employees which can be divided into each line of business as follows:

Department/Business	No. of Employees (Persons)
Sales & Marketing	16
Business Development	4
Quality & Risk / Engineer	6
Supply Chain Management	10
Accounting	10
Finance & Internal Audit	4
Investor Relation & Corporate Secretary	2
Procurement	4
Administration & Executive Secretary	4
Human Resource	3
Corporate Affairs /Corporate Image	2
MT Plant	12
PPP Plant	33

Employees' remuneration

In 2020, remuneration paid to the employees by the Company totaled 57.89 million Baht, comprising of salaries, commission for sales of goods, vehicle cost, contribution to the provident fund and contribution to the social security fund. Other welfares provided to the employees apart from the above remuneration included life, health and accident insurance, provision of trainings and seminars and etc.

Provident Fund

The Company has established a provident fund since February 1, 2004 with SCB Asset Management Co., Ltd. Later, on July 30, 2009, the provident fund manager has been transferred to Kasikorn Asset Management Co., Ltd. with objective to strengthen morale support to the employees and to motivate them to work with the Company for a long run.

Personnel Development Policy

The Company has a policy to constantly develop its personnel at all levels to enhance their knowledge and capabilities which shall be beneficial to the Company as it can make the Company having capable personnel who can contribute their knowledge to the Company. The Company has the annual internal and external training plan to enhance capability and skills of the employees pursuant to their responsibilities at each level. For more details on personnel development in 2020, please see "2020 Sustainability Development Report".

In addition, the Company also arranged projects to enhance sense of participation and joint activities among the employees which included:

- Football, badminton, yoga and fitness after the work to promote good health and spirit including to increase efficiency of work and enhancement of relationship.
- In-house training, public training and talent program to increase potential and efficiency of the executives and employees.

- Teamwork promotion project, by arranging the outing activities so the employees can jointly participate in the activities together, i.e. Sports Day, New Year Party to building up unities and good relationship between the management and the employees.
- WE R'UAC Team Building Activity has been arranged to strengthen relationship among the colleagues and the superior officers and to build understanding about work targets and career path.
- Water-pouring ceremony during Songkran Festival. The Company arranged water-pouring ceremony to ask a blessing from the respected elderly during Songkran Festival every year to strengthen good relationship between the employees and the management.
- Promote ethical activities so that the employees can apply Buddha's moral principles and precepts as well as righteous practices with their work and daily lives
- Weight-loss Exercise and Daily Exercise to promote healthy life of the employees
- CEO TOWN HALL Activity has been arranged for the executives to clarify and provide the Company's information and the management's policy, as well as to open opportunity for the employees to make an enquiry and provide a suggestion to be used as guidelines for operation.
- Training on Branding has been arranged to the Company's employees at all levels to equip them with the knowledge and understanding and to develop their skills on building good image to the organization.



Corporate Secretary

In order to comply with the corporate governance principles of the listed companies under the Section of Responsibilities of the Board of Directors and the requirements of the Securities and Exchange Act, the Board of Directors No. 3/2012 dated on May 3, 2012 had a resolution to appoint Miss Sajjaporn Rammayaprayoon as a Corporate Secretary. The Corporate Secretary shall be responsible for providing advice on laws and regulations related to the Board of Directors and the executives, supervising the Board's activities, arranging the Board's meeting and shareholders' meeting of the Company, recording a minute of meeting of the Board's meeting and the shareholders' meeting, monitoring and coordinating on compliance with the Board's resolutions, preparing documents and information for new director as well as preparing and keeping the documents, such as a register of directors, a notice calling the director meeting, a minute of meeting of the Board of Directors and an annual report of the Company, a notice calling the shareholders' meeting and a minute of shareholders' meeting; keeping a report on interest filed by a director or an executive and performing any other tasks as assigned by Board of Directors and specified in the Securities and Exchange Act. The details of Corporate Secretary are as per enclosure 2.

Accounting Controller

The Company appointed Mrs. Aree Pleekhun as the accounting controller of the Company and its subsidiaries and her duties performed included control and supervision on completely, correctly and accurately preparation of the Company's financial statements. The details of Accounting Controller are as per enclosure 3.

Head of Internal Audit Function

During the meeting of the Audit Committee No. 1/2018 on February 19, 2018, the Committee resolved to employ EL Business Advisory Company Limited to perform duty as the internal auditor of the Company and UAC Energy Company Limited. Since 2018, the Audit Committee has considered qualifications of EL Business Advisory Company Limited and deemed that its qualifications were appropriated and adequate to perform duty as the Company's internal auditor because it has independency and experiences in conducting internal audit activities. In addition, the appointment, removal or transfer of the Company's internal auditor must be considered and approved or consented by the Audit Committee. The details of Head of Internal Audit Function are as per enclosure 5.

Auditing fee

The Company has considered and selected EY Office Company Limited, as the auditor of the Company and its subsidiaries for fiscal year of 2020. Such auditing firm has extensive qualifications and experiences on transactions in foreign countries and does not have any relationship or interests with the Company, its subsidiaries, director, management, major shareholder or the related person. Total auditing fee was 6,183,110.09 Baht, with details as follows:

Details on Auditing Works	2020 (Baht)
Auditing fee of the Company	2,760,000.00
Auditing fee of the Subsidiaries	3,236,230.59
Other services fees*	186,879.50
Total Auditing Fee	6,183,110.09

* Other services fees include transportation allowance, vehicle fees, per diem allowances, miscellaneous expenses, etc.

Report on Significant Performance on Corporate Governance

Summary of Duties Performed by the Board of Directors during the Past Year

The Board of Directors has duties and responsibilities to the Company's operations and has appointed 5 committees, namely, the Audit Committee, the Executive Committee, the Nomination & Remuneration Committee, the Risk Management Committee, and the Corporate Governance Committee, to stipulate policies and operating guidelines, monitor and supervise the directors, the executives, and the employees at all levels to perform duties effectively and as per the corporate governance guidelines. The Board of Directors also reviewed and defined policies and strategies to enhance efficiency of business operations and to conform to the happening situations constantly, as well as considered adequacy of internal control system and enterprise risk management through the relevant committees. Duties performed by the Board of Directors during the past year are summarized as follows:

Recruitment, development, and evaluation performance of the Board of Directors

In 2020, the Company did not recruit any director and top management. However, in order to keep the directors informed of up-to-date information, the Company Secretary will have duty to provide information, including manual and criteria relevant to laws, rules, regulations and important policies, such as corporate governance policy, business ethics, anti-corruption policy, for the Board's acknowledgement regularly.

Moreover, The Board of Directors has a policy to encourage and facilitate on provision of trainings and seminars to the directors and executives to enable them to continuously improve their performance and enhance their knowledge and capability to increase their competency in operating business efficiently and consistent with the current situation. The trainings and courses for development of the directors and the executives in 2020 could be summarized as follows:

Director/Executive	Date of Trainings/Seminars	Course (Organizer)
Mr. Kitti Jivacate Chairman of Executive Committee	26 Aug. 2020 – 27 Aug. 2020	• Digital Business Solutions Summit 2022 (Absolute Allances (Thailand) Co., Ltd.)
Ms. Nilrat Jarumanopas Directors / Chief Financial Officer	16 Jun 2020 – 18 Aug 2020	• Human Capital Management (HCM) #1/2020 (IRDP)
	26 Aug. 2020 – 27 Aug. 2020	• Digital Business Solutions Summit 2022 (Absolute Allances (Thailand) Co., Ltd.)
	25 Nov. 2020	• Risk Management (Advance) COSO ERM 2017 (Federation of Accounting Professions)
	21 Dec. 2020	• TFRSS Group of Financial Instruments (Federation of Accounting Professions)
Ms. Preeyaporn Thanaratset Chief Sale & Marketing Officer	3 Aug. 2020	• Freight & Incoterm 2020 (WICE Co., Ltd.)
	20 Oct. 2020 – 21 Oct. 2020	• Communication Skill for Negotiation & Mediation (Thai Arbitration Institute)

Self-assessment of the Board of Directors

In 2020, the Board of Directors has assessed performance of each member individually in order to develop efficiency of each person. Overall results from the assessment of the whole committee and individually were excellent and most appropriated with average scores in excellent ranges, or 97.62 percent and 98.06 percent, respectively. Average score from performance assessment result of Committees was 98.44, which was also in excellent range.

Meeting Attendance and Remuneration Payment to the Board of Directors Individually

The Board Meeting

Generally, the Board shall arrange the meeting every 3 months by planning meeting schedule in advance every year and an extraordinary meeting may be arranged in case of necessity. For each meeting, the clear agenda must be specified with correct, complete and adequate supporting documents submitted to each director in advance prior to the meeting at least 7 days so that the director can have time to study information before attending the meeting, except in case of emergency. Minutes of meeting of the previous meetings which have been approved from the Board of Directors' meeting shall be kept and available for inspection any time. Furthermore, the Company must prepare and submit a monthly performance report to the Board of Directors for acknowledgement, so that the Board can be informed of the Company's business and can supervise operations of the executives continually and in due time.

During the meeting, the Chairman of the Board of Directors, the Chief Executive Officer and the President shall jointly set agenda for each Board Meeting and each Board member can suggest agenda items. It also has a policy to encourage all directors to attend the meeting every time or at least 3 out of 4 of the meeting throughout the year, so that each director can fully take part in consideration and provide opinions for the meeting agenda.

The Chairman shall lead the meeting and all other directors are encouraged to express their views independently. Top executive may attend the meeting during some agenda to provide detailed information that they are responsible for and to be informed of the policy directly. Resolution of the Board of Directors' meeting shall be made by a majority of votes and there must be at least 2 out of 3 of all directors present and cast the vote and each director shall have one vote. The director who might have any conflict of interest shall not attend the meeting and/or shall not cast the vote. In the event of a tie, the chairman of the meeting shall have an additional casting vote.

All committee members are entitled to inspect the meeting document and other important document and if the Independent Director or the Audit Committee has any inquiries, other director and the executive of the Company shall answer such inquiries accurately and as soon as possible.

In the event where the director does not agree with the resolution of the meeting, such director may ask the Corporate Secretary to record such disagreement in minute of meeting or submit an objection notice to the Chairman of the Board.

The Corporate Secretary shall attend the Board Meeting every time to record a minute and submit it to the Board of Directors within 7 days from the meeting date and request the Chairman of the Board to consider, sign and certify it. Such minute shall be proposed to the next meeting for certification and approval. The Corporate Secretary shall collect the information or documents concerning the meeting for convenience on searching and reference. Normally all members of the Board of Directors shall attend the meeting every time, except there is a necessary matter which shall be notified in advance prior to the meeting. The number of meeting held and meeting attendance of each committee member can be summarized as follows:

	2020						
	Board of Directors (9 times)	Audit Committee (6 times)	Executive Committee (6 times)	Risk Management Committee (5 times)	Nomination & Remuneration Committee (2 times)	Corporate Governance Committee (1 time)	Annual General Meeting (1 time)
1. Assoc. Prof. Paiboon Sareewiwatthana	9/9						1/1
2. Mr. Kitti Jivacate	9/9		6/6				1/1
3. Mr. Chatchaphol Prasopchoke	9/9		6/6	5/5			1/1
4. Ms. Nilrat Jarumanopas	9/9		6/6			1/1	1/1
5. Assoc. Prof. Dr. Aekkachai Nittayagasetwat	9/9	6/6		5/5	2/2	1/1	1/1
6. Assoc. Prof. Dr. Paritud Bhandhubanyong	9/9	6/6		5/5	2/2		1/1
7. Ms. Jeerapan Jinda	9/9	6/6			2/2	1/1	1/1

Remuneration of the Board of Directors Individually

The 2020 Annual General Meeting of Shareholders on May 7, 2020, the meeting has resolved to approve the monthly directors' remuneration for 2020 at the total amounting not exceeding Baht 1,700,000 (excluding bonus paid to non-executive director) and Bonus of Non-executive Director for 2020 at the total amounting not exceeding Baht 1,600,000 as per the following details:

Position	Remuneration (Baht/Person/Month)
	2020
1) Chairman of the Board of Directors	33,000
2) Director	16,500
3) Chairman of the Audit Committee	16,500
4) Audit Committee	11,000
5) Executive committee	5,000
Bonus of Non-executive Director	Bonus to Non-Executive Directors. This year it would be changed by proposing to the shareholder meeting after announcing of business performance of fiscal year. Therefore, bonus to Non-Executive Directors for 2020 would be proposed in the 2021

In 2020, the directors' remuneration paid by the Company was as follows:

Name	Directors' Remuneration (Baht)
• The monthly directors' remuneration for 2020	1,632,000
1. Assoc. Prof. Dr. Paiboon Sareewiwatthana	396,000
2. Mr. Kitti Jivacate*	60,000
3. Mr. Chatchaphol Prasopchoke*	60,000
4. Miss Nilrat Jarumanopas*	60,000
5. Assoc. Prof. Dr. Aekkachai Nittayagasetwat	396,000
6. Assoc. Prof. Dr. Paritud Bhandhubanyong	330,000
7. Miss Jeerapan Jinda	330,000
• Bonus paid to Non-executive Directors 2019	1,600,000
Total	3,232,000

Note: * This is remuneration from holding position of the executive committee solely at Baht 5,000 per month and the executive committee is not entitled to receive any remuneration for being the Company's director.

Other Remuneration

The Company's Board of Directors received other remuneration as follows:

Type	Premium/Year	Coverage Amount
Health Insurance	20,698	800,000
Life Insurance	1,440	800,000
Accident Insurance	640	800,000

Supervision of the Subsidiaries and the Associated Companies

The Board of Directors has supervision mechanism to be able to control, manage and take responsibility of the operations of the subsidiaries and the associated companies, as per specified in Section “Corporate Governance Policy” under Topic of “Supervision on Operations of the Subsidiaries and the Associated Companies”. In 2020, the Board of Directors has supervised the subsidiaries and the associated companies via the persons who have been appointed as the Company’s representatives to be the directors and/or the executives, to supervise the formulation of important policies, disclosure of financial positions and operating results, the connected transaction, assets acquisition and disposition, other important transactions of the subsidiaries and the associated companies, including internal control system. In this regard, the subsidiaries and the associated companies have operated business effectively, concordantly, and pursuant to the Company’s operating criteria. Anyhow in 2020, the Board of Directors did not appoint any person as the Company’s representative to be the director and/or the executive of any subsidiary or associated company.

Monitoring on Compliance with the Policy

The Board of Directors assigned the Corporate Governance Committee to define the policies and operating guidelines on corporate governance, and constantly monitor on compliance with such specified policies and operating guidelines. In 2020, the Company’s performance on compliance with the corporate governance policies and operating guidelines was in “Excellent” level as per the Corporate Governance Report (CGR). Operations of the directors, the executives, and the employees including the related persons have been monitored and supervised as follows:

- Prevention of Conflict of Interest**

The Audit Committee will propose the connected transaction and transaction which may have potential conflict of interest for the Board of Directors’ consideration and approval. Suitability of such transactions has been thoroughly considered and complied with the criteria of the Stock Exchange of Thailand. In 2020, no transaction was found to have a conflict of interest.

- Supervision of Usage of Inside Information**

The Company specified that the director or the management who wish to trade the Company’s securities must notify the Company Secretary at least 1 day in advance prior to trading of securities and they must report their holding of the Company’s securities, including the holding by their spouse, and minor children pursuant to Section 59 of Securities and Exchange Act B.E. 2535 within 3 working days to the Office of the Securities and Exchange Commission for acknowledgement and for dissemination to the public, and also report the Board of Directors. In 2020, a change of securities holding of the directors and the management could be summarized as follows:

No.	Director/Executive	Position	Number of Shares Held		
			Jan. 1, 2020	Dec. 31, 2020	Increase (Decrease)
1.	Assoc. Prof. Dr. Paiboon Sareewiwatthana	Chairman	-	-	-
	Spouse		1,620,505	1,620,505	-
	Child under legal age		-	-	-
2.	Mr. Kitti Jivacate	Director/	323,267,663	323,557,263	289,600
	Spouse and child under legal age	Chairman of Executive Committee	-	-	-
3.	Mr. Chatchaphol Prasopchoke	Director/Executive	4,545,642	4,545,642	-
	Spouse and child under legal age		-	-	-
4.	Ms. Nilrat Jarumanopas	Director/Executive	30,514,601	30,524,601	10,000
	Spouse and child under legal age		-	-	-
5.	Assoc. Prof. Dr. Aekkachai Nittayagasetwat	Independent Director	-	-	-
	Spouse and child under legal age		-	-	-
6.	Assoc. Prof. Dr. Paritud Bhandhubanyong	Independent Director	-	-	-
	Spouse and child under legal age		-	-	-

No.	Director/Executive	Position	Number of Shares Held		
			Jan. 1, 2020	Dec. 31, 2020	Increase (Decrease)
7.	Ms. Jeerapan Jinda	Independent Director	-	-	-
	Spouse and child under legal age		-	-	-
8.	Ms. Preeyaporn Thanaratset	Executive	92,201	92,201	-
	Spouse and child under legal age		-	-	-
9.	Mr. Chaiyot Chunwijitra	Executive	-	-	-
	Spouse and child under legal age		-	-	-
10.	Mr. Anawat Durongpinon	Executive	39,948	39,948	-
	Spouse and child under legal age		-	-	-

• Disclosure of Information and Transparency

The Board of Directors puts emphasis on disclosure of accurate, timely and transparent information, financial report and general information pursuant to the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as other material information which shall impact the prices of the Company's securities, decision-making procedures of the investors and the stakeholders of the Company. The Company has disclosed its information technology to the shareholders, the investors and the public through the channels and public media of the Stock Exchange of Thailand and on the Company's website for the sake of fairness and credibility.

The Company has specified the policy that the directors and the executives must report about their conflict of interests in the form provided every year and every time there is any change (if any) of the interest. The corporate secretary shall present such report to the Chairman of the Board and the Chairman of the Audit Committee for acknowledgement.

With regards to the Investor Relations, the Company has established the Investor Relations Unit to facilitate the investors and the stakeholders on an access to the Company's information. However, since there are only small numbers of such activities, therefore the Chief Executive Officer and/or the President was assigned to contact, communicate with the relevant institutional investors, the shareholders, as well as the analysts and the other related organizations. Other channels to contact with or enquire any information of the Company are via the Company's website (www.uac.co.th) or contact the corporate secretary at tel. no. +66 2936 1700 Ext. 118 and Email Address: sajjaporn@uac.co.th or ir@uac.co.th.

In 2020, the Company has publicized information to the analysts, the investors, the shareholders, and the press in various channels as follows:

1. Participate in 'Opportunity Day' Event arranged by the Stock Exchange of Thailand for the performance of the 1st Quarter of 2020. to the 3rd Quarter of 2020
2. Mr. Kitti Jivacate, the Chairman of Executive Committee and Mr. Chatchaphol Prasopchoke, the Chief Executive Officer & President, gave interview to the television programs and mass media to provide information on nature of business, performance and business operation policy of the Company, such as:
 - Give interviews via television and radio, i.e. Money Talk, Smart Energy, Stock Focus, Inside Hotline, Special Interview with Mitihoon, Special Interview with Info Quest
 - Research Papers i.e. Trinity Securities
 - Give interview to the press of Energy and Stock Desks.
3. Publicize information and analysis review of UAC securities issued in 2020 on the Company's website under topic of "Investor Relations". Present information and video about 'Opportunity Day', '2020 Annual General Meeting of Shareholders' including Quarterly Factsheet on the Company's website.

The Board of Directors shall be responsible for the Company's financial statement, and the financial information as presented in the annual report. Such financial report shall be prepared pursuant to the generally accepted accounting principles of Thailand by selecting and constantly adhering to proper accounting policies. The information in the financial statement must be adequately and accurately disclosed. The Audit Committee shall review quality of the financial report and the internal control systems including disclose the material information adequately in the notes to financial statements then report to the Board of Directors for acknowledgement.

The Company has engaged EY Office Company Limited as the auditor of the Company and its subsidiaries for fiscal year of 2020. EY Office Co., Ltd. and for the first year because currently the Company and its subsidiaries have expanded businesses and conducted the feasibility study on investments in CLMV. Such audit company possesses extensive qualifications and experiences on transactions in foreign countries and it does not have any interest with the Company, its subsidiaries, executives, major shareholders or the related persons of the aforementioned parties. It has independency and recognized qualifications as well as approval from the Office of the Securities and Exchange Commission. The Company's financial statement always have unqualified opinion from the auditor. The Company did not have any track record for being ordered to amend the financial statement by the Office of the Securities and Exchange Commission and it did not have any record for late submission of both quarterly and annual financial statement.

- **Anti-Corruption Policy**

The Company has specified the "Fraud Prevention Policy" and the "Anti-Corruption Policy" to make the directors, the management and the employees at all levels recognize the importance on operating business with moral, transparency, traceability and against corruption in all business activities of the Companies and its subsidiaries, as per specified in Section "Corporate Governance Policy" under Topic of "Anti-Corruption". In 2020, all new employees must attend the training on anti-corruption policy and fraud prevention policy on orientation day before commencing the first day of work. This year, 100% of new employees attended this training. In addition, the Company also enrolled to be a member of the Partnership Against Corruption for Thailand or PACT Network arranged by Thaipat Institute with the support from the Office of the Securities and Exchange Commission (SEC). The Company dispatched its representative to attend the activities in "Anti-Corruption Day" every year. However due to outbreak of new coronavirus (Covid-19), such activity in 2020 has been cancelled.

For assessment results on monitoring of enterprise risk and compliance with the fraud prevention policy and the anti-corruption policy in 2020 by the Internal Audit Department, no action which could be regarded as receiving or paying bribery, or support for corruption was found. These results have been reviewed by the external auditor and have been consented by the Audit Committee before report for the Board of Directors' acknowledgement every quarter. Nonetheless, the Board of Directors has considered and reviewed the fraud prevention policy and anti-corruption policy and considered that those policies were suitable and adequate for supervision. The Board of Directors also considered and approved the evaluation form on adequacy of internal control system for 2020 during the meeting held on February 24, 2021.

- **Whistleblowing**

In 2020, the Company did not receive any whistleblowing, or any complaint from both external and internal stakeholder, and this matter has been reported to the Audit Committee and the Board of Directors for acknowledgement during the meeting held on February 24, 2021.

Internal Control and Related Transaction

Internal Control

The Board of Directors places importance on internal control system, as it recognizes that Internal control system is a key mechanism to strengthen confidence of the management on reduction of business risks, and support effective business operations under properly allocation of resources on achievement of the targeted objectives.

The Board of Directors assigned the Audit Committee to review the internal control system and assess the operating results continually by emphasis that such internal control system must cover effective and efficient operations, management, finance, including compliance with the relevant laws, rules and regulations. In 2020, the Audit Committee held 6 meetings, where 5 of them were general meetings and 1 meeting has attended with the external auditor without participation of the executives and the management to independently consult and discuss about operations of the external auditor, internal control system, cooperation from the executives as well as audit plan and opinion of the external auditor. The Audit Committee has fully and effectively performed duties under the assigned scope, for instance, the Audit Committee correctly, completely and reliably reviewed financial reports, disclosure in the financial reports and the connected transactions on interests as well as coordinated with the external auditor, internal auditor and the executives of the Company on reviewing of the internal control system and supervision on compliance with the relevant laws, rules and regulations. The Audit Committee also considered and approved work plan, evaluation of operating results of the Internal Audit Unit and selection to propose for appointment of the external auditor, annual auditing fees as well as other operations as per assigned by the Board of Directors.

During the Board of Directors' meeting on February 24, 2021, the Board of Directors, the Audit Committee and the management jointly considered about adequacy of the Company's internal control system in 2020, which consisted of 5 aspects as per guidelines of the COSO (The Committee of Sponsoring Organizations of the Treadway Commission), i.e. Control Environment, Risk Management, Control Activities, Information & Communication and Monitoring Activities. The Board of Directors' comments on the Company's internal control system were the same as those by the Audit Committee. Material information could be summarized as follows:

Control Environment

The Company specified that there must be good control environment with clear business objectives and organizational structure must be arranged to make it consistent with the businesses and key performance indicators (KPIs) must be specified to evaluate against the targets constantly. The employees will be educated to make them realize about good corporate governance. Corporate governance policy, business ethics, employee ethics have been stipulated to be observed and applied by the executives and employees at all levels.

Risk Management

The Board of Directors assigned the Risk Management Committee to perform duty on setting policies and duties relevant to risk management in the business groups. In this regard, the risk management working group has been appointed to monitor progress of risk management plans to keep them as per target and at level acceptable by the organization including to regularly report such work progress to the Risk Management and the Board of Directors. In addition, trainings have also been arranged to provide knowledge and understanding to the employees to enhance efficiency on risk management.

Control Activities

The Company segregated duties and responsibilities of each position clearly. Delegation of Authority manual and the operating manual/procedures of important operations have been arranged to make them suitable with the organizational structure and current operations. Each work system can check and balance power with each other or it can be traceable. Process to review operations on compliance with the rules and regulations must be conducted constantly to ensure that the operations have suitable, adequate, and effective internal control systems.

Information & Communication

The Company puts emphasis on information technology and usage of information and encourages for system development continually, so that information will be accurate, reliable and up-to-date. Modern information technology system has been implemented and information usage policy has been specified to control suitable usage of information and for security of information, beginning from input, compile, and process to storage. The Company also has means to contact and disseminate news and information to the shareholders, investors and the third party via various communication systems. Whistle-blowing channel for the stakeholder to lodge any complaint to the Board of Directors via the Audit Committee has also been provided at chairman_auditcom@uac.co.th.

Monitoring Activities

The Company's internal control systems have been arranged to cover various aspects, such as operations, accounting & finance, compliance with rules and regulations, asset control and etc. The Audit Committee has been assigned to oversee the internal control system via the Internal Audit Unit. The external auditor was assigned to audit the accounting and finance. The management meeting has been arranged every month to monitor performance by comparing with targets and to find resolution and improvement regularly.

Internal Control System

The Board of Directors places importance on good corporate governance and internal control systems, both at management and operation level. Internal control system is a key mechanism to provide confidence to the executives to reduce business risks, support effective business operations by allocating properly resources to achieve the targeted objectives. It can prevent the assets from missing, losing or wrongfully exploiting. It can also make the annual report accurately and credibility, including can help the personnel to comply with related laws and regulations as well as to protect the shareholders' investments. As a result, the Company has defined a clearly written policy on duties, operational powers of the executives and the employees, on control usage of the Company's assets, including to appropriated segregate the operating person, the supervising person and the evaluating person for purpose of balance of power and cross checking.

The Board of Directors assigns the Audit Committee to audit the suitability and efficiency of the internal control systems established by the executives, relating to the operation, financial reporting, compliance with rules, regulations, policies and corporate governance principles including risk management. The Board of Directors also emphasizes on advance warning signs and irregular transactions. For this year, the Company has engaged EI Business Advisory Co., Ltd. (ELBA) which has capabilities and experiences on auditing internal control system to be the Company's internal auditor to audit and ensure that the Company has adequate and proper internal control systems. For full independency and balance of power, such internal auditor shall directly report to the Audit Committee. The Company shall constantly follow up and evaluate adequacy and appropriateness of the internal control systems at least once a year to ensure effectiveness of the system.

Related Transactions

Connected Persons and Related Transactions

Summary of relationship of the persons and the juristic persons who might have conflict of interest with the Company that the Company undertook transactions with:

Name of Person/Company	Nature of Relationship
1. Miss Chawisa Jivacate	<ul style="list-style-type: none"> Miss Chawisa Jivacate, a daughter of Mr. Kitti Jivacate, holds position of director, executive director and Chief Executive Officer of the company. She is also the authorized director to sign and bind the company as well as a major shareholder of the company. As of December 31, 2020, he holds 48.47 percent of total issued shares of the company. As of December 31, 2020, Miss Chawisa Jivacate holds 3.88 percent of total issued shares of the Company.
2. UAC Utilities Company Limited ("UAC UTILITIES Company Limitd.")	<ul style="list-style-type: none"> A subsidiary company. The Company holds 69.9998 of the paid-up capital of UAC UTILITIES (combined shares held by the Company's executives who are Mr. Kitti Jivacate totaled 0.0002 percent. In addition, Mr. Kitti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC UTILITIES.
3. UAC & TPT Energy Company Limited ("UAC&TPT")	<ul style="list-style-type: none"> A subsidiary company. The Company holds 50.0099 percent of total issued shares of UAC & TPT (combined shares held by the Company's executives who are Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke totaled 0.0001 percent). In addition, Mr. Kitti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC & TPT.
4. UAC Energy Company Limited ("UAC Energy")	<ul style="list-style-type: none"> A subsidiary company. The Company holds 99.9995 percent of total issued shares of UAC Energy (combined shares held by the Company's executives who are Mr. Kitti Jivacate, Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke totaled 0.0005 percent). In addition, Mr. Kitti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC Energy.
5. Solar Energy Roof Power Company Limited ("SERP")	<ul style="list-style-type: none"> A subsidiary company. The Company via UAC Energy Company Limited holds 99.9976 percent of total issued shares of SERP (combined shares held by the Company's executives who are Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke totaled 0.0024 percent). In addition, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of SERP. Note: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
6. UAC Advance Polymer & Chemicals Company Limited ("UAPC")	<ul style="list-style-type: none"> A subsidiary company. The Company holds 99.9998 percent of total issued shares of UAPC (combined shares held by the Company's executives who are Mr. Kitti Jivacate, Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke totaled 0.0002 percent). In addition, Mr. Kitti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAPC.

Name of Person/Company	Nature of Relationship
7. UAC TOP ENERGY Company Limited ("UAC TOP ENERGY")	<ul style="list-style-type: none"> A subsidiary company. The Company via UAC Energy Company Limited holds 99.997 percent of total issued shares of UAC TOP ENERGY (combined shares held by the Company's executives who are Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke totaled 0.003 percent). In addition, Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of UAC TOP ENERGY. Note: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
8. Vientiane Waste Management Company Limited ("VWM")	<ul style="list-style-type: none"> An associated company. The Company via UAC Energy Company Limited holds 50.01 percent of total issued shares of VWM. In addition, Mr. Kitt Jivacate and Mr. Chatchaphol Prasopchoke is the authorized director of VWM. Note: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
9. Bangchak Biofuel Company Limited ("BBF")	<ul style="list-style-type: none"> An associated company. The Company holds 30 percent of total issued shares of Bangchak Biofuel. In addition, Mr. Kitt Jivacate and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of Bangchak Biofuel.
10. SEBIGAS UAC Company Limited ("SEBIGAS UAC")	<ul style="list-style-type: none"> An associated company. The Company via UAC Energy Company Limited holds 49.00 percent of total issued shares of SEBIGAS UAC. In addition, Miss Nilrat Jarumanopos and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of Sebigas UAC. Note: The Company holds 99.9995 percent of shares in UAC Energy Company Limited. In October 2020, UAC Energy has offered all 49% of shares of Sebigas UAC to a new shareholder.)
11. Enerray UAC (Thailand) Company Limited ("Enerray UAC")	<ul style="list-style-type: none"> An associated company. The Company via UAC Energy Company Limited holds 25.00 percent of total issued shares of Enerray UAC. In addition, Miss Aree Pleekhun is the authorized director of Enerray UAC. Note: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
12. PPWE Company Limited ("PPWE")	<ul style="list-style-type: none"> An associated company. The Company via UAC Energy Company Limited holds 50.00 percent of total issued shares of PPWE. In addition, Mr. Kitt Jivacate and Mr. Chatchaphol Prasopchoke, the Company's directors, are also directors of PPWE. Note: The Company holds 99.9995 percent of shares in UAC Energy Company Limited.
13. TPT Thepprathanporn Company Limited	<ul style="list-style-type: none"> Related entity. Mr. Heng Thongtangthai, Mr. Prachaya Thongtangthai and Mr. Annop Klinton are the authorized directors of TsPT Thepprathanporn Company Limited and UAC & TPT, the Company's subsidiary. Mr. Heng Thongtangthai holds 40 percent of shares in TPT Thepprathanporn. TPT Thepprathanporn is a shareholder of UAC & TPT which has 49.99% of total issued shares in UAC & TPT.
14. K&N Commercial Company Limited ("K&N")	<ul style="list-style-type: none"> A related company. Mrs. Niramol Jivacate, a wife of Mr. Kitt Jivacate, is the authorized director of K&N. Mrs. Niramol Jivacate holds 35% of shares of K&N. Miss Nilrat Jarumanopos (Mrs. Niramol Jivacate's sister), the Company's director, executive and shareholder, holds 10% of shares of K&N.
15. PPJ Company Limited ("PPJ")	<ul style="list-style-type: none"> A related company. Miss Chawisa Jivacate and Miss Alisa Jivacate, daughters of Mr. Kitt Jivacate, are the authorized director of PPJ. Miss Chawisa Jivacate and Miss Alisa Jivacate hold 49.50% and 49.50% of shares of PPJ respectively.

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2020	
1. Miss Chawisa Jivacate	Warehouse rental fee: The Company paid rental fee for warehouse which is used for storing chemicals and equipment pending for sales and delivery to the customers. Its rental area is 2,200 square meters with rental period of 1 year, from January 1, 2020 - December 31, 2020. Rental rate is 60 Baht per square meter per month or 132,000 Baht per month (The Company was responsible for payment of withholding tax at the rate of 5% of monthly rental fee, therefore rental fee including withholding tax equaled to 138,947.37 Baht per month).	1.67	<p>The Company is necessary to have areas for storing stocks due to its business expansion. Such transaction was conducted pursuant to general, normal terms and conditions.</p> <p>The Audit Committee opined that such transaction was reasonable and rental rate was lower when compared with market price.</p>
2. UAC Utilities Company Limited ("UAC UTILITIES") engages in business of renewal energy and utilities.	<u>Investment in the company</u>	36.67	Investment in the subsidiary company that it holds 70.00% of shares.
	<u>Income Statement</u> Other Revenues	1.00	<p>Such transaction was normal business operation of the Company with general trading terms and purchase prices were pursuant to market prices.</p> <p>The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.</p>
3. UAC & TPT Energy Company Limited ("UAC & TPT") engages in business of biogas plant.	<u>Investment in the company</u>	49.81	Investment in the subsidiary company that it holds 50.0099% of shares.
	<u>Bank Guarantee with 1 document amount of baht 0.20 million for PEA</u>		The Company provides short-term loan for investment in biogas power plant project with interest charged at an appropriated rate.
	<u>Balance Sheet</u> Short Term Loan	104.00	The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period working including cost of average expenses of services rendered.
	Accrued Interest	20.70	
	Other Account Receivable	0.54	
	<u>Income Statement</u> Other Revenues	0.30	The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.
	Interest Income	5.48	

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2020	
4. UAC Energy Company Limited ("UACE") engages in energy business.	<u>Investment in the company</u>	200.00	Investment in the subsidiary company that it holds 100.00% of shares.
	<u>Bank Guarantee with 3 document amount of baht 0.05 million for PEA</u>		
	<u>Balance Sheet</u>		The Company provides short-term loan for investment in Energy projects with interest charged at an appropriated rate.
	Short Term Loan	131.00	The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.
	Accrued Interest	11.86	
	Other Account Receivable	0.93	
	Account Receivable	4.92	
	<u>Income Statement</u>		Such transaction was normal business operation of the Company with general trading terms and purchase prices were pursuant to market prices.
	Revenue from Sales	17.88	
	Other Revenues	0.45	
	Interest Income	5.90	
5. Solar Energy Roof Power Company Limited ("SERP") engages in business of solar energy.	<u>Investment in the company</u>	-	The Company provides short-term loan to be used as working capital and the interest rate charged is appropriated.
	<u>Balance Sheet</u>		The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.
	Short Term Loan	6.00	
	Accrued Interest	0.08	
	Other Account Receivable	0.03	
	<u>Income Statement</u>		The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.
	Other Revenues	0.12	
	Interest Income	0.32	

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2020	
6. UAC Advance Polymer & Chemicals Company Limited ("UAPC") engages in business of production and distribution of latex polymer and emulsion.	<u>Investment in the company</u>	180.00	Investment in the subsidiary company that it holds 100.00% of shares.
	<u>Balance Sheet</u>		
	Short Term Loan	29.00	The Company provides short-term loan for investment in Energy projects with interest charged at an appropriated rate.
	Account Payable	0.07	
	Account Receivable	0.08	
	<u>Income Statement</u>		Such transaction was normal business operation of the Company with general trading terms and purchase prices were pursuant to market prices.
	Interest Income	3.08	
	Revenue from Sales	0.24	
	purchased	0.48	
7. Vientiane Waste Management Company Limited (VWM) waste management at Vientiane, LPDR	<u>Balance Sheet</u>		The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.
	Other Account Receivable	0.52	
	<u>Income Statement</u>		
	Revenue from Sales	0.80	The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.
	Other Income	1.45	Such transaction was normal business operation of the Company with general trading terms and purchase prices were pursuant to market prices.
8. Bangchak Biofuel Company Limited ("BBF") engages in business of production and distribution of biodiesel.	<u>Income Statement</u>		The Audit Committee opined that such transaction was normal course of business of the Company and was reasonable.
	The Company purchased glycerin to export and sell in foreign countries. Such purchase was conducted pursuant to normal course of business and at the market price.	14.47	Such transaction was in accordance with normal course of business with general trading terms. Purchase prices were as per market prices. The Audit Committee opined that nature of such transaction was pursuant to the Company's normal course of business and was reasonable.

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2020	
9. Sebigas UAC Company Limited ("SEBIGAS UAC") engages in business of construction and environmental engineering management.	<u>Balance Sheet</u> Other Account Receivable	1.16	<p>The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.</p> <p>The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.</p> <p>The Audit Committee opined that such transaction was a normal course of business of the Company and was reasonable.</p>
10. Enerray UAC Company Limited (Thailand) ("Enerray UAC") engages in business of construction and environmental engineering management.	<u>Income Statement</u> Revenue from Sales Other Income	12.50 2.40	<p>Such transaction was in accordance with normal course of business with general trading terms. Purchase prices were as per market prices</p> <p>The Company rendered management services including other services i.e. electricity, photocopy, cleaning and etc. to its subsidiary. The rate charged was calculated from number of personnel and proportion of period of time working including cost of average expenses of services rendered.</p> <p>The Audit Committee opined that such business provision was reasonable and it was beneficial to the Company as it could facilitate coordination with its subsidiaries and service rate charged was appropriated.</p>
11. PPJ Company Limited ("PPJ") engages in business of hotel.	<u>Balance Sheet</u> Accrued Payable <u>Income Statement</u> Administrative Expenses: The room rate is compared price with market price.	0.001 0.10	<p>Such transaction was normal business operation of the Company with agreed trading terms and prices pursuant to market prices.</p> <p>The Audit Committee opined that such transaction was normal course of business of the Company and was reasonable.</p>

Related Parties	Details of Transaction	Value of Related Transaction (Baht Mil)	Necessity and Reasonableness of Intercompany Transactions
		2020	
12. K&N Commercial Company Limited ("K&N")	<u>Balance Sheet</u> Accrued Payable	0.003	Such transaction was normal business operation of the Company with agreed trading terms and prices pursuant to market prices.
	<u>Income Statement</u> purchased	0.14	The Audit Committee opined that such transaction was normal course of business of the Company and was reasonable.

Measure or procedure for approval of intercompany transactions

The measures on transaction with person who might have conflict of interest specified by the Company were transparently, fairly and for the best interest of the Company. The Audit Committee is required to give opinions on necessity and reasonableness of such transaction to ensure that their conditions must be pursuant to normal course of business and at market price which can be compared with price charged with the third party. In case the Audit Committee does not have expertise in considering the related transaction which may incur, the Company will engage the specialized or skilled person, i.e. independent auditor, asset appraiser or law firm to provide opinion on it so that the Audit Committee shall use such opinion to make decision and to propose to the meeting of the Board of Directors or the shareholders, as the case may be.

In addition, it also specified that the executive or the person who might have conflict of interest, whether directly or indirectly in any transaction shall not be entitled to vote or approve such relevant transaction. Moreover, the Board of Directors shall oversee to ensure that the Company complies with the laws concerning securities and stock exchange, regulations, announcements, orders or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, as well as complies with regulations on disclosure of the related transactions in notes to the financial statement which has been audited or reviewed by the Company's auditor.

Policy or trend of intercompany transactions

The Company anticipates that there shall be the related transactions again and continually, such as goods purchase and sale and property rental with persons who might have conflict of interest with the Company which are normal course and can support the Company's business in the future. Such related transactions shall be executed as necessary and for efficient business operation. Policy on price fixing of such related transaction must be clearly specified pursuant to fair and appropriated pricing and marketing conditions and to ensure that the related transactions are not undertaken for a purpose of transferring interest between the Company and the person who may have conflict of interest, as well as to take into consideration the maximum benefit of the Company. The Company's Audit Committee shall review on compliance with the criteria and provide opinions on reasonableness of the related transactions whether they are normal business transaction or transaction which supports normal business operation on quarterly basis.



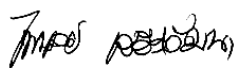
Financial Statement

Report on Responsibilities of the Board of Directors to the Financial Statements

Financial statement of UAC Global Public Company Limited ("the Company") has been prepared pursuant to Thai accounting standards under the Accounting Act B.E. 2543 as well as the interpretations and accounting guidelines announced by the Federation of Accounting Professions as well as regulations of the Office of Securities and Exchange Commission on preparation and presentation of financial report under the Securities and Exchange Act B.E. 2535.

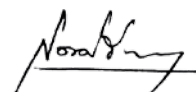
The Board of Directors puts emphasis on its duty and responsibilities in supervising to ensure that the Company's operations are compliance with corporate governance policies; the financial statement and financial information technology presented in the Annual Report is accurate, complete and provides adequate disclosures. The Board of Directors provides and maintains effective internal control system to assure confidence and credibility of the financial statement, including complies with the laws and relevant regulations. The Audit Committee has reported its auditing results to the Board of Directors and those opinions were presented in the Annual Report.

The Board of Directors is of the opinion that the Company's overall internal control systems are satisfactory and can assure reasonable accountability of the financial statement as of December 31, 2020 which has been audited by the Company's auditor in accordance with generally accepted accounting standards. The Board of Directors also has opinion that the financial statement indicates its financial status and operating results correctly and as appropriate with regard to significant information, in accordance with generally certified accounting principles.



(Assoc.Prof.Dr.Paiboon Sareewiwatthana)

Chairman



(Mr. Kitt Jivacate)

Chairman of Executive Committee

Independent Auditor's Report

To the Shareholders of UAC Global Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of UAC Global Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of UAC Global Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UAC Global Public Company Limited and its subsidiaries and of UAC Global Public Company Limited as at 31 December 2020, their financial performance and 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 Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to Note 1.2 to the consolidated financial statements, which described a second wave of the Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. This situation significantly affects the Group's business activities in terms of the decrease in the customer sales of products under energy industries, chemical industries and refinery petrochemicals due to declining demand for products, resulting in a reduction of production capacity, a delay in investments or a business expansion of these industries. This is significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. The Group's management has continuously monitored ongoing developments 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. My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in *the Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

Revenue from sales and service is one of the Group's significant accounts because it directly impacts on the Group's annual profit or loss. During 2020, the Group recognised revenue from sales and services of Baht 1,269 million, representing 98.1 percent of the Group's total revenue. I therefore focused on the amount and timing of the Group's revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the effectiveness of the Group internal controls with respect to the recognition of revenue by making enquiry of responsible executives, gaining an understanding of controls and selecting representative samples to test the operation of designed controls of the Group.
- On a sampling basis, examining supporting documents for revenue transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued to their customers after the period-end.
- Performing analytical review of the revenue accounts to detect any irregularities in revenue transactions throughout the period.

Impairment of property, plant and equipment

As discussed in Note 16 to the consolidated financial statements, the balance of property, plant and equipment used in the business operations is material to the financial statements of the Group, representing 52.5 percent of total assets. I therefore focused on auditing and considering the impairment of such assets to ensure that the book values of the assets do not exceed their recoverable amounts. The determination of the provision for impairment of assets requires management to exercise significant judgment with respect to the projections of future operating performance and the assessment of future plans, including the determination of an appropriate discount rate and key assumptions. There is thus a risk with respect to the amount of impairment loss recorded on the assets.

I have assessed the management's identification of cash generating units and selection of a financial model, according to the type of asset, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised. In addition, I gained an understanding of and assessed the following items.

- Assessing and testing the assumptions applied in preparing plans and cash flow projections of the Group, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgment in estimating cash flow projections.
- Considering the discount rate applied by the Group's management, based on comparison of the average cost of capital of the Group and other data.
- Testing the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, in particularly, the discount rate and growth rates applied in preparing the cash flow projections.
- Reviewing the disclosure of information relating to the estimation of impairment of the assets in the notes to the financial statements.

Impairment of goodwill and intangible assets

As discussed in Note 17 and Note 18 to the consolidated financial statements, the balances of goodwill and intangible assets are material to the financial statements of the Group, representing 8.6 percent and 7.5 percent of total assets, respectively. In addition, the impairment assessment on goodwill and intangible assets is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating unit, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill and intangible assets.

I have assessed the management's identification of cash generating units and selection of a financial model, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised. In addition, I gained an understanding of and assessed the following items.

- Assessing and testing the assumptions applied in preparing plans and cash flow projections of the Group, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgment in estimating cash flow projections.
- Considering the discount rate applied by the Group's management, based on comparison of the average cost of capital of the Group and other data.
- Testing the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, in particularly, the discount rate and growth rates applied in preparing the cash flow projections.
- Reviewing the disclosure of information relating to the estimation of impairment of the assets in the notes to the financial statements.

Other Information

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

My opinion on the 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 financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group'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 financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

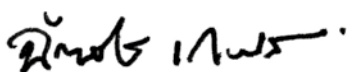
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Chatchai Kasemsrithanawat

Certified Public Accountant (Thailand) No. 5813

EY Office Limited

Bangkok: 24 February 2021

Statements of Financial Position

Uac Global Public Company Limited and Subsidiaries
As at December 31, 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	76,550,635	40,460,408	36,271,082	24,220,253
Investments in trading securities	4	-	1,811,724	-	84,029
Trade and other receivables	7, 9	228,386,600	315,903,893	174,729,268	219,455,731
Inventories	10	150,496,431	165,295,116	101,859,183	121,482,792
Short-term loans to related parties	7	-	-	270,000,000	320,500,000
Advance payment for wages and goods		892,845	624,615	892,845	624,615
Other current financial assets	11	1,822,930	-	84,500	-
Other current assets		8,222,092	9,453,395	4,269,881	6,425,994
Total current assets		466,371,533	533,549,151	588,106,759	692,793,414
Non-current assets					
Restricted bank deposits	12	30,710,690	30,089,100	30,357,782	30,089,100
Other non-current financial assets	13	20,000,000	-	-	-
Investments in subsidiaries	14	-	-	438,034,027	428,033,927
Investments in associates	15	420,450,146	300,946,058	111,051,487	111,051,487
Other long-term investments	4	-	20,000,000	-	-
Property, plant and equipment	16	1,643,135,253	1,625,466,716	803,963,122	780,763,310
Intangible assets	17	235,088,951	219,949,795	-	-
Goodwill	18	269,804,794	269,804,794	-	-
Advance payment for assets		13,793	731,140	-	-
Deferred tax assets	27	32,769,888	31,663,511	21,696,371	21,085,272
Other non-current assets		12,081,195	12,865,508	7,730,418	9,495,426
Total non-current assets		2,664,054,710	2,511,516,622	1,412,833,207	1,380,518,522
Total assets		3,130,426,243	3,045,065,773	2,000,939,966	2,073,311,936

The accompanying notes are an integral part of the financial statements.

Statements of Financial Position (Continued)

Uac Global Public Company Limited and Subsidiaries
As at December 31, 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	19	101,300,000	112,126,012	-	68,577,952
Trade and other payables	7, 20	233,485,162	278,747,973	112,550,006	102,610,582
Advance received from customers		17,692,588	6,364,030	16,446,080	3,512,652
Short-term loans from related parties	7	104,000,000	100,500,000	-	-
Income tax payable		699,749	7,014,934	-	7,014,934
Current portion of long-term loans	21	148,846,152	231,666,311	81,240,081	120,709,154
Current portion of lease liabilities	22	23,754,958	-	9,923,587	-
Current portion of liabilities under long-term					
lease agreements	22	-	24,509,832	-	4,072,498
Current portion of debentures	23	-	400,000,000	-	400,000,000
Derivative liabilities		346,221	-	259,518	-
Total current liabilities		630,124,830	1,160,929,092	220,419,272	706,497,772
Non-current liabilities					
Long-term loans, net of current portion	21	314,592,583	262,514,246	69,470,182	49,844,554
Lease liabilities, net of current portion	22	104,191,106	-	77,338,624	-
Liabilities under long-term lease agreements,		-			
net of current portion	22	-	16,092,184	-	3,938,096
Debentures, net of current portion	23	300,000,000	-	300,000,000	-
Deferred tax liabilities	27	56,349,359	59,656,938	25,270,930	28,205,702
Provision for long-term employee benefits	24	25,836,878	21,348,657	22,378,495	18,230,968
Provision for decommissioning		57,002,316	56,986,963	41,452,025	41,455,800
Other non-current liabilities		18,743,249	23,697,851	8,930,165	13,884,767
Total non-current liabilities		876,715,491	440,296,839	544,840,421	155,559,887
Total liabilities		1,506,840,321	1,601,225,931	765,259,693	862,057,659

The accompanying notes are an integral part of the financial statements.

Statements of Financial Position (Continued)

Uac Global Public Company Limited and Subsidiaries
As at December 31, 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Shareholders' equity					
Share capital					
Registered					
734,366,301 ordinary shares of Baht 0.50 each		367,183,150	367,183,150	367,183,150	367,183,150
Issued and fully paid up					
667,606,199 ordinary shares of Baht 0.50 each					
(31 December 2019: 667,605,301 ordinary shares of Baht 0.50 each)		333,803,099	333,802,650	333,803,099	333,802,650
Share premium - ordinary shares		587,169,893	587,165,358	587,169,893	587,165,358
Surplus on change in the shareholding percentage in subsidiary		1,346,526	116,826	-	-
Retained earnings					
Appropriated - statutory reserve	25	40,000,254	40,000,254	40,000,254	40,000,254
Unappropriated		571,907,566	431,937,761	274,707,027	250,286,015
Other components of shareholders' equity		1,950,133	(297,769)	-	-
Equity attributable to owners of the Company		1,536,177,471	1,392,725,080	1,235,680,273	1,211,254,277
Non-controlling interests of the subsidiaries		87,408,451	51,114,762	-	-
Total shareholders' equity		1,623,585,922	1,443,839,842	1,235,680,273	1,211,254,277
Total liabilities and shareholders' equity		3,130,426,243	3,045,065,773	2,000,939,966	2,073,311,936
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Statements of Comprehensive Income

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit or loss:				
Revenues				
Revenue from sales	1,225,000,899	2,850,450,149	920,253,433	2,468,575,145
Service income	44,225,948	21,508,356	43,990,434	21,508,357
Dividend income	15	-	143,564,660	-
Other income	24,055,432	31,617,831	35,626,429	46,715,912
Total revenues	1,293,282,279	2,903,576,336	1,143,434,956	2,536,799,414
Expenses				
Cost of sales	1,005,873,342	2,471,094,404	794,275,567	2,188,417,025
Cost of service	23,385,080	14,719,872	23,185,523	14,719,872
Selling and distribution expenses	53,734,546	68,474,693	29,930,341	41,225,484
Administrative expenses	154,074,704	185,162,765	105,431,611	127,546,155
Total expenses	1,237,067,672	2,739,451,734	952,823,042	2,371,908,536
Operating profit	56,214,607	164,124,602	190,611,914	164,890,878
Share of profit from investments in associates	15	263,068,749	72,506,304	-
Finance cost	(56,819,875)	(61,614,166)	(31,204,212)	(37,512,327)
Profit before income tax expenses	262,463,481	175,016,740	159,407,702	127,378,551
Income tax expenses	27	(3,422,634)	(21,448,901)	(3,357,024)
Profit for the year	259,040,847	153,567,839	156,050,678	101,876,326
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	4,494,904	(595,418)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	4,494,904	(595,418)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial loss, net of tax income	(1,019,545)	-	(1,446,575)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(1,019,545)	-	(1,446,575)	-
Other comprehensive income for the year	3,475,359	(595,418)	(1,446,575)	-
Total comprehensive income for the year	262,516,206	152,972,421	154,604,103	101,876,326

The accompanying notes are an integral part of the financial statements.

Statements of Comprehensive Income (Continued)

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Profit attributable to:					
Equity holders of the Company		271,172,441	163,878,428	156,050,678	101,876,326
Non-controlling interests of the subsidiaries		(12,131,594)	(10,310,589)		
		259,040,847	153,567,839		
		-	-		
Total comprehensive income attributable to:					
Equity holders of the Company		272,400,798	163,580,659	154,604,103	101,876,326
Non-controlling interests of the subsidiaries		(9,884,592)	(10,608,238)		
		262,516,206	152,972,421		
		-	-		
Earnings per share	30				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.406	0.245	0.234	0.153

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Shareholders' Equity

Uac Global Public Company Limited and Subsidiaries
For the year ended December 31, 2020

	Consolidated financial statements										(Unit: Baht)
	Equity attributable to owners of the Company										
	Other components of shareholders' equity										
	Other comprehensive income										
	Exchange differences										
Issued and fully paid-up share capital	Share premium - ordinary shares	Surplus on change in the shareholding percentage in subsidiary	Retained earnings		financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
			Appropriated	Unappropriated							
Balance as at 1 January 2019	333,802,650	587,165,358	-	40,000,254	308,115,651	-	1,289,083,913	34,948,770	1,304,032,683		
Profit for the year	-	-	-	-	163,878,428	-	163,878,428	(10,310,589)	153,567,839		
Other comprehensive income for the year	-	-	-	-	(297,769)	(297,769)	(297,769)	(297,649)	(595,418)		
Total comprehensive income for the year	-	-	-	-	163,878,428	(297,769)	163,880,659	(10,608,238)	152,972,421		
Dividend (Note 33)	-	-	-	-	(40,056,318)	-	(40,056,318)	-	(40,056,318)		
Purchases of investments in subsidiary from non-controlling interests of the subsidiary	-	-	116,826	-	-	-	116,826	(1,866,726)	(1,749,900)		
Increase in non-controlling interests of subsidiary from additional share capital of the subsidiary	-	-	-	-	-	-	-	28,640,956	28,640,956		
Balance as at 31 December 2019	333,802,650	587,165,358	116,826	40,000,254	431,937,761	(297,769)	1,382,725,080	51,114,762	1,443,839,842		
Balance as at 1 January 2020	333,802,650	587,165,358	116,826	40,000,254	431,937,761	(297,769)	1,382,725,080	51,114,762	1,443,839,842		
Profit for the year	-	-	-	-	271,172,441	-	271,172,441	(12,131,594)	259,040,847		
Other comprehensive income for the year	-	-	-	-	(1,019,545)	2,247,902	1,228,357	2,247,002	3,475,359		
Total comprehensive income for the year	-	-	-	-	270,152,896	2,247,902	272,400,798	(9,884,592)	262,516,206		
Exercised warrant (Note 29)	449	4,535	-	-	-	-	4,984	-	4,984		
Dividend (Note 33)	-	-	-	-	(130,183,091)	-	(130,183,091)	-	(130,183,091)		
Purchases of investments in a subsidiary	-	-	1,229,700	-	-	-	1,229,700	(1,229,700)	-		
Increase in non-controlling interests of subsidiary from additional share capital of the subsidiary	-	-	-	-	-	-	-	47,407,981	47,407,981		
Balance as at 31 December 2020	333,803,099	587,169,893	1,346,526	40,000,254	571,907,566	1,950,133	1,536,177,471	87,408,451	1,623,585,922		

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Shareholders' Equity (Continued)

Uac Global Public Company Limited and Subsidiaries
For the year ended December 31, 2020

	Separate financial statements				(Unit: Baht)
	Issued and fully paid-up share capital	Share premium - ordinary shares	Retained earnings	Total shareholders' equity	
			Appropriated	Unappropriated	
Balance as at 1 January 2019	333,802,650	587,165,358	40,000,254	188,466,007	1,149,434,269
Profit for the year	-	-	-	101,876,326	101,876,326
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	101,876,326	101,876,326
Dividend (Note 33)	-	-	-	(40,056,318)	(40,056,318)
Balance as at 31 December 2019	333,802,650	587,165,358	40,000,254	250,286,015	1,211,254,277
Balance as at 1 January 2020	333,802,650	587,165,358	40,000,254	250,286,015	1,211,254,277
Profit for the year	-	-	-	156,050,678	156,050,678
Other comprehensive income for the year	-	-	-	(1,446,575)	(1,446,575)
Total comprehensive income for the year	-	-	-	154,604,103	154,604,103
Exercised warrants (Note 29)	449	4,535	-	-	4,984
Dividend (Note 33)	-	-	-	(130,183,091)	(130,183,091)
Balance as at 31 December 2020	333,803,099	587,169,893	40,000,254	274,707,027	1,235,680,273
					-

The accompanying notes are an integral part of the financial statements.

Statements of Cash Flows

Uac Global Public Company Limited and Subsidiaries
For the year ended December 31, 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	262,463,481	175,016,740	159,407,702	127,378,551
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	122,307,609	115,742,573	71,876,433	65,785,226
Bad debts and allowance for doubtful accounts	-	1,155,600	-	1,155,600
Impairment loss on financial assets	860,186	-	11,296	-
Reduction of inventories to net realisable value (reversal)	(933)	4,444,532	(261,814)	4,122,765
Unrealised gain on valuation of other current financial assets	(11,206)	-	(471)	-
Unrealised gain on changes in value of trading securities	-	(20,957)	-	(958)
Gain on sales of investments in trading securities	-	(84,849)	-	(76,919)
Gain on sales of investments in associate	(6,860)	-	-	-
Allowance for expected credit losses in short-term loans to a related party (reversal)				
(2019: Allowance for doubtful accounts in short-term loans to a related party)	(100,000)	11,000,000	-	-
Allowance for impairment loss on investments in subsidiaries	-	-	-	10,300,000
Share of profit from investments in associates	(263,068,749)	(72,506,304)	-	-
(Gain) loss on sales of equipment	(1,354,500)	3,899,876	25,404	1,208,932
(Gain) loss on write-off of property, plant and equipment	206,467	76,446	(89,200)	17,572
Impairment loss on non-financial assets	1,274,788	10,823,683	-	523,683
Reversal of allowance for impairment loss on equipment	-	(2,308,512)	-	(2,308,512)
Provision for long-term employee benefits	3,380,052	6,958,064	2,482,290	5,987,910
Write-off of withholding tax deducted at source	259,045	40	-	-
Provision for decommissioning	(7,037)	(9,921)	(3,775)	(9,921)
Unrealised (gain) loss on exchange	(851,799)	6,258,120	(382,403)	3,811,563
Dividend income	-	-	(143,564,660)	-
Finance cost	53,798,867	56,695,976	29,096,400	35,500,856
Profit from operating activities before changes in operating assets and liabilities	179,149,411	317,141,107	118,597,202	253,396,348
Operating assets (increase) decrease				
Trade and other receivables	64,533,934	68,929,899	44,901,303	47,603,055
Inventories	14,506,052	945,322,621	19,885,424	948,855,040
Advance payment for wages and goods	(268,230)	11,447,232	(268,230)	11,447,232
Other current assets	1,514,722	(1,200,145)	2,131,912	(86,717)
Other non-current assets	(116,067)	(31,246,389)	(53,349)	2,152,644
Operating liabilities increase (decrease)				
Trade and other payables	(30,973,983)	(212,737,535)	12,125,862	(219,100,325)
Advance received from customers	11,329,061	(84,001,372)	12,933,931	(86,216,689)
Cash paid for long-term employee benefits	(142,982)	(4,990,952)	(142,982)	(4,990,952)
Other non-current liabilities	(830,218)	(50,113)	(830,218)	(50,113)
Cash flows from operating activities	238,701,700	1,008,614,353	209,280,855	953,009,523
Cash paid for interest expenses	(49,038,724)	(54,352,052)	(29,669,628)	(35,863,761)
Cash paid for corporate income tax	(16,090,222)	(42,797,440)	(15,484,572)	(39,925,110)
Net cash flows from operating activities	173,572,754	911,464,861	164,126,655	877,220,652

The accompanying notes are an integral part of the financial statements.

Statements of Cash Flows (Continued)

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Increase in restricted bank deposits	(621,590)	(20,089,100)	(268,682)	(20,089,100)
Purchases of investments in trading securities	-	(40,000,000)	-	(40,000,000)
Cash receipt from sales of investments in trading securities	-	40,200,000	-	40,000,000
Purchases of investments in subsidiaries	-	(1,749,900)	(10,000,100)	-
Increase in short-term loans to related parties	-	(250,000)	(179,500,000)	(69,250,000)
Cash receipt from repayment of short-term loans to related parties	100,000	4,917,000	230,000,000	12,950,000
Acquisition of property, plant and equipment	(16,220,575)	(22,338,943)	(11,043,714)	(10,234,187)
Acquisition of intangible assets	(18,641,584)	-	-	-
Cash receipt from sales of equipment	1,384,088	26,588,325	4,181	993,925
Cash receipt from sales of investments in associate	6,860	-	-	-
Dividend income from associate	143,564,660	-	143,564,660	-
Net cash flows from (used in) investing activities	109,571,859	(12,722,618)	172,756,345	(85,629,362)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans				
from financial institutions	(10,826,012)	(702,945,848)	(68,577,952)	(682,463,481)
Increase in short-term loans from related parties	133,200,000	22,000,000	-	-
Repayment of short-term loans from related parties	(129,700,000)	(25,000,000)	-	-
Cash receipt from long-term loans	330,672,975	-	20,000,000	-
Repayment of long-term loans	(361,414,796)	(171,486,722)	(39,843,444)	(114,591,309)
Repayment of lease liabilities	(28,185,674)	-	(6,202,555)	-
Repayment of liabilities under long-term lease agreements	-	(24,065,428)	-	(3,277,091)
Cash receipt from issuance of debentures	300,000,000	-	300,000,000	-
Repayment of debentures	(400,000,000)	-	(400,000,000)	-
Cash receipt from exercised warrants	4,984	-	4,984	-
Cash receipt from non-controlling interests of the subsidiaries	44,793,653	3,842,754	-	-
Dividend paid	(130,183,091)	(40,056,318)	(130,183,091)	(40,056,318)
Net cash flows used in financing activities	(251,637,961)	(937,711,562)	(324,802,058)	(840,388,199)
Increase (decrease) in translation adjustments	4,491,989	(595,435)	-	-
Effects of exchange rates on cash and cash equivalents	91,586	(130)	(30,113)	(13,343)
Net increase (decrease) in cash and cash equivalents	36,090,227	(39,564,884)	12,050,829	(48,810,252)
Cash and cash equivalents at beginning of year	40,460,408	80,025,292	24,220,253	73,030,505
Cash and cash equivalents at end of year	76,550,635	40,460,408	36,271,082	24,220,253
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions				
Payable from acquisitions of assets	24,280,825	18,386,906	45,229	1,022,845
Acquisition of assets through lease agreements	2,175,000	4,560,000	2,175,000	4,560,000
Acquisition of right-of-use assets under lease agreements	3,874,320	-	-	-
Increase in non-controlling interest of subsidiary				
from other receivables	-	22,265,003	-	-
Increase in non-controlling interest of subsidiary				
from other payables	24,879,330	2,533,199	-	-

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

Uac Global Public Company Limited and Subsidiaries

For the year ended December 31, 2020

1. General information

1.1 General information of the Company

UAC Global Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in business as follows.

- 1.1.1 Import and distribution of chemicals and equipment used in various industries i.e. off-shore natural gas exploration and production, oil refinery and upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power plant and utilities system.
- 1.1.2 Providing of consultant and advising for the marketing of any products and services, the feasibility study of any projects or works related to energy industry, refinery, petrochemicals, power plants and other utilities.
- 1.1.3 Production and distribution of biogas used in power generation, transportation and industries.
- 1.1.4 Subcontracting of construction of machines and equipment used in various industries i.e. off-shore natural gas exploration and production, oil refinery and upstream petrochemicals, engine oil lubricant manufacturing plant, polymer and plastic manufacturing plant, chemical industrial plant, power plant and utilities system.
- 1.1.5 Production and distribution of petroleum manufacturing such as Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG), Natural Gas Liquid (NGL).

The registered office of the Company is at 1 TP&T Tower, 19th Floor, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok and the branch office's addresses are as follows.

- Branch 1 Warehouse is located at 999 Moo 4, Soi Tesaban Bangpoo 99 (Sermmitra), Sukhumvit Road, Tambon Bang Pu Mai, Amphur Muang Samutprakan, Samutprakan.
- Branch 2 Sale office is located at 188/76 Sukhumvit Road, Tambon Maptaput, Amphur Muang Rayong, Rayong.
- Branch 3 The branch was registered to cancel on 26 December 2017.
- Branch 4 Manufacturing and distribution plant is located at 150 Moo 2, Tambon Mae Tang, Amphur Mae Tang, Chiangmai.

- Branch 5 Manufacturing and distribution plant is located at 1/1 Moo 8, Tambon Kok Raet, Amphur Kongkrailat, Sukhothai.
- Branch 6 Manufacturing and distribution plant is located at 150/1 Moo 2, Tambon Mae Tang, Amphur Mae Tang, Chiangmai.

1.2 Coronavirus disease 2019 Pandemic

A second wave of the Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. This situation significantly affects the Group's business activities in terms of the decrease in the customer sales of products under energy industries, chemical industries and refinery petrochemicals due to declining demand for products, resulting in a reduction of production capacity, a delay in investments or a business expansion of these industries. This is significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. The Group's management has continuously monitored ongoing developments 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

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of UAC Global Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2020</u> Percent	<u>2019</u> Percent
<u>Subsidiaries directly owned by the Company</u>				
UAC Utilities Company Limited	Production and distribution of tap water and related equipment	Thailand	70.00	99.99

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 Percent	2019 Percent
UAC & TPT Energy Company Limited	Production and distribution of Biogas used in power generation, transportation and various industries	Thailand	50.01	50.01
UAC Energy Company Limited	Generation and sales of electricity and alternative energy	Thailand	99.99	99.99
UAC Advance Polymer & Chemicals Company Limited	Production and distribution of chemical products used in general industries	Thailand	99.99	99.99
<u>Subsidiaries indirectly owned by the Company</u>				
Held through UAC & TPT Energy Company Limited				
UAC TPT Pellets Company Limited	Production and distribution of fuel briquette	Thailand	50.00	50.00
Held through UAC Energy Company Limited				
Solar Energy Roof Power Company Limited	Generation and sales of electricity and alternative energy	Thailand	99.98	99.98
UAC Top Energy Company Limited	Generation and sales of electricity and alternative energy	Thailand	99.99	99.99
Vientiane Waste Management Company Limited	Land development business for the construction of waste management plant to produce renewable energy	Lao People's Democratic Republic	50.01	50.01

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

caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.

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

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

3 New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. They also include stipulations regarding the presentation and disclosure of financial instruments.

The adoption of these standards has the impact on the Group's financial statements to result in the following adjustments.

- Classification and measurement of non-listed equity investments - The Group has decided to measure these investments at fair value and classify them as financial assets at fair value through other comprehensive income.
- Recognition of expected credit losses - The Group recognises an allowance for expected credit losses on its debt instruments measured at amortised cost or fair value through other comprehensive income and it is no longer necessary for a credit-impaired event to have occurred.
- Recognition of derivatives - The Group initially recognises derivatives at their fair value on the contract date and subsequently measures them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

TFRS 16 Leases

TFRS 16 supersedes TAS 17, Leases, together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to fair value measurement of investments in unquoted equity instruments and impairment of assets.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards of the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current year, the Group has adopted the set of financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
	The effect of			
	Financial reporting standards related			
	31 December	to financial		
Statement of financial position	2019	instruments	TFRS 16	1 January 2020
Assets				
Current assets				
Investments in trading securities	1,812	(1,812)	-	-
Other current financial assets	-	1,812	-	1,812
Other current assets	9,453	-	(521)	8,932

(Unit: Thousand Baht)

Consolidated financial statements				
	The effect of			
	Financial reporting standards related			
	31 December	to financial		
	2019	instruments	TFRS 16	1 January 2020
Non-current assets				
Other non-current financial assets	-	20,000	-	20,000
Other long-term investments	20,000	(20,000)	-	-
Property, plant and equipment	1,625,467	-	111,218	1,736,685
Other non-current assets	12,865	-	(3,747)	9,118
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	28,811	28,811
Current portion of long-term lease liabilities	24,510	-	(24,510)	-
Non-current liabilities				
Lease liabilities, net of current portion	-	-	122,866	122,866
Long-term lease liabilities, net of current portion	16,092	-	(16,092)	-
Other non-current financial liabilities	23,698	-	(4,125)	19,573

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2019	The effect of		1 January 2020
		Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Investments in trading securities	84	(84)	-	-
Other current financial assets	-	84	-	84
Non-current assets				
Property, plant and equipment	780,763	-	84,008	864,771
Other non-current assets	9,496	-	(3,747)	5,749
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	6,785	6,785
Current portion of long-term lease liabilities	4,072	-	(4,072)	-
Non-current liabilities				
Lease liabilities, net of current portion	-	-	85,611	85,611
Long-term lease liabilities, net of current portion	3,938	-	(3,938)	-
Other non-current financial liabilities	13,884	-	(4,125)	9,759

4.1 Financial instruments

As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

Consolidated financial statements					(Unit: Thousand Baht)
The former carrying amount	Classification and measurement in accordance with TFRS 9				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	
Financial assets as at 1 January 2020					
Cash and cash equivalents	40,460	-	40,460	40,460	
Other current financial assets	1,812	-	-	1,812	
Trade and other receivables	315,904	-	315,904	315,904	
Restricted bank deposits	30,089	-	30,089	30,089	
Other non-current financial assets	20,000	20,000	-	20,000	
Total financial assets	408,265	20,000	386,453	408,265	

(Unit: Thousand Baht)			
Separate financial statements			
The former carrying amount	Classification and measurement in accordance with TFRS 9		
	Fair value through profit or loss	Amortised cost	Total
Financial assets as at 1 January 2020			
Cash and cash equivalents	-	24,220	24,220
Other current financial assets	84	-	84
Trade and other receivables	-	219,456	219,456
Short-term loans to related parties	-	320,500	320,500
Restricted bank deposits	-	30,089	30,089
Total financial assets	84	594,265	594,349

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	110,792	78,731
Add: Option to extend	61,480	53,912
Less: Deferred interest expenses	(61,197)	(48,257)
Increase in lease liabilities due to TFRS 16 adoption	111,075	84,386
Liabilities under finance lease agreements as at 31 December 2019	40,602	8,010
Lease liabilities as at 1 January 2020	151,677	92,396
Weighted average incremental borrowing rate (percent per annum)	3.01 - 5.52	4.63 - 5.16
Comprise of:		
Current lease liabilities	28,811	6,785
Non-current lease liabilities	122,866	85,611
	151,677	92,396

5. Significant accounting policies

5.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon 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 and discounts.

Rendering of services

Service revenue from consulting is recognised at a point in time upon completion of the service.

Service revenue from construction is recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivables” in the statement of financial position. The amounts recognised as contract assets are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Advances received from customers” in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

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

5.3 Inventories

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

Raw materials and supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

5.4 Investments in subsidiaries and associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

5.5 Property, plant and equipment/Depreciation

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight line basis over the following estimated useful lives:

Buildings and building improvements	5 - 20 years
Machinery and equipment	5 - 20 years
Office equipment	5 years
Furniture and fixtures	5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised 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 derecognised.

5.6 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 capitalised 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.

5.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Customer relationship	6, 11 and 16 years
Formulas	6 years
Compensation for concession agreement	43 years

5.8 Goodwill

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

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or 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 cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.9 Leases

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, 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	10 - 26 years
Buildings	16 - 29 years
Machinery and equipment	2 - 15 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.

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

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

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 and the lease period.

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.

5.10 Related party transactions

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

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

5.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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.

5.12 Impairment of non-financial assets

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

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

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

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

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

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

5.14 Provisions

Provisions are recognised when the Group has 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.

5.15 Income tax

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

Current tax

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

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

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

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.16 Financial instruments

Accounting policies adopted since 1 January 2020

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

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

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

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

Accounting policies adopted before 1 January 2020

Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.17 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

5.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies 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 Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

- Level 1 - Use of quoted market prices in an 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 Group determines 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.

6. Significant accounting judgements and estimates

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

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Reduction of inventories to net realisable value

In determining a reduction of inventories to net realisable value, the management needs to make judgement and estimates based upon, among other things, slow-moving inventories and net realisable values.

Impairment of investments

The Group treats investments in subsidiary companies and associate companies as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

Deferred tax assets

Deferred tax assets are recognised 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 utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 11 - 20 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment, goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different cash-generating units, including a sensitivity analysis, are disclosed and further explained in Note 18.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

7. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated financial		Separate		Transfer pricing policy
	statements		financial statements		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of finished goods	-	-	18.91	30.28	Market prices
Interest income	-	-	14.78	15.93	5.38% and MLR - 0.75 per annum (2019: MLR - 0.75 per annum)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2020	2019	2020	2019	
Other income	-	-	3.32	1.07	Mutual agreed
Purchases of finished goods	-	-	0.48	0.81	Market prices
<u>Transactions with associate companies</u>					
Sales of finished goods	12.50	12.30	12.50	12.30	Market prices
Dividend income	-	-	143.56	-	As declared
Interest income	0.60	0.67	-	-	5.50% per annum (2019: 5.50% per annum)
Other income	2.40	1.67	2.40	1.67	Mutual agreed
Purchases of finished goods	14.49	24.66	14.47	24.63	Market prices
<u>Transactions with related parties</u>					
Purchases of equipment	18.11	2.67	-	-	Mutual agreed
Manufacturing expenses	0.10	0.13	-	-	Mutual agreed
Interest expenses	5.79	2.81	-	-	5.25% - 5.38% per annum and MLR - 0.75 per annum (2019: MLR - 0.75 per annum)
Management fee	2.01	2.18	1.91	1.71	Mutual agreed

The balances of the accounts as at 31 December 2020 and 2019 between the Group and those related parties are as follows:

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
<u>Trade and other receivables - related parties</u>					
(Note 9)		-	-	39,658	44,462
Subsidiaries		452	1,750	-	1,548
Associates					
Related companies (common directors)					
SBANG Sustainable Energies Limited		-	22,265	-	-
Other companies		17	-	-	-
Total trade and other receivables - related parties		469	24,015	39,658	46,010
<u>Trade and other payables - related parties (Note 20)</u>					
Subsidiaries		-	-	68	204
Associates		6,133	6,133	-	-
Related companies (common directors)					
SBANG Sustainable Energies Limited		57	18,978	-	-
Khouanemeung Group Company Limited		34,952	73,271	-	-
Other companies		27,482	13,996	13	1
Related individual (director of a subsidiary)		62	-	-	-
Total trade and other payables - related parties		68,686	112,378	81	205

Short-term loans to related parties

As at 31 December 2020 and 2019, the balance of loans to related parties and the movement are as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 December	during	during	31 December
Loans to related parties	Related by	2019	the year	the year	2020
PPWE Company Limited	Associate	11,000	-	(100)	10,900
Less: Allowance for expected credit losses					
(2019: Allowance for doubtful accounts)		(11,000)	-	(100)	(10,900)
Loans to related parties - net		-	-	-	-

(Unit: Thousand Baht)

		Separate financial statements			
Loans to related parties	Related by	Balance as at	Increase	Decrease	Balance as at
		31 December	during	during	31 December
		2019	the year	the year	2020
UAC & TPT Energy Company Limited	Subsidiary	101,500	2,500	-	104,000
UAC Energy Company Limited	Subsidiary	86,000	128,000	(83,000)	131,000
Solar Energy Roof Power Company Limited	Subsidiary	6,000	-	-	6,000
UAC Advance Polymer & Chemicals Company Limited	Subsidiary	127,000	49,000	(147,000)	29,000
Total		320,500	179,500	(230,000)	270,000

Short-term loans to related parties are in form of promissory notes, unsecured and due within six months, carrying interest at rates of 5.38 to 5.50 and MLR - 0.75 percent per annum.

Short-term loans from related parties

As at 31 December 2020 and 2019, the balance of loans from related parties and the movement are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements			
Loans from related parties	Related by	Balance as at	Increase	Decrease	Balance as at
		31 December	during	during	31 December
		2019	the year	the year	2020
TPT Thepprathanporn Company Limited	Common director	100,500	3,500	-	104,000
Related individual	Director of a subsidiary	-	129,700	(129,700)	-
Total		100,500	133,200	(129,700)	104,000

Short-term loans from related parties are in form of promissory notes, unsecured and due within six months, carrying interest at rates of 5.38 and MLR - 0.75 percent per annum.

Set out below is the movement in the allowance for expected credit losses of loans to related parties and accrued interest receivables.

	(Unit: Thousand Baht)
	Consolidated financial statements
As at 1 January 2020	11,000
Amount recovered	(100)
As at 31 December 2020	10,900

Directors and management's benefits

For the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Short-term employee benefits	32,556	36,708	21,129	25,417
Post-employment benefits	1,999	3,843	1,434	3,340
Total	34,555	40,551	22,563	28,757

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 34.5 to the consolidated financial statements.

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash	181	152	71	31
Bank deposits	64,441	29,136	24,830	14,679
Cheques on hand	11,929	11,172	11,370	9,510
Total	76,551	40,460	36,271	24,220

As at 31 December 2020, bank deposits in saving accounts and fixed deposits carried interests between 0.04 and 1.25 percent per annum (2019: between 0.04 and 1.00 percent per annum).

9. Trade and other receivables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2020	2019	2020	2019
<u>Trade receivables - related parties (Note 7)</u>				
Aged on the basis of due dates				
Not yet due	-	-	772	2,111
Past due				
Up to 3 months	-	1,548	4,224	7,582
3 - 6 months	-	-	-	8,618
6 - 12 months	-	-	-	5,276
Total trade receivables - related parties	-	1,548	4,996	23,587
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Unbilled	8,662	8,027	6,530	4,119
Not yet due	105,510	140,552	62,412	83,423
Past due				
Up to 3 months	57,780	94,180	43,338	71,775
3 - 6 months	25	1,099	25	1,099
6 - 12 months	11,870	516	11,870	93
Over 12 months	2,609	1,726	513	-
Total	186,456	246,100	124,688	160,509
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(1,726)	(877)	-	-
Total trade receivables - unrelated parties, net	184,730	245,223	124,688	160,509
Total trade receivables - net	184,730	246,771	129,684	184,096
<u>Other receivables - related parties (Note 7)</u>				
Other receivables	1,173	23,421	3,173	2,028
Interest receivables	452	202	32,645	21,551
Total	1,625	23,623	35,818	23,579
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(1,156)	(1,156)	(1,156)	(1,156)
Total other receivables - related parties, net	469	22,467	34,662	22,423
<u>Other receivables - unrelated parties</u>				
Other receivables	46,037	49,515	12,232	14,786
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(2,849)	(2,849)	(1,849)	(1,849)
Total other receivables - unrelated parties, net	43,188	46,666	10,383	12,937
Total other receivables - net	43,657	69,133	45,045	35,360
Total trade and other receivables - net	228,387	315,904	174,729	219,456

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
As at 1 January 2020	4,882	3,005
Provision for expected credit losses	849	-
As at 31 December 2020	5,731	3,005

10. Inventories

	(Unit: Thousand Baht) Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	99,338	129,337	(4,547)	(5,906)	94,791	123,431
Raw materials	17,820	17,240	(1,161)	(1,180)	16,659	16,060
Supplies	16,093	15,312	(638)	(188)	15,455	15,124
Goods in transit	23,591	10,680	-	-	23,591	10,680
Total	156,842	172,569	(6,346)	(7,274)	150,496	165,295

	(Unit: Thousand Baht) Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	73,640	104,001	(3,999)	(4,711)	69,641	99,290
Raw materials	441	1,140	-	-	441	1,140
Supplies	11,028	10,561	(638)	(188)	10,390	10,373
Goods in transit	21,387	10,680	-	-	21,387	10,680
Total	106,496	126,382	(4,637)	(4,899)	101,859	121,483

During the current year, the Group reduced cost of inventories by Baht 0.67 million (2019: Baht 4.44 million) (the Company only: Baht 0.45 million (2019: Baht 4.12 million)), to reflect the net realisable value. This was included in administrative expenses. In addition, the Group reversed the write-down of cost of inventories by Baht 1.60 million (2019: Baht 1.57 million) (the Company only: Baht 0.71 million (2019: Baht 1.57 million)), and reduced the amount of inventories recognised as expenses during the year.

11. Other current financial assets

	(Unit: Thousand Baht)	
	31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
<u>Financial assets at FVTPL</u>		
Investments in the units of debt securities		
open-ended fund	1,823	85
Total other current financial assets	1,823	85

The investments in the units of debt securities open-ended fund represents investments in the units of money market fund of a financial institution, which are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in unit trusts has been determined by using the net asset value.

12. Restricted bank deposits

As at 31 December 2020, the outstanding balance amounting to Baht 30.7 million (2019: Baht 30.1 million) (the Company only: Baht 30.4 million (2019: Baht 30.1 million)) represents fixed deposits which are pledged as collateral for long-term loans in accordance with loans agreements made with a financial institution. Under such loan agreements, the Company must deposit fixed deposits and pledged as collateral for long-term loans on the borrowing date at amount of Baht 4 million and gradually increase its fixed deposits as collateral for long-term loans on a monthly basis of Baht 2 million till Baht 30 million.

13. Other non-current financial assets

	(Unit: Thousand Baht)
	31 December 2020
	Consolidated
	financial statements
<u>Financial assets at FVOCI</u>	
Equity instruments designated at FVOCI include	
non-listed equity investments	
Odin Power Company Limited	20,000
Total other non-current financial assets	20,000

Equity instruments designated at FVOCI include non-listed equity investments which a subsidiary invested in ordinary shares of Odin Power Company Limited, representing 10% of the registered share capital of such company and are stated at fair value using inputs of Level 3 which is use of unobservable inputs such as estimated of future cash flows. Odin Power Company Limited is principally engaged in investment in alternative energy power plant.

14. Investments in subsidiaries

14.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)										
Company's name	Paid-up capital		Shareholding		Cost		Provision for		Carrying amounts	
			percentage				impairment	based on		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
			(%)	(%)						
UAC Utilities										
Company Limited	47,500	30,000	70.00	99.99	36,668	26,668	(4,326)	(4,326)	32,342	22,342
UAC & TPT Energy										
Company Limited	99,600	99,600	50.01	50.01	49,809	49,809	-	-	49,809	49,809
UAC Energy										
Company Limited	200,000	200,000	99.99	99.99	200,000	200,000	(24,117)	(24,117)	175,883	175,883
UAC Advance										
Polymer &										
Chemicals										
Company Limited	180,000	180,000	99.99	99.99	180,000	180,000	-	-	180,000	180,000
Total investments in subsidiaries										
- net					466,477	456,477	(28,443)	(28,443)	438,034	428,034

14.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Thousand Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Loss allocated to non-controlling interests during the year	
	2020	2019	2020	2019	2020	2019
	(%)	(%)				
Subsidiary held by the Company						
UAC & TPT Energy Company Limited	49.99	49.99	19,778	27,895	(8,117)	(5,155)
Subsidiary held by UAC Energy Company Limited						
Vientiane Waste Management Company Limited	49.99	49.99	59,565	23,517	(3,860)	(5,124)

14.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Thousand Baht)

	UAC & TPT Energy Company Limited		Vientiane Waste Management Company Limited	
	2020	2019	2020	2019
Current assets	18,620	18,620	9,605	23,958
Non-current assets	290,091	290,091	157,890	131,671
Current liabilities	255,905	238,356	44,905	93,812
Non-current liabilities	13,250	10,010	-	-

Summarised information about comprehensive income

	UAC & TPT Energy		Vientiane Waste Management	
	Company Limited		Company Limited	
	2020	2019	2020	2019
Revenue	24	11	127	4
Loss	(16,145)	(10,612)	(7,721)	(10,251)
Total comprehensive income	(16,238)	(10,612)	(7,721)	(10,251)

Summarised information about cash flow

	UAC & TPT Energy		Vientiane Waste Management	
	Company Limited		Company Limited	
	2020	2019	2020	2019
Cash flow from (used in) operating activities	(4,622)	(4,721)	(40,533)	9,056
Cash flow used in investing activities	(937)	(3,261)	(17,543)	(57,809)
Cash flow from financing activities	6,000	8,000	61,434	50,381
Increase (decrease) in translation adjustments	-	-	4,490	(598)
Effects of exchange rates on cash and cash equivalents	-	-	123	13
Net increase in cash and cash equivalents	441	18	7,971	1,043

Movements of the investments in subsidiaries during the year ended 31 December 2020 are summarised below.

Subsidiaries held by the Company

UAC Utilities Company Limited

On 1 June 2020, the Extraordinary General Meeting of the shareholders of UAC Utilities Company Limited No. 1/2020 passed a resolution to approve an increase in its registered share capital from Baht 30 million to Baht 100 million through the issuance of 700,000 ordinary shares with a par value of Baht 100 per share. UAC Utilities Company Limited registered the additional share capital with the Ministry of Commerce on 5 June 2020 and called up 25 percent of its registered share capital. The Company invested in the additional share capital of 400,004 ordinary shares and paid in capital totaling Baht 10 million. As a result, the Company's interest in such company decreased from 99.99 percent to 70.00 percent.

Subsidiaries held through UAC Energy Company Limited

Vientiane Waste Management Company Limited

On 3 June 2019, UAC Energy Company Limited, a subsidiary of the Company, registered the incorporation of a subsidiary in the Lao People's Democratic Republic under the name of Vientiane Waste Management Company Limited, to engage in land development business for the construction of waste management plant to produce renewable energy and recyclable products in the Lao People's Democratic Republic with a registered share capital of LAK 72,900 million (36.45 million ordinary shares with a par value of LAK 2,000 each). The subsidiary holds 50.01 percent interest in such company. During the year 2020, UAC Energy Company Limited made payments for the share subscription of such company amounting to LAK 7,800.23 million (or equivalent to Baht 24.11 million) and LAK 12,760.05 million (or equivalent to Baht 44.00 million) during 2019.

At present, Vientiane Waste Management Company Limited has not fully called up the registered share capital.

15. Investments in associates

15.1 Details of associates

							(Unit: Thousand Baht)	
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method		Cost	
			2020 (%)	2019 (%)	2020	2019	2020	2019
Associate directly held by the Company								
Bangchak Biofuel Company Limited	Manufacturing and distributing biodiesel	Thailand	30.00	30.00	420,148	300,639	111,051	111,051
Associates held through UAC Energy Company Limited								
Sebigas UAC Company Limited	Construction	Thailand	-	49.00	-	-	-	-
PPWE Company Limited	Investment in energy business	Thailand	49.98	49.98	-	-	-	-
Enerray UAC (Thailand) Company Limited	Construction	Thailand	25.00	25.00	-	-	-	-

(Unit: Thousand Baht)								
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method		Cost	
			2020 (%)	2019 (%)	2020	2019	2020	2019
Odin Myanmar Company Limited	Investment in alternative energy power plant	Thailand	40.00	40.00	302	307	-	-
Total					420,450	300,946	111,051	111,051

15.2 Share of comprehensive income and dividend received

During the years, the Group has recognised its share of profit (loss) from investments in associate companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)						
Associates	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Dividend received by the Group during the year	
	2020	2019	2020	2019	2020	2019
Bangchak Biofuel Company Limited	263,074	72,506	-	-	143,565	-
Odin Myanmar Company Limited	(5)	-	-	-	-	-
Total	263,069	72,506	-	-	143,565	-

15.3 Summarised financial information about material associates

Summarised information about financial position

(Unit: Thousand Baht)

	Bangchak Biofuel Company Limited	
	<u>2020</u>	<u>2019</u>
Current assets	1,296,271	1,107,994
Non-current assets	2,119,317	2,081,886
Current liabilities	847,530	1,451,317
Non-current liabilities	1,229,635	798,503
Net assets	1,338,423	940,060
Shareholding percentage (%)	30%	30%
Share of net assets	401,527	282,018
Goodwill	18,621	18,621
Carrying amounts of associates based on equity method	420,148	300,639

Summarised information about comprehensive income

(Unit: Thousand Baht)

	For the year ended 31 December	
	Bangchak Biofuel Company Limited	
	<u>2020</u>	<u>2019</u>
Revenue	8,146,525	5,876,568
Profit	876,913	241,688
Total comprehensive income	876,913	241,688

15.4 Investments in associates with capital deficit

The Group recognised share of losses from investment in 2 associates (2019: 3 associates), as listed below, until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognised in the Group's accounts since the Group has no obligations, whether legal or constructive, to make any payments on behalf of those associates.

The amount of such unrecognised share of losses is set out below.

Company's name	(Unit: Thousand Baht)			
	Unrecognised share of losses			
	Share of profit (losses)		Cumulative share of	
	during the years		profit (losses) up to	
	2020	2019	2020	2019
Sebigas UAC Company Limited	-	(2,592)	-	(15,789)
PPWE Company Limited	(291)	(4,114)	(11,688)	(11,397)
Enerray UAC (Thailand) Company Limited	(474)	1,121	(422)	52
Total	(765)	(5,585)	(12,110)	(27,134)

Movements of the investment in associate during the year ended 31 December 2020 is summarised below.

Associate held through UAC Energy Company Limited

Sebigas UAC Company Limited

On 14 October 2020, the Board of Directors' Meeting of UAC Energy Company Limited, a subsidiary of the Company, passed a resolution to approve the sale of its total 68,600 ordinary shares in Sebigas UAC Company Limited with a par value of Baht 100 per share, at a price of Baht 0.10 per share, accounting for 4.9% of the issued shares in this company or a total of Baht 6,860 to an individual.

16. Property, plant and equipment

	(Unit: Thousand Baht)			
	Consolidated	financial	Separate	financial
	statements		statements	
	2020	2019	2020	2019
Net book value				
Property, plant and equipment	1,536,618	1,625,467	725,776	780,763
Right-of-use assets (Note 22.1)	101,517	-	78,187	-
Total	1,643,135	1,625,467	803,963	780,763

Movements of the property, plant and equipment accounts during the year ended 31 December 2020 and 2019 are summarised below:

	Consolidated financial statements							(Unit: Thousand Baht)
	Land and land improvements	Buildings and building improvements	Machinery and equipment	Office equipment	Furniture and fixtures	Motor vehicles	Assets under construction	
Cost:								
1 January 2019	87,196	178,198	1,512,940	20,143	10,206	45,104	341,008	2,194,795
Additions	41	2,371	12,904	1,193	689	6,080	9,446	32,724
Disposals/write-off	-	(4,214)	(212)	(398)	(25)	(5,400)	-	(10,249)
Transfer in (out)	-	21,507	57,802	(2,211)	-	-	(77,098)	-
31 December 2019	87,237	197,862	1,583,434	18,727	10,870	45,784	273,356	2,217,270
Additions	6,718	456	3,439	376	241	2,900	2,181	16,311
Disposals/write-off	(41)	-	(712)	(236)	(19)	(3,849)	-	(4,857)
Transfer in (out)	-	472	511	44	(27)	-	(1,000)	-
31 December 2020	93,914	198,790	1,586,672	18,911	11,065	44,835	274,537	2,228,724
Accumulated depreciation:								
1 January 2019	-	47,126	335,003	16,828	6,864	21,690	-	427,511
Depreciation for the year	-	10,473	85,621	1,253	1,307	5,204	-	103,858
Depreciation on disposal/write-off	-	(1,523)	(104)	(390)	(19)	(3,240)	-	(5,276)
Transfer in (out)	-	30	2,086	(2,116)	-	-	-	-
31 December 2019	-	56,106	422,606	15,575	8,152	23,654	-	526,093
Depreciation for the year	-	9,816	86,630	1,095	1,286	4,694	-	103,521
Depreciation on disposal/write-off	-	-	(389)	(236)	(16)	(3,849)	-	(4,490)
Transfer in (out)	-	-	-	7	(7)	-	-	-
Translation adjustment	-	-	-	(2)	(1)	-	-	(3)
31 December 2020	-	65,922	508,847	16,439	9,414	24,499	-	625,121

(Unit: Thousand Baht)

Consolidated financial statements

[illegible]

(Unit: Thousand Baht)

	Separate financial statements							Total
	Land and land improvements	Buildings and building improvements	Machinery and equipment	Office equipment	Furniture and fixtures	Motor vehicles	Assets under construction	
Cost:								
1 January 2019	15,246	82,738	1,044,787	17,653	4,126	32,747	89	1,197,386
Additions	-	1,230	7,368	680	323	6,080	4,290	19,971
Write-off	-	-	(78)	(347)	-	(5,400)	-	(5,825)
Transfer in (out)	-	106	6,312	(2,210)	-	-	(4,208)	-
31 December 2019	15,246	84,074	1,058,389	15,776	4,449	33,427	171	1,211,532
Additions	6,718	227	1,505	367	10	2,900	514	12,241
Disposals/write-off	-	-	(103)	(236)	-	-	-	(339)
Transfer in (out)	-	155	348	4	7	-	(514)	-
31 December 2020	21,964	84,456	1,060,139	15,911	4,466	36,327	171	1,223,434
Accumulated depreciation:								
1 January 2019	-	27,518	264,004	15,097	3,945	13,927	-	324,491
Depreciation for the year	-	4,637	57,244	1,114	58	2,732	-	65,785
Depreciation on disposals/write-off	-	-	(22)	(338)	-	(3,240)	-	(3,600)
Transfer in (out)	-	-	2,117	(2,117)	-	-	-	-
31 December 2019	-	32,155	323,343	13,756	4,003	13,419	-	386,676
Depreciation for the year	-	4,763	58,460	919	101	2,956	-	67,199
Depreciation on disposals/write-off	-	-	(74)	(236)	-	-	-	(310)
31 December 2020	-	36,918	381,729	14,439	4,104	16,375	-	453,565

[illegible]

- 16.1 As at 31 December 2020, a subsidiary had an outstanding balance of power plant under construction amounting to Baht 283.43 million (2019: Baht 282.14 million). The construction has been financed with a loan from a related company. No borrowing costs were capitalised during the year ended 31 December 2020. (2019: Baht 2.65 million The weighted average rate of 5.50% has been used to determine the amount of borrowing costs eligible for capitalisation).
- 16.2 As at 31 December 2020, the Company's plant at cost of Baht 64.21 million (2019: Baht 83.64 million) are constructed on leasehold land (Note 22).
- 16.3 As at 31 December 2020, machinery and equipment at cost of Baht 953.71 million (2019: Baht 953.12 million) (the Company only: Baht 536.70 million (2019: Baht 536.70 million)) are pledged as collateral for bank overdrafts and short-term loans from financial institutions (Note 19) and long-term loans (Note 21).
- 16.4 As at 31 December 2020, machinery and equipment of a subsidiary at cost of Baht 201.61 million (2019: Baht 201.61 million) are pledged as collateral for liabilities under lease agreements (Note 22).
- 16.5 As at 31 December 2020, the Group has certain items of plant and equipment that were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 130.44 million (2019: Baht 51.79 million) (the Company only: Baht 75.29 million (2019: Baht 39.37 million)).

17. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Customer relationship	Formulas	Compensation for concession agreement	Construction in progress under concession agreement	Software under development	Total
As at 31 December 2020:						
Cost	127,000	18,000	130,411	24,435	2,589	302,435
Less: Accumulated amortisation	(50,346)	(17,000)	-	-	-	(67,346)
Net book value	<u>76,654</u>	<u>1,000</u>	<u>130,411</u>	<u>24,435</u>	<u>2,589</u>	<u>235,089</u>
As at 31 December 2019:						
Cost	127,000	18,000	130,411	-	-	275,411
Less: Accumulated amortisation	(41,461)	(14,000)	-	-	-	(55,461)
Net book value	<u>85,539</u>	<u>4,000</u>	<u>130,411</u>	<u>-</u>	<u>-</u>	<u>219,950</u>

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
Book value as at beginning of the year	219,950	101,424
Acquisition during the year	27,024	130,411
Amortisation during the year	(11,885)	(11,885)
Book value as at end of the year	235,089	219,950

The compensation for concession agreement of Vientiane Waste Management Company Limited, a subsidiary of the group company, represents the compensation that such subsidiary paid to a shareholder of subsidiary as stipulated in the share subscription and shareholders' agreement to obtain the right to operate the land development business for the construction of waste management plant in the Lao People's Democratic Republic under the concession agreement. The concession agreement has a period of 45 years starting from the concession agreement date. During the current period, the amortisation of the compensation for concession agreement has not stated due to the project is under construction.

Such subsidiary has a commitment to pay the concession fee for land and waste landfills for the construction of waste management plant to produce renewable energy and recyclable products to the Government of the Lao People's Democratic Republic commencing from the concession agreement date for each period at the rate specified in the concession agreement.

18. Goodwill

A subsidiary has determined the recoverable amounts of its cash-generating units based on value in use using cash flows projections from financial estimation approved by management covering a 10 years period due to the additional investments in property, plant and equipment of the subsidiary.

Key assumptions used in value in use calculations are as follows:

	(Unit: Percent per annum)	
	Year 2021	Year 2022 - 2030
Growth rate	26.45	5.00
Pre-tax discount rate	6.54	6.54

The management considered the growth rate based on past performance and the expectations of the market growth, and a pre-tax discount rate that reflects the risks specific to the asset. The management believes that goodwill is not impaired.

19. Bank overdrafts and short-term loans from financial institutions

		(Unit: Thousand Baht)			
	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Bank overdrafts	MOR	-	1,148	-	-
Short-term loans	MMR and 5.50	101,300	62,400	-	20,000
Trust receipts	MMR	-	48,578	-	48,578
Total		101,300	112,126	-	68,578

19.1 As at 31 December 2020, bank overdrafts and short-term loans from financial institutions of the Company has no collateral.

19.2 As at 31 December 2020, bank overdrafts and short-term loans from financial institutions of a subsidiary are secured by the mortgage of a subsidiary's land and structures thereon and machinery and guaranteed by the Company.

20. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Trade payables - related parties (Note 7)		3	-	68	204
Trade payables		130,073	129,204	86,931	77,946
Other payables - related parties (Note 7)		54	19,349	4	-
Other payables		12,981	13,197	10,937	7,654
Other payables for purchases of equipment					
- related parties (Note 7)		22,970	14,929	-	-
Other payables for purchases of equipment		1,311	3,458	45	1,023
Payables for compensation of concession					
agreement - related parties (Note 7)		34,934	72,899	-	-
Accrued expenses - related parties (Note 7)		10,725	5,201	9	1
Accrued expenses		20,434	20,511	14,556	15,783
Total trade and other payables		233,485	278,748	112,550	102,611

21. Long-term loans

			(Unit: Thousand Baht)			
Loan	Interest rate (% per annum)	Repayment schedule	Consolidated		Separate	
			financial statements	financial statements	financial statements	financial statements
			2020	2019	2020	2019
1	MLR - 2.75	45 monthly installments as from August 2018	130,710	170,554	130,710	170,554
2	MLR - 1.25	111 monthly installments as from May 2015	-	197,290	-	-
3	MLR - 1.25	84 monthly installments as from April 2018	-	83,228	-	-
4	MLR - 1.25	84 monthly installments as from March 2018	-	33,553	-	-
5	MLR - 1.25	84 monthly installments as from September 2015	5,706	9,555	-	-
6	MLR - 1.75	96 monthly installments as from May 2020	307,023	-	-	-
7	2.00 and MLR	36 monthly installments as from April 2022	20,000	-	20,000	-
Total			463,439	494,180	150,710	170,554
Less: Current portion			(148,846)	(231,666)	(81,240)	(120,709)
Long-term loans, net of current portion			314,593	262,514	69,470	49,845

Movements of the long-term loans accounts during the year ended 31 December 2020 are summarised below:

			(Unit: Thousand Baht)	
			Consolidated	Separate
			financial statements	financial statements
Balance as at 1 January 2020			494,180	170,554
Add: Additional borrowings during the year			330,673	20,000
Less: Repayment of long-term loans during the year			(361,414)	(39,844)
Balance as at 31 December 2020			463,439	150,710

Long-term loan No. 1 is secured by the restricted bank deposits (Note 12) and the mortgage of machinery (Note 16.3). Under the loan agreements, the Company is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the ratio of Funded Debt/EBITDA.

Long-term loan No. 2 - 4 are secured by the mortgage of a subsidiary's land and structures thereon and machinery (Note 16.3) and guaranteed by the Company. Under the loan agreements, a subsidiary is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the debt to equity ratio, debt service coverage ratio.

Long-term loan No. 5 is secured by the mortgage of a subsidiary's machinery and equipment of the rooftop solar power plant (Note 16.3), a subsidiary's leasehold rights under the rooftop lease agreement, and guaranteed by the Company. Under the loan agreements, the subsidiary is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the debt to equity ratio, debt service coverage ratio.

Long-term loan No. 6 is secured by the mortgage of a subsidiary's land and structures thereon and machinery (Note 16.3) and guaranteed by the Company. Under the loan agreements, a subsidiary is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the debt to equity ratio, debt service coverage ratio.

Long-term loan No. 7 has no collateral. Under the loan agreements, the Company is required to comply with certain financial conditions and restrictions as prescribed in the agreements such as maintaining the debt to equity ratio, debt service coverage ratio.

22. Leases

22.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2 - 26 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land	Buildings	Machinery and equipment	Total
1 January 2020	39,331	62,581	9,306	111,218
Additions	3,094	-	780	3,874
Disposals	(1,217)	-	(575)	(1,792)
Depreciation for the year	(2,053)	(3,623)	(1,126)	(6,902)
Depreciation on write-off	73	-	46	119
31 December 2020	39,228	58,958	8,331	106,517

(Unit: Thousand Baht)

	Separate financial statements			
	Land	Buildings	Machinery and equipment	Total
1 January 2020	38,977	37,583	7,448	84,008
Disposals	(1,217)	-	-	(1,217)
Depreciation for the year	(1,905)	(2,253)	(519)	(4,677)
Depreciation on disposals	73	-	-	73
31 December 2020	35,928	35,330	6,929	78,187

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Lease payments	185,928	42,272	131,315	8,341
Less: Deferred interest expenses	(57,982)	(1,670)	(44,052)	(331)
Total	127,946	40,602	87,263	8,010
Less: Portion due within one year	(23,755)	(24,510)	(9,924)	(4,072)
Lease liabilities - net of current portion	104,191	16,092	77,339	3,938

A maturity analysis of lease payments is disclosed in Note 36.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	6,902	4,677
Interest expense on lease liabilities	5,546	4,136
Expense relating to short-term leases	442	-

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 34.61 million, including the cash outflow related to short-term lease, leases of low-value assets. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 3.87 million.

23. Debentures

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Debentures	300,000	400,000	300,000	400,000
Less: Current portion of debentures	-	(400,000)	-	(400,000)
Debentures, net of current portion	300,000	-	300,000	-

Movements in the debentures account during the year ended 31 December 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2020	400,000	400,000
Add: Issuance of debentures during the year	300,000	300,000
Less: Repayment debentures during the year	(400,000)	(400,000)
Balance as at 31 December 2020	<u>300,000</u>	<u>300,000</u>

On 12 June 2020, the Company paid Baht 400 million of debentures that bear interest at a rate of 5.50 percent per annum. This was a scheduled redemption payment for these debentures.

On 18 June 2020, the Company issued registered, unsubordinated and unsecured debentures amounting to Baht 300 million. These debentures, which have debenture holders' representative, were offered to institutional investors and major investors. Interest is payable every three months. The significant details are as follows:

<u>Issue date</u>	<u>Units</u>	<u>Par value per unit</u>	<u>Total value</u>	<u>Interest rate</u>	<u>Maturity date</u>
		(Baht)	(Million Baht)	(% per annum)	
18 June 2020	300,000	1,000	300	5.50	18 June 2022

The conditions regarding the rights and obligations of the debenture issuer stipulate certain covenants, pertaining to matters such as maintaining the net debt to equity ratio at the end of period not exceed 3.0:1.

24. Provision for long-term employee benefits

Provision for long-term employee benefits was as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits				
at beginning of year	21,349	19,382	18,231	17,234
Included in profit or loss:				
Current service cost	2,969	2,630	2,127	1,796
Interest cost	411	504	355	451
Past service costs and gains or losses on settlement	-	3,824	-	3,741
Included in other comprehensive income:				
Actuarial loss arising from				
Financial assumptions changes	1,251	-	1,808	-
Benefits paid during the year	(143)	(4,991)	(143)	(4,991)
Provision for long-term employee benefits at end of year	25,837	21,349	22,378	18,231

The Group expects to pay Baht 5.30 million of long-term employee benefits during the next year (Separate financial statements: Baht 5.30 million) (2019: Baht 0.05 million, separate financial statements: Baht 0.05 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 13 to 22 years (Separate financial statements: 13 years) (2019: 13 to 25 years, separate financial statements: 14 years).

Significant actuarial assumptions are summarised below:

	Consolidated		(Unit: Percent per annum)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.41% - 2.29%	2.38% - 3.13%	1.41% - 1.43%	2.30%, 2.71%
Salary increase rate	3.00% - 5.00%	5.00%	3.00% - 5.00%	5.00%
Turnover rate	0.00% - 26.00%	0.00% - 22.00%	0.00% - 16.00%	0.00% - 21.00%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(1,047)	1,020	(887)	949
Salary increase rate	1,118	(1,054)	950	(896)
Turnover rate	Increase 10.0%	Decrease 10.0%	Increase 10.0%	Decrease 10.0%
	(425)	474	(308)	339

(Unit: Thousand Baht)

	As at 31 December 2019			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(959)	1,026	(831)	889
Salary increase rate	1,135	(1,065)	984	(923)
Turnover rate	Increase 10.0%	Decrease 10.0%	Increase 10.0%	Decrease 10.0%
	(394)	443	(302)	335

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

26. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salaries and wages and other employee benefits	117,228	116,867	84,613	82,663
Directors and management's benefits (Note 7)	34,555	40,551	22,563	28,757
Depreciation (Notes 16 and 22)	110,423	103,858	71,876	65,785
Loss on impairment of property, plant and equipment (reversal) (Note 16)	1,275	8,515	-	(1,785)
Amortisation expenses (Note 17)	11,885	11,885	-	-
Rental expenses from operating lease agreements	442	11,514	-	7,793
Raw materials and consumables used	168,415	233,957	51,746	63,049
Changes in inventories of finished goods	28,641	(761)	29,649	(2,993)
Commission expenses	5,058	7,548	4,912	7,086

27. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge for the years	7,605	30,333	6,541	30,221
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,182)	(8,884)	(3,184)	(4,719)
Income tax expenses reported in profit or loss	<u>3,423</u>	<u>21,449</u>	<u>3,357</u>	<u>25,502</u>

Income tax amounts related to components of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax on actuarial losses	231	-	361	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	262,463	175,017	159,408	127,379
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	52,493	35,003	31,882	25,476
Effects of:				
Promotional privileges (Note 28)	(6,839)	(6,626)	-	-
Share of profit from investments in associates	(52,614)	(14,501)	-	-
Dividend income from associates	-	-	(28,713)	-
Non-deductible expenses	606	858	456	553
Additional expense deductions allowed	(272)	(531)	(268)	(527)
Deductible temporary difference and tax losses which were not recognised as deferred tax assets during the year	9,671	6,882	-	-
Others	378	364	-	-
Total	(49,070)	(13,554)	(28,525)	26
Income tax expense reported in profit or loss	3,423	21,449	3,357	25,502

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	340	170	-	-
Allowance for diminution in value of inventories	1,259	1,444	927	980
Provision for impairment of investments	-	-	5,689	5,689
Provision for impairment of assets	13,397	13,142	8,818	8,818
Provision for long-term employee benefits	5,095	4,231	4,476	3,646
Deferred subsidy income	1,786	1,952	1,786	1,952
Lease agreements	26	-	-	-
Unused tax loss	10,867	10,725	-	-
Total	32,770	31,664	21,696	21,085
Deferred tax liabilities				
Fair value of inventories through business acquisition	17	17	-	-
Fair value of property, plant and equipment through				
business acquisition	7,652	8,114	-	-
Intangible assets acquired through business				
acquisition	15,531	17,908	-	-
Lease agreements	33,149	33,618	25,271	28,206
Total	56,349	59,657	25,271	28,206

As at 31 December 2020, the subsidiaries have deductible temporary differences and unused tax losses totaling Baht 84.12 million (2019: Baht 46.14 million), on which deferred tax assets have not been recognised as the subsidiaries believe that 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 loss are summarised as below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
31 December 2019	-	1,791
31 December 2020	3,976	3,894
31 December 2021	3,731	3,731
31 December 2022	12,471	12,471
31 December 2023	11,094	11,062
31 December 2024	65,935	65,935
31 December 2025	40,451	-
31 December 2028	880	880
	<u>138,538</u>	<u>99,764</u>

28. Promotional privileges

The Company and 4 subsidiaries were granted investment promotional privileges by the Board of Investment (BOI). Significant tax privileges granted to the companies are summarised below.

	Exemption from corporate income tax for 8 years commencing from	50 percent reduction of corporate income tax rate for 5 years commencing from
UAC Global Public Company Limited		
Production of Compressed Bio Gas	8 August 2013	7 August 2021
Production of Compressed Natural Gas, Liquefied Petroleum Gas, and Natural Gas Liquid	17 January 2014	-
Production of Compressed Bio Gas	31 January 2016	30 January 2024
UAC Advance Polymer & Chemicals Company Limited		
Production of polymer solution and polymer emulsion	19 December 2017	-
UAC Energy Company Limited		
Production of electricity	26 January 2012	-
Production of electricity from solar rooftop energy	22 June 2015	21 June 2023
Solar Energy Roof Power Company Limited		
Production of electricity from solar rooftop energy	29 July 2015	28 July 2023
UAC & TPT Energy Company Limited		
Production of Compressed Bio Gas	Not yet commenced operation	Not yet commenced operation

The amount of exempted income tax shall not exceed investment amount excluding the cost of land and working capital for the production of Compressed Natural Gas, Liquefied Petroleum Gas and Natural Gas Liquid and the production of polymer solution and polymer emulsion.

As a BOI promoted company, the Group must comply with certain conditions and restrictions stipulated in the investment promotion certificates.

The Group's operating revenues for the years ended 31 December 2020 and 2019, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2020	2019	2020	2019	2020	2019
Sales and service income						
Domestic	299,835	443,352	907,003	2,366,817	1,206,838	2,810,169
Export	19,567	16,697	42,822	45,093	62,389	61,790
Total sales and service income	319,402	460,049	949,825	2,411,910	1,269,227	2,871,959

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2020	2019	2020	2019	2020	2019
Sales and service income						
Domestic	105,731	156,342	819,266	2,291,125	924,997	2,447,467
Export	-	-	39,247	42,617	39,247	42,617
Total sales and service income	105,731	156,342	858,513	2,333,742	964,244	2,490,084

29. Warrants

The Board of Directors' Meeting of the Company No. 5/2018 dated 11 May 2018 approved the issued and offered 66,761,000 of warrants (UAC-W2) to the existing shareholders free of charge, in a ratio of 1 warrant for every 10 existing shares. These warrants can be exercised for a period of 2 years from the issue date with an exercise ratio of 1 warrant per 1 ordinary share and an exercise price of Baht 5.55 per share. Warrant holders can exercise the warrants on the last working day of each quarter-end until the maturity date. The result of warrants allocation of UAC-W2 on 2 July 2018 were 66,759,974 units.

In June 2020, the UAC-W2 warrant holders exercised 898 warrants to purchase 898 newly issued ordinary shares with a par value of Baht 0.50 each, at an exercise price of Baht 5.55 per share. The Company received the cash of Baht 4,984 from the exercise of the warrants and registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 13 July 2020.

UAC-W2 Warrants expired on 30 June 2020, which coincides with the final exercise date. The 66,759,076 unexercised warrants are expired.

30. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the year attributable to equity holder (Thousand Baht)	271,172	163,878	156,051	101,876
Weighted average number of ordinary shares (Thousand shares)	667,606	667,605	667,606	667,605
Earnings per share (Baht)	0.406	0.245	0.234	0.153

Exercise prices of the warrants to purchase the ordinary shares of the Company (UAC-W2) were higher than the average market price of the Company's shares for the years ended 31 December 2019. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share in the consolidated and separate financial statements for the years ended 31 December 2019.

31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Chief Executive Officer. For management purposes, the Group is organised into business units based on its products and services as follows.

- (1) Trading
- (2) Manufacturing and sales of chemical products
- (3) Manufacturing and sales of petroleum
- (4) Consulting
- (5) Others

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2020 and 2019, respectively.

(Unit: Million Baht)

	Domestic						Overseas																	
	Manufacturing and sales of chemical products			Manufacturing and sales of petroleum products			Others			Trading			Consulting			Total			Eliminations			Consolidated		
	Trading	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
Revenue:																								
Revenue from external customers	837.7	2,321.7	209.9	278.8	65.1	127.2	113.5	113.6	43.7	60.0	18.7	1.8	1,288.6	2,903.1	(19.4)	(31.1)	1,269.2	2,872.0						
Segment profit (loss)	178.9	309.5	78.0	79.7	(49.5)	(13.6)	9.0	(0.8)	5.7	9.5	18.7	1.8	240.8	386.1	(0.8)	-	240.0	386.1						
Unallocated income (expenses):																								
Other income																	24.0	31.6						
Share of profit from investments in associates																	263.1	72.5						
Selling and distribution expenses																	(53.7)	(68.5)						
Administrative expenses																	(154.1)	(185.1)						
Finance cost																	(56.8)	(61.6)						
Profit before income tax expenses																	262.5	175.0						
Income tax expenses																	(3.4)	(21.4)						
Profit for the year																	259.1	153.6						

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	2020	2019
Revenue from external customers		
Thailand	1,206,838	2,810,169
Others	62,389	61,790
Total	<u>1,269,227</u>	<u>2,871,959</u>

Non-current assets

(other than financial instruments, deferred tax assets, net defined benefit assets and rights arising under insurance contracts)

	(Unit: Thousand Baht)	
	2020	2019
Thailand	2,473,395	2,348,182
The Lao People's Democratic Republic	157,890	131,671
Total	<u>2,631,285</u>	<u>2,479,853</u>

Major customers

For the year 2020, the Group has revenue from one major customer in amount of Baht 117.45 million, arising from sales by sales of chemical products segments (2019: Baht 845.14 million and Baht 286.24 derived from two major customers, arising from sales by sales of chemical products).

32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 3 to 5 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to Baht 3.52 million (2019: Baht 3.40 million) (the Company only: Baht 2.59 million and 2019: Baht 2.58 million) were recognised as expenses.

33. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht per share)
Final dividends for 2018	Annual General Meeting of the shareholders on 9 April 2019	40,056	0.060
Total for 2019		40,056	
Interim dividends for 2019	Board of Directors' meeting on 7 April 2020	90,127	0.135
Interim dividends for 2020	Board of Directors' meeting on 11 November 2020	40,056	0.060
Total for 2020		130,183	

34. Commitments and contingent liabilities

34.1 Service agreement commitments

The Group has entered into service agreements in respect of office building service and warehouse service. The terms of the agreements are generally between 1 and 3 years.

As at 31 December 2020, the Group has future minimum service fee payments under these service agreements as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Payable:				
In up to 1 year	3.78	4.03	2.14	2.14
In over 1 and up to 3 years	0.94	3.67	0.94	3.08

34.2 Purchase of goods, purchase of equipment and hiring contractors commitments

The Group has commitments relating to purchase of goods, purchase of equipment and hiring contractors as follows:

Currency	Consolidated financial statements		Separate financial statements	
	2020 (Million)	2019 (Million)	2020 (Million)	2019 (Million)
Baht	78.47	39.61	37.55	28.63
US Dollar	1.43	2.74	1.11	2.61
Euro	0.03	0.03	-	-
Yen	43.50	0.82	43.50	0.82
Lao Kip	7.96	-	-	-

34.3 Bank guarantees

As at 31 December 2020, the Group had outstanding bank guarantees of Baht 31.9 million (2019: Baht 37.9 million) (the Company only: Baht 30.1 million (2019: Baht 36.2 million)) have been issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of its business. These letters of guarantee are to guarantee quality of products for some customers, contractor agreements, and electricity use.

34.4 Other commitments

- As at 31 December 2020, the Group had commitments to banks under letters of credit amounting to approximately USD 0.5 million (2019: USD 0.3 million) (the Company only: USD 0.2 million (2019: Nil)).
- As at 31 December 2020, a subsidiary has commitments in respect of uncalled portion of investments in its subsidiary of approximately Baht 30.0 million and LAK 15,896.9 million (or equivalent to Baht 51.4 million) (2019: LAK 23,697.2 million (or equivalent to Baht 80.4 million)) (the Company only: Baht 30.0 million) (Note 14).

34.5 Related party guarantees

As at 31 December 2020, the Company has guaranteed loan facilities of its subsidiaries amounting to Baht 514.0 million (2019: Baht 614.0 million).

35. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)				
Consolidated financial statements				
As at 31 December 2020				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Financial assets at FVTPL				
Investment in the units of debt securities				
open-ended fund	-	1.82	-	1.82
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.35	-	0.35

(Unit: Million Baht)				
Consolidated financial statements				
As at 31 December 2019				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Held for trade investments				
Debt instruments	-	1.81	-	1.81
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.05	-	0.05

(Unit: Million Baht)				
Separate financial statements				
As at 31 December 2020				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Financial assets at FVTPL				
Investments in the units of debt securities				
open-ended fund	-	0.08	-	0.08
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.26	-	0.26

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Debt instruments	-	0.08	-	0.08
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.03	-	0.03
36. Financial instruments				
36.1 Derivatives				

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Derivative liabilities		
Derivatives liabilities not designated as hedging instruments		
Foreign exchange forward contracts	346	260
Total derivative liabilities	346	260

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to nine months.

36.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, loans to related parties, investments, bank overdrafts and short-term loans from financial institutions, trade and other payables, long-term loans, lease liabilities and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

The Group has evaluated recognition ECLs by initially recognise trade receivables expected credit losses that it is no longer necessary for a credit-impaired event to have occurred. The Group applies a simplified approach in calculating ECLs including adjusted for forward-looking factors specific to the debtors and analysis of debt aging.

Financial instruments and cash deposits

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1.02	0.50	1.85	1.10	30.0371	30.1540
Japanese yen	-	-	3.53	-	0.2907	0.2759
<u>Vientiane Waste Management Company Limited</u>					(Lao Kip per 1 foreign currency unit)	
Baht	8.75	0.57	29.55	53.01	310.6500	296.5250

Separate financial statements

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.79	0.32	1.61	0.88	30.0371	30.1540
Japanese yen	-	-	3.53	-	0.2907	0.2759

As at 31 December 2020 and 2019, foreign exchange contracts outstanding are summarised below.

Consolidated financial statements

2020					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	0.79	0.20	29.86 - 31.13	30.05 - 30.20	4 January 2021 - 16 April 2021
Yen	47.05	-	0.2901 - 0.2996	-	17 March 2021 - 17 August 2021

Consolidated financial statements

2019					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	0.62	0.04	30.15 - 30.29	30.14	2 January 2020 - 7 April 2020

Separated financial statements

2020					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	0.67	-	29.86 - 31.13	-	4 January 2021 - 16 April 2021
Yen	47.05	-	0.2901 - 0.2996	-	17 March 2021 - 17 August 2021

Separated financial statements

2019					
Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate		Contractual maturity date
			Bought amount (Baht per 1 foreign currency unit)	Sold amount	
US dollar	0.43	-	30.15 - 30.24	-	2 January 2020 - 13 March 2020

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar, Yen, and Baht exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2020. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Change in FX rate	Effect on profit before tax
	(%)	(Thousand Baht)
US dollar	+1	(429)
	-1	429
Yen	+6	(885)
	-6	885
Baht	+5	(1,054)
	-5	1,054

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its short-term loans to related parties, bank overdrafts and short-term loans from financial institutions, debentures, long-term loans and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk having a balanced portfolio of fixed and variable rate loans and borrowings.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	2020						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within	1-5	Over				
	1 year	years	5 years				
Financial assets							
Cash and cash equivalent	-	-	-	64.44	12.11	76.55	0.04 - 1.25
Trade and other receivables	-	-	-	-	228.39	228.39	-
Restricted bank deposits	-	-	-	30.71	-	30.71	0.20 - 0.90
Other current financial assets	-	-	-	-	1.82	1.82	-
	-	-	-	95.15	242.32	337.47	
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	101.30	-	-	-	-	101.30	2.40 and 5.10
Trade and other payables	-	-	-	-	223.49	223.49	-
Short-term loans from related parties	104.00	-	-	-	-	104.00	5.38
Long-term loans	-	-	-	463.44	-	463.44	2.00, MLR, MLR - 1.75 and MLR - 2.75
Lease liabilities	23.75	19.98	84.21	-	-	127.94	3.01 - 11.07
Debentures	-	300.00	-	-	-	300.00	5.50
	229.05	319.98	84.21	463.44	223.49	1,320.17	

(Unit: Million Baht)

Consolidated financial statements

2019

Fixed interest rates

	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
Financial assets							
Cash and cash equivalent	-	-	-	29.14	11.32	40.46	0.04 - 1.00
Investment in trading securities	-	-	-	-	1.81	1.81	-
Trade and other receivables	-	-	-	-	315.90	315.90	-
Restricted bank deposits	-	-	-	30.09	-	30.09	0.90
	-	-	-	59.23	329.03	388.26	
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	-	-	-	112.13	-	112.13	MOR, MOR - 1.50, MMR and MLR - 2.00
Trade and other payables	-	-	-	100.50	-	100.50	MLR - 0.75
Short-term loans from related parties	-	-	-	-	278.75	278.75	-
Long-term loans	-	-	-	494.18	-	494.18	MLR - 1.25, MLR - 1.75 and MLR - 2.75
Liabilities under long-term lease agreements	23.81	14.91	-	-	1.88	40.60	3.80 - 11.07
Debentures	-	400.00	-	-	-	400.00	5.50
	23.81	414.91	-	706.81	280.63	1,426.16	

(Unit: Million Baht)

Separate financial statements							
2020							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	24.83	11.44	36.27	0.04 - 0.55
Trade and other receivables	-	-	-	-	174.73	174.73	-
Short-term loans to related parties	270.00	-	-	-	-	270.00	5.38
Restricted bank deposits	-	-	-	30.36	-	30.36	0.20 - 0.90
Other current financial assets	-	-	-	-	0.08	0.08	-
	<u>270.00</u>	<u>-</u>	<u>-</u>	<u>55.19</u>	<u>186.25</u>	<u>511.44</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	112.55	112.55	-
Long-term loans	-	-	-	150.71	-	150.71	2.00, MLR and MLR - 2.75
Lease liabilities	9.92	14.59	62.75	-	-	87.26	3.40 - 5.16
Debentures	-	300.00	-	-	-	300.00	5.50
	<u>9.92</u>	<u>314.59</u>	<u>62.75</u>	<u>150.71</u>	<u>112.55</u>	<u>650.52</u>	

(Unit: Million Baht)

Separate financial statements							
2019							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	14.68	9.54	24.22	0.04 - 0.65
Investment in trading securities	-	-	-	-	0.08	0.08	-
Trade and other receivables	-	-	-	-	219.46	219.46	-
Short-term loans to related parties	-	-	-	320.50	-	320.50	MLR - 0.75
Restricted bank deposits	-	-	-	30.09	-	30.09	0.90
	-	-	-	365.27	229.08	594.35	
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	-	-	-	68.58	-	68.58	MMR and MLR - 2.00
Trade and other payables	-	-	-	-	102.61	102.61	-
Loan-term loans	-	-	-	170.55	-	170.55	MLR - 1.75 and MLR - 2.75
Liabilities under long-term lease agreements	3.38	2.75	-	-	1.88	8.01	3.80 - 6.92
Debentures	-	400	-	-	-	400.00	5.50
	3.38	402.75	-	239.13	104.49	749.75	

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans to and loans from affected as at 31 December 2020.

Currency	Increase/decrease	Effect on profit before tax
	(%)	(Thousand Baht)
Baht	+1	(4,434)
	-1	4,434

The above analysis has been prepared assuming that the amounts of loans to, loans from and all other variables remain constant over one year. Moreover, the floating legs of these loans to and loans from are assumed to not

yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts and short-term loans from financial institutions, long-term loans and lease contracts. The Group's policy is that Approximately 39.54% of the Group's debt will mature in less than one year at 31 December 2020 (2019: 56.93%) (the Company only: 38.31% (2019: 78.24%)) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded that the Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2020 based on contractual undiscounted cash flows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Bank overdraft and short-term loans				
from financial institutions	102,494	-	-	102,494
Trade and other payables	233,485	-	-	233,485
Lease liabilities	29,479	39,097	117,352	185,928
Long-term loans	161,099	276,350	64,112	501,561
Debentures	16,500	307,640	-	324,140
Total non-derivatives	543,057	623,087	181,464	1,347,608
Derivatives				
Derivative liabilities: net settled	346	-	-	346
Total	346	-	-	346

(Unit: Thousand Baht)

	Separate financial statements			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Bank overdraft and short-term loans from financial institutions	-	-	-	-
Trade and other payables	112,550	-	-	112,550
Lease liabilities	14,062	28,849	88,403	131,314
Long-term loans	84,549	71,609	-	156,158
Other financial liabilities	16,500	307,640	-	324,140
Total non-derivatives	227,661	408,098	88,403	724,162
Derivatives				
Derivative liabilities: net settled	260	-	-	260
Total derivatives	260	-	-	260

36.3 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

37. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 0.93:1 (2019: 1.11:1) and the Company's was 0.62:1 (2019: 0.71:1).

38. Events after the reporting period

On 24 February 2021, the Meeting of the Company's Board of Directors No. 1/2021 passed significant resolutions to propose to the Annual General Meeting of the shareholders as follows.

- 1) Approval of the dividend payment from operating results of the year 2020 of at the rate of Baht 0.20 per share or a total of approximately Baht 133.52 million. On 9 December 2020, the Company paid an interim dividend of Baht 0.06 per share or a total of approximately Baht 40.06 million, remaining a dividend of approximately Baht 93.46 million which will be paid at the rate of Baht 0.14 per share.

- 2) Approval of the reduction of the Company's registered share capital from Baht 367,183,150.50 to Baht 333,803,099.50 by cancelling 66,760,102 unissued shares, at a par value of Baht 0.50 each, under the allocation of warrants to the existing shareholders (UAC-W2).
- 3) Approval of the increase in the Company's registered share capital to be offered on a private placement basis under the General Mandate, totaling 66,670,000 shares at Baht 0.50 per share, from Baht 333,803,099.50 to Baht 367,183,099.50.

39. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2021.



Enclosure

Enclosure 1 Profiles of Directors and Executive

1. Assoc.Prof.Dr.Palboon Sareewiwattthana (Age : 66 years) Chairman of the Board of Directors

% of shareholding as of 31 December 2020 UAC : 1,620,505 shares (0.24% including related persons) Increase/Decrease from 2019 = - shares

Relationship of other Executives : - None -

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
<ul style="list-style-type: none"> Ph.D. (Finance) University of Mississippi, U.S.A. M.B.A., (Management) National Institute of Development Administration B.Eng. (Chemical Engineering) Chulalongkorn University Directors Certification Program (DCP) #12/2001 (IOD) Role of the Chairman Program (RCP) #33/2014 (IOD) 	Feb 2012 - Present	Chairman	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	<u>Relevant Important Positions in Listed Company (2 Companies.)</u> Aug 2014 – Present	Chairman	BT Wealth Industry Public Company Limited	<ul style="list-style-type: none"> Holding Company
	2012 - Present	Chairman	Union Auction Public Company Limited	<ul style="list-style-type: none"> Property Auction
	<u>Relevant Important Positions in Non-listed Company (3 Companies.)</u> May 2019 – Present	Chairman	Biodegradable Packaging for Environment Co.,Ltd.	<ul style="list-style-type: none"> Production and Distribution Food Packaging
	Aug 2016 – Present	Chairman	Chic Republic Public Company Limited	<ul style="list-style-type: none"> Production and Distribution Furniture
	1984 – Present	Associated Professor level 9	National Institut of Development Administration	<ul style="list-style-type: none"> Educational Institution
	May 2013 – Jan 2019	Chairman	Thai Packaging Industry Public Company Limited)	<ul style="list-style-type: none"> Production and Distribution Packaging

2. Mr. Kitti Jivacate (Age : 66 years) Director / Chairman of Executive Committee

% of shareholding as of 31 December 2020 UAC : 323,557,263 shares (48.47%) Increase from 2019 = 289,600 shares

Relationship of other Executives : Brother-in-law with Miss Nilrat Jarumanopas

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
<ul style="list-style-type: none"> M.B.A., Sasin Graduate Institute of Business Administration of Chulalongkorn University B.Eng. (Chemical Engineering) Chulalongkorn University Directors Accreditation Program (DAP) #82/2010 (IOD) Directors Certification Program (DCP) #142/2011 (IOD) Top Management Program #16/2013 (Capital Market Academy) 	2010 – Present	Chairman of Executive Committee	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	2008 – Present	Director	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	12 Jun 2014 – 31 Dec 2019	Chief Executive Officer	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	<u>Relevant Important Positions in Listed Company</u>			
	- None -			
	<u>Relevant Important Positions in Non-listed Company (8 Companies)</u>			
	June 2019 – Present	Chairman	Vientiane Waste Management Company Limited	<ul style="list-style-type: none"> Investment in energy projects
	Jan 2016 – Present	Director	PPWE Company Limited	<ul style="list-style-type: none"> Investment in energy projects
	Jan 2015 – Present	Director	UAC Advance Polymer & Chemicals Company Limited	<ul style="list-style-type: none"> Production and distribution of latex emulsion and latex polymer
	Aug 2013 – Present	Director	UAC Energy Company Limited	<ul style="list-style-type: none"> Investment in energy projects
	Nov 2012 - Present	Director	UAC & TPT Energy Company Limited	<ul style="list-style-type: none"> Investment in energy projects
	Apr 2011 - Present	Director	UAC Utilities Company Limited	<ul style="list-style-type: none"> Investment in energy projects
	2008 – Present	Director	Bangchak Biofuel Company Limited	<ul style="list-style-type: none"> Production and distribution of biodiesel and by-products
	1997 – Present	Director	Suthossamit Company Limited	<ul style="list-style-type: none"> Property Leasing

3. Mr. Chatchaphol Prasopchoke (Age : 52 years) Director / Member of Risk Management Committee / Member of Executive Committee /

Chief Executive Officer & President

% of shareholding as of 31 December 2020 UAC: 4,545,642 shares (0.68%) Increase from 2019 = - shares

Relationship of other Executives : - None -

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
<ul style="list-style-type: none"> M.B.A., Thammasat University B.Eng., (Electrical Engineer) King Mongkut's Institute of Technology Ladkrabang Directors Accreditation Program (DAP) #82/2010 (IOD) Directors Certification Program (DCP) #147/2011 (IOD) TLCA Executive Development Program (EDP) #8/2011 Future Entrepreneur Forum #1/2013 (CEDI) The Executive Program of Energy Literacy for a Sustainable Future Class #7/2015, (Thailand Energy Academy) Leadership Development Program 2015 (TLCA) Leadership Succession Program #5/2015 (IRDP) Advanced Master of Management Program(AMM) #2/2018 (Nida) Chief Transformation Officer (CTO Course) 2019 (mai A) 	1 Jan 2020 - Present	Chief Executive Officer & President	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	Mar 2012 – Present	Member of Risk Management Committee	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	2010 – Present	Director	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	2010 – Present	Member of Executive Committee	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	12 June 2014 – 31 Dec 2019	President	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	<u>Relevant Important Positions in Listed Company</u> - None -			
	<u>Relevant Important Positions in Non-listed Company (11 Companies.)</u> June 2019 – Present Nov 2017 - Present Jan 2017 - Present	Director Director Director	Vientiane Waste Management Company Limited ODIN Myanmar Company Limited ODIN Power Company Limited	<ul style="list-style-type: none"> Investment in energy projects Investment in energy projects Investment in energy projects

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
	Jan 2017 - Present	Director	UAC Top Energy Company Limited	• Investment in energy projects
	Jan 2016 - Present	Director	PPWE Company Limited	• Investment in energy projects
	Jan 2015 – Present	Director	UAC Advance Polymer & Chemicals Company Limited	• Production and distribution of latex emulsion and latex polymer
	Aug 2014 – Present	Director	Solar Energy Roof Power Company Limited	• Generating of electricity from Solar power
	Aug 2013 – Present	Director	UAC Energy Company Limited	• Investment in energy projects
	Nov 2012 – Present	Director	UAC & TPT Energy Company Limited	• Investment in energy projects
	Aug 2012 – Present	Director	Bangchak Biofuel Company Limited	• Production and distribution of biodiesel and by-products
	Mar 2012 – Present Dec 2014 – 24 Sep 2019	Director	UAC Utilities Company Limited	• Investment in energy projects
		Director	UAC TPT Pellets Company Limited	• Production and distribution of wood pellets
	Oct 2013 – 16 Dec 2019	Director	Sebigas UAC Company Limited	• Construction of energy projects

4. Miss Nilrat Jarumanopas (Age : 62 years) Director / Member of Corporate Governance Committee / Member of Executive Committee / Chief Financial Officer

% of shareholding as of 31 December 2020 UAC : 30,524,601 shares (4.57%) Increase from 2019 = 10,000 shares

Relationship of other Executives : Sister-in-law with Mr. Kittti Jivacate

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
• M.B.A., University of the Thai Chamber of Commerce	2012 – Present	Member of Corporate Governance Committee	UAC Global Public Company Limited	• Trading and Investment in energy projects
• B.B.A., Chiang Mai University	2010 – Present	Member of Executive Committee	UAC Global Public Company Limited	• Trading and Investment in energy projects
• B.B.A., (Accounting), Dhurakij Pundit University	2010 – Present	Chief Financial Officer	UAC Global Public Company Limited	• Trading and Investment in energy projects
• Directors Accreditation Program (DAP) #82/2010 (IOD)	2002 – Present	Director	UAC Global Public Company Limited	• Trading and Investment in energy projects
• Directors Certification Program (DCP) #141/2011 (IOD)	<u>Relevant Important Positions in Listed Company</u>			
• TLCA Executive Development Program (EDP) #8/2011	- None -			
• Chief Financial Officer Certification Program #17/2015	<u>Relevant Important Positions in Non-listed Company (Z Companies)</u>			
• Leadership Succession Program #5/2016 (IRDP)	Sep 2019 – Present	Director	UAC Top Energy Company Limited	• Investment in energy projects
• Strategic Financial Leadership Program (SFLP) 2017	Jan 2017 – Present	Director	ODIN Myanmar Company Limited	• Investment in energy projects
• Strategic CFO in Capital Market #7/2018	Jan 2015 – Present	Director	UAC Advance Polymer & Chemicals Company Limited	• Production and distribution of latex emulsion and latex polymer
• Advance Master of Management Program (AMM) #3/2019 (Nida)	Aug 2014 – Present	Director	Solar Energy Roof Power Company Limited	• Generating of electricity from Solar power
• TLCA CFO Professional Development Program 2019 (TLCA)				
• Human Capital Management Program #1/2020 (IRDP)				

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
	Aug 2013 – Present	Director	UAC Energy Company Limited	• Investment in energy projects
	Nov 2012 – Present	Director	UAC & TPT Energy Company Limited	• Investment in energy projects
	Mar 2012 – Present	Director	UAC Utilities Company Limited	• Investment in energy projects
	Dec 2014 – 24 Sep 2019	Director	UAC TPT Pellets Company Limited	• Production and distribution of wood pellets
	Oct 2013 – 19 Dec 2019	Director	Sebigas UAC Company Limited	• Construction of energy projects

5. Assoc.Prof.Dr.Aekkachai Nittayakasetwat (Age : 57 years) Independent Director / Chairman of Audit Committee / Chairman of Corporate Governance / Member of Nomination & Remuneration Committee / Member of Risk Management Committee

% of shareholding as of 31 December 2020 UAC : – None –

Relationship of other: – None –

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
<ul style="list-style-type: none">• Ph.D. (Finance) University of Mississippi, U.S.A.• M.B.A., (Finance) National Institute of Development Administration• B.Sc. (Chemical Engineer), Chulalongkorn University• Director Accreditation Program (DAP) #35/2005 (IOD)• Role of the Compensation Committee (RCC) #11/2010 (IOD)• Compensation Survey #1/2011 (IOD)• Risk Management Committee Program (RMP) #2/2015 (IOD)• Director Certification Program (DCP) #240/2017 (IOD)• Risk Management Program for Corporate Leaders (RCL) #9/2017 (IOD)	2012 – Present	Chairman of Corporate Governance Committee	UAC Global Public Company Limited	<ul style="list-style-type: none">• Trading and Investment in energy projects
	2010 – Present	Independent Director	UAC Global Public Company Limited	<ul style="list-style-type: none">• Trading and Investment in energy projects
	2010 – Present	Chairman of Audit Committee	UAC Global Public Company Limited	<ul style="list-style-type: none">• Trading and Investment in energy projects
	2010 – Present	Member of Nomination & Remuneration Committee	UAC Global Public Company Limited	<ul style="list-style-type: none">• Trading and Investment in energy projects
	2010 – Present	Member of Risk Management Committee	UAC Global Public Company Limited	<ul style="list-style-type: none">• Trading and Investment in energy projects
	<u>Relevant Important Positions in Listed Company (3 Companies.)</u>			
	2015 – Present	Independent Director and Chairman of Audit Committee	Getabec Public Company Limited	<ul style="list-style-type: none">• Manufacturing, Assembling, Installation and Distribution of steamboilers and combustion system• Electronics Manufacturing Services
	2011 – Present	Independent Director and Member of Audit Committee	Stars Microelectronics Public Company Limited	<ul style="list-style-type: none">• Production and Distribution Packaging
	2011 – Present	Independent Director and Member of Audit Committee	Panjawattana Plastic Public Company Limited	<ul style="list-style-type: none">• Contractor business system installation of engineering, petrochemical & process plant and business development and investment
	2006 – 30 May 2019	Independent Director and Member of Audit Committee	TRC Construction Public Company Limited	
	<u>Relevant Important Positions in Non-listed Company</u>			
	2009 – 11 Dec 2019	Independent Director and Member of Audit Committee	GT Wealth Management Company Limited	<ul style="list-style-type: none">• Gold Trader

6. Assoc.Prof.Dr. Paritud Bhandhubanyong (Age : 66 years) Independent Director / Chairman of Risk Management Committee / Member of Audit Committee /

Member of Nomination & Remuneration Committee

% of shareholding as of 31 December 2020 UAC : – None –

Relationship of other: – None –

Education / Training	Work Experience		
	Period	Position	Company Name
<ul style="list-style-type: none"> Honorary Doctorate, Nagaoka University of Technology D.English (IE) (Metallurgy), The University of Tokyo M.B.A., Thammasat University M.Eng. (IE) Chulalongkorn University B.Eng. (IE) Chulalongkorn University Director Accreditation Program (DAP) #71/2008 (IOD) Director Certification Program (DCP) #105/2008 (IOD) Auditing Committee Program (ACP) #36/2011 (IOD) Role of the Compensation Committee (RCC) #15/2012 (IOD) Successful Formulation & Execution of Strategy (SFE) #17/2013 (IOD) How to Measure the Success of Corporate Strategy (HMS) #2/2013 (IOD) Director Certification Program Update (DCPU) #1/2015 (IOD) Advanced Audit Committee Program (AAP) #20/2015 (IOD) Strategic Board Master Class (SBM) #1/2017 (IOD) Risk Management Program for Corporate Leader #9/2017 (IOD) 	<p>Mar 2012 – Present</p> <p>2010 – Present</p> <p>2010 – Present</p> <p>2010 – Present</p> <p><u>Relevant Important Positions in Listed Company</u></p> <p>(2 Companies.)</p> <p>2015 – Present</p> <p>2012 – Present</p> <p><u>Relevant Important Positions in Non-Listed Company</u></p> <p>(2 Companies.)</p> <p>2013 – Present</p> <p>2007 – Present</p> <p>Nov 2014 – 2016</p>	<p>Chairman of Risk Management Committee</p> <p>Independent Director</p> <p>Member of Audit Committee</p> <p>Member of Nomination & Remuneration Committee</p> <p>Chairman , Independent Director and Member of Audit Committee</p> <p>Independent Director and Member of Audit Committee</p> <p>Executive Director, Education and Special Project Development Advisor to the President</p> <p>Expert attached to the Member of the National Reform Council number</p>	<p>UAC Global Public Company Limited</p> <p>UAC Global Public Company Limited</p> <p>UAC Global Public Company Limited</p> <p>UAC Global Public Company Limited</p> <p>Getabec Public Company Limited</p> <p>Premier Products Public Company Limited</p> <p>Panyapiwat Institute of Management</p> <p>National Science and Technology Development Agency</p> <p>The National Reform Council number 025</p>
			<p>• Trading and Investment in energy projects</p> <p>• Trading and Investment in energy projects</p> <p>• Trading and Investment in energy projects</p> <p>• Trading and Investment in energy projects</p> <p>• Manufacturing, Assembling, Installation and Distribution of Steamboilers and combustion system</p> <p>• Production and Distribution of Environmental products related to waste water treatment systems</p> <p>• Educational Institution</p> <p>• Government organization</p> <p>• Government organization</p>

7. Miss Jeerapan Jinda (Age : 57 years) Independent Director / Chairman of Nomination & Remuneration Committee / Member of Audit Committee / Member of Corporate Governance Committee

% of shareholding as of 31 December 2020 UAC : – None –

Relationship of other: – None –

Education / Training	Work Experience		
	Period	Position	Company Name Type of Business
<ul style="list-style-type: none"> • M.B.A. (Finance), The National Institute of Development Administration • B.Sc. (Chemistry), Chulalongkorn University • Director Accreditation Program (DAP) 82/2010 (IOD) • Role of the Compensation Committee (RCC) 11/2010 (IOD) • Directors Certification Program (DCP) #168/2013 (IOD) 	2012 – Present	Member of Corporate Governance Committee	UAC Global Public Company Limited • Trading and Investment in energy projects
	2010 – Present	Independent Director	UAC Global Public Company Limited • Trading and Investment in energy projects
	2010 – Present	Audit Committee	UAC Global Public Company Limited • Trading and Investment in energy projects
	2010 – Present	Chairman of Nomination & Remuneration Committee	UAC Global Public Company Limited • Trading and Investment in energy projects
	Relevant Important Positions in Listed Company - None -		
	Relevant Important Positions in Non-Listed Company (1 Companies)		
	2004 - Present	Managing Director	Managing Director Wisen Consultants Co., Ltd • Recruitment

8. Miss Preeyaporn Thanaratset (Age : 53 years) Member of Executive Committee / Chief Sales & Marketing Officer

% of shareholding as of 31 December 2020 UAC : 92,201 shares (0.01%) Increase from 2019 = - shares

Relationship of other Executives : - None -

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
<ul style="list-style-type: none"> M.B.A., Bangkok University B.Sc. (Chemistry), Chulalongkorn University Directors Accreditation Program (DAP) #93/2011 (IOD) Executive Development Program (EDP) #9/2012 (TLCA) Management Development Program (MDP) #19/2014 (TMA) Senior Executive Program (SEP) #31/2017(Sasin) Advance Master of Management Program (AMM) #4/2019 (Nida) 	12 Nov 2020 – Present	Member of Executive Committee	UAC Global Public Company Limited	• Trading and Investment in energy projects
	26 Feb 2020 - Present	Chief Sales & Marketing Officer	UAC Global Public Company Limited	• Trading and Investment in energy projects
	Oct 2010 – 25 Feb 2020	Senior Vice President - Sales & Marketing	UAC Global Public Company Limited	• Trading and Investment in energy projects
	<u>Relevant Important Positions in Listed Company</u> - None -			
	<u>Relevant Important Positions in Non-listed Company</u> - None -			

9. Mr. Chaiyot Chunwijitra (Age : 48 years) Member of Executive Committee / Chief Asset Management Officer

% of shareholding as of 31 December 2020 UAC : – None –

Relationship of other Executives : – None –

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
<ul style="list-style-type: none"> MBA. General Management, Dhonburi Rajabhat University Bachelor of Engineering, Rajamangala Institute of Technology North Bangkok Campus Bachelor of Science (Industrial Technology), Rajabhat Rajanagarindra University Capital Expenditure Budget Analysis for Sustainable Growth #1/2016 (TMA) 	12 Nov 2020 – Present	Member of Executive Committee	UAC Global Public Company Limited	• Trading and Investment in energy projects
	26 Feb 2020 - Present	Chief Asset Management Officer	UAC Global Public Company Limited	• Trading and Investment in energy projects
	15 Feb 2016 – 25 Feb 2020	Senior Vice President – Operation	UAC Global Public Company Limited	• Trading and Investment in energy projects
	Relevant Important Positions in Listed Company			
	- None -			
	Relevant Important Positions in Non-listed Company			
	2014 – Feb 2016	Plant Engineering	National Starch and Chemical (Thailand) Ltd.	• Chemical

10. Mr. Anawat Durongpinon (Age : 43 years) General Manager Energy Sales

% of shareholding as of 31 December 2020 UAC : 39,948 shares (0.01%) Increase from 2019 = - shares

Relationship of other Executives : – None –

Education / Training	Work Experience		
	Period	Position	Company Name Type of Business
<ul style="list-style-type: none"> Master of Engineering in Petrochemical Engineering, King Mongkut's Institute of Technology Ladkrabang Bachelor of Science in Industrial Chemistry, King Mongkut's Institute of Technology Ladkrabang Management Development Program (MDP) 2013 (TMA) 7 HABITS - Pac Rim 2014 Executive Energy Program #3/2017 (ITE) The young Executive Program in Energy Literacy for a Sustainable Future # 6/2018 (Thailand Energy Academy) 	26 Feb 2020 – Present	General Manager Energy Sales	UAC Global Public Company Limited • Trading and Investment in energy projects
	26 Apr 2010 – 25 Feb 2020	Vice President Energy Sales	UAC Global Public Company Limited • Trading and Investment in energy projects
	<u>Relevant Important Positions in Listed Company</u>		
	- None -		
	<u>Relevant Important Positions in Non-listed Company</u>		
	- None -		

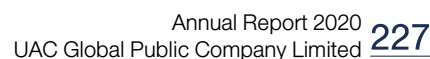
Enclosure 2 Profile of Corporate Secretary

Miss Sajjaporn Rammayaprayoon (Age : 50 years) Vice President Investor Relations & Corporate Secretary

% of shareholding as of 31 December 2020 UAC : 101,272 shares (0.02%) Increase/Decrease from 2019 = - shares

Relationship of other Executives : - None -

Education / Training	Work Experience		
	Period	Position	Company Name
<ul style="list-style-type: none"> Master Degree in Business Administration (Finance), Assumption University Bachelor Degree in Business Administration (Accounting), Assumption University Company Secretary Program (CSP) #46/2012 (IOD) Fundamental for Corporate Secretary #28/2013 (TLCA) Fundamental Laws and Regulations for Listed Company #10/2013 (TLCA) Management Development Program (MDP) #22/2015 (TMA) Advance Corporate Secretary #1/2016 (TLCA) Financial Analysis for Strategic Competitiveness 2019 (TMA) Synergy for Management #6/2020 (IRDP) 	<p>2012 - Present</p> <p><u>Relevant Important Positions in Listed Company</u></p> <p>- None -</p> <p><u>Relevant Important Positions in Non-listed Company (1 Company)</u></p> <p>18 Sep 2019 – Present</p>	<p>Vice President Investor Relations & Corporate Secretary</p>	<p>UAC Global Public Company Limited</p>
		Director	UAC Top Energy Company Limited
			<ul style="list-style-type: none"> Trading and Investment in energy projects Investment in energy project



Mrs. Aree Pleekhun (Age : 48 years) Vice President Accounting

% of shareholding as of 31 December 2020 UAC : 52,036 shares (0.01%) Increase/Decrease from 2019 = - shares

Relationship of other Executives : - None -

Education / Training	Work Experience			
	Period	Position	Company Name	Type of Business
<ul style="list-style-type: none"> Master Degree in Business Administration (Money and Banking) Ramkhamhaeng University Bachelor Degree in Business Administration (Accounting) Ramkhamhaeng University Management Development Program #21/2015 (TMA) Certified Tax Accountant Program #3/2559 (School of TAX) Customs Duty #5/2560 NYC Management Strategic CFO in capital market #6/2561 (SET) Digital Economy for Management (DE4M) #10/2562 (IRDp) Executive Development Program 2020 (TLCA) TFRS 9 Hedge Accounting #1/2020 (Federation of Accounting Professions) TFRS 9 Impairment of assets finance 2020 (Federation of Accounting Professions) 	17 Apr. 1995 - Present <u>Relevant Important Positions in Listed Company</u> - None - <u>Relevant Important Positions in Non-listed Company</u> <u>(1 Companies)</u>	Vice President Accounting	UAC Global Public Company Limited	<ul style="list-style-type: none"> Trading and Investment in energy projects
	8 Nov 2016 – Present	Director	Enerray UAC (Thailand) Company Limited	<ul style="list-style-type: none"> Engineering, Procurement and Construction of energy projects

Enclosure 4 Subsidiary Directors

Directors	UAC	Subsidiary						
		UU	UTE	UACE	SERP	UAPC	UACT	VWM
1. Assoc.Prof.Dr.Paiboon Sareewiwatthana	X							
2. Mr. Kitti Jivacate	I, II	X	I	I		I, II		X
3. Mr. Chatchaphol Prasopchoke	I, II	I	I	I	I	I, II	I	I
4. Miss Nilrat Jarumanopas	I, II	I	I	I	I	I, II	I	
5. Assoc.Prof.Dr.Aekkachai Nittayakasetwat	I							
6. Assoc.Prof.Dr. Paritud Bhandhubanyong	I							
7. Miss Jeerapan Jinda	I							
8. Mr. Bowon Vongsinudom						X		
9. Prof.Dr. Kamphol Panyagometh						I		
10. Mr. Pamin Phantawesak						I		
11. Miss Ounruen Sujarittham						I		
12. Mr. Heng Thongtangthai			X					
13. Mr. Prachaya Thongtangthai			I					
14. Mr. Annop Klintong			I					
15. Mr. Saithsiri Saksitthisereekul								
16. Mr. Khamla Nackhavong								
17. Miss Sajjaporn Rammayaprayoon							I	
18. Mr. Nipatsin Yimyam		I						

Note : X = Chairman

I = Director

II = Executive Committee

Company Name

UAC UAC Global Public Company Limited

UTE UAC & TPT Energy Company Limited

SERP Solar Energy Roof Power Company Limited

UACT UAC Top Energy Company Limited

UU UAC Utilities Company Limited

UACE UAC Energy Company Limited

UAPC UAC Advance Polymer and Chemicals Company Limited

VWM Vientiane Waste Management Company Limited

Enclosure 5 Details on Head of Internal Audit Function and Head of Compliance Function of the Company

Head of Internal Audit Function

During the meeting of the Audit Committee No. 1/2018 on February 19, 2018, the Committee resolved to employ EL Business Advisory Company Limited to perform duty as the internal auditor of the Company and UAC Energy Company Limited. Since 2018, the Audit Committee has considered qualifications of EL Business Advisory Company Limited and deemed that its qualifications were appropriated and adequate to perform duty as the Company's internal auditor because it has independency and experiences in conducting internal audit activities. In addition, the appointment, removal or transfer of the Company's internal auditor must be considered and approved or consented by the Audit Committee.

EL Business Advisory Company Limited

Mr. Suvit Chanamporn

Position:	Senior Consultant, EL Business Advisory Company Limited
Qualifications:	<ul style="list-style-type: none"> • Master of Accountancy and Finance, Faculty of Commerce and Accountancy, Chulalongkorn University • Bachelor of Laws, Ramkhamhaeng University • Bachelor of Accountancy, Faculty of Business Administration, Assumption University • Certified Public Accountant (CPA), Registration No. 3800
Experiences:	An internal control system auditor and a business law consultant for various companies operating in business of construction, trading and manufacturing factory. A former employee of PricewaterhouseCoopers Thailand (Pwc Thailand).

Miss Pornpimol Songwutthichai

Position:	Managing Director of EL Business Advisory Co., Ltd.
Qualifications:	<ul style="list-style-type: none"> • Master of Business Law, Faculty of Business Administration, Ramkhamhaeng University • Bachelor of Accountancy, Faculty of Commerce and Accountancy, Thammasat University • Certificate for completion of Internal Audit Courses, Chulalongkorn University and Institute of Internal Auditors of Thailand (IIA) • Certificate for completion of Internal Auditor of ISO 9001:2000 Course • Certified Public Accountant (CPA), Registration No. 6897
Experiences:	An internal control system auditor and a business law consultant for various companies operating in businesses of construction, trading, insurance, manufacturing factory and automobile. A former employee of KPMG Phoomchai Audit Limited.

Duties and Responsibilities

Assess adequacy and efficiency of work processes and information technology system, internal control and risk management under mission and scope of auditing activities in conformance with work plans, objectives and goals of the Company, including other internal audit-related works as per assigned by the Audit Committee.

Head of Compliance Function

The Board of Directors has assigned the Corporate Governance Committee to take responsibility for overseeing the Company's operations and its authority, duties and responsibility are as per specified in the topic "Governance Structure".

Enclosure 6 Operating Assets

Details of the Company's fixed assets for business operations are summarized as follows:

Type/Category of Asset	Net Book Value as at December 31, 2020	Nature of Ownership	Encumbrance
1. Land	93.91	Owner	Some was mortgaged as collateral for loan at cost with financial institutes at the amount of Baht 71.95 million.
2. Building and building improvement	124.67	Owner	Some was mortgaged as collateral for loan at cost with financial institutes at the amount of Baht 108.90 million.
3. Machinery and equipment	1,019.23	Owner	Some was mortgaged as collateral for loan at cost with financial institutes at the amount of Baht 772.86 million and under leasing agreement with financial institutes at the amount of Baht 201.61 million.
4. Office equipment	2.29	Owner	None Encumbrance.
5. Office furnishings	1.64	Owner	None Encumbrance.
6. Vehicles	20.34	Owner	Some was paid in installments under financial lease.
7. Construction in progress	274.54	Owner	None Encumbrance.
Total	1,536.62		

Detail of Agreements/ Benefits and Privileges Granted from Investment Promotion

Lease agreement

The Company has entered into lease agreements for head office, branch office, warehouse, land for CBG Plant, Mae Tang 1, land for Petroleum Production Plant and land for construction of Biogas Plant for Power Generation Mae Tang 2 with the persons who are not connected with the Company, except the lease agreement for one warehouse which has been executed with the Company's connected person. Details of the lease agreements are as follows:

Location	Party to Agreement	Leased Location	Lease Term			Areas (Sq. m.)
			Leased Year	Commence-ment Date	Expiry Date	
1. Head Office	Thai Petroleum & Trading Co., Ltd.	1, TP&T Tower, 19F, 20F, Soi Vibhavadi-Rangsit 19, Vibhavadi-Rangsit Road, Chatuchak, Bangkok	3	May 1, 2019	Apr 30, 2022	96
			3	May 1, 2019	Apr 30, 2022	387
			3	Jul 1, 2019	Jun 30, 2022	320
			3	Aug 1, 2019	Jun 30, 2022	222
2. Rayong Branch Office	Mr. Amarin Maming	188/76 Sukhumvit Road, Maptaput Sub-district, Muang Rayong District, Rayong Province	2	Mar 1, 2019	Feb 28, 2021	1 Commercial Building1

Location	Party to Agreement	Leased Location	Lease Term			Areas (Sq. m.)
			Leased Year	Commence-ment Date	Expiry Date	
3. Bang Pu Warehouse	Miss Chavisa Jivacate ^{1/}	No. 999 Moo 4, Soi Serm-mit 99, Sukhumvit Road, Bang Pu Sub-district, Mueang Samut Prakan District, Samut Prakan Province	1	Jan 1, 2020	Dec 31, 2020	2,200
4. Plots of land, Mae Tang District, Chiang Mai ^{2/} CBG PlantMae Tang 1	Mr. Mongkol Somyarat	3 Plots of land1. N.S. 3 K., Parcel No. 1524 Areas 5-0-7 rai2. N.S. 3 K., Parcel No. 847 Areas 1-3-10 rai 3. N.S. 3 K., Parcel No. 849 Areas 4-2-10 rai	18	Aug. 1,2011	Jul 31, 2029	11 Rai1 Ngan27 Sq. Wah
5. Plots of land, Kokrat Sub-district, Kong-krailas District, Sukhothai Province ^{3/}	Mr. Teerachai Jaichalard	Title deed no. 14678 Parcel No. 57, Survey page 1342, Areas 4-2-84 Rai	4	Jul 2, 2020	Jul 1, 2024	22 Rai 3 Sq. Wah
	Mrs. Sombun Fai-im	Title deed no. 14676 Parcel no. 55, Survey page 1340, Areas 10 Rai	4	Jul 2, 2020	Jul 1, 2024	
	Mr. Ree Changthong	Title deed no. 19738 Parcel no. 190, Survey page 2698, Areas 6-1-64 RaiTitle deed no. 19739 Parcel no. 191, Survey page 2699, Areas 0-3-55 Rai	4	Jul 2, 2020	Jul 1, 2024	
6. 1 Plot of land, Mae Tang District, Chiang Mai Province, Biogas Power Plant, Mae Tang 2 Biogas power plant from energy crops in Mae Tang 2 ^{4/}	Mr. Mongkol Somyarat	N.S. 3 K., No. 848, Areas 2-1-10 Rai	18	Nov. 11, 2013	Nov. 10, 2031	2 Rai, 1 Ngan, 10 Sq. Wah
7. Land in 2 sub-district ^{5/} Kokrat Sub-district, Kraiklang Sub-district Natural gas piping system	Kokrat Sub-district	47 Plots of land Areas 22-1-24 Rai	3	Oct 1, 2018	Sep 30, 2021	22 Rai, 1 Ngan, 24 Sq. Wah 9 Rai, 1 Ngan, 78 Sq. Wah
	Kraiklang Sub-district	16 Plots of lan Areas 9-1-78 Rai	3	Oct 1, 2018	Sep 30, 2021	

Remark :

- 1/ **Miss Chavisa Jivacate** is a daughter of Mr. Kitt Jivacate, a major shareholder and the Executive Chairman of the Company. Lease agreement entered between the Company and Miss Chavisa Jivacate was regarded as the Company's related transaction with person who might have conflict of interest. However, the Audit Committee opined that such transaction was reasonable and it supported for normal business operations of the Company.
- 2/ **Lease land for 3 plots in Chiang Mai Province (CBG Plant , Mae Tang 1)**: Its objective was to serve as the location of Compressed Bio-Methane Gas Plant (CBG) of which its commercial operation has been commenced in 2013. After the expiry of the lease agreement, the buildings which are the plant buildings will belong to the lessor, however, the Company has the right to transfer machines, air-conditioning system, tools and equipment including assets which can be de-assembled or movable and other assets, from the leased land.
- 3/ **Lease land for 3 plots in Sukhothai Province**: Its objective was to serve as the location of Petroleum Production Plant (PPP), with material conditions as follows:

Lease term: 4 years. After expiry of lease term, the lessor will consent the Company to renew lease term for another 4 year each, but total renewal year will not exceed 16 years from the expiry period of 4 years of the first lease agreement (total 20 years).

Renewal of lease term: It will be effective after the Company sends a renewal intention notice to the lessor at least 60 days before expiry of the lease term. If the Company fails to send a notice within such period, it will be deemed that the lease will be terminated without any renewal. The Company must complete a lease registration at the Land Office within 30 days at the minimum before the renewal date of the lease agreement each time. Upon the lease term has been renewed, lease rate will be increased at 3,000 Baht per rai (total 4 years).

Expiry of agreement and termination of agreement: Upon occurrence of 2 cases: 1) The Company has been decided by the court to be bankruptcy.; 2) The lessor breaches an agreement or fails to comply with the condition in the agreement after the Company sends a warning notice to the lessor for rectification at least 15 days in advance.

Delivery of the leased property: Upon the expiry of the lease due to whatever reason, the Company must deliver the land to the lessor in the condition close to the condition before the lease period. The Company is entitled to transfer properties, which include building, machines, air-conditioners, tools and equipment, properties which can be de assembled or movable and other properties out of the leased areas.

 In addition, if the Company's right has been deprived or has been disputed which causes the Company to be unable to possess or utilize benefit of the leased property, whether partially or wholly, the lessor or the landlord must indemnify for loss of benefits including all expenses incurred to the Company. The lessor has registered the 3 plots of leased land with the Land Office for the Company on June 16, 2020.
- 4/ **1 plot of leased land in Chiang Mai Province (Biogas power plant from energy crops in Mae Tang 2)** Its objective was to serve as the location of Compressed Bio-Methane Gas Plant (CBG) of which its commercial operation has been commenced in 2015. After the expiry of the lease agreement, the buildings which are the plant buildings will belong to the lessor, however, the Company has the right to transfer machines, air-conditioning system, tools and equipment including assets which can be de-assembled or movable and other assets, from the leased land.
- 5/ **Leased land in 2 sub-districts in Sukhothai Province (Natural Gas Piping Project, Petroleum Production Plant and Sao Thian A Power Plant)** Its objective was for laying natural gas piping system between the lessee's Petroleum Production Plant and Sao Thian A Power Plant for 63 plots of land with total areas of 31 rai 2 ngan 2 square wah in Kokrat Sub-district and Kraiklang Sub-district, Sukhothai Province. Lease term is 3 years from October 1, 2018 to September 30, 2021 and upon expiry of the agreement, the lessor will consent the Company to renew the lease term for 3 years each, but total leased term must not be more than 30 years.

Subsidiaries

Location	Party to Agreement	Leased Location	Lease Term			Areas (Sq. M.)
			Leased Year	Commence Date	Expiry Date	
1. UAC Energy Co., Ltd. (UAC Energy)						
Building roof areas (for generation of power from solar energy)	Saha Thai Steel Pipe Plc.	Warehouse roof areas, No. 78, Moo. 3, Poochao Samingpray Road, Bangyaprack Sub-district, Phra Pradang District, Samut Prakarn Province	25	Oct 31,2014	Oct 31,2039	8,000
2. Solar Energy Roof Power Co., Ltd. (Solar Energy Roof Power)						
Building roof areas (for generation of power from solar energy)	Von Bundit Co., Ltd.	Building roof areas, No. 65 Surat-Nasan Road, Kuntalay Sub-district, Muang Surat Thani District, Surat Thani Province	25	Nov. 25, 2014	Nov. 25, 2039	10,368 Square meters
3. UAC & TPT Energy Co., Ltd. (UAC&TPT Energy)						
5 Plots of land ^{6/} Nafai Sub-district, Phuphaman District, Khon Kaen Province, (Phuphaman Project)	Mr. Heng Thongtangthai	Title Deed No. 2509, Parcel No. 49, Survey Page 1596, Areas 4-1-57 Rai Title Deed No. 2695, Parcel No. 50, Areas 7-1-83 Rai Title Deed No. 3832, Parcel No. 51, Survey Page 1598, Areas 6-07-0 Rai Title Deed No. 3833, Parcel No. 52, Areas 6-3-10 Rai Title Deed No. 3960, Parcel No. 53, Survey Page 1600, Areas 18-2-72 Rai	20	Apr. 1, 2020	Mar 31, 2040	43 Rai, 1 Ngan, 29 Sq. Wah
4. UAC Advance Polymer and Chemicals Co., Ltd. (UAPC)						
1 Plots of land Sub-district, Sikhio District, Sikhio, Nakhon Ratchasima Province,	Mr. Purapat Wisatjindawat-thana	Areas 2 Rai	1	1 Jun 2020	1 Jun 2021	2 Rai

Property Damage Insurance Policy Agreements

Property Insured	Insurance Company	Type of Insurance	Sum Insured*	Insurance Period	Insured
Head Office and Rayong Site Office					
1. Structure, building incl. building improvements, furniture, apparatus, office equipment	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	31,521,409 Million Baht	Dec 31, 2020 - Dec 31, 2021	UAC Global Plc.
Warehouse, Samut Prakarn Province					
1. Structure, Building, Warehouse	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	10 Million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc. except Building (Amount 10 million Baht) Beneficiary: Miss Chavisa Jivacate, as the lessor of warehouse
2. Stock of chemicals and other contents kept in the warehouse under clause 1.		Stock	90 Million Baht		
MT1 Plant, Chiang Mai Province (Mae Tang 1)					
1. Structure, building, plant, machines and equipment	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	90 Million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc.
MT2 Plant, Chiang Mai Province (Mae Tang 2)					
1. Structure, building, plant, machines and equipment	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	185 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc.
PPP, Sukhothai Province					
1. Structure, building, plant, machines and equipment	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	633.6 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc. /Beneficiary: Kasikorn Bank Public Co., Ltd., as its interest may appear UAC Global Plc.
2. Liquefied Petroleum Gas Warehouse	Bangkok Insurance Public Co., Ltd.	Public Liability Insurance Policy for Operation of the Control Business Type 3	25 million Baht	Dec. 31, 2020 - Dec. 31, 2021	
3. Natural Gas Transportation Station	Bangkok Insurance Public Co., Ltd.	Public Liability Insurance Policy for Operation of the Control Business Type 3	5 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc.
4. Natural Gas Usage Premise	Bangkok Insurance Public Co., Ltd	Public Liability Insurance Policy for Operation of the Control Business Type 3	1 million Baht	Jan 22, 2020- Dec. 31, 2021	UAC Global Plc.

Property Insured	Insurance Company	Type of Insurance	Sum Insured*	Insurance Period	Insured
5.20 Meter Gas Piping System	Bangkok Insurance Public Co., Ltd.	Public Liability Insurance Policy for Operation of the Control Business Type 3	2 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc.
6.Piping system and Equipment	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	35,338,600 Million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc./ Beneficiary: Hitachi Capital, as its interest may appear
7.Sao Thian Power Plant	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	160 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Energy Co., Ltd./ Beneficiary: Hitachi Capital, as its interest may appear
8.Pra Du Thao Power Plant	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	45 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Energy Co., Ltd./ Beneficiary: Hitachi Capital, as its interest may appear
9.Gas Usage Premise, Power Plant - Sao Thian	Bangkok Insurance Public Co., Ltd.	Public Liability Insurance Policy for Operation of the Control Business Type 3	1 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Energy Co., Ltd.
10. Gas Usage Premise, Power Plant - Pra Du Thao	Bangkok Insurance Public Co., Ltd.	Public Liability Insurance Policy for Operation of the Control Business Type 3	1 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Energy Co., Ltd.
Saha Thai Plant, Samut Prakarn Province					
1.Property Damage Insurance	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	46.50 million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Energy Co., Ltd.
Von Bundit Plant, Surat Thani Province					
1.Property Damage Insurance	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	35.75 million Baht	Dec. 31, 2020 - Dec. 31, 2021	Solar Energy Roof Power Co., Ltd. / Beneficiary: Siam Commercial Bank Plc., as its interest may appear.

Property Insured	Insurance Company	Type of Insurance	Sum Insured*	Insurance Period	Insured
Phuphaman Power Plant, Khon Kaen Province					
1. Property Damage Insurance	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	284,022,648 Million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Global Plc. , UAC & TPT Energy Co., Ltd
UAC Advance Polymer & Chemicals Company Limited					
1. Property Damage Insurance	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	33.00 Million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Advance Polymer & Chemicals Co., Ltd. / Beneficiary : Krungthai Bank Plc.,
2. Property Damage Insurance	Bangkok Insurance Public Co., Ltd.	All Risks Insurance	750.00 Million Baht	Dec. 31, 2020 - Dec. 31, 2021	UAC Advance Polymer & Chemicals Co., Ltd. / Beneficiary : Krungthai Bank Plc.,

Remark: * Sum insured covered book value of the property insured.

Benefits and Privileges Granted from Investment Promotion

(1) Compressed Bio-methane Gas (CBG) Project – CBG Mae Tang 1

The Company's compressed bio-methane gas (CBG) project located in Mae Tang Sub-district, Chiang Mai Province has been granted investment promotion from the Board of Investment on March 16, 2010 in Compressed Bio-methane Gas Business, Category 1.16: Manufacture of alcohol or fuel from agricultural products, including agricultural scrap or garbage or waste pursuant to Investment Promotion Certificate No. 1506 (1)/2010. Important conditions on benefits and privileges granted by virtue of the Investment Promotion Act B.E. 2520, amended by Investment Promotion Act (No. 3) B.E. 2544 are as follows:

1. Permission to bring foreign nationals who are skilled workers or experts to work in investment promoted activities, including their spouses and dependents into the Kingdom in such number and for such period of time as the Board of Investment may deem appropriate.
2. Foreign nationals who are skilled workers or experts who are permitted to stay in the Kingdom shall be granted a work permit for a specific position approved by the Board of Investment for the period of permitted stay in the Kingdom.
3. Exemption of import duties on machinery as per considered and approved by the Board of Investment.
4. Exemption of corporate income tax for the net profit from the promoted activity up to 8 years from the date income is first derived from such activity.
5. Dividends derived from a promoted activity granted an exemption of corporate income tax shall be exempted from computation of taxable income throughout the period the corporate income tax has been exempted.
6. 50% reduction of normal rate of corporate income tax on the net profit derived from the promoted activity for a period of not more than 5 years commencing from the expiry date of corporate income tax exemption period
7. Double deduction from the costs of transportation, electricity and water supply for 10 years from the date income is first derived from the promoted activity.

8. Additional 25 percent deduction of the cost of installation or construction of facilities on top of normal depreciation.

Remark: Permit for commencement of operation has been received on November 28, 2016.

(2) Petroleum Production Plant (PPP)

The Company's Petroleum Production Plant (PPP) has been granted investment promotion from the Board of Investment on February 14, 2012. The Board of Investment has sent a notice approving for promotion of Compressed Natural Gas, Liquefied Natural Gas and Natural Gasoline Manufacturing Business, under Category 7.1: Public Utilities and Basic Services pursuant to Investment Promotion Certificate No. 2265 (2)/2012. Important conditions on benefits and privileges granted by virtue of the Investment Promotion Act B.E. 2520, amended by Investment Promotion Act (No. 3) B.E. 2544 are as follows:

1. Exemption of import duties on machinery as per considered and approved by the Board of Investment.
2. Exemption of corporate income tax for the net profit from the promoted activity, at total amount not exceeding 100% of investment, excluding cost of land and working capital, up to 8 years from the date income is first derived from such activity.
3. Dividends derived from a promoted activity granted an exemption of corporate income tax shall be exempted from computation of taxable income throughout the period the corporate income tax has been exempted.
4. Additional 25 percent deduction of the cost of installation or construction of facilities on top of normal depreciation.

Important specific-project conditions

1. Machinery used in the promoted business must be brand new one and the machinery granted exemption or reduction of import duty must be imported within March 7, 2015.
2. Operations must be completed and ready for commencement for business within the period of no later than 36 months from the issued date of the Investment Promotion Certificate.
3. The following material operations of the promoted project must be complied:
 - 3.1 Type of Product: Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG) and Gasoline
 - 3.2 Size of Business: Production capacity will be as follows:
 - i. Compressed Natural Gas (CNG): Approximately 11,346.90 tons per year
 - ii. Liquefied Petroleum Gas (LPG): Approximately 5,384.90 tons per year.
 - iii. Natural Gasoline (NGL): Approximately 1,164.68 tons per year.
 - 3.3 Exempted corporate income tax will not exceed 708,896,691.99 Baht. However, such amount will be adjusted pursuant to the investments, excluding actual cost of land and working capital on the commercial operation date of the promoted project.
 - 3.4 Certificate for ISO 9000 or ISO 14000 quality standard system or other equivalent international standards must be obtained within 2 years from the commercial operation date. Failure to obtain such certificate within the specified period, right and privilege on exemption of corporate income tax shall be revoked for 1 year (This certificate has already been obtained on the date a permit for commencement of business operation has been granted on September 6, 2019).
 - 3.5 Environmental Impact Assessment Report must be granted approval within 12 months from the issued date of Investment Promotion Certificate. (Approval has already been granted on the date permit for commencement of business operation has been granted on September 6, 2019).

(3) Compressed Bio-methane Gas (CBG) – CBG Mae Tang 2

The Company's compressed bio-methane gas (CBG Mae Tang 2) located in Mae Tang Sub-district, Chiang Mai Province has been granted investment promotion from the Board of Investment on September 17, 2013 in Generation of Electricity from Bio-gas Business, under Category 7.1: Public Utilities and Basic Services pursuant to Investment Promotion Certificate No. 2304 (1)/2013. Important conditions on benefits and privileges granted by virtue of the Investment Promotion Act B.E. 2520, amended by Investment Promotion Act (No. 3) B.E. 2544 are as follows:

1. Permission to bring foreign nationals who are skilled workers or experts to work in investment promoted activities, including their spouses and dependents into the Kingdom in such number and for such period of time as the Board of Investment may deem appropriate.
2. Foreign nationals who are skilled workers or experts and who are permitted to stay in the Kingdom shall be granted a work permit for a specific position approved by the Board of Investment for the period of permitted stay in the Kingdom.
3. Exemption of import duties on machinery as per considered and approved by the Board of Investment.
4. Exemption of corporate income tax for the net profit from the promoted activity, up to 8 years from the date income is first derived from such activity.
5. Dividends derived from a promoted activity granted an exemption of corporate income tax shall be exempted from computation of taxable income throughout the period the corporate income tax has been exempted.
6. 50% reduction of normal rate of corporate income tax on the net profit derived from the promoted activity for a period of not more than 5 years commencing from the expiry date of corporate income tax exemption period.
7. Double deduction from the costs of transportation, electricity and water supply for 10 years from the date income is first derived from the promoted activity.
8. Additional 25 percent deduction of the cost of installation or construction of facilities on top of normal depreciation.
9. Certificate for ISO 9000 or ISO 14000 Quality Standard System or other equivalent international standards must be obtained within 2 years from the commercial operation date. Failure to obtain such certificate within the specified period, right and privilege on exemption of corporate income tax shall be revoked for 1 year (This certificate has already been obtained on the date a permit for commencement of business operation has been granted on January 13, 2020, with size of business or power generation capacity from biogas of 1.487 MW for working period of 24 hours/day: 333 days/year).

Remark: Permit for commencement of business operation has been received on January 13, 2020.

(4) Solar PV Rooftop Project – Saha Thai

The Company's solar PV rooftop project located in Phra Pradaeng District, Samut Prakarn Province has been granted investment promotion from the Board of Investment on December 23, 2013 in Generation of Electricity from Solar Energy Business, under Category 7.1: Public Utilities and Basic Services pursuant to Investment Promotion Certificate No. 1435(1)/2014. Important conditions on benefits and privileges granted by virtue of the Investment Promotion Act B.E. 2520, amended by Investment Promotion Act (No. 3) B.E. 2544 are as follows:

1. Permission to bring foreign nationals who are skilled workers or experts to work in investment promoted activities, including their spouses and dependents into the Kingdom in such number and for such period of time as the Board of Investment may deem appropriate.
2. Foreign nationals who are skilled workers or experts and who are permitted to stay in the Kingdom shall be granted a work permit for a specific position approved by the Board of Investment for the period of permitted stay in the Kingdom.
3. Exemption of import duties on machinery as per considered and approved by the Board of Investment.

4. Exemption of corporate income tax for the net profit from the promoted activity, up to 8 years from the date income is first derived from such activity.
5. Dividends derived from a promoted activity granted an exemption of corporate income tax shall be exempted from computation of taxable income throughout the period the corporate income tax has been exempted.
6. 50% reduction of normal rate of corporate income tax on the net profit derived from the promoted activity for a period of not more than 5 years commencing from the expiry date of corporate income tax exemption period.
7. Double deduction from the costs of transportation, electricity and water supply for 10 years from the date income is first derived from the promoted activity.
8. Additional 25 percent deduction of the cost of installation or construction of facilities on top of normal depreciation.

Important specific-project conditions

1. Machinery used in the promoted business must be brand new one and the machinery granted exemption or reduction of import duty must be imported within October 3, 2016.
2. Operations must be completed and ready for commencement for business within the period of no later than 36 months from the issued date of the Investment Promotion Certificate.
3. The following material operations of the promoted project must be complied:
 - 3.1 Type of Product: Electricity generated from solar energy installed on roof top
 - 3.2 Size of Business: Generating capacity from solar energy installed on roof-top: 0.780 MW (Working period: 5 hours/day: 365 days/year.
4. Certificate for ISO 9000 or ISO 14000 Quality Standard System or other equivalent international standards must be obtained within 2 years from the commercial operation date. Failure to obtain such certificate within the specified period, right and privilege on exemption of corporate income tax shall be revoked for 1 year.

Remark: Permit for commencement of business operation has been received on January 22, 2019.

(5) Solar PV Rooftop Project – Von Bundit

The Company's solar PV rooftop project located in Mueang Surat Thani District, Surat Thani Province has been granted investment promotion from the Board of Investment on March 19, 2014 in Generation of Electricity from Solar Energy Business, under Category 7.1: Public Utilities and Basic Services pursuant to Investment Promotion Certificate No. 1161(1)/2015. Important conditions on benefits and privileges granted by virtue of the Investment Promotion Act B.E. 2520, amended by Investment Promotion Act (No. 3) B.E. 2544 are as follows:

1. Permission to bring foreign nationals who are skilled workers or experts to work in investment promoted activities, including their spouses and dependents into the Kingdom in such number and for such period of time as the Board of Investment may deem appropriate.
2. Foreign nationals who are skilled workers or experts and who are permitted to stay in the Kingdom shall be granted a work permit for a specific position approved by the Board of Investment for the period of permitted stay in the Kingdom.
3. Exemption of import duties on machinery as per considered and approved by the Board of Investment.
4. Exemption of corporate income tax for the net profit from the promoted activity, up to 8 years from the date income is first derived from such activity.
5. Dividends derived from a promoted activity granted an exemption of corporate income tax shall be exempted from computation of taxable income throughout the period the corporate income tax has been exempted.
6. 50% reduction of normal rate of corporate income tax on the net profit derived from the promoted activity for a period of not more than 5 years commencing from the expiry date of corporate income tax exemption period.

7. Double deduction from the costs of transportation, electricity and water supply for 10 years from the date income is first derived from the promoted activity.
8. Additional 25 percent deduction of the cost of installation or construction of facilities on top of normal depreciation.

Important specific-project conditions

1. Machinery used in the promoted business must be brand new one and the machinery granted exemption or reduction of import duty must be imported within August 6, 2017.
2. Operations must be completed and ready for commencement for business operation within the period of no later than 36 months from the issued date of the Investment Promotion Certificate.
3. The following material operations of the promoted project must be complied:
 - 3.1 Type of Product: Electricity generated from solar energy installed on roof top.
 - 3.2 Size of Business: Generating capacity from solar energy installed on roof-top: 0.640 MW (Working period: 5 hours/day: 365 days/year).
4. Certificate for ISO 9000 or ISO 14000 Quality Standard System or other equivalent international standards must be obtained within 2 years from the commercial operation date. Failure to obtain such certificate within the specified period, right and privilege on exemption of corporate income tax shall be revoked for 1 year.

Remark: Permit for commencement of business operation has been received on March 26, 2019.

(6) UAC Advance Polymer & Chemicals Company Limited

6.1 The plant of UAC Advance Polymer and Chemicals Co., Ltd. has been granted investment promotion from the Board of Investment. On September 30, 2016, the Board of Investment sent a notice approving for investment promotion in Polymer Solution and Polymer Emulsion Business, under Category 6.1: Manufacturing of chemical product for industry, pursuant to Investment Promotion Certificate No. 59-1238-1-04-1-0. Important details on incentives and privileges received under the Investment Promotion Act B.E. 2520 were as follows:

1. Permission to bring foreign nationals who are skilled workers or experts to work in investment promoted activities, including their spouses and dependents into the Kingdom in such number and for such period of time as the Board of Investment may deem appropriate.
2. Foreign nationals who are skilled workers or experts and who are permitted to stay in the Kingdom shall be granted a work permit for a specific position approved by the Board of Investment for the period of permitted stay in the Kingdom.
3. Exemption of import duties on machinery as per considered and approved by the Board of Investment.
4. Exemption of corporate income tax for the net profit from the promoted activity, up to 3 years from the date income is first derived from such activity.
5. Dividends derived from a promoted activity granted an exemption of corporate income tax shall be exempted from computation of taxable income throughout the period the corporate income tax has been exempted.

Important specific-project conditions

1. Machinery used in the promoted business must be brand new one and the machinery granted exemption or reduction of import duty must be imported within September 30, 2019.
2. Operations must be completed and ready for commencement for business within September 30, 2019 and notification on opening of business operation must be as per the application form specified by the Office of the Board of Investment.

3. The following material operations of the promoted project must be complied:
 - 3.1 Type of Product : Polymer Solution And Polymer Emulsion
 - 3.2 Size of Business : Capacity from Polymer Solution and Polymer Emulsion : 18,000 tons
4. Exemption of corporate income tax under Section 31, paragraph one and paragraph three, shall not exceed 3,302,695 Baht. However, such amount shall be adjusted pursuant to the investments, excluding actual cost of land and working capital on the commercial operation date of the promoted project.

6.2 The plant of UAC Advance Polymer and Chemicals Co., Ltd. has been granted investment promotion from the Board of Investment. On September 8, 2015, the Board of Investment sent a notice approving for investment promotion in Polymer Solution and Polymer Emulsion Business, under Category 6.1: Manufacturing of chemical product for industry of which the business has been transferred from Advance Polymer and Chemicals Co., Ltd., pursuant to Investment Promotion Certificate No. 58-2147-0-00-2-2. Important details on incentives and privileges received under the Investment Promotion Act B.E. 2520 were as follows:

1. Permission to bring foreign nationals who are skilled workers or experts to work in investment promoted activities, including their spouses and dependents into the Kingdom in such number and for such period of time as the Board of Investment may deem appropriate.
2. Foreign nationals who are skilled workers or experts and who are permitted to stay in the Kingdom shall be granted a work permit for a specific position approved by the Board of Investment for the period of permitted stay in the Kingdom.
3. Exemption of import duties on machinery as per considered and approved by the Board of Investment.
4. Exemption of corporate income tax for the net profit from the promoted activity, up to 8 years from the date income is first derived from such activity.
5. Dividends derived from a promoted activity granted an exemption of corporate income tax shall be exempted from computation of taxable income throughout the period the corporate income tax has been exempted.
6. Additional 25 percent deduction of the cost of installation or construction of facilities on top of normal depreciation.
7. Exemption of import duties on raw and essential materials imported for use in production for export for 5 years from the first imported date, and exemption of import duties on items which the promoted person imports for re-export for 5 years from the first imported date.
8. Permit to take out or remit money abroad in foreign currency.

Important specific-project conditions

1. Machinery used in the promoted business must be brand new one and the machinery granted exemption or reduction of import duty must be imported within December 19, 2015.
2. Operations must be completed and ready for commencement for business within June 19, 2016 and notification on opening of business operation must be as per the application form specified by the Office of the Board of Investment.
3. The following material operations of the promoted project must be complied:
 - 3.1 Type of Product : Polymer Solution And Polymer Emulsion
 - 3.2 Size of Business : Capacity from Polymer Solution and Polymer Emulsion : 23,400 tons
4. Exemption of corporate income tax under Section 31, paragraph one and paragraph three, shall not exceed 3,302,695 Baht. However, such amount shall be adjusted pursuant to the investments, excluding actual cost of land and working capital on the commercial operation date of the promoted project.

5. Corporate income tax shall be exempted upon total investments or expenses for research and development or design, expenses for attending advanced technology trainings and expenses to support the study or the research institute approved by the Office (of the Board of Investment) shall not less than 1 percent of total sales in the first 3 years, or total expenses shall not less than 150 million Baht, whichever amount is lower. Failure to comply with such condition, corporate income tax exemption shall not more than 44 million Baht.
6. Certificate for ISO 9000 or ISO 14000 Quality Standard System or other equivalent international standards must be obtained within 2 years from the commercial operation date. Failure to obtain such certificate within the specified period, right and privilege on exemption of corporate income tax shall be revoked for 1 year.

Investment Policy in Subsidiaries and Associated Companies

The Company has a policy to invest in the business related to its main business which has potential to generate profit and opportunity to grow to enhance its profitability or in business which has synergy with the Company that can complement its main business operations at full cycle or can add more value to its business. In case of investment in the subsidiary, the Company will control or stipulate the management policy as well as appoint the Company's representative to be the director in such company as per shareholding proportion and attend the meeting as the shareholder. The Company's representative has duty to vote in the meeting pursuant to the guideline or direction considered by the Board of Directors. However, when investing in the associated companies, the Company has a policy not to get much involve in controlling of those companies. The Company will consider about the appointment of the Company's representative to be the director in any subsidiary or associated company as appropriated and subject to mutual agreement. The representative may be the Chairman of Executive Committee, the President, top-level management or any person who has qualifications and experiences suitable with business of such company.

At present, the Company has invested in the following subsidiaries and associated companies:

Subsidiaries

1. **UAC Utilities Co., Ltd. ("UAC Utilities")** has been established on April 8, 2011. Its current registered capital is 100 million Baht. The Company holds 69.9998% and PTE Plus Co., Ltd. holds the remaining of 30.00% of shares in this entity. Its objective is to invest in renewable energy industry and utilities system. Mr. Kitti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's executives, are directors of this company.
2. **UAC & TPT Energy Co., Ltd. ("UAC TPT")** has been established on November 12, 2012. Its current registered capital is 150 million Baht. The Company holds 50.0093%, and TPT Thepprathanporn Co., Ltd. ("TPT") holds the remaining of 49.9900% of shares in this entity. UAC TPT has objective to operate business relating to production of biogas to be used for electricity generation. Currently, UAC TPT is now operating 2 biogas projects in Khon Khan Province. Mr. Kitti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's executives, are directors of this company.
3. **UAC Energy Co., Ltd. ("UAC Energy")** has been established on August 26, 2013. Its current registered capital is 200 million Baht. The Company holds 99.97% of shares in this entity. UAC Energy has objective is to invest in the energy-related projects. Presently, its 3 projects, which consisting of 1 solar roof project and 2 power generation projects, are under commercial operation. Mr. Kitti Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's executives, are directors of this company.
4. **Solar Energy Roof Power Co., Ltd. ("SERP")** is the Company's indirect subsidiary that the Company holds shares through UAC Energy at 99.20% of shares in this entity. Current registered capital of SERP is 12.525 million Baht. SERP has been granted concession to sell electricity generated from solar energy to the Provincial Electricity Authority with generating capacity of 752.4 kilowatts installed on rooftop of the rubber manufacturing plant of Von Bundit Co., Ltd. at Khun Thalee Sub-district, Surat Thani Province. Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company's executives, are directors of this company.

5. **UAC Advance Polymer & Chemicals Co., Ltd. (“UAPC”)** has been established on January 21, 2015. Its current registered capital is 180 million Baht. The Company holds 99.99% of shares in this entity. Its objective is to manufacture and distribute latex emulsion and latex polymer. Mr. Kitt Jivacate, Miss Nilrat Jarumanopas and Mr. Chatchaphol Prasopchoke, the Company’s executives, are directors of this company.
6. **UAC Top Energy Co., Ltd. (“UAC Top Energy”)** has been established on January 13, 2017. Its current registered capital is 7 million Baht. The Company holds 100% of shares in this entity. It has objective to invest in renewable energy projects. Mr. Chatchaphol Prasopchoke and Miss Nilrat Jarumanopas, the Company’s executives, are directors in such company.
7. **Vientiane Waste Management Company Limited (“VWM”)** has been incorporated in Vientiane, Lao’s People Democratic Republic on June 3, 2019. VWM is an indirect subsidiary where the Company holds shares via UAC Energy. VWM’s current registered capital is 72.90 million Kip. UAC Energy holds 50.01% of shares in this entity. It has objective to invest in waste management project to produce renewable energy and process recycled product in Vientiane, Lao PDR. Mr. Kitt Jivacate and Mr. Chatchaphol Prasopchoke, the Company’s executives, are directors in such company.

Associated Companies

1. **Bangchak Biofuel Co., Ltd. (“BBF”)** is an associated company in which the Company holds 30.00% and BBGI Co., Ltd., a subsidiary company of Bangchak Corporation Plc. (“BCP”) holds 70% of shares of this entity. BBF’s current registered capital is 281.50 million Baht. BBF is the producer and supplier of biodiesel which is liquefied fuel used as substitute mixture with some part of diesel oil obtained from petroleum process in order to produce various types of diesel oil such as biodiesel B5 or B10 and etc. Mr. Kitt Jivacate and Mr. Chatchaphol Prasopchoke, the Company’s executives, are directors of this company.
2. **Enerray UAC (Thailand) Co., Ltd. (“ENERRAY UAC”)**, an associated company, is a joint venture between ENERRAY S.P.A (“ENERRAY”) from Italy and UAC Energy Co., Ltd. (the Company holds 100% of shares via UAC Energy Co., Ltd.) at ratio of 49%, 25%, and Legal and Commercial Service International Company Limited holding 26.00% of shares, respectively. ENERRAY UAC has been established on March 15, 2016 and its current registered capital is 6 million Baht. Its objectives are to operate business relating to consultancy, design and construction of the energy project. Mrs. Aree Pleekhan, the Company’s representative, is a director of this entity.
3. **PPWE Co., Ltd. (“PPWE”)**, an associated company, is a joint venture between QTC Energy Public Co., Ltd. (“QTC”) and UAC Energy Co., Ltd. (the Company holds 100% of shares via UAC Energy Co., Ltd.). PPWE has been established on January 12, 2016 and its current registered capital is 1 million Baht. The Company holds 50% and QTC Energy Public Co., Ltd. holds remaining of 50% of shares in this entity. PPWE has objective to engage in investment business of energy projects. Mr. Kitt Jivacate and Mr. Chatchaphol Prasopchoke, the Company’s executives, are directors of this company.
4. **Odin Power Co., Ltd. (“ODIN”)**, an associated company, is a joint venture by UAC Energy Co., Ltd. (the Company holds 99.998% of shares via UAC Energy Co., Ltd.) at shareholding ratio of 10%. ODIN’s current registered capital is 200 million Baht and it has objective to invest in the energy projects. Mr. Chatchaphol Prasopchoke, the Company’s executive, is a director of this company.
5. **ODIN Myanmar Co., Ltd. (“ODIN Myanmar”)**, an associated company, is a joint venture between ODIN Power Co., Ltd. and UAC Energy Co., Ltd. (the Company holds 99.97% of shares via UAC Energy Co., Ltd.). The Company holds 40% of shares in this entity. ODIN Myanmar’s current registered capital is 1 million Baht and it has objective to invest in the energy projects. Mr. Chatchaphol Prasopchoke and Miss Nilrat Jarumanopas, the Company’s executives, are directors of this company.

6. **Sebigas UAC Co., Ltd. (“SEBIGAS UAC”)**, the Company’s associated company, is a joint venture between SEBIGAS S.P.A. from Italy and UAC Energy Co., Ltd. (the Company holds 100% of shares via UAC Energy Co., Ltd.) at shareholding ratio of 49%, 49% and Legal and Commercial Service International Company Limited holds 2.00% of shares in this entity, respectively. SEBIGAS UAC has been established on October 4, 2013 and its current registered capital is 14 million Baht. Its objectives are to engage in business of EPC contract for biogas power plants and provision of O&M services, both in Thailand and countries in Southeast Asia. Mr. Chatchaphol Prasopchoke and Miss Nilrat Jarumanopas, the Company’s executives, are directors of this company. However, on October 2020, UAC Energy Co., Ltd. sold its total shares in Sebigas UAC Company Limited to an interested investor because Sebigas UAC operates in EPC business, which is classified as Non-Core Business. This sale is favorable to the Company’s business structure and in line with the Company’s policy which focuses on Core Business, i.e. investment in renewable energy and clean chemical products.

Enclosure 7 Corporate Governance Policy

Chapter 1 Rights of Shareholders

The Company recognizes and emphasizes on the fundamental rights of the shareholders both as the investors in the securities and as the owners of the Company, for instance, the right to buy, sell, transfer securities held by him/her, the right to share in the Company's profit, the right to acquire the adequate information of the Company, the right in the shareholders' meeting, the right to express opinions, and the right to jointly make decision on the significant matters of the Company, such as allocation of dividend, appointment or removal of the directors, appointment of an auditor, approval of the significant transaction which has an impact on the direction of the Company's business operations, amendment of the Company's Memorandum of Association and Articles of Associations, and etc.

Other than the aforesaid fundamental rights, the Company also executes the matters that promote and facilitate the exercise of the rights of shareholders as follows.

1. The Company shall support the Board of Directors, the executives and the related work units, as well as the auditor to attend the shareholders' meeting in unison.
2. The Company shall deliver the written notice of the meeting appointment together with the meeting supporting information pursuant to the agenda for advance acknowledgement of the shareholders at least seven (7) days prior to the meeting date or according to the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The notice of the meeting appointment shall be publicized in a newspaper at least three (3) days prior to the meeting date for three (3) consecutive days. In each meeting agenda, the opinions of the Board of Directors shall be supplemented and the said information shall be disseminated via the Company's Website to give time to the shareholders to study the information prior to the meeting date in advance.
3. In the case where the shareholder is unable to attend the meeting in person, the Company shall give the shareholder the opportunity to enable to give a proxy to the independent director or any person to attend the meeting in lieu of him/her. Any form of Proxy delivered together with the written notice of the meeting appointment shall be used.
4. Prior to the meeting date, the opportunity shall be given to the shareholder, the opinions, suggestions, and inquiries can be sent prior to the meeting date in advance.
5. In the meeting, the opportunity shall be given to the shareholder to have an equitable right to freely express his/her opinions and suggestions or raise the queries in agenda prior to resolution in any agenda. However, in the shareholders' meeting, the related directors and executives shall attend the meeting to reply the queries in the meeting, and record the interrogation issues and significant opinions in the meeting minutes for verifiability of the shareholders.
6. In the meeting for electing the director, the opportunity shall be given to the shareholder to enable to vote for electing the director one by one. The shareholder is entitled to elect the representative deemed to be eligible to assume the director duty in order to maintain his/her own benefit, resulting in a variety and being the shareholder's true representative.
7. After completion of the meeting, the Company shall prepare the meeting minutes presenting the correct and complete information to ensure the verifiability of the shareholders, and publicize the meeting minutes via the Company's Website.

Chapter 2 Equitable Treatment of Shareholders

The Company establishes a policy to create equity for all groups of all shareholders, particularly the minority shareholders by giving the opportunity to the minority shareholders to propose any meeting agenda for the shareholders' meeting, and to nominate an eligible candidate to assume the director office, together with the detailed information for consideration support and/or the qualifications and the consent of the nominated candidate prior to the date of the shareholders' meeting in advance. The Company by the Nomination and Remuneration Committee shall screen the agenda which are truly beneficial, and select the eligible candidate before proposing to the Board of Directors for consideration, and then specify in the meeting agenda accordingly.

However, the shareholder who will propose the meeting agenda or nominate the candidate to assume the director office must possess the following qualifications.

1. Being the Company's shareholder and possibly being one or several aggregate shareholder(s);
2. Have a minimum shareholding proportion of not less than 200,000 shares;
3. Continuously hold the Company's shares in the proportion as specified in Clause 2 for not less than six (6) months, and require to hold shares in the date of which the meeting agenda is proposed or the candidate to assume the director office is nominated.

In executing each time of the meeting, the Company shall give each shareholder the equitable opportunity. Prior to the meeting commencement, the Chairman of the meeting shall clarify the exercise of the right to vote, and the vote counting method for the shareholders who must resolve in each agendum, and also give all meeting attendants the opportunity to express their opinions and the suggestions, and inquire in each agendum, whereas the suitable and adequate time is taken. The Chairman of the meeting shall execute the meeting in order of the meeting agenda, and have a policy of not adding the meeting agenda in the meeting without an advance notice to the shareholders to ensure the opportunity of the shareholders to study the supplementary information of the meeting agenda prior to decision making.

The Company strictly supervises the use of inside information to prevent any abusive self-dealing for the sake of fairness of all stakeholders. The Company establishes the guideline on storage of the Company's inside information and the guideline on prevention of the exploitation of such information for personal gain, to be the written directives. The Company also determines that the directors, the executives and the employees shall not trade the Company's securities using confidential and/or inside information and/or enter into any legal acts by using the Company's secret and/or inside information, and/or entering into any other juristic act using the Company's secret and/or inside information which causes damages, either directly or indirectly, to the Company. Additionally, the directors, the executives and the employees who are in the work units that acquire the Company's inside information shall not use such information prior to the public disclosure. Any persons relating to inside information including their spouses, and children under legal age, are prohibited to trade the Company's securities, either directly or indirectly (such as the nominee via the personal fund) within one (1) month prior to disclosure of the quarterly and yearly financial statements and at least three (3) days after disclosure of such information.

The Company provides the information to the directors and the executives in charge of reporting the holding of the Company's securities and penalty clauses pursuant to the Securities and Exchange Act B.E. 2535 (1992) and the requirements of the Stock Exchange of Thailand.

In the case where the director or the executive trades the Company's securities, such director or the executive is required to report his/her holding of the Company's securities, including of his/her spouse and children under legal age pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 (1992) every time of trading such securities within three (3) working days to the Office of the Securities and Exchange Commission for further dissemination to the public.

Moreover, the Company has established the disciplinary penalty against the persons who exploit usage of or disclose inside information until it may cause damage to the Company. Various penalties have been considered as appropriate, such as verbal warning, written warning, probation and dismissal, termination of employment by firing or discharging, or dismissing as the case may be, etc.

The Company also adheres to the equitable treatment of shareholders and prescribes the transparent and verifiable management guidelines on conflict of interests, especially in consideration on the transaction between the Company and the stakeholder or the related party. In the case of such incident, such stakeholder shall report to the Company immediately and not participate in considering or voting in such matter. The Company also stipulates the guideline to prevent the director or the executive who has the interests, or is involved and participate in decision making process for considering such transaction. In voting at the Board of Directors' meeting, any director with such interests on any matter shall not be entitled to vote on such matter.

Chapter 3 Roles of Stakeholders

The Company emphasizes on the rights of all groups of stakeholders, whether being the internal stakeholders, such as the shareholders, the executives and the employees of the Company, or the external stakeholders, such as the creditors, the customers, the business partners, the competitors, the public sector, the society, and the communities, etc. The Company well realizes that the supports and opinions from all groups of stakeholders shall be beneficial for the business operations and the development of the Company. Therefore, the Company shall comply with the laws and the related requirements to ensure that the rights of such stakeholders are under good supervision. In addition, during the course of business operation, the Company takes into consideration the rights of all stakeholders pursuant to the following guidelines:

- **Shareholders** : The Company treats all shareholders equally, maintains their benefits and not perform any acts which may violate or lessen their rights, commits to create maximum satisfaction to the shareholders by taking into consideration the sustainable growth of the Company for value addition and appropriate return on continuous basis, and adheres to business operation according to the Corporate Governance Code.
- **Employees** : The Company treats the employees equally and fairly, with regards to opportunity, compensation, fringe benefits, and potential development. All employees are regarded as valuable resources and key factor to drive the organization to achievement. Therefore, the Company commits to develop the organizational development to be the learning organization, strengthen the culture and working atmosphere, promote teamwork, promote the development of the employee's knowledge and competence to be progressive and secure in career, and also assure the quality of life and work safety, and maintain working environment, hear the opinions and suggestions from the employees in all levels equally and equitably.
- **Customers** : The Company aims for creating satisfaction and confidence to customers, takes good care and be responsible for customers. The customers shall receive good, quality and safe products/services at the reasonable prices and pursuant to the prescribed standards. The Company also strictly complies with the conditions and agreements made with customers, and develop itself to improve standards of products and services increasingly and continually and maintain good and sustainable relationships with the customers as well as not exploit the customers' information for the benefits of its own or of the related parties.
- **Business Partners and Creditors** : The Company takes into consideration the equity, fairness, non-advantage, and integrity in business operations, and maintains the mutual benefits with the business partners and the creditors by strictly observing laws and rules mutually specified. The Company also establishes the business code of conduct not to demand, not to receive, or pay any fraudulent benefits in dealing business with the business partners, and strictly comply with the conditions and treat the creditors fairly, as well as make repayment in a timely manner, maintain collaterals and other conditions under the agreement properly and completely and pursuant to the Corporate Governance Code. The creditors and the business partners shall be reported in advance if the Company fails to comply with the engagement in the contracts, and the solutions shall be mutually found out.
- **Competitors** : The Company treats the business competitors consistency with the international principle under the laws on trade competition practices and adheres to good and equally competition rules, without obstruction of any business competitors and discredit of the business competitors by ungrounded accusing, mudslinging and attacking, or unfair acts to the competition.

- **Public Sector** : The Company emphasizes on transparency and takes into account integrity in dealing and performing any transactions with the officials or the government agencies in order to avoid the execution that may result in any improper acts and conflict with the best management practices as well as oppose the bribery offered to the government officials to facilitate or for benefits of the Company's business.
- **Society, Community and Environment** : The Company establishes a policy to operate the business with the community, social and environmental responsibilities with regards to safety, quality of life and natural conservation; to promote the efficient use of energy; to realize the quality of life of the community and society, as well as to take into account the business operation that will have the environmental impact. The Company's operation and decision on any actions must ensure that all of its products and business operations are proper and conforming to the set of regulations or standards. The Company also encourages its employees to have consciousness and responsibilities on the communities, society and environment and to cooperate in activities with the communities where the Company is operating its business, as appropriate.

Chapter 4 Disclosure of Information and Transparency

The Board of Directors gives precedence to the disclosure of the accurate, complete, timely and transparent information, and financial information and general information report pursuant to the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as other key information that has impact on the prices of the Company's securities which entirely affects the decision-making procedures of the investors and the stakeholders of the Company. The Company disseminates its information technology to the shareholders, the investors and the public through the channels and media for information dissemination of the Stock Exchange of Thailand and on the Company's website.

In respect to the Investor Relations, the Company has established the Investor Relations Unit to facilitate the investors and the stakeholders to be accessible to the Company's information. Due to few activities in such matter, therefore, the Chief Executive Officer and the President is assigned to contact and communicate with the institutional investors, the shareholders, the analysts and the relevant public sector.

The Board of Directors shall be responsible for the Company's financial statements, and the financial information as presented in Annual Report. Such financial statements shall be prepared pursuant to the Generally Accepted Accounting Principles of Thailand by selecting and regularly observe the proper accounting policies. The information in the financial statements must be completely and adequately disclosed. In this regard, the Audit Committee shall review the quality of the financial report and the internal control system including the disclosure of the adequate key information in the notes to financial statements, and report to the Board of Directors for acknowledgement.

Chapter 5 Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

The Board of Directors consists of the knowledgeable, competent, and experienced members that can subserve the Company. The said members play key roles in defining the organizational policies and overview, and supervising an audit, assessing the Company's operation to meet the setting plan, and operating the Company's business according to the laws, the regulations, and the resolutions of the shareholders' meeting with integrity and ethics under the Business Code of Conduct. The Company shall also supervise the management tasks according to the specified targets and guidelines for the maximum benefits of the Company and the shareholders.

The structure of the Company's Board of Directors consists of the independent directors of more than one-third (1/3) of total members in the whole Board, causing balance of power on voting in considering various matters. The Audit Committee consists of three (3) independent directors.

At present, the Board of Directors consists of seven (7) members, whereas four (4) of them are non-executive directors (three (3) of them are the independent directors and members of the Audit Committee) and three (3) executive directors who are the Chief Executive Officer and the President for 1 person and the Vice President for 2 persons. However, the number of the Company's independent directors conforms to the criteria prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand that there shall be independent directors of not less than one-third of total number of directors.

The Company's Articles of Association prescribes that in every annual general meeting, at least one-third of directors in ratio shall retire. If the number of directors is indivisible into a multiple of three, the number of directors closest to one-third portion shall retire. The directors who shall retire in the first year and the second year after the registration of the Company shall be selected for retirement by drawing lot, and for following years, the longest serving directors shall retire. A retired director may be selected to resume the office.

Moreover, the Board of Directors has appointed various Sub-Committees, namely the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Corporate Governance Committee to perform the specific matters and propose them to the Board of Directors for consideration or acknowledgement. Such Sub-Committees shall have the rights and duties as specified in the scope of authority of each Sub-Committee.

The Board of Directors has a policy that the Chairman of the Board of Directors, and the Chief Executive Officer and the President must not be the same person for clarity on the responsibilities between establishing a supervisory and routine management policy. The roles and responsibilities of the Board of Directors and those of the executives are clearly defined and segregated with balance of power in operations. The Board of Directors performs its duty to establish the policy and oversee the operations of the executives at policy level, while the executives perform their duty to manage the Company in various aspects pursuant to the established policy.

However, the Board of Directors has appointed the Corporate Secretary to have duties and responsibilities pursuant to the Securities and Exchange Act.

5.2 Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has duties to consider and give consent on the important matters concerning the business operations of the Company, such as vision and mission, strategies, risks, action plans and budget, and to supervise the operation of the management to ensure their efficiency and effectiveness on compliance with the specified policies and action plans.

Segregation of Duties between Policy Establishing and Routine Management

The Board of Directors has clearly considered segregating power, duties and responsibilities on establishing supervisory policies and routine management. The Chairman of the Board of Directors/the Chief Executive Officer and the President are elected by the Board of Directors. The Chairman of the Board of Directors who must not be the same person as the Chief Executive Officer and the President, shall be the leader and play the key role in making decision on the Company's policies as a result of the Board of Directors' meetings under business target mutually considered and set by the Board and the Management. The Chairman of the Board of Directors shall efficiently and effectively preside over the Board of Directors' meeting of the Company, support all directors to independently participate in meeting and opinion expression, and also perform as the chairman of the shareholder's meeting of the Company. However, the Chairman of the Board of Directors shall not engage in routine management tasks but shall regularly support and give advice on business operations to the Management through the Chief Executive Officer and the President, while the Chief Executive Officer and the President shall be responsible for managing the Company under the framework of power authorized by the Board of Directors.

Corporate Governance Policy

The Company has prepared the written corporate governance policy and such policy has been approved by the Board of Directors' meeting No. 1/2010 on May 6, 2010. However, the Board of Directors shall review the policy and the compliance with such policy on regular basis. The Company shall communicate with everyone in the organization for the correct and

corresponding understandings about the good corporate governance policy to encourage everyone in the organization to comply with the established policy.

Business Code of Conduct

The Board of Directors adheres to the proper and fair business operation, and prescribes a written business code of conduct to be applied and disseminated to the employees as a practical guideline to express its intention to transparently and ethically operate the business, take responsibility on the stakeholders, and take into consideration the society and environment through the in-house trainings and communications in various forms. Such business code of conduct shall reflect the goodwill and the practical guidelines to be observed by all employees. The Board of Directors shall operate according to the framework of code determined in various areas, such as respect and compliance with laws, interest and conflict of interests, use of inside information and maintenance of confidential information, internal control and internal audit system, receiving and giving of gifts, properties or other benefits, intellectual properties, information technology and communication, political rights and neutrality, employee treatment and stakeholder responsibility.

However, the Company has announced and notified all employees for acknowledgement, strict observance, and compliance with the such guidelines.

Conflict of Interests

The Board of Directors establishes the policy regarding the conflict of interests based on the principle that any decision on business activity operations shall be made for maximum benefit of the Company only and should avoid any acts which may cause conflict of interests. The directors, the executives and the employees must review and disclose the transactions with conflict of interests for the Company's acknowledgement on their relationship or connection with such transaction. In any consideration on entry into the transactions, it is determined that the person who is related to or connected with such considered transaction shall not participate in consideration process and shall not have approval power on such transaction. The suitability shall be considered in entry into the transaction using price and conditions on arm's length basis.

The Audit Committee shall propose the related party transactions and the transactions with conflict of interests to the Board of Directors under the prudent consideration on their suitability in compliance with the criteria of the Stock Exchange of Thailand, and disclose them in the Annual Report and the Annual Registration Statement (Form 56-1).

The members of the Board of Directors and the executives of the Company shall include their spouses and children under legal age. When there is a change in the holding of the Company's securities, they shall notify the Company and report a change of securities holding to the Office of the Securities and Exchange Commission pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 (1992) within three (3) working days after the date of which such shares have been purchased, sold, transferred or accepted the transfer. In addition, the directors, the executives or the work units that are informed of the inside information are prohibited to disclose such information to the third party or other people who have none of the related duties. They are also prohibited to purchase or sell the Company's securities within one (1) month period before dissemination of financial statements to the public and at least three (3) days after dissemination of such information to prevent any misuse of inside information.

Internal Control System

The Board of Directors gives precedence to the efficient corporate governance and internal control both at management and operation level. However, the internal control system is a key mechanism to ensure the Management that it contributes to the business risk abatement, and the efficient business operation. The resources are properly allocated to achieve the setting targets. The internal control system can prevent the properties from leakage, loss or fraudulence and misconduct, ensure the correctness and credibility of Annual Report, and contribute to the compliance of the personnel with the related laws, and rules and regulations as well as protection of the shareholders' investments. Therefore, the Company has clearly defined the obligations and operational powers of the officers and the executives on various matters in writing, the control on the usage of the Company's assets for usefulness, and the segregation of duties of the officer, the supervisory person and the evaluating person for the appropriate balance of power and cross checking.

The Board of Directors assigns the Audit Committee to be responsible for reviewing the suitability and efficiency of the internal control system established by the Management, and preparing and reviewing the control system in terms of operation, financial reporting, compliance with regulations, rules, policies and corporate governance including risk management. The Board of Directors also emphasizes on advance warning signs and irregular transactions. However, the Company has employed a company which has experiences and expertise on auditing internal control system to serve as the Company's internal auditor to ensure that the Company has the adequate and proper internal control system. For full independence, auditing functionality, and balance of power, such internal auditor shall directly report to the Audit Committee. However, the Company regularly monitors and assesses the adequacy of the internal control system at least once a year to ensure the efficient execution of the formulating system.

Risk Management

The Board of Directors emphasizes on risk management and is responsible for establishing the overall companywide risk management policy, assessing and managing the organizational risks to be in acceptable level. The Board of Directors assigns the Risk Management Committee to perform risk management to be efficient according to the established policies. In principle, it prescribes that if any risk is an obstacle of the business operation not to achieve the planned target, the Company must have a measure for managing those risks, and encourage and stimulate everybody to create working culture that realizes on the importance of risks, endeavor to grasp their causes, and take corrective actions, for instance, the improvement of the work procedures, the proper usage of the resources, and the usage of tools as an aid in prevention or mitigation of any potential risks for the purpose of prevention and reduction of the potential loss. Vice versa, the abovementioned systematic operations will result in the Company's ability to utilize from the new business opportunity that will add value to the organization.

Report of the Board of Directors

The Board of Directors is responsible for the Company's financial statements and assigns the Audit Committee to review the financial report, and supervise the preparation of the quality and proper financial report according to the Generally Accepted Accounting Standards. The Company's key information must be transparently and adequately disclosed. The Accounting Department and/or the auditor shall attend the joint meeting, and quarterly present the financial report to the Board of Directors. The Board of Directors is responsible for the Company's financial statements and financial information (Report of the Board of Directors' Responsibilities toward the Financial Report) as presented in Annual Report. Such financial statements are prepared pursuant to the Generally Accepted Accounting Standards, and certified and audited by the authorized auditing office. The key information consisting of the financial and non-financial information shall be disclosed based on the complete facts on regularly basis.

5.3 The Board of Directors' Meeting

Generally, the Board of Directors shall regularly schedule the usual meeting every 3 months, and may hold the additional special meeting as necessary. For each meeting, the clear agenda must be specified and the documentation of the meeting agenda must be delivered in advance prior to the meeting so that the director can have sufficient time to study information on various matters prior to the meeting, unless in case of emergency. The meeting minutes shall be taken and the report documents which have been approved shall be stored to be used in reference and verifiability. In addition, the Company shall prepare and submit a quarterly performance report to the Board of Directors for acknowledgement, so that the Board of Directors can supervise the operations of the executives continually and in due time.

In the meeting, the Chairman of the Board of Directors/the Chief Executive Officer and the President shall jointly set agenda and consider the matters to be entered into the agenda of the Board of Directors' meeting. The opportunity is given to each director to enable to propose the matters for consideration as the meeting agenda.

In consideration on matters, the Chairman of the Board of Directors who presides over the meeting shall give a chance the directors to freely express their opinions. Top executive may attend the meeting in some agenda to provide the detailed information and useful additional data as the related parties, and to be directly informed of the policy to ensure the efficient implementation. The resolution of the majority vote shall be adhered in passing the resolution in the Board of Directors' meeting,

whereas each director shall have one vote. The director who has any conflict of interests shall not attend the meeting and/or not exercise the voting right in that matter. In the event of a tie, the chairman of the meeting shall perform an additional vote as casting vote.

All committee members are entitled to verify the meeting documentation and other important documents and if the Independent Director or the Audit Committee has any doubts, other directors and the executives of the Company must quickly and completely answer such doubts as soon as possible.

In the case where the director disagrees with the resolution of the Board of Directors' meeting, such director can ask the Corporate Secretary to record such objection in the meeting minutes, or submit an objection notice to the Chairman of the Board.

In each time of the Board of Directors' meeting, the Corporate Secretary shall attend the meeting, take the meeting minutes, and deliver to the Chairman of the Board for considering and affixing his/her signature to certify the correctness. The Meeting shall be proposed to certify in the following time of the meeting. In addition, the Corporate Secretary shall collect information or documents relating to the meetings for convenience in searching and referring. Usually, every member of the Board of Directors shall attend the meeting every time. Unless in case of necessity, an advance notice shall be given prior to the meeting. In addition, the Board of Directors considers as policy that the opportunity is given to the non-executive directors to convene the meeting among them as necessary for discussing the management-related problems in the interest without the management's attendance. A notice shall be given to the Chief Executive Officer and the President for acknowledgement on the meeting result.

5.4 Remuneration

The remuneration policy of the Company for the directors and the executives is in an appropriate level by taking into account the Company's performance and consistency with the similar business/industry, as well as the suitability with duties and responsibilities of each director and executive, in form of the directors' remuneration and/or salary and bonus.

Directors' Remuneration and Sub-Committee Members' Remuneration

The Annual General Meeting of Shareholders shall consider approving the determination of the Board of Directors' and the Sub-Committees' remuneration which has already been passed for consideration and consent by the Board of Directors.

Remuneration of the Chief Executive Officer and the President, and the Executives

The Company carefully make payment of the remuneration to the Company's executives at an appropriate level as the competitive rate in the same group of business industry in order to supervise and retain the quality executives. The executives with more assigned duties and responsibilities shall earn more remuneration which is appropriate for the increased assigned duties and responsibilities

5.5 Development of the Directors and the Executives

The Board of Directors has a policy to encourage and facilitate the provision of trainings and knowledges to the related parties in the Company's corporate governance system, such as directors, members of the Audit Committee, and executives, etc. to ensure the continuous working improvement. In the case of change in the director or the new director, the Management shall prepare the documents and information which are useful for the duty performance of new director, and introduce the nature of business and a guideline of the Company's business conduct to the new director.

Supervision on the Use of Inside Information

For transparency and prevention of exploitation of personal gains from using the Company's inside information which has not yet been disclosed to the public as well as for avoidance of any scandal concerning an appropriateness on trading of the securities by the insider, the Company, therefore, has established the practices to be observed by the Company's directors, the executives and the employees as follows:

1. The Company's directors, executives and employees shall maintain the secret and/or inside information of the Company by not disclosing or exploiting it for their personal gains or for the third party's gains directly and indirectly. They shall not purchase, sell, transfer or accept transfer the Company's securities using the Company's secret and/or inside information, and/or enter into any juristic act using the Company's secret and/or inside information that may cause damages to the Company either directly or indirectly.
2. The directors, the executives and the employees in work units who acquire the Company's inside information shall not use such information prior to public disclosure, and shall not purchase, sell, transfer or accept transfer the Company's securities in one (1) month period prior to public disclosure of quarterly financial statements and yearly financial statements and at least three (3) days after disclosure of such information.

However, the said requirements shall also apply to the spouse and children under legal age of the Company's directors, executives and employees. If any person violates the said requirements, he/she must be disciplinarily and/or legally punished and/or punished as the case may be.

Enclosure 8 Code of Ethics

UAC Global Public Company Limited foresees the cornerstone of the business ethics-related practice which is deemed as the important basis in reinforcing and upgrading the good corporate governance as the important foundation of the security, and the sustainable growth, and as the support so that the organization can achieve the defined goal as per two key basic concepts.

- Development and creation of the good mental basis of the organizational personnel
- Development and creation of the good environment which is the availability of good, transparent and explicable system and control, causing fairness to all related parties.

Therefore, the Company by the Board of Directors deems appropriate to determine “Code of Ethics” for adopting and disseminating to the employees as practical guideline to express the intention on transparent and moral business operations, and take responsibility on the stakeholders under the social and environmental concern through the internal trainings and communications in various forms. This Code of Ethics reflects the value and the working guideline of all employees in self-conduct and working according to the framework of this established Code of Ethics without exception as follows.

1. Law Respect and Compliance UAC Global Public Company Limited gives precedence to respect and compliance with the relevant laws, rules and regulations, as well as respects the good customs, traditions and customs, other than the compliance with criteria, requirements and set of rules issued by the Company.
2. Stakeholding and Conflict of Interests UAC Global Public Company Limited establishes the significant policy of the business operations whereas the benefits of the Company and stakeholders must be taken into account. The business shall be strictly operated with integrity, reason and independence under the framework of good ethics, the information consideration and disclosure process, the stakeholding, the related party transaction, or the conflict of interests according to laws and criteria of the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand. The Company’s employees shall avoid them to perform any acts with interest or conflict of interests whether due to the trade dealing with the related parties, or due to the use of opportunity, or information acquired from being the employees in personal exploitation. The Company determines that the directors and the employees shall yearly report the transactions that may cause conflict of interests between them or the related parties and UAC Global Public Company Limited to build confidence to the shareholders and the investors through the expression of the intention on transparent business operations.

In addition, in considering the entry into transactions, it is determined that the related or connected parties of the considering transactions must not participate in consideration and have none of approval power in such transactions. Moreover, in entering into transactions, the appropriateness and the use of fair price shall be considered as if the transactions are entered with the third parties.

3. Use of Inside Information and Confidentiality of the Confidential Information UAC Global Public Company Limited deems that the key inside information used in business operations and not yet disclosed to public are confidential. If it is disclosed, it will affect the Company’s share value traded in the Stock Exchange of Thailand. Therefore, the employees at all levels shall comply with the best practices in securities trading, without use of inside information which has not yet been disclosed to public, for equality of all shareholders and investors, and for prevention of the offence of the employees, their family members and all related parties.

The Company defines the prohibition that the directors, the executives, or the work units who are informed of the inside information shall not disclose the said information to the third party or the person whose duty is not related, and trade the Company’s securities in 1 (one) month period prior to dissemination of the financial statements to public, and after dissemination of such information for at least 3 (three) years to prevent the misuse of inside information.

Moreover, the Company defines the requirement relating to the confidentiality of the confidential information of the business partners, the customers, and the stakeholders who jointly operate the business. All employees at all levels shall not inform other persons about the information perceived by them from their duty performance, or wrongfully exploit to cause the loss of the related stakeholders. They shall also be careful for providing news information and expressing opinions on what are not their duties or not assigned to disclose the said information to public and other persons.

4. Control and Internal Control System UAC Global Public Company Limited sets the control and internal audit system to be efficient consistency with the international standards, and is not involved with the illegal or unethical activities. The Board of Directors of the Company and the Executive have duties to oversee and manage risks in the suitable level. In addition, the Company has the good monitoring and assessment system, regularly reviews the system, and strictly prepares the correct, complete, reliable accounting and financial report according to the law requirement by the work unit entrusted with duties and responsibilities. The foregoing is regarded as the importance in building confidence to the shareholders and the investors in the Company's shares.
5. Receiving and Giving of Gifts, Properties or any other Benefits UAC Global Public Company Limited determines that the Company's employees shall avoid the act bringing about any conflict of interests, such as accepting the personal gifts with the excessive value or any other entertainment other than the normal and reasonable entertainment relating to the business operations from the related parties. They shall also avoid to make the agreement or understanding on the exchange as the result of accepting gifts. Receiving gifts with the excessive value is unable to be performed. The Company and its employees shall not pay or offer the bribery or illegal payment to the public officers or any representative or person to receive or maintain the occurred business benefits.
6. Intellectual Property, Information Technology, and Communication UAC Global Public Company Limited foresees the significance of the intellectual property, information technology, and communication as the key factor contributing to the promotion of business operation, and the increase in working efficiency. It shall be considered as the mutual responsibilities of all employees that they shall respect the right of the intellectual property's owner, and prudently and carefully use the information technology and communication under the requirements of laws and the Company.
7. Right and Political Neutrality UAC Global Public Company Limited establishes the management policy according to laws through the strict integrity, political neutrality, and independence both in decision making and acts adhering to democracy and encouraging the employees to exercise their rights pursuant to the constitution, and other relevant laws. However, the Company has none of the policy on financial, resource, or any other resource supports either directly or indirectly to the politicians, the political parties or the groups of any political forces for benefits of the politicians, the political parties or the groups of any political forces.
8. Self-Conduct of the Employees UAC Global Public Company Limited establishes the employee code of conduct in self-conduct of the employees as a behavioral and conduct guideline together with work regulations, commandments, rules, orders, and announcements of the Company. The Company's employees have duty to work with all their abilities with responsibility, integrity, honesty, and commitment on work success, as well as comply with the regulations, the rules, and the corporate culture by mainly adhering to the Company's benefit, and attaching to the code of virtue and ethics without behaving themselves in the way that discredit themselves and the Company.

Moreover, the employees who are the superiors should take care of the subordinates in working, morale and will power, listen to the subordinate's opinions, and conduct themselves to be respectful of the employees. The employees should not perform any act showing disrespect to their superiors.

9. Stakeholder Responsibility
 - 1) Treatment of Shareholders The Company shall treat the shareholders equally, maintain the shareholders' benefits and not perform any acts which are violation or derogation of the shareholders' rights, and commit to the maximum satisfaction of the shareholders by taking into account the Company's sustainable growth for value addition and yield of the continuous appropriate return, and adhering to the business operations pursuant to the Corporate Governance Code.

- 2) **Treatment of Customers** The Company shall commit to the customer satisfaction and confidence, and customer care and responsibility. The customers must receive the good, quality and safe products and services in the reasonable price level according to the determined standards. The Company shall also strictly comply with the conditions and agreements with the customers, continuously develop and upgrade the standards, seriously and regularly maintain the good relationship and sustainability with the customers, and not use the customer information for benefits of the Company and the related parties.
- 3) **Treatment of Business Partners and Creditors** The Company shall take into account the equity, the fairness, the non-advantage taking, and the integrity in business operations, maintain the mutual interests with the business partners and the creditors by strictly complying with the laws and the rules mutually prescribed, having the code of business conduct, not demanding or receiving or paying any dishonest trade interests with the business partners, and strictly complying with the conditions. The Company shall treat the creditors fairly. In addition, the due repayment, the supervision of the collateral and other conditions according to the contractual clauses shall be properly and completely performed according to the Corporate Governance Code. The business partners and the creditors shall be reported in advance in case of failure to comply with the contractual engagement, and mutually seek for such solution guideline.
- 4) **Treatment of Business Competitors** The Company shall treat the business competitors consistency with the international principle under the framework of laws relating to the practice of the business competitors, and adhere to the rules of good and equitable competition, not obstructing other persons in participation in the business competition, not discrediting the business competitors through accusation, mudslinging, and attack against the competitors without the ground of fact, or performing any unfair acts with competition.
- 5) **Treatment of Public Sector** The Company shall emphasize on transparency and take into account the integrity in dealing to enter into the transactions with the government officers or agencies to avoid the operations that may affect the acts which are improper and in conflict with the principles of good governance. Moreover, the Company counters bribes to the government officers for facilitation or business interests of the Company.
- 6) **Treatment of Employees** The Company shall treat the employees equally and fairly in terms of opportunity, return, welfare, and potential development. All employees are regarded as valuable resources and key factor in driving the organization for success. Therefore, the Company commits to the organizational development to be the learning organization, reinforce culture and working atmosphere, promote teamwork and development of the employee's knowledge and competence for progress, career security, and confidence on quality of life, and work safety, maintain working environment, and equally and equitably listen to the opinions and suggestions from the employees at all levels.
- 7) **Treatment of Society, Communities and Environment** The Company establishes the business operation policy with the community, social and environmental responsibilities in terms of safety, quality of life, and natural resource conservation, promotes the efficient energy consumption, realizes the community and society's quality of life. In addition, the Company takes into account the business operations that will affect environment, working and decision making on any of the Company's executions. The Company shall ensure that the products and business doing of the Company are entirely proper and conforming to the sets of rules or standards, and encourage the employees to be conscious and responsible for the communities, society, and environment, as well as collaborate in the activities with the communities where the Company is operating the business as appropriate.



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