



Annual Report 2022

Form 56-1 One Report

Sakol Energy Public Company Limited

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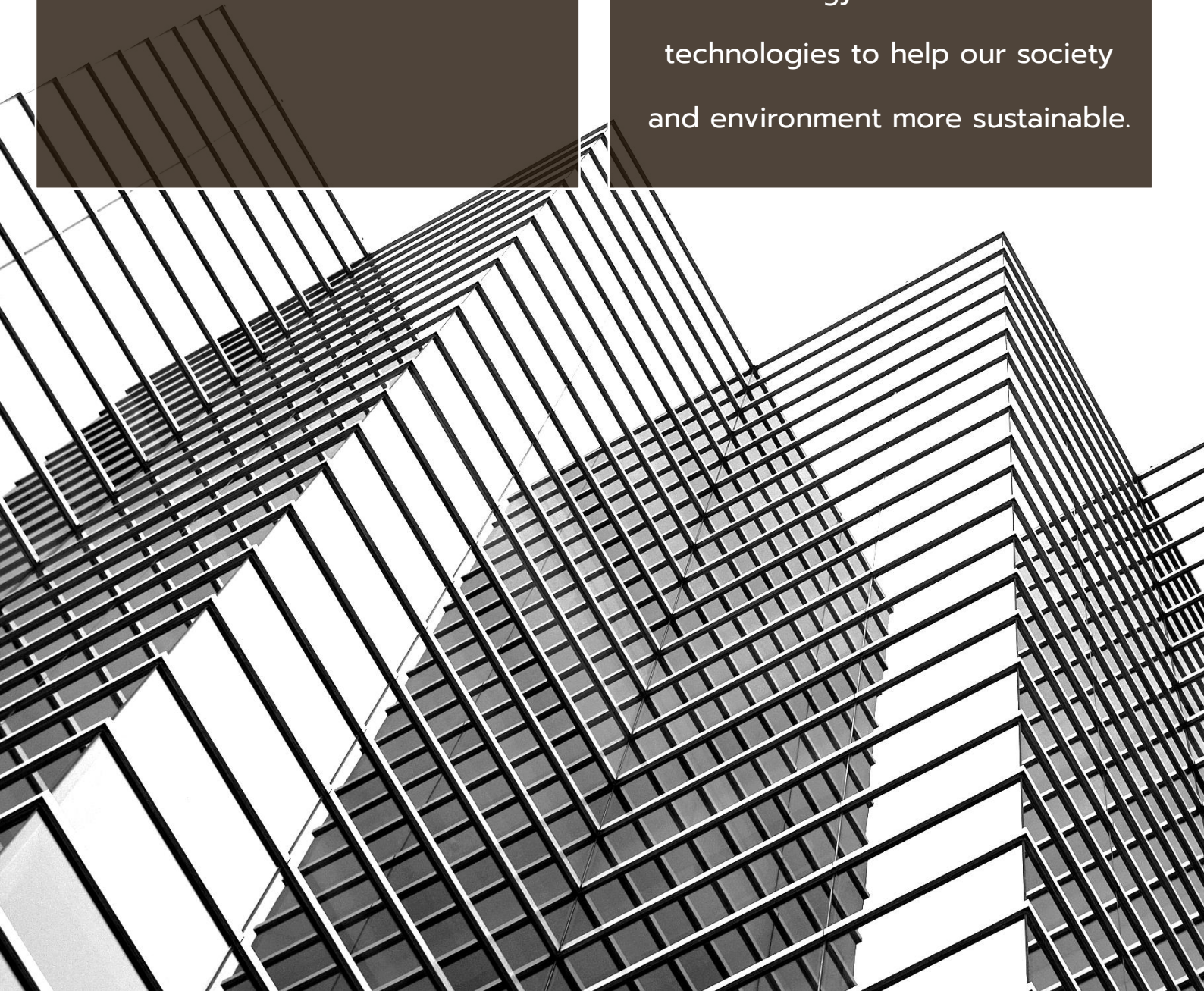
Our Vision and Mission

Vision

Accelerate a better society and environment with clean energy.

Mission

To establish corporate growth and profitability through investments in clean energy. Utilize innovative technologies to help our society and environment more sustainable.



Message from the Chairman



We would like to confirm and provide assurance that we will operate the business under the principles of good corporate governance and good management for sustainability of the Company.

Prof. Emeritus Dr. Direk Lavansiri
Chairman

Dear Shareholders,

In the year 2022, there were many important events and one of the important events that had a wide impact was the Russia-Ukraine war, which has affected the energy sector and created a global energy crisis with fluctuations in both volume and price of energy. This was because Russia is the world's largest oil producer. Prior to the war, Russia had the second largest oil production capacity in the world with production capacity of approximately 11 million barrels per day. In addition, more than 40% of consumption by European countries is dependent on natural gas from Russia. As a result, many countries around the world had to adjust their energy supply to replace the missing supply from Russia. Due to the decrease in supply of oil and natural gas, the European Union and many European countries had to purchase from production sources in Asia and the Middle East. As for Thailand, although our country will not be directly affected because it does not rely mainly on energy from Russia, the situation of the Russia-Ukraine war still needs to be closely monitored because fluctuating energy prices can affect Thailand's lifestyles and business sector.

In respect of the operations of Sakol Energy Public Company Limited "the Company." In the year 2022, the revenue structure of the Company has changed from the past which used to rely on revenue from private natural gas stations, which accounted for over 50% of total revenue. However, revenue from private natural gas stations during last year has decreased to 25%, with increased proportion of revenue from businesses invested by the

Company according to its business plan that have started to generate revenue such as biomass power plant, non-hazardous waste or unused materials management by sorting waste and producing refuse-derived fuel (RDF), and financial technology business. The businesses will generate main sources of revenue in replace of revenue from private natural gas stations in the future as private natural gas station contracts will expire in 2029 or in another 6 years. However, the Company made a significant investment in the year 2022 in expanding waste disposal and fuel processing business by setting up a new plant with a production capacity of more than 300,000 tons of RDF per year. The Company plans to complete construction of the plant in 2023 and will start supplying fuel according to the contract with SCI Eco Services Co., Ltd. The fuel supply contract includes a condition to deliver fuel of approximately 135,000 tons per year with a term of 3 years, starting from January 2023. The contract value is over Baht 1 billion. The investment in this new plant is not only an execution according to the Company's vision and policy in expanding clean energy business, but the Company is also proud to be a part in driving the green economy that focuses on reducing impact on the environment and resources as an economic model that helps solve global warming and greenhouse effects, which is currently supported and promoted in Thailand and all over the world. The carbon credit certification of the Company's business illustrates apparent support from the Company. At present, Mae Krating Biomass Power Plant has already been registered as part of Thailand's Voluntary Greenhouse Gas Reduction Project (T-VER) and, the plant has been inspected and its registration has been certified. The initial assessment indicates that the amount of greenhouse gas reduction is approximately 33,000 tons per year. Currently, the carbon credit trading market is growing in both international and domestic markets. This will become a support for the Company to earn more revenue from the clean energy business, which is its main investment strategy.

On behalf of Sakol Energy Public Company Limited, we would like to express our deepest gratitude to all shareholders, customers, business partners and stakeholders for your continuous support and assistance in the Company's works.

Finally, we would like to confirm and give all stakeholders confidence that we will operate under the principles of good governance and good management for the sustainability of the Company. We would like to take this opportunity to thank the Board of Directors, management team, employees, and personnel of the Company for their full support and cooperation and being responsible for their duties at their best capability. Their efforts have helped the Company to be able to get through the economic and social crisis in the year 2022 and, with these efforts and cooperation, I believe that we will together make the organization grow steadily and sustainably.

Message from the Chief Executive Officer



In respect of business management, we believe in working with determination, clear goals, good governance, and protecting the interests of all stakeholders. SKE has business plans and strategies to develop the business to steadily grow and become a sustainable organization.

A handwritten signature in blue ink, appearing to read 'Sam Yarb', which is the signature of Mr. Chutchai Sumethchotimetha.

Mr. Chutchai Sumethchotimetha
Chief Executive Officer

Dear Shareholders,

The year 2022 was the year of recovery for the business sector and lifestyles around the world had changed as we combat the impact caused by the outbreak of the new strain of coronavirus or the Covid-19 in the past 2-3 years. The pandemic had caused adjustments and changes in business, economy, society, technology, and environment around the world.

Since the start of business operations, Sakol Energy Public Company Limited "the Company" has remained committed and prepared for adapting to various situations. During the past year, the Company purchased ordinary shares of Vanta Capital Co., Ltd., a financial technology company, because it foresees an opportunity in the financial technology business, which is regarded as the world's megatrend, and an opportunity to develop and grow the business into various areas. The past year was a year of significant investment which would expand the Company's business into environmental business with an investment value of over Baht 400,000,000. In the year 2022, the Company was in the process of construction and installation of machinery at the RDF plant in Saraburi Province, where the Company closely monitored and controlled the construction plan. The plant is expected to be completed and commenced operations in 2023. This investment is considered one of the Company's significant milestones because it will create a remarkable growth of the Company and in technology as RDF producer with an annual production volume that has grown 6 times from the original plant in Chonburi Province. The Company pays great attention to the quality of the product, using modern technology to produce RDF with good properties and the

used technology is new in the RDF market. The Company has also been awarded long-term contracts from cement and waste power plant customers in the area. It is regarded as another year which has passed with sincere commitment and cooperation from the Board of Directors, the Executive Committee, and all employees.

In this year 2023, the Company remains focus on conducting its current business according to the Company's plans and strategies to achieve revenues of Baht 1,000,000,000 and is expected to grow its business when appropriate opportunities arise according to the Company's vision to create a better society and environment with clean energy. The Company will continue to strive for business growth and build confidence among all shareholders, which will result in SKE always being attractive to all investors.

Lastly, on behalf of the Executive Committee, I would like to thank shareholders, financial providers, customers, trade partners, business partners, society, communities, employees, and all sectors for their continuous support and cooperation. In respect of business management, we believe in working with determination, clear goals, good governance, and protecting the interests of all stakeholders. SKE has business plans and strategies to develop the business to steadily grow and become a sustainable organization.

Board of Directors



04

02

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01 Prof. Emeritus Dr. Direk Lavansiri

Independent Director
Chairman

02 Mr. Chutchai Sumethchotimetha

Director

03 Mrs. Aree Sumethchotimetha

Director

04 Mr. Jakkraphong Sumethchotimetha

Director

05 Mr. Thanapon Sumetchotimaytha

Director

Board of Directors



08

06 Pol. Gen. Worapong Chewprecha
Independent Director



06

07 Dr. Witoon Simachokedee
Independent Director



07

08 Mrs. Rawittha Pongnuchit
Independent Director



09

09 Asst Professor Dr. Attawoot Papangkorn
Independent Director

Audit Committee



03

01 Pol. Gen. Worapong Chewprecha
Chairman of the Audit Committee

01

02 Dr. Witoon Simachokedee
Audit Committee

02

03 Mrs. Rawittha Pongnuchit
Audit Committee

04

04 Assistant Professor Dr. Attawoot Papangkorn
Audit Committee

Executive Committee



06

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01 Mr. Chutchai Sumethchotimetha

Chairman of Executive Committee
Chief Executive Officer

02 Mrs. Aree Sumethchotimetha

Executive Director
Senior Executive Vice President

03 Mr. Jakkraphong Sumethchotimetha

Executive Director
Managing Director Company Secretary

04 Mr. Thanapon Sumetchotimaytha

Executive Director
Chief Operating Officer

05 Ms. Napaporn Sathitthammaporn

Executive Director
Chief Financial Officer

06 Ms. Jittanit Tantrakool

Executive Director
Chief Strategy Officer

07 Mr. Piya Vittayavarotkit

Executive Director
Chief Human Resources Officer

Nomination & Remuneration Committee



02



01



03

01 Mrs. Rawittha Pongnuchit

Chairman of the Nomination &
Remuneration Committee

02 Assistant professor Dr. Attawoot Papangkorn

Remuneration & Compensation Committee

03 Mr. Piya Vittayavarotkit

Remuneration & Compensation
Committee

SKE Group

SKE

SKE donated to Wat Sattha Ruangsri School in Saraburi Province



Khun New, Jakkraphong Sumethchotimetha (Managing Director) and Khun Tong, Suraphong Panpo (Station Manager) and the Company's other representatives visited Wat Sattha Ruangsri School in Saraburi Province and donated Baht 20,000 to renovate bathrooms for students of Wat Sattha Ruangsri School.

Hybrid Working

SKE Group (Muang Thai Phatra) started hybrid working system by working from home 3 days per week and at office 2 days per week.



SKE Group's Lean Process and Digital Workflow Development

SKE Group organized a training course on "Lean Process to Digital Workflow" to reduce complex work processes and drive towards a digital organization.



Digital Workflow Development Workshop

SKE Group organized a training course on developing digital processes into digital projects to improve work processes and drive SKE Group towards a digital organization.



N15 Technology organized piling blessing ceremony at RDF plant in Saraburi Province

"N15 Technology" organized Garnesh worship ceremony and piling blessing ceremony at RDF plant in Kaeng Khoi District, Saraburi Province, which has a production capacity of about 400,000 tons per year, using a budget of Baht 400 million.



SKE Group Happy Chinese New Year

SKE Group organized SKE Group Happy Chinese New Year event with the honor of Khun New, Jakkraphong Sumethchotimetha (Managing Director) giving red envelopes (Ang Pao) and congratulating employees as morale and encouragement for their works throughout the Tiger year.

SKE Group



SKE organized Garnesh worship ceremony for the year 2022 at Pathum Thani Private Mother Station with the honor of Khun Chutchai Sumethchotimetha (Chief Executive Officer) presiding over the ceremony. The ceremony consisted of Khun Rawittha Pongnuchit (Board of Directors), management team, and employees of SKE.

SKE Organized Garnesh Worship Ceremony for 2022

SKE Group organized "Digital Project Pitching Event"

SKE Group organized digital project pitching under the project name "Digital Organization", which is one of this year's organizational main goals. Each team presented a project that would use technology to increase operational efficiency.



Leadership Development Program - Tea Talk Series

SKE organized a Leadership Development Program - Tea Talk Series led by Khun New Jakkrachong (Managing Director), Khun Napaporn (Chief Financial Officer), executives, and department managers. They jointly conducted a workshop on work process development guidelines to support becoming the digital organization next year.

SKE Acquired VANTA Capital Shares, Representing 30% Shareholding.

SKE acquired VANTA Capital shares, representing 30% shareholding. VANTA is a financial technology company. VANTA provides software for securities trading which is currently used for trading in the Stock Exchange of Thailand (SET).



SNACK CORNER

SKE Group Organized Kick off - Moving Toward Sustainable Organization

10 May, 2022



SKE Group



SKE Group New Year Party 2023

The Final Round SKE Group Digital Project

SKE Group organized “The final round” event belonging to SKE Group Digital projects, under Digital Organization program, which is one of this year’s organizational main goals. Each team reported a summary of the projects that have been initiated and developed by implementing technology into their operations over the past 7 months.



**SKE GROUP Leadership Development
Program: Highly Effective Team Training**



**SKE Group Organized a Happy Halloween
Week Event**

SKE Group



Mae Krating Biomass Power Plant participated in the meeting to summarize the indicators of Rong Kwang District. The power plant proposed to participate in the green industry project.



Mae Krating Biomass Power Plant participated in the workshop for business premises which have entered the drug prevention and solution standard system.



Officers from the Energy Regulatory Commission (ERC) in Phrae Province inspected and monitored Mae Krating Biomass Power Plant's operations according to CoP/ESA measures.



Mae Krating Biomass Power Plant donated face masks to Mae Krating community.



Mae Krating Biomass Power Plant participated in the 7th class of Building Work Discipline Training Program organized by the Department of Labor Protection and Welfare.



Mae Krating Biomass Power Plant sent employees to attend a training course on "Safety in working in confined spaces, 4 persons (practitioner/helper/supervisor and grantor)" according to the laws and 24-hour standard organized by Pinthong Group Co., Ltd., an agency registered with the Department of Labor Protection and Welfare.



Mae Krating Biomass Power Plant participated in a seminar on "Guidelines for Permitting and Directions on Supervision of Energy Industry".

SKE Group

Eco Consultant Co., Ltd. installed an air quality monitor in Quarter 3 / 2 0 2 2 according to CoP and ESA requirements at Mae Krating Biomass Power Plant.



Eco Consultant Co., Ltd. installed an air quality monitor in Quarter 2/2022 according to CoP and ESA requirements at Mae Krating Biomass Power Plant.



Qualified engineer for control and usage of boilers of Mae Krating Power Plant inspected the use of boiler for the first time in the year 2022.



Mae Krating Biomass Power Plant participated in the forest planting activity in honor of His Majesty the King's 70th Birthday Anniversary organized by Phrae Provincial Industrial Office.

Mae Krating Biomass Power Plant participated in the activity, Memorandum of Agreement (MOU) for cooperation in solving drug problems organized by Phai Thon Police Station, Rong Kwang District, Phrae Province.



Mae Krating Biomass Power Plant received an environmental governance audit for the year 2022 by Phrae Provincial Industrial Office, the Federation of Thai Industries, and local agencies in Phai Thon Sub-district.



Mae Krating Biomass Power Plant organized an emergency drill in the event of chemical spill in the year 2022.



Mae Krating Biomass Power Plant participated in a seminar on safety, occupational health, and working environment management project.



Mae Krating Biomass Power Plant, on behalf of Phrae Provincial Industrial Office, participated in the activity to present the management system of industrial waste from the biomass power plant (ash).

SKE Group



Mae Krating Biomass Power Plant organized employee training course on "Basic Fire Fighting" for the year 2022 by a team of speakers who have been registered with the Department of Labor Protection and Welfare, Nana Safety Center Partnership Limited.



Mae Krating Biomass Power Plant provided heavy machinery to support and help the community to improve and repair damaged roads and lay sewer pipes for Ban Mae Krating community.

Mae Krating Biomass Power Plant measured environmental quality in the work area for the year 2022.



Phrae Provincial Industrial Office and Phrae Provincial Industrial officers visited Mae Krating Biomass Power Plant.



SKE Group



N15 Technology signed a contract to lease garbage grinder and waste sorting machinery to SR2 Advisory Co., Ltd.



N15 Technology participated in a ceremony honoring the leadership organization responsible for sustainability.



N15 Technology welcomed the delegation from the MOICA (Marine and Ocean Initiative Cleaning Action) team.



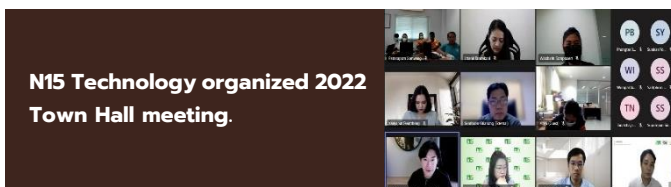
N15 Technology provided basic firefighting training for employees.



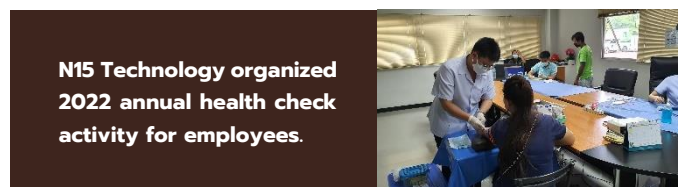
N15 Technology organized Big Cleaning activity.



N15 Technology organized a raffle activity to give away water to create smiles.



N15 Technology organized 2022 Town Hall meeting.



N15 Technology organized 2022 annual health check activity for employees.



N15 Technology provided scholarships for employees' children for the year 2022 as employee welfare.



N15 Technology organized the activity to improve the landscape around the factory.

1. Structure and Business Operation

1.1 Policy and Business Overview

1.1.1 Vision, Goals & Business Strategies

Throughout the past period, Sakol Energy Public Company Limited (the “Company”) has aimed to operate the business by building strength in terms of revenues by expanding business and diversifying investments in new businesses that come as an opportunity including conducting business by always paying attention to the environment from the beginning of the business which is a private mother natural gas station by entry into a 20-year long-term contract with PTT Public Company Limited (“PTT”), which is considered an environmentally friendly business because NGV is considered a clean fuel and is more environmental friendly than another conventional fuels. Subsequently, the Company has started for opportunities and began to study about the alternative energy power plant business. The Company then proceeded to purchase Mae Krating Power Co., Ltd., which has a renewable power purchase agreement (PPA) and its revenues have been recognized by the Company through Mae Krating Biomass Power Plant since 2019. However, the Company is still determined to grow the business and thus acquired N15 Technology Co., Ltd. (“N15 Technology”). This is one of the contributions to Thailand’s environmental problems as well because at present, the amount of waste is increasing every year, including landfills with large amounts of waste and the problem of improper waste management, which greatly affects the environment, people, and society, for example, being a breeding ground for insects and disease vectors, causing pollution to the environment, including water pollution, soil pollution and air pollution, etc., which N15 Technology is a waste sorter and produce fuel called RDF which will be a part that helps to dispose of waste properly, including social activities organized by the Company will be another channel that accepts waste from the public to produce the RDF, allowing people to be a part of reducing waste in the landfill and be a part of preserving the environment as well. In 2022, the Company has considered a year of significant changes as the Company made an agreement to terminate the natural gas filling contract of the Saraburi station with PTT. However, the Company is still looking for opportunities to increase growth for the Company. Therefore, there was an acquisition of Vanta Capital Co., Ltd. (“VANTA Capital”), which was the first step for the Company to start a non-energy business and step into the business related to financial technology because the Company foresaw the growth of the technology business that is a mega-trend of the world and believe that VANTA Capital will be another channel to generate income for the Company to grow exponentially and move along with the age of technology which is considered that all the time the Company able to achieve business growth by acquiring and operating a variety of businesses as well as being able to adapt to invest in new businesses that amid the current rapidly changing situation caused by the past pandemic including social, economic and technological changes that affect everyone’s daily life.

With respect to the business operations of the Company at present and in the future, the Company will conduct business in accordance with the vision and mission of the Company, including the goal of strengthening revenues, including growth, and focusing on social friendliness and environment. The vision and mission of the Company for the year 2023 are as follows:

Vision: Accelerate a better society and environment with clean energy.

Mission: To establish corporate growth and profitability through investments in clean energy.
Utilize innovative technologies to help our society and environment more sustainable.

In 2023, the Company has a business strategy that mainly focuses on N15 Technology because the Company foresees business opportunities from the number of existing customers whose demand for RDF is high and growing including business opportunities from new customers that have increased and opportunities from the government's policy to launch a project to purchase special electricity from industrial waste in the past year. This is considered an opportunity for N15 Technology since the demand for RDF will increase once the construction of the RDF power plant is completed. However, the Company is confident to operate the business with a strategy to diversify investment to upstream or landfills in addition to the original investment in year 2022. This investment will bring machines to be installed and producing RDF waste fuel at landfills and it will also strengthen the stability of raw materials for the Company as well as grow the business including it will create alliances for the Company as well.



1.1.2 Changes and Key Milestones

2009

January 2009

- Sakol Energy Co., Ltd. was incorporated to conduct private mother station (PMS) business. The initial registered capital was Baht 80 million.

March 2009

- The Company entered into a 20-year contract to operate private natural gas station business with PTT. The station is located in Pathum Thani Province.

2011

February 2011

- The Company entered into a 20-year contract to operate private natural gas station business with PTT. The station is located in Saraburi Province.

2016

September 2016

- The Company was converted into a public limited company and registered the company name as Sakol Energy Public Company Limited.

2017

November 2017

- The Company's shares were listed on the Stock Exchange of Thailand.

2018

January 2018

- The Company acquired RE Biofuels Co., Ltd. located in Nakhon Ratchasima Province. The production capacity of CBG (Compressed Biomethane Gas) is 9,000 kilograms per day.

April 2018

- The Company acquired Mae Krating Biomass Power Plant, which is located in Phrae Province. The plant has an installed capacity of 9.90 megawatts. The power purchase agreement with the Provincial Electricity Authority has a contracted capacity up to 8.00 megawatts for a period of 20 years.

2019

August 2019

- Mae Krating Biomass Power Plant started commercial operation (COD)

2021

August 2019

- The Company sold all shares in RE Biofuels Co., Ltd. (RBF) causing RBF to cease from being the Company's subsidiary.
- The Company increased its registered capital to Baht 558 million.

June 2021

- The Company acquired N15 Technology Co., Ltd., which operates non-hazardous waste or unused materials management business by sorting and transforming them into RDF (Refuse Derived Fuel). The business is located in Chonburi Province.

November 2021

- The Board of Directors approved the investment in RDF plant located in Saraburi Province.

December 2021

- Mr. Thitipong Srimapaisarn, Managing Director of SCI Eco Services Co., Ltd. and Mr. Jakkraphong Sumethchotimetha, Managing Director of N15 Technology Co., Ltd. acted as representatives for signing a 3-year solid fuel purchase contract from RDF plant with a trading volume of over 400,000 tons of RDF

2022

March 2022

- The Company entered into an agreement to terminate the natural gas compression contract by Saraburi private mother station with PTT.

April 2022

- N15 Technology Co., Ltd. increased its registered capital from Baht 40 million to Baht 185 million.
- The Company purchased Vanta Capital Co., Ltd., a financial technology company.

May 2022

- The Company increased its registered capital to Baht 669.60 million.

June 2022

- The Company resolved to approve the issuance and offering of the warrants to purchase ordinary shares of Sakol Energy Public Company Limited (SKE-W1).
- The Company issued unsubordinated secured debentures to specific debenture holders with debenture holder representative in the amount of Baht 300 million.

August 2022

- N15 Technology Co., Ltd. signed a machine rental contract to produce RDF waste fuel for SR2 Advisory Co., Ltd.

1.1.3 Use of Proceeds from Fundraising

Details of the utilization of proceeds from the offering of each series of debentures as of December 31, 2022, are as follows:

Secured, unsubordinated domestic debentures (with enforceable under Thai laws)

The Company has issued and offered debentures to institutional investors and/or high net worth investors between 20 June 2022 and 22 June, 2022, after which the Company has received proceeds from the issuance and offering of debentures in the total amount of Baht 300,000,000 (not deducting the cost of issuing and offering debentures) In addition, the Company has received the proceeds from the fundraising of the debentures, such amount was in accordance with the objective of using the proceeds appropriately and completely in accordance with the amount. The details are as follows.

Use of Proceeds	Approximate Spending Amount (Baht)	Spending Period	Details
1. Debt repayment with financial institutions	150,000,000	June 2022	To repay debts with financial institutions in order to be able to release the collateral from financial institutions which is used as collateral for this issuance of debentures.
2. Source of funds for investments and developments of N15 Technology Company Limited	100,000,000	June 2022	For the construction of an RDF waste fuel plant in Saraburi Province.
3. Working capital and to support the operations of the company and its subsidiaries	50,000,000	Within 2022	As a source of working capital in the business arising from the normal business operations of the Company and/or its subsidiaries.
Total	300,000,000		

Convertible Securities

The Company has issued warrants to purchase the Company's newly issued ordinary shares No. 1 (SKE-W1), however, no shareholders have exercised their rights to purchase the Company's newly issued ordinary shares. Therefore, the Company has not yet received any proceeds from the capital increase.

1.1.4 Obligations that the Company makes a commitment in the statement for the offering and sale of securities.

The Company has financial obligations for the issuance and offering of the debentures as specified in the terms and conditions and other relevant documents whereby the issuer shall maintain the Interest Baring Debt to Shareholders' Equity Ratio in the consolidated financial statements of the debenture issuer that has been audited by the auditor of the debenture issuer at a ratio of not greater than 2.50 : 1 (two point five zero to one) as at the end of the accounting period of each year throughout the debenture life. In respect of the conditions for exercising the right to redeem debentures (Put and Call Option) of the debentures, the Company has disclosed in item 1.5 regarding the issuance of other securities.

1.1.5 General information of the Company



Company Name

Sakol Energy Public Company Limited



Ticker Symbol

SKE



Industry Category

Energy and Utilities



Registration No.

0107559000443



Type of Business

1. Private Mother Station (PMS) operator, providing natural gas compression service for NGV trailer trucks of PTT which distribute NGV to PMS which are not along natural gas pipelines or Daughter Station, including improving natural gas quality to meet the regulators' standards.
2. Mae Krating biomass power plant (MKP) generates and supplies electricity from biomass to the Provincial Electricity Authority with the installed capacity of 9.90 megawatt
3. N15 Technology Company Limited (N15 Technology) operates the business of managing waste or non-hazardous materials by sorting and producing Refuse Derived Fuel (RDF).
4. VANTA Capital Company Limited (VANTA Capital) is a financial technology company develops trading software.



Registered Capital (Baht)

669,600,000

Paid-up Capital (Baht)

558,000,000

No. of Paid-up Shares (Shares)

1,116,000,000



Par Value per Share (Baht)

0.5

Head office (Pathum Thani)

15 Moo 1, Chiang Rak Noi
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District, Pathum Thani 12160

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Bangkok 10310

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: +66(0)2 026-3452

1.2 Nature of Business

1.2.1 Revenues Structure Classified by Business Lines.

At present, the Company and its subsidiaries mainly operate private mother natural gas stations, Mae Krating Biomass Power Plant, non-hazardous waste or unused materials management business by separating and producing RDF waste fuel and financial technology business, details are as follows:

Company and its subsidiaries' revenue's structure

The Company and its subsidiaries' revenues for the year ended 31 December 2020 - 2022 can be classified as follows:

Products / Services	Operated by	Shareholding Percentage	2020 Baht Million	%	2021 Baht Million	Baht Million	2022 %	Baht Million
Revenues from services								
Natural gas filling and natural gas improvement services ⁽¹⁾	Sakol Energy Public Company Limited	-	207.66	34.66	110.41	22.02	111.03	22.32
Waste management	N15 Technology Company Limited	99.99	17.78	2.97	19.82	3.95	18.34	3.69
Total revenues from services			225.44	37.63	130.23	25.97	129.37	26.01
Revenues from sales								
Electricity generation and distribution	Mae Krating Power Company Limited	80.00	286.52	47.82	282.86	56.41	283.25	56.94
Production and sale of compressed bio-methane gas ⁽²⁾	RE Biofuels Company Limited	75.95	17.20	2.87	1.00	0.20	-	-
Refuse Derived Fuel	N15 Technology Company Limited	99.99	46.53	7.77	49.52	9.88	52.98	10.65
Sale of Source Code (Program Code)	Vanta Capital Company Limited	30.04	-	-	-	-	4.20	0.84
Total revenues from sales			350.25	58.46	333.38	66.48	340.43	68.44
Revenues from rental								
	Sakol Energy Public Company Limited, N15 Technology Company Limited		18.75	3.13	17.68	3.53	9.88	1.99
	Sakol Energy Public Company Limited, N15 Technology Company Limited	99.99	0.25	0.04	0.19	0.04	0.63	0.13
Total revenues from rental			19.00	3.17	17.87	3.56	10.51	2.11

Products / Services	Operated by	Shareholding Percentage	2020		2021		2022	
			Baht Million	%	Baht Million	Baht Million	%	Baht Million
Other revenues								
Profit from termination of natural gas filling contract by private mother station ⁽¹⁾	Sakol Energy Public Company Limited		-	-	-	-	13.91	2.80
Profit from sale of investment in subsidiary ⁽²⁾	Sakol Energy Public Company Limited		-	-	13.36	2.66	-	-
Other revenues	Sakol Energy Public Company Limited		2.70	0.45	4.52	0.90	3.17	0.64
	Mae Krating Power Company Limited	80.00	0.54	0.09	0.47	0.09	0.28	0.06
	SK 15 Company Limited	99.99	0.04	0.01	-	-	-	-
	SKE Development Company Limited	99.99	0.25	0.04	0.22	0.04	0.10	0.02
	N15 Technology Company Limited	99.99	0.93	0.16	1.41	0.28	1.31	0.26
	VANTA Capital Company Limited	30.04	-	-	-	-	(1.66)	(0.33)
	Total		4.46	0.74	6.62	1.32	3.20	0.64
Total other revenues			4.46	0.74	19.98	3.98	17.11	3.44
Total revenues			599.15	100.00	501.46	100.00	497.42	100.00

Remark : 1. Two Private Mother Stations, comprising Private Mother Stations in Pathum Thani Province and Private Mother Station in Saraburi Province

The Board of Directors' meeting held on 24 September 2021 has resolved to approve the termination of the NGV filling contract at Saraburi Private Mother Station and the relevant contracts between the Company and PTT, which will expire on 14 October 2030 due to the NGV filling volume of the Saraburi Private Mother Station continuously decreasing and the Company has been notified of the demand for NGV gas at the Private Mother Station in Saraburi Province equal to 0 tons per day since 1 March 2021, and on 25 March 2022, the Company has entered into an agreement to terminate the NGV gas filling contract at the Private Mother Station in Saraburi before the expiration of the term with PTT, which the parties has agreed that the contract will be effective until 31 March 2022 and it will end on 1 April 2022. For such termination, The Company will receive compensation for terminating the said contract according to the terms and conditions specified in the contract and realized profit from termination of NGV gas filling contract at Saraburi Private Mother Station in the amount of Baht 13.91 million.

2. In March 2021, the Board of Directors has resolved to approve the sale of all ordinary shares in RE Biofuels Company Limited, a subsidiary of the Company. Subsequently, in April 2021, the Company entered into a share purchase agreement in the amount of Baht 21.40 million. The purchaser has agreed to pay such amount according to the conditions agreed in the agreement. On 8 April 2021, the Group made a profit from sales of Baht 13.36 million baht.

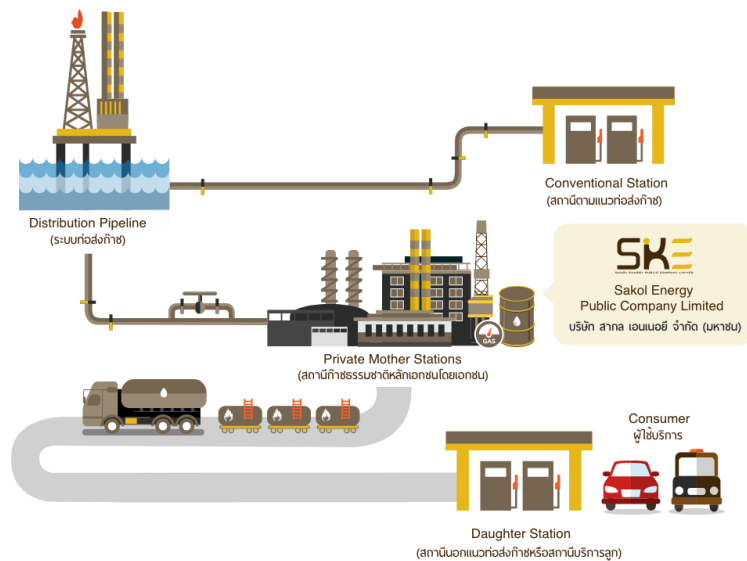
1.2.2 Product Information

Product or Service Characteristics

Private Mother Station Business

Private Mother Station (PMS) provides NGV gas filling services for gas transportation vehicles to transport to NGV service stations outside the gas pipeline line or a daughter station (Daughter Station), including improving gas quality to meet the standards required by laws, with the customer being PTT, which the original private mother stations of the Company are 2 locations located in Chiang Rak Noi Sub-district, Sam Khok District, Pathum Thani Province with a natural gas filling capacity of at least 200 tons per day and located in Tha Maprang Sub-district, Kaeng Khoi District, Saraburi Province. In March 2022, the private mother station at Tha Maprang Sub-district, Kaeng Khoi District, Saraburi Province, has entered into an agreement to terminate the natural gas filling contract of the Private Mother Station in Saraburi Province with PTT.

Diagram showing the overview of private mother station business.



Licenses for Business Operations

Company	License	Licensor	Issuance Date	Expiration Date
Sakol Energy Public Company Limited	- License to operate natural gas stations no. PorThor221005 (Form TorPor.Chor.2)	Department of Energy Business	21 January 2022	31 December 2022
	- License to operate business that is harmful to health (Form OrPor. 2)	Tha Maprang Subdistrict Administrative Organization	24 August 2022	28 August 2023

Biomass Power Plant Business

Mae Krating biomass power plant operate a business of producing and selling electricity with biomass fuel, installed capacity of 9.90 MW, by using agricultural waste such as corn husks and wood chips as fuel. Mae Krating biomass power plant is located in Phai Thon Sub-district, Rong Kwang District, Phrae Province, with an area of 38.92 Rai, has entered into a power purchase agreement for a very small power producer with the Provincial Electricity Authority in the capacity of up to 8.00 MW, starting to sell electricity to the system on 8 August 2019, which Mae Krating biomass power plant is able to produce electricity to sell to the Provincial Electricity Authority continuously until present.

Licenses for business operations

Company	License	Licensor	Issuance Date	Expiration Date
Mae Krating Power Co., Ltd.	- Factory license No. (ERC) 02-29-2017 dated 2 August 2017 (Ror.Ngor.4)	Ministry of Industry	2 August 2017	1 January 2024
	- Request permission to use water from Mae Krathing creek No. PorRor 74901/280 dated 29 July 2016	Phai Thon Subdistrict Administrative Organization	29 July 2016	-
	- Permission for the Provincial Electricity Authority, Rong Kwang Branch, to install electric poles and cross over electric wires to expand the area along the village's public road No. PorRor 74901/163	Phai Thon Subdistrict Administrative Organization	26 June 2017	-
	- Electricity generating license No. ERC 01-1(1)/62-866	Energy Regulatory Commission	5 July 2019	10 years from the date of issuance of the license
	- Letter of permission to utilize or live within the National Reserved Forest	Office of Natural Resources and Environment, Phrae Province	23 April 2018	7 June 2028
	- Building construction, modification or demolition permit (Form Aor. 1)	Energy Regulatory Commission	8 March 2019	7 March 2020
	- Regulated energy production license (Form PorKor. 2) ERC (PorKor. 2) - 249/2019	Energy Regulatory Commission	3 July 2019	2 July 2023
	- License to register as a boiler control and operation engineer, registration no. 5-108-030-694	Department of Industrial Works	23 July 2019	3 December 2023

Restrictions on Business Operations

In addition to the power purchase agreement with the Provincial Electricity Authority, Mae Krating Power Plant received the investment promotion certificate to generate electricity from biomass fuel type 7.1.1.2 generation of electricity from biomass fuel or electricity and steam from renewable energy:

Benefits

1. Exemption from corporate income tax on net profits received from the promoted business for a period of 8 years from the date of the commencement of income from that business.

2. Received a reduction of corporate income tax on net profit received from investment at the rate of 50% of the normal rate for a period of 5 years from the expiration of the corporate income tax exemption period.

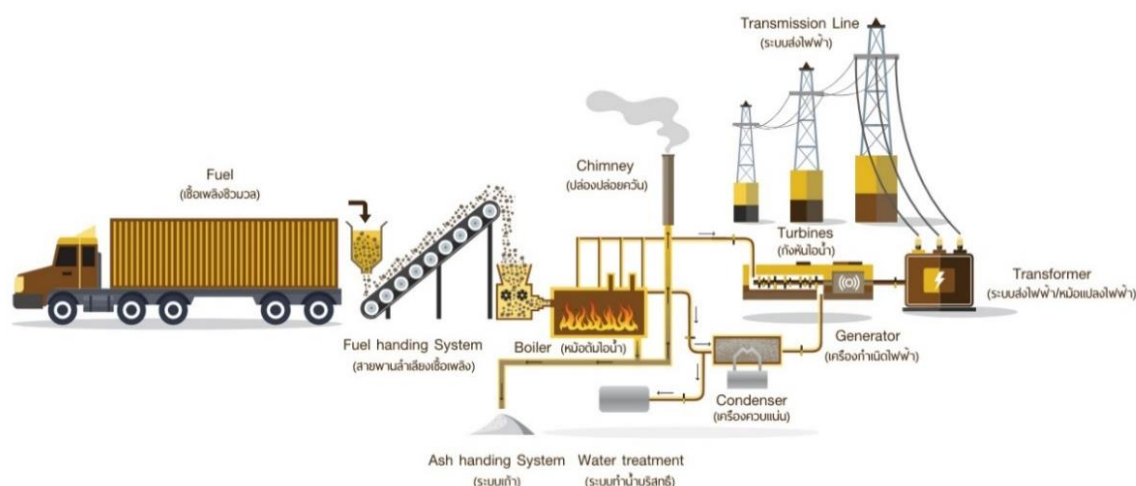
3. Exempted from inclusion of dividends from the promoted business in the calculation of corporate income tax throughout the period of corporate income tax exemption.

Conditions

1. Registered capital must not be less than the specified amount.
2. The factory must be established in the designated area within 15 years from the date of opening of operation and cannot be relocated to another locality unless authorized by the Board.

Company	Investment Promotion Certificate	Approval date	Period of tax exemption 8 years	Minimum required registered capital
Mae Krating Power Co., Ltd.	No. 61-1317-1-001-0	4 September 2018	8 August 2019 – 7 August 2027	184,750,000

Diagram showing the overview of biomass power plant business



Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

N15 Technology operates the business of managing waste or non-hazardous materials by sorting and producing Refuse Derived Fuel (RDF). The RDF plant is located at Amata City Chonburi Industrial Estate, Phan Thong Sub-district, Phan Thong District, Chonburi Province with a production capacity of 53,000 tons per year and is currently under construction of a new RDF plant in Saraburi Province. N15 Technology is licensed to operate in the industrial estate according to the Industrial Estate Authority of Thailand. Act B.E. 2522 (1979)

Licenses for business operations

Company	License	Licensor	Issuance Date	Expiration Date
N15 Technology Company Limited	- Letter of permission to operate in an industrial estate according to the Industrial Estate Authority of Thailand Act no. SorNor. AorTor. (ChorBor.) 124/2020 dated 23 June 2020 (Form GorNorOr.03/6)	Industrial Estate Authority of Thailand	20 June 2020	31 December 2024
Chonburi business unit				

Company	License	Licensor	Issuance Date	Expiration Date
	- Building construction, modification or demolition permit no. SorNor.OrNor.051/2015 (Form GorNorOr.02/2)	Industrial Estate Authority of Thailand	10 April 2015	9 April 2016
	- Building construction, modification or relocation certificate no. 0301/2021 (Form GorNorOr.02/6)	Industrial Estate Authority of Thailand	1 September 2021	-
	- Notification on business operations in industrial estate no. SorNor.OrNor. 32/2017 (Form GorNorOr.03/2)	Industrial Estate Authority of Thailand	31 July 2017	-
	- License to operate business that is hazardous to health (Form OrPor. 2)	Phan Thong Subdistrict Administrative Organization, Nong Gakha	19 October 2022	11 October 2023
	- License to operate waste or solid waste collection / elimination as business or receiving benefits from service fees (Form SorMor. 2)	Phan Thong Subdistrict Administrative Organization, Nong Gakha	19 October 2022	11 October 2023

Company	License	Licensor	Issuance Date	Expiration Date
N15 Technology Company Limited Saraburi business unit	- Land excavation and filing no. 003/2565	Huai Haeng Subdistrict Administrative Organization	15 มีนาคม 2565	15 เมษายน 2565
	- Building construction, modification or relocation certificate no. 035/2565 (Form GorNorOr.01)	Huai Haeng Subdistrict Administrative Organization	22 เมษายน 2565	21 เมษายน 2566
	- Factory license no. 02-159/2565 (Ror.Ngor.4)	Industrial Estate Authority of Thailand	27 กันยายน 2565	-

Diagram showing an overview of non-hazardous waste or unused materials management business by sorting and producing RDF.



On-going Projects: RDF Waste Fuel Plant Investment Project

Project Type	Location	Targeted Customers	Project Value	Progress
Investment in the construction of RDF waste fuel plant	Kaeng Khoi District Saraburi Province	Cement plants and waste power plants	Approximately THB 400 million	Under testing and commissioning process and it is expected to commence the commercial operation in the first quarter of 2023.

Financial Technology Business

VANTA Capital engages in financial technology business, developing software for securities trading, including developing and designing software for basic securities trading for clients. VANTA Capital, located in Bangkok, has been operating since 2019. At present, the Company holds ordinary shares of VANTA Capital of 30.04 percent, which is considered a major shareholder of VANTA Capital.

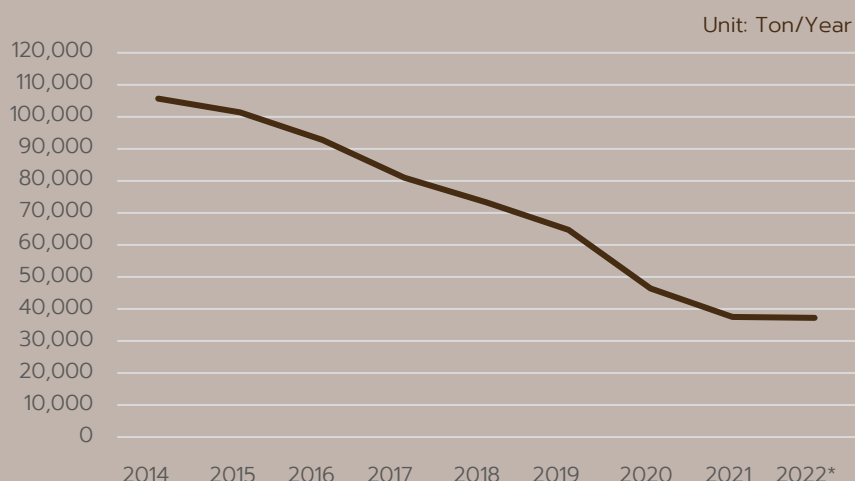
Industry Outlook

Private Mother Station Business

The use of NGV gas in the transportation sector of Thailand has been commercially used since 2004 and has continued to the present. However, after 2014, the price of crude oil in the world market dropped to the point that the value of using NGV as a fuel in the transportation sector was difficult to compete compared to other fuels. As a result, the use of NGV gas has continued to decrease until now. This is clearly reflected in the number of newly registered NGV vehicles that have decreased significantly, especially private cars according to the natural gas management plan 2018-2037 (Gas Plan), it is expected that in the long term, NGV vehicles will only have taxis, public buses and trucks including expecting that NGV gas will tend to decrease more rapidly if the use of electric vehicles (EV) has replaced NGV-powered vehicles.

However, since the start of the COVID-19 epidemic in Thailand from the beginning of the year 2020 which is considered an important factor that results in a decrease in NGV consumption due to the decrease of travel and other measures such as work from home. During the first 11 months of year 2022, NGV consumption of Thailand increased by about 9.3 percent compared to the same period of the previous year due to the tension between Ukraine and Russia that drove oil prices to increase continuously, supporting car users, both in the group of trucks, transport operators and various industrial plant operators to return to NGV gas, including users of some NGV' vehicles that had switched to oil earlier turned to use more NGV gas. In addition, the relief of the spread of the COVID-19 situation resulted in many organizations, both public and private sectors, returning to work as usual including the recovery of the tourism sector with the continuous number of tourists traveling to Thailand resulting in increased transportation by public transport of tourists, resulting in an increase in NGV consumption.

The Volume of NGV Consumption in Thailand 2017-2022* (January - November)



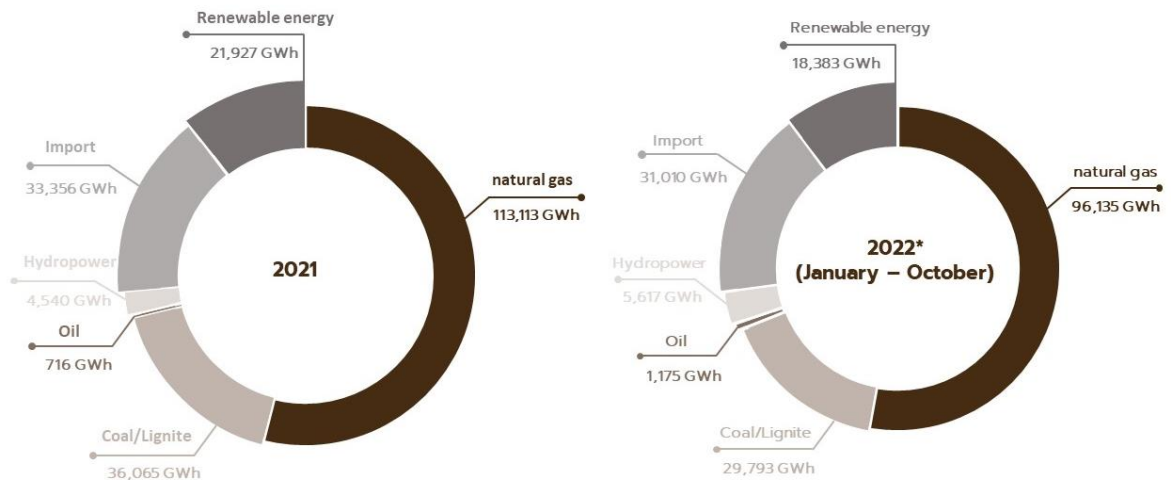
Source: Energy Policy and Planning Office, Ministry of Energy

Biomass Power Plant Business

Thailand's electricity usage situation in the past has increased every year including in the future, the trend of electricity consumption in Thailand is expected to increase every year according to the forecast from the Thailand Power Development Plan 2018 - 2037 (PDP2018), which has a policy for procurement and produce sufficient electricity to meet the increasing consumption, which must be in line with the country's economic development direction prepared and estimated by the Office of the National Economic and Social Development Council (NESDB). It is expected to have long-term economic growth of 3.8 percent per year.

According to the database of the Energy Policy and Planning Office, Ministry of Energy, in 2022* (January-October), Thailand's electricity generation increased by 3.2% compared to the same period last year. Electricity generated from oil, hydropower, imported/exchange electricity, natural gas and renewables has increased while electricity generation from imported coal/lignite has declined. This is in line with the guidelines for the preparation of Thailand's Power Development Plan 2018-2037 (PDP2018), which has a policy to promote electricity generation from renewable energy including the Cabinet's policy statement to the Parliament on 25 July 2019, which has important energy-related policies, including promoting the use of renewable energy from agricultural waste to add value, appropriately diversify types of fuels from both fossil and renewable energy, supporting the production and use of renewable energy according to the potential of the fuel resources in the area, etc.

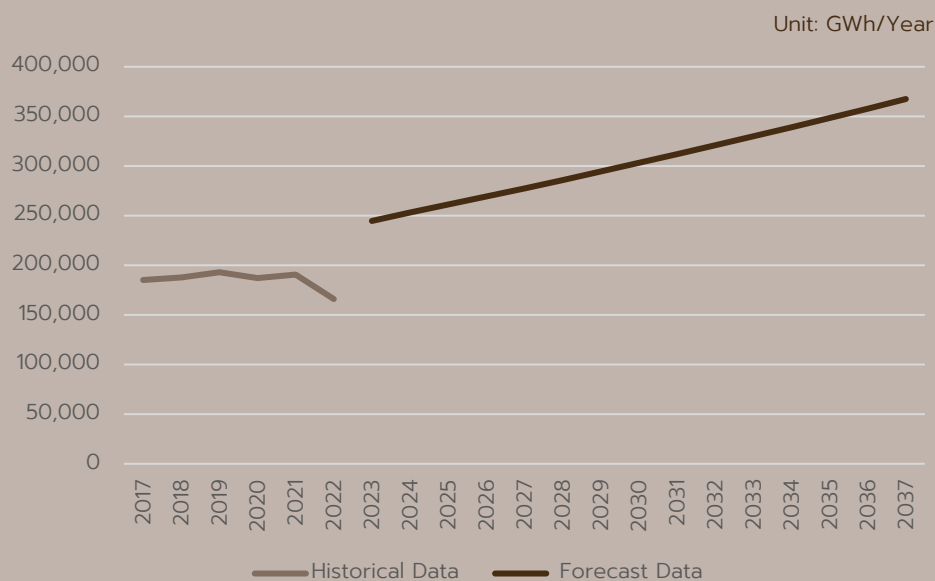
Quantity of Electricity Generation from Various Fuels in Thailand 2021 - 2022* (January – October)



Source: Energy Policy and Planning Office, Ministry of Energy

From the database of the Energy Policy and Planning Office, Ministry of Energy, the report showed an increase in electricity production which was in line with Thailand's electricity consumption which increased by 3.8 percent compared to the same period last year, with an increase in electricity consumption in business and industrial sectors. due to the country's economic recovery including the relaxation of the government's measures to control the spread of COVID-19 together with the continuous expansion of merchandise exports in line with the expansion of the economy and global trade volume.

Electricity Consumption in Thailand 2017 - 2037 (Year 2022* Data as of January-October)



Source: Energy Policy and Planning Office, Ministry of Energy

According to the database of the Energy Policy and Planning Office, Ministry of Energy, Thailand's electricity demand as of October 2022 was 165,974 GWh, or a 3.8% increase compared to the same period of the year with an increase in almost all economic sectors (except agriculture and households), especially the business sector increased by 11.2 percent compared to an abnormally low base from the impact of the COVID-19 epidemic in the same period last year.

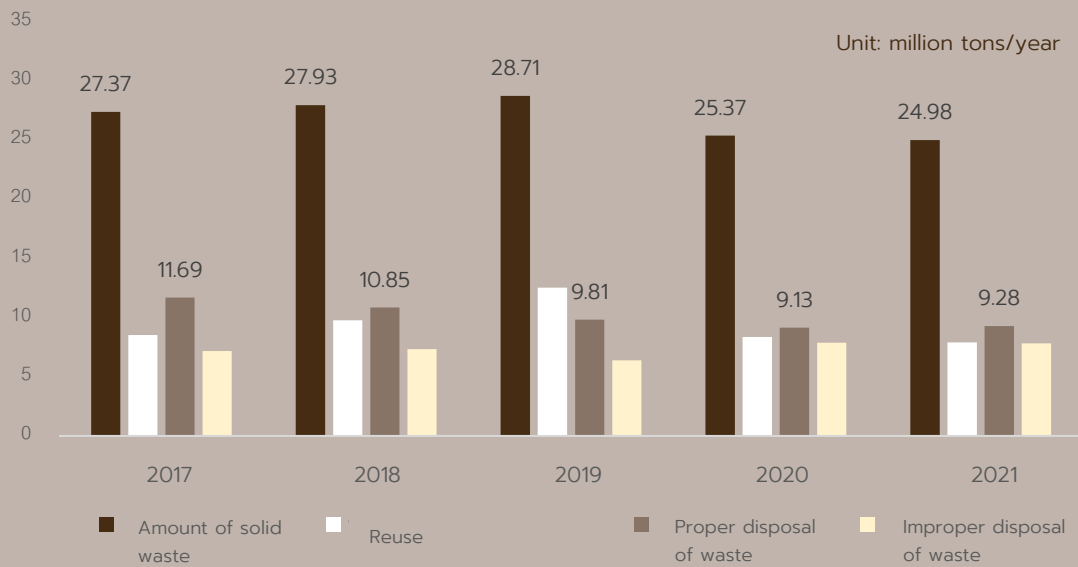
According to the Bank of Thailand's forecast, the Thai economy is expected to expand continuously at 3.7 and 3.9 percent in 2023 and 2024, respectively, which is expected to increase the demand for electricity in 2023 and 2024 has increased as well and the forecast value of electricity demand according to the information shown in the Power Development Plan of Thailand 2018 – 2037 (PDP2018) has a tendency for long-term electricity usage to grow to 367,458 GWh in 2037.

Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

From the database of the Pollution Control Department, it reported that the amount of solid waste in Thailand tends to increase during 2017 - 2019 and tends to decrease during 2020 - 2021. In 2021, the amount of solid waste in Thailand occurred approximately 24.98 million tons or about 68,434 tons per day, compared to the amount of solid waste generated in the past year, decreased by about 1.5 percent due to the COVID-19 situation that has resulted in a decrease in the number of foreign tourists and reduced the amount of waste generated as well. On the other hand, the amount of solid waste that was properly disposed of by producing it as RDF, composting, fertilization, landfill, etc., tend to decrease during the year. 2017-2019, but during the outbreak of COVID-19 in the year 2020 –2021, it is found that there is a tendency for the amount of solid waste to be properly disposed of to increase as local administrative organizations improve their waste disposal operations to be more and more afraid of infection from solid waste disposal which is not in accordance with sanitary principles by means of bulk, incinerator has no air pollution treatment system, or burns outdoors, etc.

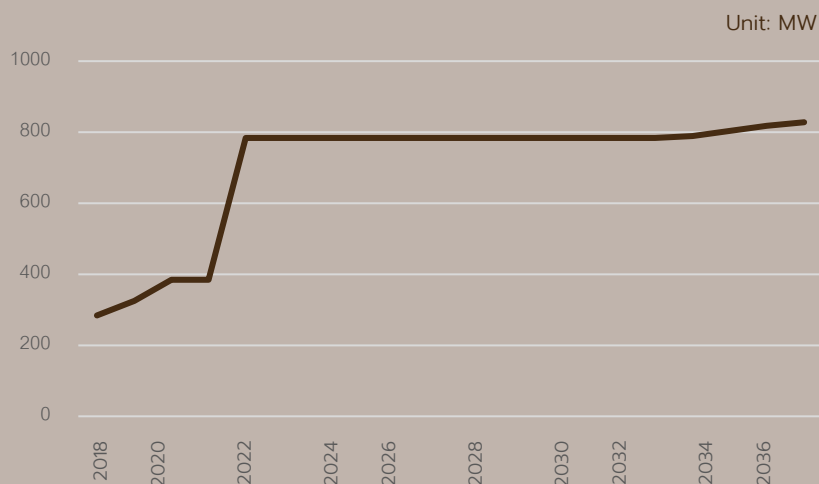
In the future, the proper waste disposal is likely to increase as predicted by the 2nd National Waste Management Action Plan (2022 - 2027), which targets that solid waste must be properly managed 80% by focusing on increasing the potential of solid waste disposal and encouraging private parties to jointly manage waste in order to have more correct waste disposal sites and cover all regions of the country.

Quantity of Solid Waste in Thailand 2017 - 2021



As for the industrial waste fuel production industry, according to the Thailand Power Development Plan 2018-2037 (PDP2018), the power generation capacity of renewable energy from waste fuel has been estimated according to the government promotion policy which will add another 400 megawatts of waste-to-energy power plants in line with the end of the year 2022, the Energy Regulatory Commission ("ERC") has opened up to purchase electricity of 100 MW from industrial waste power plants with an installed capacity of not more than 10 MW, the purchase rate is set in the form of FiT (Feed-in Tariff), with a power purchase agreement of 20 years and the electricity is supplied to the commercial system (SCOD) by 2026. Therefore, it is expected that the production and consumption of RDF waste fuel will increase significantly as raw materials to support waste-to-energy power plants according to the Thailand Power Development Plan 2018 - 2037 (PDP2018).

Estimation of renewable energy power generation by fuel type (waste fuel) 2018 - 2037



Source: Energy Policy and Planning Office, Ministry of Energy

Marketing

Private Mother Station Business

For the private mother station business, the Company invests, constructs and operates a natural gas filling station with a filling capacity of not less than 200 tons per day for PTT only with a long-term contract which has been signed since 2009 with a contract term of 20 years. The station is located at Chiang Rak Noi Subdistrict, Sam Khok District, Pathum Thani Province.

Biomass Power Plant Business

Mae Krating Biomass Power Plant is a power plant that the Company has developed, constructed and it has commenced commercial operation since August 2019 with an installed capacity of 9.90 MW. The power plant is located in Tambon Phai Thon, Rong Kwang District, Phrae Province. All electricity generated is sold solely to the Provincial Electricity Authority through a 20-year long-term contract pursuant to a power purchase agreement from a small power producer (for electricity generation from renewable energy) in the electricity capacity of up to 8.00 MW. The Mae Krating biomass power plant has been able to produce electricity for sale to the Provincial Electricity Authority continuously until now.

Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

N15 Technology – Chonburi Business Unit

In the part of Chonburi business unit, which has been operating since the year 2014 by conducting waste management business or non-hazardous materials by sorting and producing RDF waste fuel of which its factory is located at Amata Nakorn Industrial Estate, Phan Thong Sub-district, Phan Thong District, Chonburi Province. Waste sorting business of N15 Technology has a long-term contract with a private companies located nearby (contract can be renewed at the end of the term) and it has always been trusted to use waste separation services from various customers, which are factories located within the industrial estate and outside the industrial estate. As for the production and distribution of RDF waste fuel, N15 Technology produces and sells to customers in the cement industry and waste power plants with the long-term contracts (this contract can be able to renew at the end of the term) and monthly sales with purchase orders, which are relatively stable private factories and have purchased it for a long time. For the marketing of N15 Technology, the Company focusing on the distribution of quality products, after-sales service which have the monitoring for the quality of the products sold to customers of which it makes N15 Technology recognized and trusted as a supplier of RDF waste fuel such as cement factories and various large waste power plants.

N15 Technology – Saraburi Business Unit

Saraburi business unit, which has a resolution approving the investment in a RDF waste fuel plant at Kaeng Khoi District, Saraburi Province. It is currently in the process of testing the system and machines and it is expected to open for commercial operation in January 2023 as a RDF waste fuel production business. N15 Technology has a 3-year long-term contract (which can be renewed at the end of the term) with SCI Eco Services Co., Ltd. ("SCleco"), accounting for approximately 50 percent of the installed capacity. It is a premium 5-centimeter size RDF waste fuel with specified specifications and low moisture content. The 5-centimeter and 10-centimeter RDF waste fuel, which

accounts for approximately 50 percent of N15 Technology's production capacity, it will be sold to customers of cement plants and waste power plants who have demand for use.

Competition

Private Mother Station Business

Due to the private mother station business is the sale to one customer, PTT under a long-term contract therefore, the Company does not face competition.

Biomass Power Plant Business

Mae Krating Biomass Power Plant sells all electricity with a capacity of 8.00 MW to one customer, PEA, under a 20-year contract. Therefore, after the commercial operation in August 2019, the Company does not face competition for electricity distribution.

Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

N15 Technology faces competition from companies that provide both waste disposal services and companies that produce and sell RDF waste fuel, which in the past has been quite intense due to the trend of the waste business including the problem of the amount of waste that occurs in Thailand and the government's increasing emphasis on waste management, many entrepreneurs see an opportunity to expand their existing waste business. From many years of experience, the availability of technology, machinery and personnel makes N15's products meet quality and standards therefore, the Company has always received trust and orders from customers in the country's leading cement plants and waste power plants and it believes that the Company has sufficient potential to compete in the waste or unusable materials management business by sorting and producing as RDF waste fuel in the future.

Pricing

Private Mother Station Business

The selling price of the Private Mother Station business is determined by the revenue structure according to the long-term contract between the Company and PTT.

Biomass Power Plant Business

Before making an investment, the Company considered the suitability in various aspects including investment capital, costs and expenses of the power plant project, including the calculation of the return received from the sale of electricity. The determination of the electricity selling price and the maximum amount of electricity at 8.00 MW are in accordance with the electricity tariff structure specified in the electricity sales contract to the PEA.

Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

Waste sorting business and waste fuel distribution business RDFs are priced either based on long-term contracts signed with customers and end-users who undertake one-time disposal services or one-time waste fuel orders.

The Company will proceed to determine the selling price according to the appropriateness of costs, fixed costs and variable costs at that time, which may have external factors affecting it. Therefore, the company will consider in order to achieve cost-effectiveness and cost-effectiveness in the service and sale of the company's RDF waste fuel.

Provision of Products and Services

Private Mother Station Business

For private mother station business, since the beginning of the long-term contract, it is a natural gas procurement operation by PTT. PTT has natural gas resources and there is always sufficient supply of natural gas to meet demand. Therefore, there is no risk in natural gas procurement since natural gas, which is a raw material obtained from PTT, has the properties of raw gas which are not yet in accordance with the announcement of the Department of Energy Business. Therefore, the Company has a duty to fill in inert gases, which are Carbon Dioxide (CO₂) or Nitrogen (N₂) in the ratio required by law. There is only one domestic distributor, Linde (Thailand) Public Company Limited, for use in the said process with a long-term contract period of 5 - 6 years and although the Company procures inert gas from only one supplier, the Company has a comparison process in purchasing with other distributors in Thailand, so there is no risk in procuring inert gas as raw material.

Biomass Power Plant Business

Mae Krating Biomass Power Plant's main raw materials for biomass fuel supply are wood chips and corn husks. The area nearby the power plant for electricity generation, including the Mae Krating Biomass Power Plant, has established a plan to procure and store main raw materials to manage raw materials in sufficient quantities for use.

Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

N15 Technology has the main raw material for the production of RDF waste fuel, which is waste. The source of waste comes from waste separation services from customers both inside and outside the industrial estates through long-term contracts and individual orders. The Company recognizes the importance of creating stability in the supply of raw materials, the opportunity to procure good quality raw materials from the source, as well as helping to reduce the amount of residual waste that is part of Thailand's waste problem. N15 Technology therefore, invested in machinery at the landfill in 2022 and intends to invest in the upstream business like investing in additional landfills in 2023 to increase production capacity as a raw material management plan, including as a reserve of raw materials for business stability.

Operating Assets

As of 31 December 2022, and 2021, the main fixed assets used in the business operations of the Company and its subsidiaries are shown in the consolidated statements of financial position of the Company as follows:

Fixed Assets (Property, Plant and Equipment and Right-of-use Assets)

As of 31 December 2022 and 2021, the book value of fixed assets according to the consolidated financial statements of the Company and its subsidiaries are as follows:

Items	Book Value (Baht Thousand)		Encumbrances
	31 Dec 2022	31 Dec 2021	
Land and land improvements	109,146	124,560	Land and land improvements
Buildings and structures	103,611	124,469	Buildings and structures
Machinery and equipment	622,105	620,410	Machinery and equipment
Electrical system	8,200	9,171	Electrical system
Equipment	3,124	3,889	Equipment
decorations fixtures and office equipment	6,880	10,012	decorations fixtures and office equipment
vehicles	9,735	8,008	vehicles
assets under construction	322,820	-	assets under construction
Total	1,185,621	900,519	

The list of significant fixed assets of the Company and its subsidiaries shown above can be classified by type of assets and classified by company as follows:

Land and Land Improvements

Name of Company	Book Value (Baht Thousand)		Type of Ownership / Encumbrances	Encumbrances Value (Baht Thousand)
	31 Dec 2022	31 Dec 2022		
Sakol Energy Public Company Limited	64,467	78,634	<ul style="list-style-type: none"> The Company has ownership over it. All land plots are used as collateral for debentures and long-term loans from financial institutions. 	64,467
Mae Krating Biomass Power Plant	15,438	16,627	<ul style="list-style-type: none"> Mae Krating Biomass Power Plant is the owner/lease agreement. All land and land improvements are used as collateral for long-term loans from leasing companies. 	12,691
N15 Technology	29,241	29,299	<ul style="list-style-type: none"> N15 Technology has ownership over it. All land and land improvements are used as collateral for long-term loans from financial institutions. 	28,322
Total	109,146	124,560		

Buildings and Structures

Name of Company	Book Value (Baht Thousand)		Type of Ownership / Encumbrances	Encumbrances Value (Baht Thousand)
	31 Dec 2022	31 Dec 2022		
Sakol Energy Public Company Limited	3,547	16,533	<ul style="list-style-type: none"> Owned by the Company for use as a Private Mother Station. No encumbrances 	-
Mae Krating Biomass Power Plant	73,898	79,284	<ul style="list-style-type: none"> Owned by Mae Krating Biomass Power for use as a power plant. All buildings and constructions are used as collateral for long-term loans from leasing companies. 	72,726
N15 Technology	26,166	28,652	<ul style="list-style-type: none"> Owned by N15 Technology for use as refuse derived fuel facility (RDF) 	25,918

Name of Company	Book Value (Baht Thousand)		Type of Ownership / Encumbrances	Encumbrances Value (Baht Thousand)
	31 Dec 2022	31 Dec 2022		
			<ul style="list-style-type: none"> All buildings and constructions are used as collateral for long-term loans from financial institutions. 	
Total	103,611	124,469		

Machinery and Equipment

Name of Company	Book Value (Baht Thousand)		Type of Ownership / Encumbrances	Encumbrances Value (Baht Thousand)
	31 Dec 2022	31 Dec 2022		
Sakol Energy Public Company Limited	47,322	24,148	<ul style="list-style-type: none"> Owned by the Company for use as a Private Mother Station. No encumbrances 	-
Mae Krating Biomass Power Plant	520,263	553,302	<ul style="list-style-type: none"> Owned by Mae Krating Biomass Power for use as a power plant. All machinery and equipment are used as collateral for financial lease from leasing companies. 	519,994
N15 Technology	54,520	42,960	<ul style="list-style-type: none"> Owned by N15 Technology for use as refuse derived fuel facility (RDF) Machinery and equipment are partially used as collateral for financial lease from leasing companies. 	31,564
Total	622,105	620,410		

The Company recognizes machinery and equipment from the termination of the contract for NGV filling at the Private Mother Station in Saraburi Province before the expiration of the term with PTT with the appraised value of the book value as of 31 December 2022 in the amount of Baht 25,965,000.

Intangible Assets

As of 31 December 2022, and 2021, the book value of intangible assets according to the consolidated financial statements of the Company and its subsidiaries are as follows:

Name of Company	Description	Book Value (Baht Thousand)	
		31 Dec 2022	31 Dec 2022
Sakol Energy Public Company Limited	Software licenses and computer programs	2,293	3,551
Mae Krating Biomass Power Plant	power purchase agreement	91,311	96,803
VANTA Capital	computer program	1,175	-
	goodwill		
	assets under installation	3,485	-
Total		98,264	100,354

Mae Krating Biomass Power Plant has entered into a power purchase agreement according to a power purchase agreement for very small power producer (for the production of electricity from renewable energy) with the Provincial Electricity Authority on 23 June 2014 in the installed capacity of up to 8 MW in the form of Feed-in tariff (FiT), with a point of purchase of electricity at the installation point in Phai Thon Sub-district. Rong Kwang

District, Phrae Province, for a period of 20 years, commencing from the commercial operation date (COD) on 8 August 2019 until the expiration date on 7 August 2039.

Long-term Leases Agreement

As of 31 December 2022, the Company and its subsidiaries have significant contracts used in the business operations of each company, which can be summarized as follows:

Landlord	Tenant	Agreements	Objectives	Term
Muang Thai Life Assurance Public Company Limited	Sakol Energy Public Company Limited	Muang Thai Building Office Space Lease Agreement at 21 st Floor Phatra Complex	Company branch office	3 years (1 December 2020 - 30 November 2023)
Muang Thai Life Assurance Public Company Limited	Sakol Energy Public Company Limited	Muang Thai Building Office Space Lease Agreement at 23th Floor Phatra Complex	Company branch office	3 years (1 January 2021 – 31 December 2023)
Mr. Parn Prasjaksattru	Mae Krating Biomass Power Plant	1. Land lease agreement according to the Certificate of Utilization (Nor.Sor.3 Khor.), No. 1482, Book 15 Khor, Page 32, Land No. 78, Wang Luang Sub-district, Song District, Phrae Province, with an area of 27 Rai 3 Ngan. 2. Land lease agreement according to the Certificate of Utilization (Nor.Sor.3 Khor.), No. 1483, Book 15 Khor, Page 33, Land No. 79, Wang Luang Subdistrict, Nong Muang Khai District (Song), Phrae Province, with an area of 16 Rai.	To bring the ashes from biomass fuel into the land of landlord and/or to use in any other businesses upon mutual agreement between the landlord and tenant from time to time.	3 years (1 January 2020 - 31 December 2022)
Mrs. Siriwan Prasjaksattru	Mae Krating Biomass Power Plant	1. Land lease agreement according to the Certificate of Utilization (Nor Sor. 3 Khor), No. 1017, Book 11 Kor, page 17, Land No. 153, with an aerial photograph of Rong Kwang District No. 5054 I. The land is located at Phai Thon Sub-district, Rong Kwang District, Phrae Province, with an area of 29 Rai 1 Ngan 20 Square Wah, both plots and buildings. 2. Land lease agreement, Title Deed no. 19008, Plot no. 5045 I 4830-1,5, Land No. 18, Survey Page 131 located at Phai Thon	Entrance and exit which are connected to the public road and for the convenience of traveling and utilization for the business of tenants in the long-term.	20 years (2 January – 1 January 2040)

Landlord	Tenant	Agreements	Objectives	Term
		Subdistrict Rong Kwang District, Phrae Province, with an area of 29 Rai 3 Ngan 55 Square Wah		
		3. Land Lease Agreement, Title Deed No. 19009, Plot No, 5045 I 4830-5, Land No. 9, Survey Page 132 located at Phai Thon Sub-district, Rong Kwang District, Phrae Province, with an area of 35 Rai 54 Square Wah.		

Investment Policy of Company and its Subsidiaries

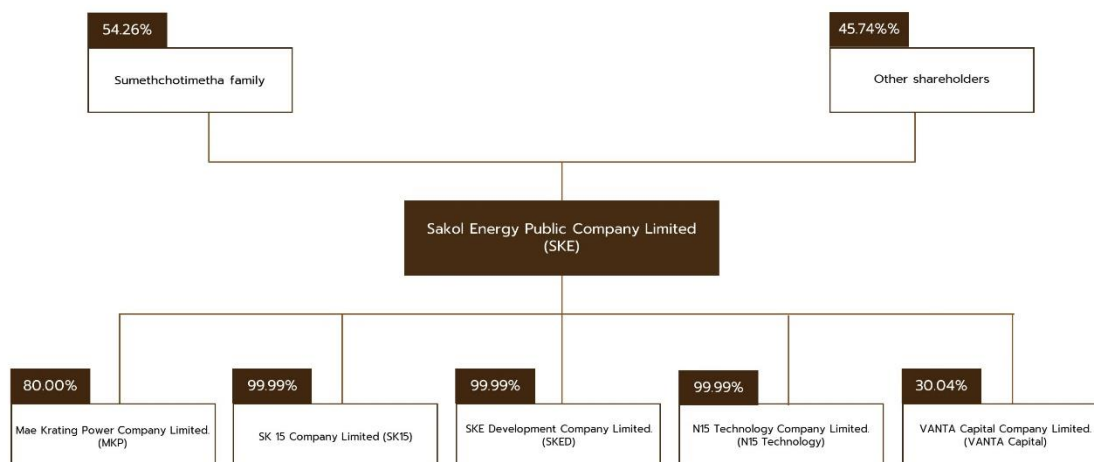
The Company and its subsidiaries have a policy to invest in clean energy, renewable energy and alternative energy businesses on the Green Economy business trend that the world is focusing on by emphasizing a comprehensive business expansion strategy in expanding in Vertical Integration, which is a business expansion covering upstream to downstream businesses that are related in the supply chain. The Company will consider investing in projects that provide reasonable returns, including investments that are related to the strategies of the current business, taking into account the interests of shareholders and stakeholders with prudence. However, the energy science industry is gaining popularity and being driven by society both domestically and internationally will be a good opportunity for the company to grow further.

Undelivered Work

Details of the company's projects which are under construction as of 31 December 2022 can be summarized as follows:

Project	Location	Commercial Operation Date	Progress
RDF Waste Fuel Plant	Kaeng Khoi District, Saraburi Province	January 2023	Testing and commissioning

1.3 Shareholding Structure



Remarks :

The company's shareholders are information from closing of the shareholder register (XO) on 5 January 2023.

VANTA became SKE's subsidiary on 1 April 2022. SKE holds 44,000 ordinary shares and 23,000 preferred shares of which it is entitled to vote in the shareholders' meeting with 6 votes per share. As a result, SKE's voting right in the shareholders' meeting accounts for 53.85% of the total voting rights of VANTA.

Business Operations of the Company and Subsidiaries

Company name	Type of business	Registered capital (Million Baht)	Paid-up capital (Million Baht)	Shareholding (%)
Sakol Energy Public Company Limited <u>Head office (Pathum Thani Private Mother Station)</u> Address : 15 Moo 1, Chiang Rak Noi Sub-district, Samkhok District, Pathum Thani 12160 Telephone : 02-0263451 Fax : 02-0263451 <u>Bangkok office</u> Address : 252/108(B),252/109(C) Muang Thai Phatra Complex, Tower B, Level 21 Ratchadaphisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310 Telephone : 02-0263451 Fax : 02-0263451 Website : www.sakolenergy.com	Private Mother Station (PMS) by providing NGV compression services to natural gas transportation vehicles of PTT Public Company Limited	Ordinary shares 669,600,000	558,000,000	-
SK 15 Co., Ltd. <u>Head office</u>	Property lease	Ordinary shares 140,000,000	140,000,000	99.99

Company name	Type of business	Registered capital (Million Baht)	Paid-up capital (Million Baht)	Shareholding (%)
Address : 15 Prasert-Manukitch Road, Sena Nikhom Sub-district, Chatuchak District, Bangkok 10900 Telephone : 02-0263451 Fax : 02-0263451				
SKE Development Co., Ltd. <u>Head office</u> Address : 15 Moo 1, Chiang Rak Noi Sub-district, Sam Khok District, Pathum Thani 12160 Telephone : 02-0263451 Fax : 02-0263451	Pending land sale	Ordinary shares 62,000,000	62,000,000	99.99
Mae Krating Power Co., Ltd. <u>Head office</u> Address : 252/108(B) Muang Thai Phatra Complex, Tower B, Level 21 Ratchadaphisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310 Telephone : 02-541-5245-7 Fax : 02-5415244 <u>Power plant</u> Address : 99 Moo 3, Phai Thon Sub- district, Rongkwang District, Phrae 54140	Electricity generation and distribution from biomass fuel	Ordinary shares 282,300,000	282,300,000	80.00
N15 Technology Co., Ltd. <u>Head office</u> Address : 252/117(C) Muang Thai Phatra Complex, Tower B, Level 23 Ratchadaphisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310 Telephone : 02-541-5245-7 Fax : 02-5415244 <u>Plant</u> Address : 700/754,700/756 Moo 1, Phan Thong Sub-district, Phan Thong District, Chon Buri 20160 Telephone : 038-185153 Fax : 038-185156 Website : www.n15technology.com	Management of non- hazardous waste or unused materials by sorting and processing into an alternative fuel	Ordinary shares 185,000,000	185,000,000	99.99
VANTA Capital Co., Ltd. <u>Head office</u> Address : 584/14 Soi Ramkhamhaeng 39 (Thepleela 1), Wang Thong Lang Subdistrict Wang Thonglang District Bangkok 10310 Telephone : 02-0263451 Fax : 02-02634512 Website : www.vanta-capital.com	Financial technology company develops trading software.	Ordinary shares 20,000,000 Preference share 2,300,000	22,300,000	30.04

Relationship with Business of the Major Shareholders

None

Shareholders

The Company's shares can be transferred without restrictions. The transfer of shares must not cause the shareholding by foreigners to be more than 49.00% of the total issued ordinary shares of the Company.

(1) Major Shareholders

(a) Top ten major shareholders

	list of shareholders			Amount (shares)	Shareholding Proportion (%)
1	Mr.	Chutchai	Sumethchotimetha	352,937,763.00	31.63
2	Mrs.	Aree	Sumethchotimetha	248,108,229.00	22.23
3	Mr.	Cherdchai	Tharnthongwong	10,000,000.00	0.90
4	Ms.	Napaphat	Wimonwatchakorn	9,110,834.00	0.82
5	Mr.	Kraisorn	Suwan	7,350,000.00	0.66
6	Thai NVDR Company Limited			5,731,524.00	0.51
7	Mr.	Pawawit	Klinpratoom	5,200,000.00	0.47
8	Mr.	Chakkrit	Khaosaard	5,121,000.00	0.46
9	Mr.	Panupun	Thanasetsakul	4,930,000.00	0.44
10	Mr.	Pusit	Wittayavanitchai	4,872,000.00	0.44
				653,361,350.00	58.54

Remarks : Information from closing of the share register book (XO) on 5 January 2023.

(b) Group of major shareholders who has a significant influence on determining management policy or operations of the Company.

	List of shareholders			Amount (shares)	Shareholding Proportion (%)
1	Mr.	Chutchai	Sumethchotimetha	352,937,763.00	31.63
2	Mrs.	Aree	Sumethchotimetha	248,108,229.00	22.23
3	Ms..	Napaphat	Wimonwatchakorn	9,110,834.00	0.82
4	Mr.	Jakkraphong	Sumethchotimetha	1,276,593.00	0.11
5	Mr.	Rapepat	Sumethchotimetha	1,116,793.00	0.10
6	Mr.	Thanapon	Sumetchotimaytha	930,693.00	0.08
7	Ms.	Intira	Sumethchotimetha	1,130,493.00	0.10
				614,611,398.00	55.07

Remarks : Information from closing of the share register book (XO) on 5 January 2023.

(2) Shareholders Agreement

Agreements between major shareholders on matters affecting the issuance and offering of securities or the management of the Company where such agreements are co-signed by the Company.

The Company's major shareholder, Sumethchotimetha family, has signed a non-competition agreement dated 12 September 2017, which includes a condition that the major shareholder shall neither engage nor involve in any business that may have conflict with the Company's business. The major shareholder's agreements can be summarized as follows:

- (1) The major shareholder shall neither engage nor involve in any business that may have conflict of interest with the business of the Company and/or its subsidiaries, including: (1) natural gas private mother station (PMS);
- (2) alternative energy power plants operated by the Company's subsidiaries; and (3) NGV conventional station along ex-pipeline (the "Business") or any other business that has the same or similar nature to the

Business of the Company and/or its subsidiaries, except for those businesses of which the major shareholder has existing interests and/or operations.

- (2) If any director, executive, major shareholder or related person of the Company receives any business opportunity or proposal which may have conflict with the Business of the Company and/or its subsidiaries in the future, such director, executive, major shareholder or related person of the Company agrees to propose such opportunity or business proposal to the Company first by presenting the opportunity or business proposal to the Board of Directors' meeting for consideration. The majority votes of directors attending the meeting and having the right to vote shall not include the vote of director with conflict of interest and, in the event that the resolution of the Board of Directors' Meeting disapproving or not paying attention to the aforementioned opportunity or business proposal, the director, executive, major shareholder or related person of the Company, who receives the business proposal, shall have the right to accept such opportunity or business proposal.
- (3) A non-compete condition or a condition not to involve in any business that may have conflict of interest with the Business cannot be cancelled or revoked, unless the person has ceased to be director, executive, and major shareholder of the Company or being a person with prohibited characteristics under the Securities and Exchange Act or according to the rules prescribed by the Securities and Exchange Commission which will result in the cessation of the conflict of interest with the Company.

1.4 Registered and Paid-up Capital

1.4.1 Registered and Paid-up Capital

The Company's registered Baht 669.60 million and paid-up capital is Baht 558.00 million, divided into 1,116,000,000 ordinary shares at a par value of Baht 0.50 per share. The Company's shares are listed on the Stock Exchange of Thailand.

1.4.2 Other Type of Shares

None

1.4.3 Shares or convertible securities of the Company used as the underlying securities for the issuance of investment units of the mutual fund for foreign investors.

None

1.5 Issuance of Other Securities

1.5.1 Convertible Securities

On 1 June 2022, the Company has issued warrants to purchase ordinary shares No. 1 (SKE-W1) in the amount up to 223,181,853 units to be allocated to the existing shareholders of the Company in proportion to their shareholding (Right Offering) with free of charge, with the exercise schedule to purchase newly issued ordinary shares of the Company on every last business day of each quarter from the issuance date of the warrants to purchase ordinary shares throughout the term of the warrants. The first exercise date is the last business day of the quarter in which the warrants to purchase ordinary shares is on 30 June 2022 and the last exercise date will be on the date on which the warrants to purchase ordinary shares have reached the maturity date of 4 years. The exercise ratio of warrants is 1 unit shall have the right to purchase 1 ordinary share, and the exercise price is Baht 1.30 per share, unless the exercise price is adjusted in accordance with the conditions for the adjustment. However, in the event that the exercise price is changed, resulting in the new exercise price being lower than the par value of the Company's ordinary shares, unless otherwise required by law, the new exercise price shall be equal to the par value of the Company's ordinary shares.

1.5.2 Debt Securities

As of 31 December 2022, there are domestic loans in the form of unmatured and secured debentures no. 1/2022 with the maturity in year 2025, which gives the issuer the right to redeem before maturity, in the amount of up to Baht 300,000,000 (three hundred million Thai Baht) by issuing and offering to institutional investors and/or high net worth investors with the following key characteristics:

Issuer	Sakol Energy Public Company Limited
Debenture type	Unsubordinated and secured long-term debentures with debenture holders' representatives and early redemption rights.
Number and value of debentures offered for sale	Up to Baht 300,000,000
Interest Rate	Fixed interest rate of 6.25% (six point two five) per year throughout the tenor.
Tenor	2 years 8 months following the issuing date
Issuing Date	23 June 2022
Maturity Date	23 February 2025
Principal Repayment	Repayment of principal in full on the maturity date of debentures
Early Redemption	The issuer has the right to redeem the debentures prior to the redemption date. However, the debenture holder has no right to demand the issuer to redeem the debentures prior to the redemption date under any circumstance.
Collateral	15 plots of land title deeds and passbooks with market value appraised by a valuer in the capital market and a main appraiser approved by the Securities and Exchange Commission. The total market value is not less than 1.0 times the value of the debentures offered.

1.6 Dividend Policy

The Company and its subsidiaries have a policy to pay dividends at the rate of not less than 40.00% of net profit after tax from separate financial statements and after deduction of various type of reserves as required by the laws and as stipulated in Articles of Association of the Company and its subsidiaries. The Board of Directors will consider the dividend payment by taking into account interests of the shareholders as a primary consideration and the dividend payment must not significantly affect the normal business operations of the Company. However, such dividend payment is subject to changes, depending on operating results and financial position, liquidity, business expansion plans or any other necessity and suitability in the future and other factors related to the management of the Company as the Board of Directors and/or shareholders of the Company deem appropriate.

However, the Board of Directors may consider paying the Company's annual dividend. Such consideration must be approved by the shareholders' meeting, except for interim dividend payment of which the Board of Directors has the authority to approve the dividend payment from time to time when it deems that the Company has sufficient profit to do so and report the shareholders' meeting for acknowledgment in the next meeting.

Past Dividend Payment (Calculated from Separate Financial Statements)

Year	2021	2020	2019
Earnings per share		0.72	3.76
Dividend per share	-	-	0.015
Dividend payout ratio (%)	-	-	39.92

The Company will not pay dividend for the operational results ended December 31, 2022 for the retention of the Company's capital for its business operation, debt repayment, and new investment in future pursuant to the Company's strategy.

2. Risk Management

2.1 Policy and Risk Management Plan

The Company is aware of the risk management policy and plan as an important factor because effective risk management and following the established guidelines will help the company to successfully operate according to the strategy and plan including good risk management, it will prepare the company to see the opportunities and impacts that may arise from internal and external factors that will affect the company's performance in the future as well as the stakeholders, society, environment and shareholders. The Company's risk management policy has prepared a risk assessment report if there is an important event. This could have a significant impact on the business for both internal and external causes the Company will analyze the sources, causes, information and report the impact as expected to the management team to support operations and decision making of executives including the Company encourages all employees to work with risk in mind and always see the impact that will occur.

2.2 Risk Factors

Risk of Relying on Large or Few Customers

The Company started its business with a private mother station business which provides NGV gas filling services for gas transportation vehicles to transport to NGV service stations outside the gas pipeline or daughter stations (Daughter Station), including improving, gas quality to meet the standards required by law, with customers is PTT, although the private mother station business is a long-term contract of 20 years, but due to the Company has assessed the risk from the amount of gas consumption NGV of the people, including other external effects such as crude oil prices, etc. if the amount of NGV consumption decreases, it may significantly affect the Company's operating results, The company started its business with a private mother station business. which provides NGV gas filling services for gas transportation vehicles to transport to NGV service stations outside the gas pipeline or daughter stations (Daughter Station), including improving, gas quality to meet the standards required by law, with customers is PTT, although the private mother station business is a long-term contract of 20 years, but because the Company has assessed the risk from the amount of gas consumption NGV of the people, including other external effects such as crude oil prices, etc. if the amount of NGV consumption decreases, it may significantly affect the Company's operating results, the Company therefore has a policy to invest in other businesses to create business growth and build stability, reduce dependence on income from a single major customer and operate a single business.

Risk of Relying on Personnel with Specific Expertise

The Company operates by relying on knowledgeable personnel and expertise in all sectors including the Board of Directors and management team, including employees in all parts, must consist of individual expertise and experience in order to make business operations go well, with stability, to create business growth and benefits to the Company and its stakeholders as much as possible. The Company is aware of the risk of relying on personnel with specific knowledge in each department. Therefore, it has a policy to implement a Succession Plan to prepare for replacement in case of any incident that will affect, including storage and information resulting from the operation of each department as well so that the Company can be accessed when needed.

Risk Related to Environmental Impact

Due to the Company operates energy businesses in a variety of businesses, however, the Company has an important policy and vision to co-exist with society and the environment, as well as being a part of solving environmental problems. However, from the operation of the Mae Krating Biomass Power Plant business, although there is part of the ash that comes out of the production, the Company manages it with environmental considerations, including N15 Technology, which is a business that will greatly contribute to reducing the amount of waste. Every business of the Company operates by designing and developing projects before starting operations so that the production process has a system that can be audited and can measure various impacts in a timely manner if problems arise.

Risk from Competition in the Industry

Most of the Company's business is reliant on one customer as follows: Private Mother Station business, which has only one customer, namely PTT and Mae Krating biomass power plant business, which have a 20-year long-term contract with PEA. For N15 Technology, which operates the business of managing waste or non-hazardous materials by sorting and producing RDF waste fuel. The trend of competition is still high due to the government's policy to focus on waste management in Thailand's Power Development Plan 2018-2037 (PDP 2018), including the

policy on the use of RDF waste fuels of cement plants instead of using coal, making waste operators an opportunity to increase production capacity, making competition in a relatively high criterion. The Company is aware of the risk of increasing competition and has therefore analyzed the impact that may occur and has always prepared a list of suppliers who have a demand for RDF waste fuel to manage the product and provide information for solving problems that may occur in the future. However, the Company sees its own potential from past knowledge, experience, product quality, careful pre-investment analysis, reputation, modern technology and existing customer base. All of these have made in the past year, the Company has been convinced to be a producer of ultra-sized RDF for cement plants which has led to the company's investment in the construction of a RDF waste fuel plant located at Saraburi Province has a production capacity of up to 300,000 tons per year.

New Technology Risks

The operation of the company in the part of the N15 Technology business, which is a business that has products in quite a variety of sizes, different heat values, as well as the needs of each customer that are quite different throughout the operation. In the past, the company has the strength to be able to produce products in the specifications that each customer needs, including good features, high heat values, which has always been trusted by customers. The Company continues to develop the issue because last year the Company was awarded a long-term contract from a cement plant to produce RDF with properties that are higher than normal for the RDF waste fuel market. The Company, therefore, designs the production process with more modern technology resulting in products that have good properties and meet the needs of customers. The Company will always try to develop and keep pace with new technologies in order to expand the business base and create products that meet the needs of customers in order to increase and grow the business steadily.

Investment Risks of Securities Holders

The risk of not being able to pay dividends as investors expected. A company's ability to pay dividends depends on a number of factors, such as: Capital budget and capital reserves for business expansion, loan repayment, cash flow from operations etc., which if various factors Affects the ability to pay annual dividends. and/or interim dividends. The Company may be at risk of paying dividends at a lower rate than investors expect.

However, the Company has a policy to pay dividends of not less than 40% of the remaining net profit after deducting all types of reserves required by law and the Company.

3. Business Drive for Sustainability

3.1 Sustainability Management Policy and Goals

The company is always aware of the importance of operating a business for sustainable growth in order to create a better society and environment with clean energy according to the company's vision. The Company is committed to creating corporate growth and returns through investments in clean energy using modern technology to help society and the environment to be sustainable. This society and environment will benefit the public along with the growth of the Company with determining policies and sustainability management goals in the same direction as the business strategy by considering to the 3 main areas of responsibility, which are the environment, society and corporate governance (ESG). The Company has a clear strategy, vision and operational goals in order to adapt to the changes of the current situation in a timely manner.

1. Business Operations

The Company is committed to sustainably grow its business in order to create stability and contribute to creating a better society and environment with clean energy, as well as looking for investment opportunities in the upstream business of the waste business to increase the opportunity to generate income and to provide more stable raw materials for production. The Company is committed to conducting business with honesty, fairness, ethics and is determined to compete in accordance with the principles of ethics, laws and principles of fair competition, and rejects any behavior that interferes with fair competition.

2. Anti-corruption

The Company operates its businesses on the basis of transparency, ethics, adhering to the principles of good corporate governance principle and complying with laws relating to the anti-corruption, with details appearing in the policy and guidelines regarding against corruption and bribery (Anti-Corruption and Bribery) of the Company.

3. Respect for human rights

The Company has a policy to support and respect the protection of human rights by treating related parties, whether employees, communities and surrounding societies with respect for human values, taking into account equality and equal freedom, do not violate fundamental rights and does not discriminate in terms of race, nationality, religion, language, skin color, sex, age, education, physical condition or social status.

4. Labor

The Company is aware of the importance of human resource development and fair labor practices. This is a factor that will increase the value of the business and strengthen the competitiveness and sustainable growth of the company in the future. The Company therefore has established policies and guidelines that respect the rights of employees according to human rights principles and comply with labor laws, employing employment processes and fair employment conditions, including determining remuneration and considering merit performance under the process of fair performance evaluation, promoting the development of personnel and preparing plans for developing the potential of employees at all levels.

5. Environmental Preservation

The Company places great importance on social responsibility in taking care of the environment by operating and controlling the operation in strict compliance with the laws related to environmental preservation, including conducting risk assessments and environmental, health and safety related impacts prior to investment and throughout business operations.

6. Participation in Community or Social Development

The Company has always been aware of its responsibility towards the community and society, so it has a policy to provide assistance and social development, especially to the communities surrounding the Company's operations. The community and stakeholders are given the opportunity to participate in giving opinions for various projects that may affect the community, including offering opinions or complaints as a result of the Company's operations, give scholarships to employees' children, participate in activities of nearby communities, including the Company to encourage employees of the Company to have awareness and responsibility for the environment and society.

3.2 Managing the Impact on Stakeholders in the Business Value Chain

3.2.1 Business Value Chain

The Company realizes the importance of business value chain management because stakeholders of the business chain from upstream to downstream are fundamental in business operations that will achieve the plans, strategies and goals of the Company. The Company therefore gives importance to all parts by conducting stakeholder management by communicating regularly in order to build good relationships and build understanding of various issues that are of interest and listen to opinions of stakeholders from every channel including when making investment decisions, various operations within the Company, production processes, raw material processes, legal proceedings or considering important issues that will affect the business, the Company will take into account the stakeholders as a priority.

3.2.2 Analysis of Stakeholders in the Business Value Chain

Stakeholders	Participation channels	Stakeholder expectations	Meeting the expectations of the stakeholders
1. Group of Shareholders (major and minor shareholders)	<ul style="list-style-type: none"> - Information presentation to shareholders - Presentation of the Company's information at the Opportunity Day event of the Stock Exchange of Thailand - Having a communication channel such as telephone, letter, e-mail, website, Facebook, etc. - Dissemination of company information up-to-date on the Company's website - Shareholders' Annual General Meeting - Annual information disclosure form (Form 56-1, One Report) 	<ul style="list-style-type: none"> - Company's performance and dividends - Investment plans and growth of the company in the future - The current operational plan of the Company - Transparency in operations and conduct business - Return on investment in new projects approved - Risk Management inside and outside - Troubleshooting business problems 	1. Group of Shareholders (major and minor shareholders)
2. Financial Support Group (Financial institutions or debenture holders, etc.)	<ul style="list-style-type: none"> - Providing financial services such as project financing, leasing, etc. - Discussion with management to update project progress and situation - business visit - Dissemination of company information up-to-date on the Company's website - Annual information disclosure form (Form 56-1 One Report) 	<ul style="list-style-type: none"> - Good performance - Liquidity and debt repayment ability - Company growth - Providing accurate, complete and transparent information 	2. Financial Support Group (Financial institutions or debenture holders, etc.)

Stakeholders	Participation channels	Stakeholder expectations	Meeting the expectations of the stakeholders
3. Partners/Customers	<ul style="list-style-type: none"> - Validation of product qualifications - Meetings between the company and its partners/customers - preparation of written contracts - Having communication channels and receiving complaints such as telephone, letter, e-mail, website, Facebook, etc. - preparation of monthly reports 	<ul style="list-style-type: none"> - Operations with each other are transparent. - The operation is based on safety. - Transparency in joint business operations - Compliance with the agreed agreement or contract, not taking advantage of each other - Supporting and developing each other for sustainable growth 	3. Partners/Customers
4. Business partners	<ul style="list-style-type: none"> - Preparation of a written sales contract - Inviting a group of partners to participate in the activities of the company equally. - Having communication channels and receiving complaints such as telephone, letter, e-mail, website, Facebook, etc. 	<ul style="list-style-type: none"> - Collaboration to build trust and have a good relationship - Supporting and developing each other for sustainable growth - good performance - Business growth based on equality - Transparent operation 	4. Business partners
5. Social groups/communities	<ul style="list-style-type: none"> - Community communication - Having communication channels and receiving complaints such as telephone, letter, e-mail, website, Facebook, etc. - Participating in community activities - Meeting at appropriate occasions - Dissemination of company information up-to-date on the Company's website 	<ul style="list-style-type: none"> - Participation in community activities - Listening and correcting if there are environmental impacts from business operations. - Community Development 	<ul style="list-style-type: none"> - Appropriate risk management plan - Business Ethics - Anti-Corruption Policy - Environmental Policy - Supporting community activities - listening to opinions and community problems
6. Employees	<ul style="list-style-type: none"> - Having communication channels and receiving complaints such as telephone, letter, e-mail, website, Facebook, etc. - Engagement Survey - Organizing activities for executives to meet with employees (Town hall meeting) - Various internal communication - Organization of activities to create unity, 	<ul style="list-style-type: none"> Employee potential development - Taking care of the quality of life, health, safety of employees - Compensation and welfare of employees - Opportunities for career advancement - Equal Treatment - Retaining potential employees with the company 	<ul style="list-style-type: none"> - Organization of activities and personnel development training to develop the potential and quality of employees - Human Rights - Compliance with labor laws - Provident Fund - Job grade - Engagement Survey

Stakeholders	Participation channels	Stakeholder expectations	Meeting the expectations of the stakeholders
	encouragement and develop the potential of employees within the organization	- Support for working tools and equipment - Human Rights and Labor Practices	

3.3 Environmental Sustainability Management

3.3.1 Environmental Policies and Practices

The Company is aware of the importance of the environment. Therefore, the Company's business operations focus on participating in solving environmental problems and managing various wastes efficiently in order not to affect the environment and surrounding communities. The company also places great importance on sustainability management in terms of the environment.

Private Natural Gas Mother Station Business

The Company considers that the quality management system (ISO9001:2015), occupational health and safety management system (ISO45001:2018) and environmental management system (ISO14001:2015) are important and necessary for business operations. Therefore, it is determined to encourage all departments to act seriously and continuously. The guidelines for adherence and practice are as follows:

1 The Company regards safety at work as the duty of all employees. All levels must work together to ensure the safety of themselves and others.

2 The Company focuses on quality management and occupational health and safety throughout the organization with efficient work processes in order to be the main operator in operating PTT's private natural gas mother station business.

3 The Company will comply with ISO9001:2015/ISO45001:2018/ISO14001:2015 standards, laws and other requirements related to quality, occupational health and safety at work and the environment. It is the basic prerequisite for maintaining high service standards.

4 The Company gives the highest importance to occupational health and safety, which is considered the heart of its operations by focusing on risk management according to the principles of occupational health and safety to prevent losses from incidents, accidents, injuries and diseases from working and developing the system continuously.

5 The Company will promote and support the improvement of the environment and safe operations as well as proper use of personal protective equipment to prevent accidents as well as maintaining the good health of employees including having appropriate and sufficient training to keep the Company driven by innovation and a talented team.

Mae Krating Biomass Power Plant Business

Mae Krating Biomass Power Plant attaches importance to environmental policies, therefore, has enumerated environmental factors and environmental impacts related to activities, production, and new laws and regulations related to power plants in the environmental problem analysis report on the topic of process flow including having a policy to manage the environment as follows:

1. Heavy ash and light ash disposal measures

1.1 Used for the benefit of landfill filling or other uses according to the law on safety and environment, and collected documents for the submission of Sor.Kor.2 / consent letter for land use / copy of land title deed / copy of company director's ID card / assessment results of ashes / letter of co-responsibility for moving and factory information documents such as Ror Ngor. 4/ registration documents to the Department of Industrial Works for approval.

1.2 When moving ash from the factory area, it shall be protected with canvas and shall be weighed every time.

1.3 The weighing room staff collects light vehicle figures and payload

1.4 For the safety and environment, the electronic export data shall be notified to the Department of Industrial Works.

Note: Heavy ash means the combustion of fuel at the steam generating unit by heavy ash generated. It's at the bottom of the combustion chamber.

Light ash means the combustion of fuel at the steam generating unit. The light ash produced from the combustion process of which it will pass through the air pollution treatment system. It is trapped and collected at the dust collection device.

2. Measures for ash management in case of heavy ash and light ash outside the factory area

2.1 Vehicles transporting heavy ash must have load liners, side panels and vehicle trunks covered with tarpaulin or plastic to prevent scattering and dropping.

2.2 Vehicles transporting light ash shall be completely covered to prevent the spread and drop of light ash.

2.3 Wash the wheels and the light ash truck body before leaving the factory area every time.

2.4 Trucks shall strictly follow traffic rules.

3. Measures for disposing of waste materials

Disposal of waste materials of each type of power plant depends on the properties of such materials and permission of the government agency under the Department of Industrial Works. The disposal company determines the following measures and operational rules:

3.1 Mae Krating Biomass Power Plant submits quantities and types of unused materials or Sor Kor. 3 to the Department of Works electronically.

3.2 Mae Krating Biomass Power Plant procures companies that meet the conditions and methods for disposing of those unused materials to apply for permission to the Department of Works electronically, together with supporting documents as requested by the Department of Works (as the case may be).

3.3 The Environment Department collects documents and submits Sor Kor. 2 / Letter of responsibility for relocation and factory data such as factory operation license/registration documents, etc., to the Department of Industrial Works for approval.

3.4 When it will be transported outside the factory area under the permission, it shall be protected with canvas and shall be weighed every time.

3.5 The weighing room staff collects light vehicle figures. and payload.

3.6 The Environment Department notifies the export information via electronic system to the Department of Industrial Works.

Note: Unused materials or unused items from Mae Krating Biomass Power Plant operations are gloves, oil-stained cloth, paint cans, spray, used light bulbs, used batteries, hydraulic oil. machinery, lubricant containers, chemical contaminated products, etc.

Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

N15 Technology considers quality and environmental management systems to be essential and essential to business operations. Therefore, it is determined to encourage all departments to act seriously and continuously in order to achieve objectives and goals. The guidelines for adherence and practice are as follows:

1 Committed to comply with ISO9001:2015 and ISO14001:2015 standards, laws and other requirements related to quality and environment, including obligations. It is the basic criterion for achieving results that must be followed.

2 Committed to producing quality products and protecting the environment, including preventing pollution caused by corporate activities.

3 Implement and promote various activities to campaign for saving energy and wasted resources in both production and office sectors.

4 Communicate and publicize policies on quality and environment in the organization and disclose them to stakeholders.

5 Committed to continuous improvement of the quality and environmental management system to increase the quality and environmental performance.

3.3.2 Environmental Performance

Private Natural Mas mother Station Business

The Company operates its business by paying attention to the environment. Therefore, the results of environmental measurements are as follows:

1. Measurement results of the concentration of dust and chemicals in the working atmosphere

measurement area	Measured Index	Unit	Measure ment results	Standard Range ¹		Assessment results	
				1/	2/	1/	2/
1. Gas loading yard	Total dust	mg/l	0.412		≤10	-	not exceed the threshold

measurement area	Measured Index	Unit	Measurement results	Standard Range ¹		Assessment results	
				1/	2/	1/	2/
	Carbon dioxide	PPM	627	-	≤5,000	-	not exceed the threshold
	Mercury	mg/l.	0.0003	≤0.1	≤0.025	not exceed the threshold	not exceed the threshold
2. Compressor Room	Oil mist	mg/l.	<0.1	-	5 ^{3/}	-	not exceed the threshold

Remark:

- ^{1/} Notification of the Department of Labor Protection and Welfare regarding the Concentration Limit of Dangerous Chemicals dated 28 June 2017
- ^{2/} ACGIH = American Conference of Governmental Industrial Hygienist, 2022
- ^{3/} ACGIH = American Conference of Governmental Industrial Hygienist, 2009

2. Heat measurement result

Measure ment area / name- surname of the employee	measur ement time	operating temperature					Nature of work	Energy used (Kcal/hr)	Assignment		
		T _N WB	D _B B	T _G T	WB GT In/O ut	Ave rag e WB GT			average energy consump tion (Kcal/hr)	Workload level	Assess ment results
1. Compres sor room (Mr. Taweesak Thammaj aree)	10:00 – 12:00 u.	29. 3	36 .2	37 .7	31.8	31.8	machine control (120 min)	150	150	light duty	not exceed the threshol d
Standard ^{1/} (light duty) = 34.0 WBGT											

Remark:

- T_{NWB} means Temperature reading from a wet bulb thermometer.
- T_{DB} means Temperature reading from dry bulb thermometer
- T_{GT} means Temperature read from a globe thermometer
- WBGT means Wet Bulb Globe Temperature
- ^{1/} the Ministerial Regulation regarding the standards for management, management and operation of safety, occupational health and working environment related to heat, light and sound B.E.2559 (2016), dated 7 October 2016 (Chapter 1 Heat)

The result of measuring the heat conditions at 1 point on April 25, 2022, the measurement results are shown in the table. It was found that the measured area had the heat level not exceeding the standard as prescribed by the Ministerial Regulation regarding the standards for management, management and operation of safety, occupational health and working environment related to heat, light and sound B.E.2559 (2016), dated 7 October 2016 (Chapter 1 Heat).

3. Effluent quality measurement results

Measured Index	Unit	Measurement results	Standard Range ^{1/}	Assessment results ^{1/}
1. pH (at 25°C)	-	7.2	5-9	met the criteria
2. Biochemical Oxygen Demand	mg/l.	10.00	≤40	met the criteria
3. Chemical Oxygen Demand	mg/l.	34.0	-	-
4. Oil & Grease	mg/l.	19.5	≤20	met the criteria

Remark:

1.^{1/} the Notification of the Ministry of Natural Resources and Environment regarding the standard determining for controlling the discharge of wastewater from certain types and sizes of buildings dated 7 November 2005 (Type C buildings)

The results of measuring the quality of effluent at one point, i.e. the discharge point on 25 April 2022, are shown in the table below. It was found that the Ph value was 7.2, the BOD was 10.0 mg/l, the COD was 34.0 mg/l, and the oil and fat was 19.5 mg/l. compared to the standard values, most of the measured indices met the criteria and standard according to the Notification of the Ministry of Natural Resources and Environment regarding the standard determining for controlling the discharge of wastewater from certain types and sizes of buildings dated 7 November 2005 (Type C buildings). As for intensity of CIO, there is no standard value set.

4. General sound level measurement results

measurement area	Sound level measurement result (dBA)		Assessment results	
	Average noise level for 24 hours	maximum noise level	Average noise level for 24 hours	maximum noise level
1. The area next to the wall of the restaurant	65.5	97.6	not exceed the threshold	not exceed the threshold
Standard ^{1/}	≤70	≤115	-	-

Remark:

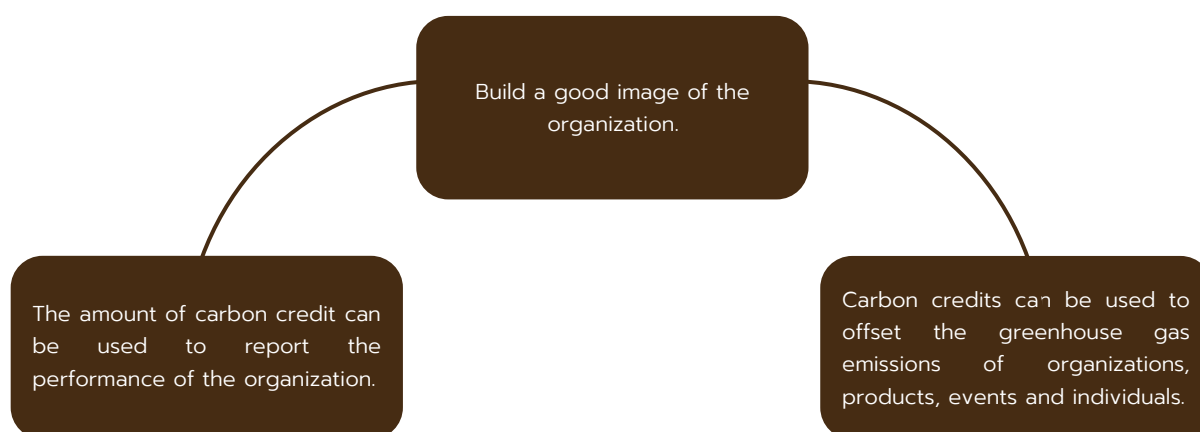
1.^{1/} the Notification of the Ministry of Industry on determining the noise level and noise level from factory operations B.E. 2548 (2005) dated 27 December 2005.

The results of general noise level measurements at 1 point on 25-26 April 2022 have been shown in the table. It was found that the measured area had an average noise level of 24 hours, and the maximum noise level did not exceed the standard specified according to the Notification of the Ministry of Industry on determining the noise level and noise level from factory operations B.E. 2548 (2005) dated 27 December 2005.

Mae Krating Biomass Power Plant Business

Mae Krating Biomass Power Plant has passed the environmental impact assessment by monitoring, inspecting and preparing environmental audit reports according to the Code of Practice (COP) and reporting measures to prevent and correct environmental quality impacts and safety (ESA) for every 6 months or 2 times per annum for the production of electricity from biomass fuel.

In 2022, Mae Krating Biomass Power Plant was registered for the Thailand Voluntary Emission Reduction Program “T-VER” by the Thailand Greenhouse Gas Management Organization (TGO). The details are as follows: TGO has set up a voluntary greenhouse gas reduction project according to Thailand's standards or T-VER to promote and encourage all sectors to voluntarily participate in reducing greenhouse gas emissions in the country. The amount of certified greenhouse gas reduction or absorption, known as “carbon credits,” can be sold on the domestic voluntary carbon market. Mae Krating Biomass Power Plant is an organization that operates a power generation plant from renewable energy. It is a small project with a total installed capacity of not more than 15 MW, which is one of the types of projects that fall under the criteria set by the TGO resulting in being able to join the T-VER project. The Company foresees that participating in the T-VER project will cause good results for the Company as follows:



In 2022, Mae Krating Biomass Power Plant passed the validation according to the T-VER standard from Greenhouse Gas Management Certification Body, the University of Phayao (SEEN) and the Board of the Thailand Greenhouse Gas Management Organization No. 10/2022 held on Tuesday, 27 September 2022 has resolved to approve “Electricity Generation from Biomass by Mae Krating Power Co., Ltd.” as an official T-VER project.

Non-hazardous Waste or Unused Materials Management Business by Sorting and Producing RDF

N15 Technology is committed to adopting an environmentally friendly approach to its operations by selecting technologies that are efficient and have the least impact on the environment. to reduce the impact on the community and the environment in air, water, and land. We have the utmost consciousness of social responsibility and our customers. N15 Technology has received the following system certifications:

1. ISO 9001:2015 Quality Management System Certificate
2. ISO 14001:2015 Environmental Management System Certificate
3. Industrial Waste Management Factory Standards gold level
4. Green Industry Certificate

N15 Technology is proud to be part of the waste and unused materials management policy that occurs within Amata City Industrial Estate by being entrusted to be a waste and unusable material, general waste and non-hazardous industrial waste (Industrial Non-Hazardous Waste) management from Amata Facility Services Co., Ltd. This activity is in reference to the industrial estate's environmental policy on reducing landfill waste, known as “Zero Waste To Landfill”.

3.4 Sustainability Management in Social Dimension

3.4.1 Social Policy and Guidelines

The Company operates with a vision that strives to create a better society and environment with clean energy. Therefore, creating sustainability for the company is coupled with taking care of society and the environment. The company focuses on doing business that will promote a sustainable Thai society, reduce environmental problems in Thailand, and promote human rights both inside and outside the Company. The Company treats employees equally, treats employees according to labor laws and human rights, listens to opinions and suggestions of communities nearby the Company's establishments, making investment decisions or conducting business through taking into account all stakeholders along the value chain.

3.4.2 Social Performance Results

In the past year, the company has operated socially well through various policies and activities in terms of society, respect for human rights relating to employees and labor community and society as well as business value chain as follows:

1. Employees and Labor

- Fair employment and compensation
- Management training to always develop executives and employees. In the past year, the company organized training courses for employees to increase their skills and potential in working for employees in the amount of 47 courses.
- Organization of important day activities for employees to build morale and encouragement for employees
- Listening to opinions and suggestions from employees
- Preparation of a survey on the engagement survey of employees toward the company. The results of employee engagement to the organization are equal to 96.63%
- Organizing a digital project to promote being an organization of a digital organization
- Organizing activities for executives to meet employees to communicate the current situation of the company and vision, goals, strategies in the future

2. Customer

- After-sales care by preparing performance reports and delivering to customers every month
- Customer confidentiality
- Communicating and informing the impact when there is a problem from the company's products via telephone and e-mail.
- In the past year, the Company did not have any complaints from customers.

3. Community and society

- The Company has always operated its business with community and social responsibility by emphasizing on reducing environmental impacts and avoiding operations that may negatively affect the quality of life of the surrounding communities. In the past year, there were no complaints on social or environmental issues.

- In addition, the company contributes to the improvement of the quality of life and promotes participation in the community. In the past year, the company has contributed to improving the quality and hygiene of the toilets for schools near the facility.

- The Company continues to focus on society as a whole through N15 Technology's social activities such as orphan waste and orphan waste roaming where everyone can send non-recyclable waste to the N15 Technology factory in Chonburi Province. In addition, N15 Technology has organized a mobile orphan waste activity that cooperates with both the public and private sectors by organizing activities in various locations throughout Bangkok and its vicinity to receive non-recyclable waste and produce it as RDF waste fuel to reduce the amount of waste and various environmental problems in Thailand caused by waste.

4. Management's Discussion and Analysis (MD&A)

Overall Performance

- In February 2022, N15 Technology Co., Ltd., a subsidiary of the Company, entered into a contract for construction and installation of machinery and equipment for the Refuse Derived Fuel Project (RDF) in Huai Haeng Sub-district, Kaeng Khoi District, Saraburi Province with a company to design a plant and RDF waste production system, and to construct buildings and install machinery with equipment with a contractual value of Baht 321 million. And the deadline for construction and installation of machinery with equipment is scheduled to be completed by 2022. In addition, the subsidiary purchased some machinery from a foreign company for installation in the RDF waste production process.
 - On 25 March 2022, the Company entered into an agreement termination of the Natural Gas Compression Contract of the private mother station (Ban Na-Kaeng Khoi) in Saraburi Province prior to the expiration date with PTT Public Company Limited ("PTT") due to a continuous reduction of the demand of the compressed natural gas and the Company has been informed that the demand of NGV for the private mother station (Ban Na-Kaeng Khoi) was zero tons per day since 1 March 2021. The parties agreed that such Natural Gas Compression Contract to be effective until 31 March 2022 and ended on 1 April 2022. The Company will receive cash compensation for the contract termination by term and conditions as stipulated in the agreement.
 - In April 2022, the Company entered into a shares purchase and subscription of shares agreement with Vanta Capital Co., Ltd. ("VANTA") which operates a software business including development of securities trading software to purchase 44,000 ordinary shares from existing shareholders of VANTA with a par value of Baht 100 per share, at a purchase price of Baht 650 per share, totaling Baht 28.60 million and to subscribe for the newly issued preferred shares of VANTA (6 voting rights per share) of 23,000 shares, with a par value of Baht 100 per share, at a subscription price of Baht 650 per share, totaling Baht 14.95 million. The Company has fully paid for the ordinary shares in April 2022 and partially paid for the preferred shares in the amount of Baht 3.74 million in April 2022. In this respect, the shares purchased from existing shareholders and the subscription of newly issued shares have a total value of Baht 43.55 million. As a result, the Company will hold 67,000 shares in VANTA, or equivalent to 30.04% of the total issued shares of VANTA and the Company then have the voting right for 53.85% of the total voting rights over VANTA and combined with rights and responsibilities stipulated in a shareholders' agreement. The Company classified the investment in VANTA as investment in subsidiary.
- In addition, N15 Technology Co., Ltd., increased its registered capital from Baht 40 million (400,000 shares at Baht 100 per share) to Baht 185 million (1,850,000 shares at Baht 100 per share). The Company has paid for the newly issued shares amounting to Baht 85 million on 18 April 2022 and Baht 60 million on 23 June 2022.

In May 2022, the Company increased its registered from the existing registered capital of Baht 558 million (1,116 million shares with a par value of Baht 0.50) to Baht 669.60 million (1,339.20 million shares with a par value of Baht 0.50 per share) by issuing new ordinary shares of 223.20 million shares, with a par value of Baht 0.50 per share. These shares were approved to support the exercise of right according to the warrants to purchase ordinary shares of the Company No.1 (SKE-W1) (the "Warrant W1") in the amount of 223.20 million units allocated to the existing shareholders proportionate to their respective shareholdings.

In June 2022, the Company offered of the 223.20 million units of the Warrants W1 to the existing shareholders proportionate to their respective shareholdings at no cost and at the allocation ratio of 5 existing ordinary shares to one unit of the Warrants W1. The term of the Warrants W1 is four years from the issuance date and the holders of the warrants can exercise their rights on the last business day of each quarter from the issuance of the warrants to the maturity of the warrants. The exercise ratio is one unit of the warrants to one ordinary share at the exercise price of Baht 1.30 per share.

In addition, the Company offered named-registered, secured, and senior debentures with a debenture holder representative to institutional investors and/or high net worth investors. The issue size of debentures is Baht 300 million for a 2-year and 8-month period with an interest rate of 6.25% per annum. The face value of the debentures is Baht 1,000 each and interest is payable quarterly. The Company must comply with certain conditions as stipulated in the prospectus such as maintaining the financial covenant ratio.

In December 2022, N15 Technology Co., Ltd. began selling the RDF from the RDF production project in Saraburi Province.

4.1 Analysis of Operating Performance and Financial Position

4.1.1 Revenue

The revenue structure of the Group for the years 2021 and 2022 is as follows:

	2021		2022	
	In million Baht	%	In million Baht	%
Revenues				
Revenue from rendering of services	130.23	25.98	129.37	26.01
Revenue from sale of goods	333.38	66.48	340.43	68.44
Revenue from leases	17.87	3.56	10.51	2.11
Other income	19.98	3.98	17.11	3.44
Total revenue	501.46	100	497.42	100

1. Revenue from rendering of services

For the year ended 31 December 2022, revenue from rendering of services amounted to Baht 129.37 million was comprised of revenue from NGV natural gas compression to PTT Public Company Limited (PTT) of Baht 111.04 million, revenue from the treatment of waste of Baht 15.17 million and revenue from purchase and sale of Refuse Derived Fuel (RDF) of Baht 3.16 million. The Group's service revenue was similar compared to the previous year. Details are as follows:

Revenue from NGV compression to PTT for the year ended 31 December 2022 increased from last year amounted to Baht 0.63 million or 0.57% due to an increase in NGV consumption from maintaining NGV retail price for-taxis in Bangkok Metropolitan Area eligible under the "NGV for the same breath project" from 1 November 2021 to 15 March 2023, and for other vehicles to help with energy price for the public from 16 November 2021 to 15 September 2022. Moreover, the increase of NGV volume resulted from relaxation of COVID-19 measure and the rise of other fuel prices.

Revenue from the treatment of waste for the year ended 31 December 2022 decreased from last year amounted to Baht 0.19 million or 1.21%, which was in line with the decrease of the amount of waste in industrial estate.

Revenue from purchase and sale of RDF for the year ended 31 December 2022 decreased from last year amounted to Baht 1.30 million or 29.17%, which varied according to the demand for RDF of customers in each period.

2. Revenue from sale of goods

For the year ended 31 December 2022, revenue from sales of goods of Baht 340.43 million which was comprised of revenue from generating and distribution of electricity of Baht 283.25 million, revenue from sales of RDF of Baht 52.98 million and revenue from sales of Source Code (Code Program) of Baht 4.20 million. The Group's revenue from sales of goods increased compared to last year. The changes resulted from the following reasons:

Revenue from generating and distribution of electricity sale to the Provincial Electricity Authority (PEA) for the year ended 31 December 2022 increased from last year amounted to Baht 0.39 million or 0.14%, which shutdown hours for repair and maintenance were similar to the previous year.

Revenue from sales of RDF for the year ended 31 December 2022 increased from last year amounted to Baht 3.46 million or 6.98%, due to the volume of RDF increased compared to the previous year and the commencement of sale of RDF from new plant in Saraburi Province in December 2022.

Revenue from production and distribution of compressed bio-methane gas for the year ended 31 December 2022 decreased from last year amounted to Baht 1 million because the Company sold its production and distribution of compressed bio-methane gas business in April 2021.

Revenue from sales of Source Code (Code Program) amounted to Baht 4.20 million due to the revenue from the development of securities trading software business which the Company acquired in April 2022.

3. Revenue from leases

For the year ended 31 December 2022, the Company recognized revenue from leases of Baht 10.51 million or 2.11% of total revenue, which decreased from last year due to the Company entered into an agreement to terminate of the natural gas compression contract by private mother station (Ban Na-Kaeng Khoi) in Saraburi Province which ended on 1 April 2022.

4. Other income

Other income was comprised of 1) revenue from rendering utility services to lessees, 2) interest income, 3) gain on sale of mutual fund, an investment in debt instruments which is low-risk and high liquidity, 4) revenue from solar rooftop equipment rental, 5) gain on disposal of assets, and 6) gain from sales of investment.

For the year ended 31 December 2022, other income was Baht 17.11 million or 3.44% of total revenue, which decreased from last year. Other income in 2021 was mainly due to the recognition of gain from the sale of investment in the production and distribution of compressed bio-methane gas business of Baht 13.36 million and interest income from loans to other parties. Meanwhile other income in 2022 was mainly due to the recognition of gain from the termination of the natural gas compression contract by private mother station (Ban Na-Kaeng Khoi) in Saraburi Province of Baht 13.91 million.

4.1.2 Cost of Rendering of Services, Cost of Sales of Goods, Gross Profit, and Gross Margin

1. Cost of Rendering of Services

Cost of rendering of services of the Group for the years 2021 and 2022 is as follows;

	2021		2022	
	In million Baht	%	In million Baht	%
Cost of rendering of services				
Cost of compression of NGV	64.37	85.92	64.43	83.98
Cost of the treatment of wastes	10.55	14.08	11.29	14.72
Cost of securities trading	-	-	1.00	1.30
Total cost of rendering of services	74.92	100	76.72	100

Cost of rendering of services increased from last year resulted from the following reasons:

Cost of NGV compression to PTT for the year ended 31 December 2022 increased from last year amounted to Baht 0.06 million or 0.10%, which was in line with the revenue from rendering of services.

Cost of the treatment of wastes for the year ended 31 December 2022 increased from last year amounted to Baht 0.74 million or 7.01%, mainly due to electricity, transportation, and fuel costs.

Cost of securities trading for the year ended 31 December 2022 increased from last year amounted to Baht 1 million, due to software for securities trading development cost of a subsidiary acquired by the Company in 2022.

2. Cost of Sales of Goods

Costs of sales of goods of the Group for the years 2021 and 2022 is as follows;

	2021		2022	
	In million Baht	%	In million Baht	%
Cost of sales of goods				
Cost of generating and distribution of electricity	219.52	87.55	226.79	85.73
Cost of production and distribution of RDF	29.90	11.92	37.74	14.27
Cost of production and distribution of bio-methane gas	1.32	0.53	-	-
Total cost of sales of goods	250.74	100	264.53	100

Costs of sales of goods increased from last year resulted from the following reasons:

Cost of generating and distribution of electricity trading for the year ended 31 December 2022 increased from last year amounted to Baht 7.27 million or 3.31%, a greater increase than the increase in revenue from generating and distribution of electricity. This was mainly due to higher consumption of raw materials, and transportation costs.

Cost of production and distribution of RDF for the year ended 31 December 2022 increased from last year amounted to Baht 7.84 million or 26.22%, a greater increase than the increase in revenue from sales of RDF. This was mainly due to transportation costs, and production costs of RDF of the new RDF plant in Saraburi Province.

Cost of production and distribution of bio-methane gas for the year ended 31 December 2022 decreased from last year amounted to Baht 1.32 million because the Company sold its production and distribution of the compressed bio-methane gas business in April 2021.

3. Gross Profit and Gross Margin

	2021		2022	
	In million Baht	%	In million Baht	%
Revenue from sale of goods and services	463.61	100	469.80	100
Cost of sales of goods and services	325.66	70.24	341.25	72.64
Gross profit	137.95	29.76	128.55	27.36

For the year ended 31 December 2022, gross profit of the Group was Baht 128.55 million, a decrease by Baht 9.40 million or 6.81% compared to last year. The gross margin for the year ended 31 December 2022 was 27.36% slightly lower than the previous year due to higher production costs of the generating and distribution of electricity of Mae Krating biomass power plant business and RDF production and distribution business.

Remark: $\text{Gross profit} = (\text{Revenue from rendering of services} + \text{Revenue from sale of goods}) - (\text{Cost of rendering of services} + \text{Cost of sales of goods})$

$\text{Gross profit margin} = \text{Gross profit} / (\text{Revenue from rendering of services} + \text{Revenue from sale of goods})$

4.1.3 Selling and Administrative Expenses

The Group's selling and administrative expenses are primarily comprised of employee expenses, depreciation and amortization, transportation, other service fees, and other administrative expenses.

For the year ended 31 December 2022, the Group incurred selling and administrative expenses amounted to Baht 125.67 million, an increase from last year of Baht 4.79 million or 3.96%. This was mainly due to depreciation from the recognition of plants and equipment related to the termination of the natural gas compression by private mother station (Ban Na-Kaeng Khoi) contract in Saraburi Province, employee expenses, consulting fee of the new RDF plant in Saraburi Province, and selling and administrative expenses from the development of securities trading software business.

However, the Group had a decrease in selling and administrative expenses compared to last year due to the reversal of impairment losses of other receivables, a decrease in selling and administrative expenses from production and distribution of compressed bio-methane gas business due to the Company sold the business in April 2021, including expenses related to the investment in ordinary shares of N15 Technology Co., Ltd. and the increase in its capital in June 2021.

4.14 Finance Costs, and Net Profit

1. Finance Costs

For the year ended 31 December 2022, the Group incurred finance costs of Baht 38.35 million, an increase from last year of Baht 13.53 million or 54.51%, mainly due to the financing costs of debentures, financing fees for early termination of loans from financial institutions agreements and refinancing of a long-term loan from a financial institution of a subsidiary.

2. Net Profit

For the year ended 31 December 2022, the Group had a profit for the year of Baht 1.69 million, a decrease by Baht 30.35 million or 94.73% compared to last year. This was primarily due to a decrease in profit of the generating and distribution of electricity of Mae Krating biomass power plant business and RDF production and distribution business, as well as an increase in financing costs from financing fees for the early termination of loans from financial institutions agreements and refinancing of long-term loans from a financial institution and debentures. However, the Group's tax income for 2022 increased from 2021.

4.15 Tax Income

For the year ended 31 December 2022, the Group incurred tax income of Baht 9.54 million, an increase from last year of Baht 7.60 million or 391.75% because of the effect from the termination of the natural gas compression by private mother station (Ban Na-Kaeng Khoi) contract in Saraburi Province.

4.16 Assets

Total assets of the Group mainly consist of cash and cash equivalents, trade accounts receivable, lease receivables, property, plant and equipment, investment properties, intangible assets, and goodwill. As of 31 December 2022 and 2021, the assets of the Group are as follows;

Item	31-Dec-21		31-Dec-22	
	In million Baht	%	In million Baht	%
Current assets	199.95	12.60	228.36	11.99
Non-current assets	1,387.01	87.40	1,676.20	88.01
Total assets	1,586.96	100	1,904.56	100

As of 31 December 2022 and 2021, total assets of the Group amounted to Baht 1,904.56 million and Baht 1,586.96 million, respectively. Total assets increased by Baht 317.60 million or 20.01% was mainly due to investment in buildings and equipment of the new RDF plant in Saraburi Province, and goodwill from the Company's acquisition of Vanta Capital Co., Ltd.'s business in April 2022 amounted to Baht 32.79 million.

1. Cash and Cash Equivalents

Cash and cash equivalents of the Group as of 31 December 2022 and 2021 were equivalent Baht 47.57 million and Baht 25.25 million, respectively, or 2.50% and 1.59% of the total assets, respectively. Cash and cash at banks increased by Baht 22.32 million or 83.40% which was mainly due to an increase in cash flow from operations of the Group and cash received from the issuance of the Company's debentures, net of repayment of long-term loans. However, the subsidiary has paid to invest in buildings and equipment of the new RDF plant in Saraburi Province.

2. Trade Accounts Receivable

As of 31 December 2022 and 2021, trade accounts receivable of the Group were equivalent to Baht 86.37 million and Baht 89.93 million, respectively, or 4.54% and 5.67% of the total assets, respectively which decreased by Baht 3.56 million or 3.96% which was mainly due to revenue from sales of electricity to PEA and revenue from RDF production and distribution business in December 2022 was less than December 2021.

3. Lease Receivables

Most lease receivables come from the Company's gas compression contracts with PTT to provide natural gas compression for vehicles service for PTT's natural gas trucks, which the Company must comply with the conditions stipulated in the contracts. As these contracts have met the conditions for arrangements which contain lease under

Thai Financial Reporting Standards No. 16 Leases, therefore the Company recognised the contracts as lease receivables. The periods in which lease receivables mature were as follows:

(In million Baht)	As of 31 December	
	2021	2022
Lease receivables due within one year	21.21	14.45
Lease receivables due within one to five years	76.25	60.71
Lease receivables due over five years	80.80	16.69
Total lease receivables	178.26	91.85

As of 31 December 2022 and 2021, lease receivables of the Group were equivalent to Baht 91.85 million and Baht 178.26 million, respectively, or 4.82% and 11.23% of the total assets, respectively, which decreased by Baht 86.41 million or 48.47%. This was mainly due to the termination of the natural gas compression contract by private mother station (Ban Na-Kaeng Khoi) in Saraburi Province and the gradual decrease of lease receivables from cash received from PTT.

4. Investment Properties

Investment properties of the Group as of 31 December 2022 and 2021 were equivalent Baht 215.36 million and Baht 171.62 million, respectively, or 11.31%, and 10.81% of the total assets, respectively, an increase of Baht 43.74 million or 25.49% due to the termination of the natural gas compression contract by private mother station (Ban Na-Kaeng Khoi) in Saraburi Province, and the Company will lease some assets to the subsidiary for the RDF plant in Saraburi Province. Therefore, the Company classified such assets as investment properties in accordance with the change in purpose of use.

5. Property Plant and Equipment

Property, plant and equipment of the Group as of 31 December 2022 and 2021 were equivalent to Baht 1,185.62 million and Baht 900.52 million, respectively, or 62.25%, and 56.74% of the total assets, respectively, an increase of Baht 285.10 million or 31.66%. This was mainly due to the assets under construction of the RDF plant in Saraburi Province and depreciation of the plant and equipment according to the straight-line basis over the estimated useful lives of assets.

Details of net book value of property, plant and equipment of the Group were as follows:

(In million Baht)	As of 31 December	
	2021	2022
Land and land improvement	124.56	109.15
Buildings and constructions	124.47	103.61
Machinery and equipment	620.41	622.11
Electrical system	9.17	8.20
Tools	3.89	3.12

(In million Baht)	As of 31 December	
	2021	2022
Furniture, fixtures, and office equipment	10.01	6.88
Vehicles	8.01	9.73
Assets under construction	-	322.82
Property, plant, and equipment, net	900.52	1,185.62

6. Intangible Assets and Goodwill

Intangible assets consist of software licenses and computer program, which are amortised on a straight-line basis over the estimated useful lives. Intangible assets and goodwill of the Group as of 31 December 2022 and 2021 were equivalent to Baht 131.05 million and Baht 100.35 million, respectively or 6.88% and 6.32% of the total assets, respectively, an increase of Baht 30.70 million or 30.59% due to goodwill from the Company's acquisition of Vanta Capital Co., Ltd.'s business in April 2022 amounted to Baht 32.79 million.

4.1.7 Liabilities

Liabilities of the Group mainly consist of other current payables, loans from financial institutions, and debentures. As of 31 December 2022 and 2021, the liabilities of the Group are as follows;

Item	31-Dec-21		31-Dec-22	
	In million Baht	%	In million Baht	%
Current liabilities	194.14	38.68	228.66	12.01
Non-current liabilities	307.72	61.32	564.05	29.61
Total liabilities	501.86	100	792.71	100

As of 31 December 2022 and 2021, total liabilities of the Group were Baht 792.71 million and Baht 501.86 million, respectively, an increase of Baht 290.85 million or 57.95% primarily due to the issuance of Baht 300 million of debentures which the Company used cash received from some of the debentures to repay long-term loans from financial institutions early and repayment of long-term loans from financial institutions of its subsidiary.

1. Other Current Payables

Other current payables of the Group as of 31 December 2022 and 2021 were equivalent to Baht 86.44 million and Baht 18.21 million, respectively or 10.90% and 3.63% of the total liabilities, respectively.

Other current payables of the Group as of 31 December 2022 increased from 2021 by Baht 68.23 million or 374.68%, mainly due to an increase in payables for machinery purchase and retention for the construction of the RDF plant in Saraburi Province.

2. Bank Overdrafts and Borrowings

Most bank overdrafts and borrowings of the Group were loans for the purposes of investment in new projects or expansion of existing business. These borrowings are dominated in Thai Baht.

(In million Baht)	As of 31 December	
	2021	2022
Within one year	128.10	96.07
After one year	254.40	209.34
Total bank overdrafts and borrowings	382.50	305.41

As of 31 December 2022, bank overdrafts and borrowings of the Group were Baht 305.41 million, a decrease of Baht 77.09 million from last year or 20.15% as a result of the repayment of long-term borrowings from financial institutions in accordance with the contractual repayment period. Although in 2022, short-term borrowings from financial institutions increased from the previous year.

1. Debentures

As of 31 December 2022, debentures of the Company were Baht 295.13 million. In June 2022, the Company offered named-registered, secured, and senior debentures with a debenture holder of Baht 300 million, representative to institution investors and/or high net worth investors for 2 years and 8 months period with an interest rate of 6.25% per annum. The debentures have a par value of Baht 1,000 each with a maturity date of 23 February 2025, and interest is payable on a quarterly basis. The Company had unamortised expenses of issuing debentures of Baht 4.87 million.

2. Lease Liabilities

Lease liabilities of the Group as of 31 December 2022 and 2021 were Baht 52.24 million and Baht 37.83 million respectively, or 6.59% and 7.54% of the total liabilities, respectively.

As of 31 December 2022, the Group had lease liabilities of Baht 52.24 million, an increase of Baht 14.41 million from last year or 38.09, mainly due to lease liabilities of new machinery of the new RDF plant in Saraburi Province, net of contractual lease liabilities payments in accordance with the term of the contracts during the year.

4.1.8 Equity

As of 31 December 2022 and 2021, equity of the Group were Baht 1,111.85 million and Baht 1,085.11 million, respectively. Equity increased by Baht 26.74 million or 2.46% from the end of year 2021, as a result of the acquisition of a subsidiary with a non-controlling interest from the Company to acquire Vanta Capital Co., Ltd.'s business in April 2022 amounted to Baht 25.06 million, and net profit for the year ended 31 December 2022.

4.1.9 Analysis on Cash Flows

(In million Baht)	2021	2022
Net cash from operating activities	144.84	150.79
Net cash used in investing activities	(141.55)	(303.61)
Net cash from (used in) financing activities	(13.34)	175.14
Net increase (decrease) in cash and cash equivalents, net	(10.05)	22.32

1. Cash Flows from Operating Activities

For the year ended 31 December 2022, net cash from operating activities of the Group was equivalent to Baht 150.79 million, an increase of Baht 5.95 million or 4.11% from last year. This was mainly due to changes in lease receivables from cash received from PTT, although cash received from operations for the year 2022 decreased from the previous year.

2. Cash Flows from Investing Activities

For the year ended 31 December 2022, net cash used in investing activities of the Group was equivalent to Baht 303.61 million which increased from last year by Baht 162.06 million. This was mainly due to the investment in buildings and equipment of the RDF plant in Saraburi Province in 2022, while in 2021, the Company purchased an investment in N15 Technology Co., Ltd. of Baht 145 million.

3. Net Cash from Financing Activities

For the year ended 31 December 2022, net cash from financing activities of the Group was equivalent to Baht 175.14 million which increased from last year by Baht 188.48 million, mainly due to cash received from debentures. The Company used cash received partially to repay long-term borrowings from a financial institution early and repayment of long-term borrowings from a financial institution of a subsidiary.

4.1.10 Key Financial Ratio Analysis

1. Liquidity Ratio

Current ratio, quick ratio, and cash flow liquidity ratio

For the year ended 31 December 2022, the Group had a current ratio of 1 times, a quick ratio of 0.60 times, and a cash flow liquidity ratio of 0.71 times, similar to the previous year. Increase in current liabilities from payables of machinery purchase and retention for the construction of the new RDF plant in Saraburi Province. Although long-term borrowings that were due within one year decreased.

Cash Cycle

Item	31 December	
	2021	2022
Average collection period (days)	72.48	68.67
Average inventory turnover (days)	6.58	7.07
Average payment period (days)	37.39	32.21
Cash cycle (days)	41.67	43.53

The Group had an average collection period for the years ended 31 December 2022 and 2021 equivalent of 68.67 days and 72.48 days, respectively, which is slightly more than the credit term granted to the Group's customers which varies according to the billing and payment periods of each customer.

The Group had an average payment period for the years ended 31 December 2022 and 2021 equivalent of 32.21 days and 37.39 days, respectively. The normal average payment period of the Group ranges from 30-45 days.

The Group had a cash cycle for the years ended 31 December 2022 and 2021 equivalent of 43.53 days and 41.67 days, respectively. The Group received cash from operations slightly slower than last year due to the average payment period being faster than last year.

2. Efficiency Ratio

For the years ended 31 December 2022 and 2021, the Group had a return on total assets of 0.10% and 1.92%, respectively. The return on fixed assets was 6.62% and 9.16%, respectively and asset turnover rate was 0.28 times and 0.30 times, respectively, which decrease from last year because the Group is in process of the construction of the RDF plant in Saraburi Province.

3. Financial Policy Ratio

Interest Coverage Ratio

For the years ended 31 December 2022 and 2021, the Group had interest coverage ratio of 4.68 times and 6.76 times, respectively, which decrease from last year because the Group is in the process of financing for the construction of the RDF plant in Saraburi Province.

Debt to Equity Ratio

For the years ended 31 December 2022 and 2021, the Group had a debt to equity ratio of the Group equivalent of 0.71 times and 0.46 times, respectively. The increase in the ratio was due to the Group is in process of the construction of the RDF plant in Saraburi Province, resulting in an increase in payables of construction and machinery purchase, and retention for construction.

4.2 Factors that May Affect Future Performance or Financial Status

The termination of the NGV filling contract with PTT and the reduction in the volume of NGV filling

Since the company has NGV filling contracts with PTT for both stations, which are private mother stations. Pathum Thani Province and private main natural gas station Saraburi Province have a contract term of 20 years, which will expire in 2029 and 2030, respectively. However, on 25 March 2022, the Company entered into an agreement to terminate the NGV filling contract of the Private Mother Station in Saraburi Province before the expiration of the term with PTT due to the continuous decrease in NGV filling volume and the Company has been notified of the demand for NGV gas at the Private Mother Station in Saraburi Province equal to 0 tons per day since 1 March 2021, and on 25 March 2022, the Company has entered into an agreement to terminate the NGV gas filling contract at the Private Mother Station in Saraburi before the expiration of the term with PTT, which the parties has agreed that the contract will be effective until 31 March 2022 and it will end on 1 April 2022. The Company has received compensation for terminating the said contract according to the terms and conditions specified in the contract. As for the volume of NGV filling, there was a decrease due to the decrease in the country's demand for NGV and the situation of the COVID-19 pandemic. However, NGV consumption in 2022 increased from the previous year 2021 due to some NGV car users who switched back to using oil in the previous period, turning back to use NGV due to the impact of rising retail oil prices.

Year	Average tons of NGV consumption per day *
2018	6,111
2019	5,390
2020	3,864
2021	3,127
2022	3,384**

Remark :

* NGV consumption data from the Energy Policy and Planning Office, Ministry of Energy

** Average daily consumption of NGV gas from January to November 2022

4.3 Key Financial Information

The consolidated and separate financial statements are prepared in accordance with Thai Financial Reporting Standards, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

4.3.1 Auditor's Report

Summary on auditor's report

- The consolidated financial statements for the year ended 31 December 2020 were audited by Miss Sophit Prompol, Certified Public Accountant Registration No.10042 of KPMG Phoomchai Audit Ltd.. The auditor expressed that the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2020, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.
- The consolidated financial statements for the year ended 31 December 2021 were audited by Miss Sophit Prompol, Certified Public Accountant Registration No.10042 of KPMG Phoomchai Audit Ltd.. The auditor expressed that the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2021, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.
- The consolidated financial statements for the year ended 31 December 2022 were audited by Miss Sophit Prompol, Certified Public Accountant Registration No.10042 of KPMG Phoomchai Audit Ltd.. The auditor expressed that the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2022, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

4.3.2 Summary on Financial Statements

Sakol Energy Public Company Limited

Statement of Financial Position

(Unit: Million Baht)

	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets						
Cash and cash equivalents	35.30	2.02	25.25	1.59	47.57	2.50
Current investments	10.03	0.57	0.02	-	0.04	-
Current portion of deposits at financial institutions with restrictions on withdrawal	8.95	0.51	4.31	0.27	2.83	0.15
Trade accounts receivable	93.68	5.36	89.93	5.67	86.37	4.54
Current portion of lease receivables	19.95	1.14	21.21	1.34	14.45	0.76
Other current receivables	58.69	3.36	47.40	2.99	61.66	3.24
Current portion of long-term loans	-	-	3.19	0.20	5.04	0.26
Short-term loans	9.87	0.56	0.24	0.02	0.07	-
Inventories	3.93	0.23	5.09	0.32	5.13	0.27
Current spare parts and supplies	2.13	0.12	3.32	0.21	5.20	0.27
Total current assets	242.53	13.87	199.96	12.61	228.36	11.99
Non-current assets						
Deposits at financial institutions with restrictions on withdrawal	3.82	0.22	17.27	1.09	28.18	1.48
Lease receivables	172.49	9.86	157.05	9.90	77.40	4.06
Other non-current account receivable	-	-	12.93	0.81	8.11	0.43
Long-term loans	-	-	4.05	0.26	2.35	0.12
Non-current spare parts and supplies	2.95	0.17	2.90	0.18	2.78	0.15
Investment properties	171.62	9.81	171.62	10.81	215.36	11.31
Property, plant and equipment	1,024.68	58.60	900.52	56.74	1,185.62	62.25
Intangible assets	108.44	6.20	100.35	6.32	98.26	5.16
Goodwill	7.44	0.43	-	-	32.79	1.72
Other non-current assets	14.58	0.83	20.32	1.28	25.35	1.33
Total non-current assets	1,506.02	86.13	1,387.01	87.39	1,676.20	88.01
Total assets	1,748.55	100	1,586.97	100	1,904.56	100

(Unit: Million Baht)

	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	Amount	%	Amount	%	Amount	%
Liabilities and equity						
Current liabilities						
Bank overdrafts and short-term borrowings	23.13	1.32	5.00	0.31	57.48	3.02
Trade accounts payable	35.73	2.05	30.81	1.94	29.25	1.53
Other payables	25.19	1.44	18.21	1.15	86.44	4.54
Current portion of long-term borrowings	94.07	5.38	123.10	7.76	38.59	2.03
Current portion of lease liabilities	18.02	1.03	17.02	1.07	16.90	0.89
Total current liabilities	196.14	11.22	194.14	12.23	228.66	12.01
Non-current liabilities						
Long-term borrowings	395.65	22.63	254.40	16.03	209.34	10.99
Debentures	-	-	-	-	295.13	15.50
Lease liabilities	58.78	3.36	20.81	1.31	35.34	1.86
Deferred tax liabilities	31.43	1.80	29.33	1.85	19.91	1.04
Provisions for employee benefits	1.97	0.11	2.09	0.13	2.73	0.14
Long-term provisions	1.09	0.06	1.09	0.07	1.60	0.08
Total non-current liabilities	488.92	27.96	307.72	19.39	564.05	29.61
Total liabilities	685.06	39.18	501.86	31.62	792.71	41.62

(Unit: Million Baht)

	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	Amount	%	Amount	%	Amount	%
Equity						
Share capital						
Authorised share capital	465.00	26.59	558.00	35.16	669.60	35.16
Issued and paid share capital	465.00	26.59	558.00	35.16	558.00	29.30
Share premium on ordinary shares	297.62	17.02	353.42	22.27	353.42	18.56
Retained earnings						
Appropriated - Legal reserve	33.57	1.92	33.90	2.14	34.88	1.83
Unappropriated	133.73	7.65	146.47	9.23	147.78	7.76
Discount on business combination under common control			(82.46)	(5.20)	(82.46)	(4.33)
Equity attributable to owners of the parent	929.92	53.18	1,009.33	63.60	1,011.62	53.12
Equity of subsidiary before business restructuring	59.91	3.43	-	-	-	-
Non-controlling interests	73.66	4.21	75.78	4.78	100.23	5.26
Total equity	1,063.49	60.82	1,085.11	68.38	1,111.85	58.38
Total liabilities and equity	1,748.55	100	1,586.97	100	1,904.56	100

Sakol Energy Public Company Limited

Statement of income

(Unit: Million Baht)

	Financial year ended 31 December					
	2020		2021		2022	
	Amount	%	Amount	%	Amount	%
Revenues						
Revenue from rendering of services	225.44	37.63	130.23	25.97	129.37	26.01
Revenue from sale of goods	350.25	58.46	333.38	66.48	340.43	68.44
Revenue from leases	19.00	3.17	17.87	3.56	10.51	2.11
Other income	4.46	0.74	6.62	1.32	17.11	3.44
Gain from disposal of investment in subsidiary	-	-	13.36	2.67	-	-
Total revenue	599.15	100	501.46	100	497.42	100
Expenses						
Cost of rendering of services	143.70	23.98	74.92	14.94	76.72	15.42
Cost of sales of goods	256.43	42.80	250.74	50.00	264.53	53.18
Selling and administrative expenses	127.98	21.36	120.88	24.11	125.67	25.26
Finance costs	34.36	5.73	24.82	4.95	38.35	7.71
Total expenses	562.47	93.87	471.36	94.00	505.27	101.57
Profit (loss) before income tax expense	36.68	6.13	30.10	6.00	(7.85)	(1.57)
Tax income	1.58	0.26	1.94	0.39	9.54	1.92
Profit for the year	38.26	6.39	32.04	6.39	1.69	0.35

Sakol Energy Public Company Limited

Statement of cash flows

(Unit: Million Baht)

	Financial year ended 31 December		
	2020	2020	2020
Cash flows from operating activities			
Profit for the year	38.26	32.04	1.69
<i>Adjustments to reconcile profit to cash receipts (payment)</i>			
Tax income	(1.58)	(1.94)	(9.54)
Finance costs	34.36	24.82	38.35
Depreciation and amortisation	78.20	73.71	76.96
Impairment loss of asset recognised in profit or loss	1.92	1.40	0.39
Loss on disposal of equipment and intangible assets	0.27	3.86	0.16
Loss from sale and leaseback	-	-	1.58
Employee benefits expenses	0.63	2.66	0.64
Gain from disposal of investment in subsidiary	-	(13.36)	-
Gain on termination of lease contract	-	-	(14.06)
Interest income	(0.56)	(2.34)	(0.68)
Cash flows from operating activities before changes in operating assets and liabilities	151.50	120.85	95.49
<i>Changes in operating assets and liabilities</i>			
Trade accounts receivable	12.84	3.75	3.56
Other receivables	9.49	19.16	(1.37)
Lease receivables	13.17	14.18	47.96
Inventories	7.52	(1.16)	(0.04)
Spare parts and supplies	1.23	(1.14)	(1.76)
Other non-current assets	(0.22)	(5.74)	-
Trade accounts payable	(1.85)	(0.18)	(1.59)
Other payables	(8.83)	3.58	14.17
Employee benefits paid	-	(2.18)	-
Income taxes paid	(6.57)	(6.28)	(5.63)
Net cash from operating activities	178.28	144.84	150.79

Sakol Energy Public Company Limited

Statement of cash flows

(Unit: Million Baht)

	Financial year ended 31 December		
	2021	2021	2021
Cash flows from investing activities			
Increase in deposits at financial institutions with restrictions on withdrawal	(7.27)	(8.81)	(9.42)
Net proceeds (repayment of) from sale and disposal of current investments	57.82	10.01	(0.02)
Proceeds from disposal of investment in subsidiary	-	1.00	5.60
Acquisition of investment in subsidiary	-	(145.00)	(7.22)
Net proceeds from short-term loans	10.13	10.36	0.16
Proceeds from repayment of long-term loans	10.00	0.47	0.66
Proceeds from sale of equipment and intangible assets	3.24	1.56	1.78
Acquisition of plant and equipment and intangible assets	(86.66)	(12.65)	(295.47)
Interest received	0.42	1.51	0.32
Net cash used in investing activities	(12.32)	(141.55)	(303.61)
Cash flows from financing activities			
Net proceeds from (repayment of) short-term borrowings	(83.04)	(13.10)	52.48
Proceeds from debentures	-	-	300.00
Proceeds of long-term borrowings	22.35	-	251.00
Repayment of long-term borrowings	(82.01)	(95.11)	(385.10)
Payment of lease liabilities	(17.86)	(14.28)	(6.43)
Dividends paid to owners of the Company	(23.25)	(13.95)	-
Proceeds from issue of shares	-	148.80	-
Interest paid	(29.13)	(25.70)	(36.81)
Net cash from (used in) financing activities	(212.94)	(13.34)	175.14
Net increase (decrease) in cash and cash equivalents	(46.98)	(10.05)	22.32
Cash and cash equivalents at 1 January	82.28	35.30	25.25
Cash and cash equivalents at 31 December	35.30	25.25	47.57

Sakol Energy Public Company Limited

Financial Ratios

Financial Ratios	2020	2021	2022
Current ratio (times)	1.24	1.03	1.00
Quick ratio (times)	0.75	0.62	0.60
Cash flow liquidity ratio (times)	0.66	0.74	0.71
Account receivable turnover (times)	5.75	5.05	5.33
Average collection period (days)	63.64	72.48	68.67
Inventory turnover (times)	33.35	55.60	51.77
Average inventory period (days)	10.98	6.58	7.07
Account payable turnover (times)	10.84	9.79	11.36
Payment period (days)	33.77	37.39	32.21
Cash cycle (days)	40.84	41.67	43.53
Gross profit margin (%)	30.50	29.76	27.36
Operating profit margin (%)	12.34	11.85	6.49
Other profit margin	0.74	3.98	3.44
Cash to profit margin (%)	250.96 ^{/1}	263.74 ^{/1}	494.38 ^{/1}
Net profit margin (%)	6.39	6.39	0.34
Return on equity (%)	3.62	2.98	0.15
Return on assets (%)	2.08	1.92	0.10
Return on fixed assets (%)	9.44	9.16	6.62
Assets turnover (times)	0.33	0.30	0.28
Debt to equity ratio (times)	0.64	0.46	0.71
Interest coverage ratio (times)	6.14	6.76	4.68
Dividend payout ratio (%)	39.92	-	-

Note: ^{/1} For the year ended 31 December 2022, the Group's operating cash flow increased from the previous year, but operating profit declined due to the lower profitability from the previous year, with higher production costs of the biomass power plant business and its subsidiary is in the process of investing in a new RDF plant which began testing machinery and equipment and production process in December 2022.

5. General information

5.1 General Information

Company name	Sakol Energy Public Company Limited
Ticker symbol	SKE
Company registration number	0107559000443
Industry group	Resources
Business category	Energy and utilities
Registered capital	Baht 669.60 million
Paid-up capital	Baht 558.00 million
Par value per share	Baht 0.50
Number of paid-up shares	1,116,000,000 shares
Types of shares sold	Ordinary shares
Location	Head Office (Pathum Thani Private Mother Station) 15 Moo 1, Chiang Rak Noi Sub-district, Samkhok District, Pathum Thani 12160 Bangkok office 252/108(B),252/109(C) Muang Thai Phatra Complex, Tower B, Level 21 Ratchadaphisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310 Telephone 02-026-3451 Fax 02-026-3452
Company website	www.sakolenergy.com

Referral Entities

Securities registrar	Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building, 93 Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400 Telephone 02-009-9990 Fax 02-009-9991
Auditor	KPMG Phoomchai Audit Company Limited Level 50 - 51, Empire Tower, 1 South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120 Telephone 02-677-2000 Fax 02-677-2222

5.2 Other Important Information

As of 31 December 2022, there was no information that could significantly affect decision-making by investors.

5.3 Legal Disputes

The Company and its subsidiaries do not have any legal dispute that may have a negative impact on the assets of the Company and its subsidiaries with an amount higher than 5 % of the shareholders' equity as of 31 December 2022, and there are no other legal disputes that may cause significant impacts on the business operations of the Company and its subsidiaries.

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

The Board of Directors and executives of the Company adhere to the principles of good corporate governance in accordance with the Corporate Governance Code for Listed Companies 2017 (CG Code) of the Office of the Securities and Exchange Commission to maintain and enhance the maximum values for shareholders in the long run.

The Company operates its business under the good corporate governance policy for sustainable development according to the good corporate governance policy and business ethics covering financial, investment, competition, and conducting business with good governance and responsibility. The Company has disseminated the good corporate governance policy and code of conduct to executives, employees, and stakeholders through the Company's website www.sakolenergy.com, and has established policies and guidelines on anti-corruption and bribery as anti-corruption principle and guidelines for directors, executives and employees, which is one of the principles of good corporate governance. At present, the Company is under consideration of joining the anti-corruption policy project with government organizations and related agencies.

From compliance with the good corporate governance policy, the Company received the results of the Good Corporate Governance Assessment of Listed Companies for the year 2022 at the level of "Very Good", organized by the Thai Institute of Directors under the support of the Stock Exchange of Thailand. This is a confirmation that the Company has adhered to the principles of good corporate governance for sustainable development.

In addition, the Board of Directors must comply with the laws, objectives, articles of association and resolutions of the Company's shareholders' meeting and follow the principles of good corporate governance according to the guidelines set by the Stock Exchange of Thailand as a guideline for the operation of the Company to achieve operational efficiency and create transparency investors. This will create confidence in the Company's business operations to outsiders.

The Company's good corporate governance policy covers 5 sections as follows:

Section 1 The Rights of Shareholders

The Company recognizes and places importance on fundamental rights of shareholders, both as investors and owners of the Company, such as the right to buy, sell, transfer their holding of securities, the right to receive a share of profits from the Company, the right to receive adequate information, various rights in shareholders' meetings, the right to express opinions, the right to participate in decision-making on important matters of the Company such as allocation of dividends, appointment or removal of directors, appointment of auditors, approval of important transactions which affect direction of the Company's business operations, and amendments to the Memorandum of Association and the Company's Articles of Association etc.

The Company has a mission to promote and facilitate the exercise of shareholders' rights as follows:

(1) The Company will send the invitation letter to the meeting and supporting documents on agendas to the shareholders in advance and advertise such invitation in the local newspaper at least 7 days before the meeting date or any other period as prescribed by the relevant laws or regulations.

(2) In the event that any shareholder is unable to attend the meeting in person, the Company will give the shareholder an opportunity to appoint independent director or any other person to attend the meeting on his behalf.

(3) In organizing the shareholders' meeting, the Company will use a place that is convenient for traveling. The Company will choose an appropriate date and time and allocate sufficient time for the meeting in order to comply with the policy in facilitating shareholders of the Company.

(4) In the shareholders' meeting, the Company will give all shareholders an opportunity to have equal rights to express their opinions, suggestions or questions on agendas concerned freely before voting on any agenda. The related directors and executives will participate in the shareholders' meeting to answer questions at the meeting.

(5) After the shareholders' meeting is completed, the Company will prepare minutes of the meeting that accurately and completely record information on all matters for the shareholders to be able to countercheck.

Section 2 The Equitable Treatment of Shareholders

The Company has stipulated that all shareholders are treated equally whether it is a major shareholder or a minor shareholder, or executive or non-executive, or Thai or foreign shareholder. The details are as follows:

(1) In conducting each shareholder meeting, the Company will provide equal opportunity to all shareholders. Before starting the meeting, the chairman of the meeting will explain the methods in exercising of voting rights and counting votes of the shareholders who must vote on each agenda. The Company will also provide an opportunity for all shareholders and proxies attending the meeting to express their opinions, suggestions, and ask questions on each agenda item with appropriate and sufficient time. The chairman of the meeting will proceed the meeting according to the pre-determined agenda.

(2) In respect of an agenda regarding appointment of directors, the Company will support individual appointment.

(3) The Company has required the directors to report their interests in any meeting agenda before considering such agenda in the Board of Directors' meeting and such interests shall be recorded in the minutes of the Board of Directors' meeting. In addition, directors who have significant interests in a manner that they cannot

express their opinions independently on any relevant agenda are prohibited from participating in the meeting on that agenda.

(4) The Company has established guidelines for keeping and preventing the use of internal information of the Company by prohibiting any person or entity with knowledge of inside information to disclose such information to an unrelated agency or other person. Disclosing such information or using such information for his own or others' benefit or conducting transactions that may cause conflicts of interest by any person is considered a serious offense and such person will be subject to disciplinary action.

Section 3 Consideration on the Role of Interested Persons

The Company has given importance to the rights of all groups of stakeholders whether it is internal stakeholders such as shareholders and employees of the Company or external stakeholders such as trade partners and customers etc. The Company realizes that the support and opinions from all groups of stakeholders will be beneficial in the operations and development of the Company's business. The Company will comply with relevant laws and regulations so that the rights of such stakeholders are well taken care of. In operating the business, the Company considers the rights of all stakeholders according to the following guidelines:

Shareholder:	The Company will operate its business with transparency and efficiency by striving to create good operating results and stable growth to maximize benefits to shareholders in the long run including disclosure of information with transparency and reliability to shareholders.
Employee:	The Company will treat all employees equally, fairly and provide appropriate compensation. In addition, the Company also attaches importance to development of skills, knowledge, abilities, and potential of employees on a regular basis, such as organizing training sessions and seminars by providing opportunities for all employees and tries to motivate employees with good skills and knowledge to stay with the Company to grow the organization. The Company also has set guidelines for anti-corruption as well as instilling in all employees to comply with relevant laws and regulations such as strictly prohibiting the use of inside information etc.
Trade partner:	The Company has a process for selecting trade partners by allowing competition among trade partners on the basis of equal information and selects trade partners fairly under the Company's criteria for evaluating and selecting trade partners of the Company. In addition, the Company has prepared an appropriate and fair contract format for all parties and set up a monitoring system to ensure that the terms and conditions of the contract are fully complied with and prevent corruption and misconduct in every step of the procurement process by which the Company purchases products from trade partners in accordance with trade conditions as well as strictly complying with contracts with trade partners.

Customer:	The Company is responsible to customers by maintaining the quality and standards of products and services, including responding to the needs of customers as complete and comprehensive as possible to focus on creating long-term customer satisfaction. The Company also provides accurate information about the Company's products and services and provides channels for the Company's customers to report problems or improper services so that the Company can prevent and solve problems with the Company's products and services quickly.
Creditor:	The Company will comply with various conditions according to the contracts with the creditors, including repayment of principal, interest, and care of collateral under the relevant contracts.
Competitor:	The Company complies with the framework of good competition, ethics, and within the framework of the laws. The Company also supports and promotes the policy of free and fair competition.
Society and public:	The Company pays attention and gives importance to the safety of society, the environment, and the quality of life of the people involved in the Company's operations. The Company encourages its employees to be conscious and responsible to the environment and society, including ensuring strict compliance with applicable laws and regulations. In addition, the Company tries to participate in various activities for conservation of the environment and society and promotes the local culture in which the Company operates.

Stakeholders may ask for details, report a complaint or clue to legal offense, inaccuracy of financial reports, defective internal control system or violation of the Company's business ethics through independent directors or the Audit Committee of the Company. Complaints and clues reported to the Company will be kept confidential. The independent director or the Audit Committee will instruct the information review and find a solution (if any) and report to the Board of Directors.

Section 4 Disclosure and Transparency

(1) The Company attaches importance to the Company's financial statements and financial information provided in the annual report. The Audit Committee will review the quality of financial reports and internal control system, including sufficient disclosure of important information in the notes to the financial statements, and report to the Board of Directors. The Board of Directors also encourages the preparation of Management Discussion and Analysis to support the disclosure of the financial statements on a quarterly basis.

(2) The Company will arrange to disclose information about each director, roles and duties of the Board of Directors and the Company's sub-committees, number of meetings and attendance at the Company's head office in the past year.

(3) The Company will disclose audit fees and fees for other services provided by the auditor.

(4) The Company will provide a summary report on the approved corporate governance policy, business ethics, risk management policy, and policy on social and environmental responsibilities, results of implementation of

such policies and, in case of non-compliance with any policy, such non-compliance and reasons for non-compliance shall be reported.

Section 5 Responsibilities of the Board of Directors

1. Structure of the Board of Directors and sub-committees

The Board of Directors consists of individuals who have knowledge, abilities and experiences that can benefit the Company. It plays an important role in formulating policies and the overall picture of the organization. It also plays an important role in supervising, auditing, and evaluating the Company's performance in accordance with the plan.

At present, the Board of Directors consists of 9 members including 4 executive directors and 5 non-executive directors. There are 5 independent directors, which is more than one-third of the total number of directors of the Company. This will create a balance and appropriateness in considering and voting on various matters. In this regard, the Board of Directors has a term of office of not exceeding 3 years as required by the laws. An independent director has a term of office of not exceeding 9 years, unless the Board of Directors deems that such person should continue to be an independent director of the Company for the best interest of the Company. In addition, the Company's directors and executives can take up positions of directors or executives of affiliated companies or other companies but must comply with applicable laws or regulations, which must be notified to the Board of Directors' meeting for acknowledgment

In addition, the Board of Directors has also appointed sub-committees to assist in the corporate governance of the Company as follows:

(1) Audit Committee consists of at least 3 members of the Audit Committee who serve to support the Board of Directors in overseeing and auditing the management, internal control and compliance with relevant laws, including the preparation of financial reports to ensure that the Company's operations and information disclosure are transparent and reliable.

Remark : Assist. Prof. Dr. Attawoot Papangkorn is a director who has knowledge and experience in reviewing the Company's financial statements.

(2) Executive Committee consists of at least 3 executive directors who serve to support the Board of Directors in managing the Company's business in accordance with policies, plans, regulations, and orders, including specified goals within the framework as assigned by the Board of Directors.

(3) Nomination and Remuneration Committee consists of at least 3 members of the Nomination and Remuneration Committee. The committee has the duties to recruit qualified persons to hold positions of directors and high-level executives, consider the form and criteria of remuneration payment to directors and high-level executives in order to present their opinions to the Board of Directors for consideration and approval and/or to propose to the shareholders' meeting for further approval (as the case maybe), and develop the Company's senior management.

In addition, the Company has the Company Secretary who performs duties relating to the Board of Directors' meetings and shareholders' meetings and acts as support for the Board of Directors' works by providing advice on legal and regulatory requirements relating to the performance of duties of the Board of Directors. The Company Secretary also coordinates to ensure compliance with the resolutions of the Board of Directors.

2. Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors is responsible to shareholders regarding the Company's business operations. The Board of Directors is also responsible for determining the policies and directions of the Company and supervising the management to be in accordance with the goals and guidelines for the long-term benefits of shareholders under the framework of laws and code of conduct, taking into account the interests of all stakeholders. The details of duties and responsibilities are as stipulated in the Charter of the Board of Directors.

(1) Corporate Governance Policy

The Company has established a written corporate governance policy to propose to the Board of Directors meeting to approve the said policy. The preparation of the Corporate Governance Manual is intended to serve as a guideline for directors, executives, and employees to comply with such policies. The Company will arrange to review such policies annually.

(2) Code of Conduct

The Company has the intention to operate the Company's business with transparency, morality, and responsibility to stakeholders, society, and environment. The Company has established the code of conduct in writing for the Board of Directors, executives, and employees to adhere to the following practices:

- (a) Code of conduct relating to responsibilities to shareholders
- (b) Code of conduct relating to customer relations
- (c) Code of conduct relating to relationship with trade partners, competitors and creditors
- (d) Code of conduct relating to responsibilities to employees
- (e) Code of conduct relating to social and environmental responsibilities

In this regard, the Company will announce and notify the code of conduct to all employees for their acknowledgment and strict compliance.

(3) Conflicts of Interest

The Company has a policy of eliminating conflicts of interest carefully with honesty, reasons and independence, under a good ethical framework for the benefits of the Company by requiring those who are involved in or connected to the transaction that is being considered, to disclose to the Company information about their interests or their related party's interests. Such person must not participate in the consideration and having no authority to approve such transaction.

The Company has a policy to enter into connected transactions and transactions with conflicts of interest in accordance with the applicable laws or regulations.

(4) Internal Control

The Company has established an effective internal control system for supervision and internal control at the management level and the operational level. The Company has established an internal audit office to assess sufficiency of the internal control system and report the results to the Audit Committee according to the audit plan.

(5) Risk Management

The Company has established a risk management policy to cover the entire organization. The Company also has a system or risk management process to appropriately reduce the impact of risks on the Company's business.

(6) Report of the Board of Directors

The Audit Committee is responsible for reviewing financial reports in which the accounting department and auditors attended the meeting and present the financial reports to the Board of Directors every quarter. The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries, including financial information memorandum.

3. Meetings of the Board of Directors and Self-assessment

The Company arranges a meeting of the Board of Directors at least quarterly and special meetings are organized as needed. The meeting agenda was clearly determined in advance with an agenda regarding update on operating performance on a regular basis. The Company will send the invitation letter to the meeting, together with the meeting agenda and supporting documents to all directors at least 7 days in advance of the meeting date so that the Board of Directors has sufficient time to study the information before attending the meeting, except in case of urgency or necessity. Minutes of the meeting will be recorded and certified documents will be collected for reference and review. At every meeting, executives and related parties should attend the meeting to provide accurate and timely information and details for decision-making.

In respect of voting at the Board of Directors' meeting, the resolution of the Board of Directors shall be made by majority votes and one director shall have one vote. Directors who have interests in any agenda will neither attend the meeting nor exercise their right to vote in that agenda. The chairman of the meeting shall have one more vote as a casting vote.

In addition, the Board of Directors encourages performance assessment at least once a year to improve and correct the business operations. The topics to be discussed are clearly defined before the assessment. Opinions will be collected and presented to the meeting.

4. Remuneration

Director's remuneration includes monthly remuneration and meeting allowances, which must be on average compared to remuneration of the same industry, by considering sufficiency for the performance of duties and responsibilities by the Board of Directors. Executives will receive monthly salary and annual bonus, taking into account the Company's operating performance as an important criteria. The annual remuneration of the Board of Directors and executives in aggregate shall not be unusually high compared to the average remuneration of directors and executives of companies listed in Stock Exchange of Thailand by considering the best interests of shareholders.

In this regard, the Company has established the Nomination and Remuneration Committee to consider format and criteria for payment of remuneration to directors for proposal to the shareholders' meeting for approval.

5. Development of Directors and Executives

The Board of Directors has a policy to promote and facilitate training and knowledge to those involved in the Company's corporate governance system, such as the Company's directors, the Audit Committee, executives, and the Company Secretary etc. For continuous improvement of operations, trainings and education may be conducted within the Company or through the services of external institutions.

In case of change of director or appointment of new director, the management will provide documents and information useful for the performance of duties by the new director. The management shall ensure that the

new director receives an introduction on the nature of business and information regarding business directions of the Company.

The Board of Directors will arrange for rotation of assigned tasks according to aptitudes of the management and employees by mainly considering suitability of work and time. The Chief Executive Officer will determine time and consider results on performance of such work as a development and succession plan of the Company's works. This is to develop the management and employees to have better knowledge and capabilities and be able to work interchangeably.

6.2 Business Ethics

In addition to conducting business for the maximum benefits of shareholders, Sakol Energy Public Company Limited (the "Company") also pays attention to the methods used in achieving such success, including considering the potential impact on all groups of stakeholders of the Company, namely shareholders, employees, trade partners, customers, creditors, society, and the public. The Company has established a policy on business ethics to serve as a framework for compliance by the Company's directors, executives, and employees in performing their duties so that the Company can operate the business with transparency and efficiency. It is also to ensure that the Company will be able to treat each group of stakeholders equally and fairly.

In this regard, the Company has prepared this Ethics Handbook for Sakol Energy Public Company Limited as a written guideline for practice and for acknowledgement and compliance by the Company's directors, executives, and employees. The Company expects this Ethics Handbook to serve as a guideline for all employees whereby directors and executives shall act as role models. Therefore, employees should study and understand practices, especially those that are directly related to their own operations. If in doubt, employees should consult with their supervisors. This Ethics Handbook forms part of the "Employees Regulations" of which must be complied by employees. Any employee who fails to comply with this Ethics Handbook may be subject to disciplinary action. Therefore, employees should use the Ethics Handbook as the basis for their work in all cases until it can be said that performing duties with morality is the core principle of employees.

In addition, the Company has provided channels for all groups of stakeholders to contact or file complaints on matters that may cause problems or lodge complaints about any violation of right directly to the Board of Directors by submitting such complaints to the Company to the address or phone number of the Company. The Company will collect complaints and present them to the Board of Directors. The complainant can be confident that the Company will keep the information of the complainant confidential.

The Company has published the Code of Conduct and the Good Corporate Governance Manual, Ethical Standards and Ethics Handbook on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

6.3 Significant Changes and Developments in Policies, Practices, and Corporate Governance System in the Past Year

6.3.1 Review of Policies, Practices, and Corporate Governance System or the Charter of the Board of Directors in the Past Year

The Board of Directors has given importance in complying with the principles of good corporate governance to increase the confidence of shareholders, investors, and all related parties. The Company has reviewed the corporate governance policy and compliance with such policy, including reviewing the charters of the Board of Directors and all sub-committees on a yearly basis:

Code of conduct, including good corporate governance manual, Ethical Standards and Ethics Handbook	Reviewed	Modified
Good corporate governance policy	Reviewed	Unchanged, no modification
Dividend payment policy	Reviewed	changed, modification
Policy on entry into connected transactions	Reviewed	Unchanged, no modification
Policy on prevention of conflict of interest	Reviewed	Unchanged, no modification
Policy on investments and the Company's management in subsidiaries and associated companies	Reviewed	Unchanged, no modification
Anti-corruption and bribery policy and practices	Reviewed	Unchanged, no modification
Policy on social, community and environmental responsibilities	Reviewed	Unchanged, no modification
Charter of the Board of Directors	Reviewed	Unchanged, no modification
Charter of the Audit Committee	Reviewed	Unchanged, no modification
Charter of the Executive Committee	Reviewed	Unchanged, no modification
Charter of the Nomination and Remuneration Committee	Reviewed	Unchanged, no modification
Policy for usage of the Company's inside information	Reviewed	Unchanged, no modification
Good corporate governance policy	Reviewed	Unchanged, no modification

6.3.2 Implementation of the SEC's Corporate Governance Code for Listed Companies 2017 (CG Code)

The Board of Directors has considered and assigned the management to apply the Corporate Governance Code for Listed Companies in 2017 (CG Code) of the SEC according to the Company's business context and has monitored the implementation of the CG Code. In 2022, the Company has appropriately applied the CG Code to be consistent with the Company's business context.

6.3.3 Results on Compliance with Corporate Governance Code

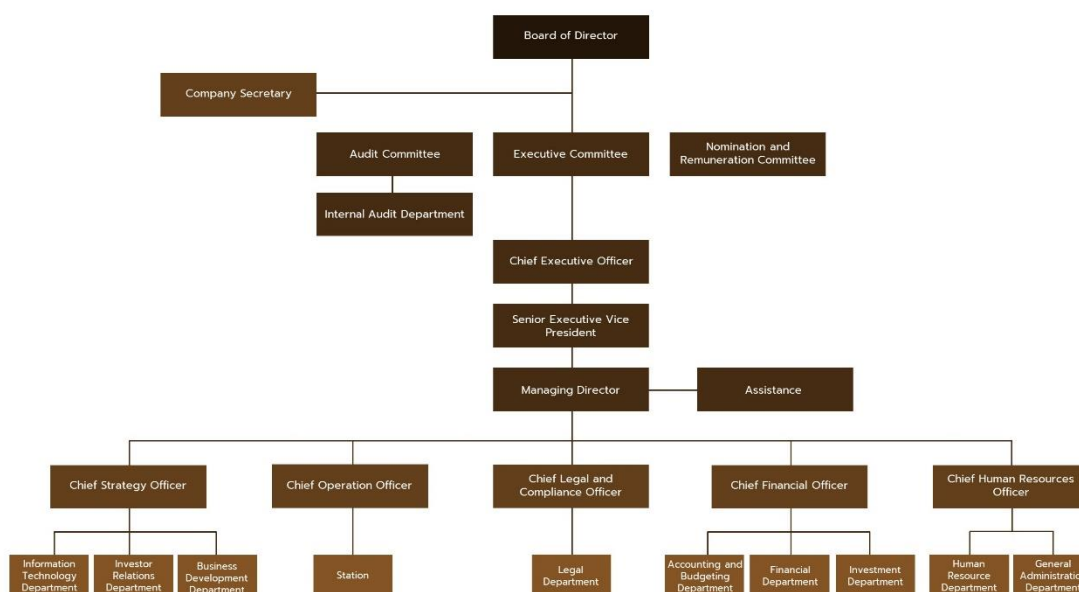
As a result of compliance by the Company's management with the principles of good corporate governance by considering the importance and responsibilities towards shareholders and all stakeholders, the Company has consistently received a very good level on corporate governance assessment. The Company has been assessed by various regulatory agencies and organizations as follows:

- Received the results of a survey for Corporate Governance Report of Thai Listed Companies 2021) at "Very Good" level from the Thai Institute of Directors (IOD).

- Received an assessment score of 100 for assessment on the 2021 Annual General Meeting of Shareholders (AGM Checklist) by the Thai Investors Association.

7. Corporate Governance Structure and Important Information Relating to the Board of Directors, Sub-committees, Executives, Employees, and Others

7.1 Corporate Governance Structure



The Company's corporate governance structure consists of the Board of Directors and 3 sub-committees, namely the Audit Committee, the Executive Committee, and the Nomination and Remuneration Committee. The composition and recruitment, appointment or removal from the position of the Company's director/member of the sub-committee are specified in the charter of each committee, which has been published on the Company's website at <https://www.sakolenergy.com/en/about/management/organization-chart>. The principles of good corporate governance of the Company have also been published on the Company's website.

After 31 December 2022, the Company has amended its organizational structure in terms of the executive structure by including the position of Chief Legal and Compliance Officer according to the resolution of the Board of Directors' Meeting No. 6/2022 held on 8 November 2022. Such position has become effective from 1 January 2023 onwards.

7.2 Information on the Board of Directors

7.2.1 Board of Directors

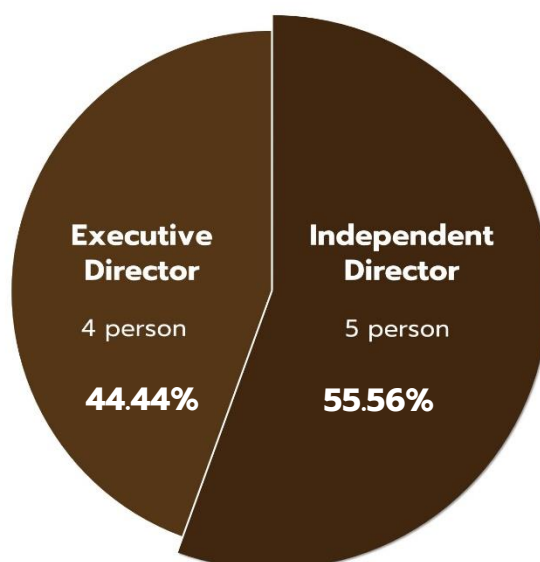
The Company determines the composition of the Board of Directors as follows:

1 At least 5 members of the Board of Directors.

2 The number of independent directors shall not be less than one-third of the total number of directors, but there must be at least 3 independent directors.

At present, the Board of Directors as of 31 December 2022 consisted of 9 directors. The number of independent directors is more than half of the total number of directors.

Proportion of the number of Directors of the Company



Remarks:

Independent Director : 1 female director

Executive Director : 1 female director

Independent Director 5 person

1

Person holding the position of independent director of the Company for not more than 9 years.

2

Holding a directorship in no more than 5 listed companies

3

1 independent director with work experience related to the Company's business

Executive Director

1

Not being a director in other listed companies outside the business group

7.2.2 List of the Board of Directors and controlling persons of the Company

As of 31 December 2022, the Board of Directors consisted of 9 members.

	Name	Position	Appointment date
1.	Mr. Direk Lavansiri	<ul style="list-style-type: none"> Independent Director Chairman of the Board of Directors 	5 April 2017 24 April 2019 (1 st renewal) 27 April 2022 (2 nd renewal)
2.	Pol. Gen. Worapong Chewprecha	<ul style="list-style-type: none"> Independent Director Chairman of the Audit Committee 	14 September 2016 19 April 2018 (1 st renewal) 21 April 2021 (2 nd renewal)
3.	Mr. Witoon Simachokedee	<ul style="list-style-type: none"> Independent Director Member of the Audit Committee 	14 September 2016 24 April 2019 (1 st renewal) 27 April 2022 (2 nd renewal)
4.	Mrs. Rawittha Phongnuchit	<ul style="list-style-type: none"> Independent Director Audit Committee Chairman of the nomination and Remuneration Committee 	14 September 2016 24 April 2019 (1 st renewal)
5.	Assistant professor Dr. Attawoot Papangkorn	<ul style="list-style-type: none"> Independent Director Member of the Audit Committee Chairman of the Nomination and Remuneration Committee 	14 September 2016 19 April 2018 (1 st renewal) 27 April 2022 (2 nd renewal)
6.	Mr. Chutchai Sumethchotimetha	<ul style="list-style-type: none"> Director 	14 September 2016

	Name	Position	Appointment date
	Authorized director to sign on behalf of the Company	• Chairman of the Executive Committee (Chief Executive Officer)	6 March 2017 (1 st renewal) 6 August 2020 (2 nd renewal)
7.	Mrs. Aree Sumethchotimetha Authorized director to sign on behalf of the Company	• Director • Executive Director (Senior Deputy Chief Executive Officer)	14 September 2016 6 March 2017 (1 st renewal) 6 August 2020 (2 nd renewal)
8.	Mr. Jakkraphong Sumethchotimetha Authorized director to sign on behalf of the Company	• Director • Executive Director (Managing Director) • Company Secretary	14 September 2026 19 April 2018 (1 st renewal) 21 April 2021 (2 nd renewal)
9.	Mr. Thanapon Sumetchotimaytha Authorized director to sign on behalf of the Company	• Director • Executive Director (Chief Operating Officer)	14 September 2016 6 March 2017 (1 st renewal) 6 August 2020 (2 nd renewal)

Remark:

1. Mrs. Thanipa Puangchampa resigned from the directorship on 23 March 2021.
2. Ms. Pattaraporn Kiewrungrpet was appointed as the secretary of the Board of Directors on 9 November 2018 according to the resolution of the Board of Directors' Meeting No. 7/2018.

The Company's director or senior management has never been an employee or partner of an external audit firm used by the Company in the past 2 years.

The Chairman of the Board of Directors, the Chairman of the Executive Committee, and the Chief Executive Officer are not the same person. The Chairman of the Board of Directors is an independent director and not the same person as the Chairman of the Executive Committee and the Chief Executive Officer. This is to ensure clear separation of roles and duties and balance of power in operations.

Authorized Directors Authorized to Sign on behalf of the Company

- (1) Either Mr. Chutchai Sumethchotimetha or Mr. Thanapon Sumetchotimaytha jointly signs with either Mrs. Aree Sumethchotimetha or Mr. Jakkraphong Sumethchotimetha, totaling two persons together with the Company's seal affixed; or
- (2) Mr. Chutchai Sumethchotimetha jointly signs with Mr. Thanapon Sumetchotimaytha together with the Company's seal affixed.

Scope of Powers, Duties and Responsibilities of the Board of Directors

- (1) Perform duties and supervise the Company's business operations in accordance with the laws, objectives, regulations, resolutions of the Board of Directors' meeting, as well as the resolutions of the shareholders' meeting responsibly, with care and integrity, and cautiously to protect the interests of the Company.
- (2) Determine vision, strategy, business direction, policies, goals, business plans, budgets, management structures and the approval authority of the Company and its subsidiaries as presented by the management. Supervise the management and the performance of the management, sub-committees or any person which has been assigned to perform such duties in

order to comply with the established policies with efficiency and effectiveness to maximize the value of the Company and its shareholders.

- (3) Continuously and regularly monitor and evaluate the performance of the management and/or sub-committees in order to achieve strategies and in accordance with plans and budgets.
- (4) Ensure that the Company and its subsidiaries have an appropriate and efficient accounting system and provide reliable financial reports and auditing. Establish sufficient and appropriate internal control and internal audit systems.
- (5) Establish a framework and policies for salary determination, salary increase, determination of compensation, bonuses and rewards of executives, including overseeing an appropriate management compensation mechanism.
- (6) Consider and approve interim dividend payments to the Company's shareholders.
- (7) Consider, assess and review nature of risks faced by the Company faces or potential risks that may affect the Company (Identification of Risk) and determine the acceptable risk level of the Company (Risk Appetite).
- (8) Consider formulating and reviewing policies for external and internal risk management to be comprehensive and in consistent with the strategy and directions of the business. At least 4 risks must be covered:
 - (a) Financial Risk
 - (b) Operational Risk
 - (c) Strategic Risk
 - (d) Compliance Risk
- (9) Consider formulating and reviewing risk management strategies and practices in accordance with the risk management policy to be able to assess, monitor and supervise the risk level to an acceptable level.
- (10) Consider setting a budget and how to respond to the risks that arise and may occur to the Company, to be used as rules for operations according to each type of risk situation, including defining the structure and appointing a risk management working group to assess and monitor the results of risk management.
- (11) Review policies on corporate governance and social responsibilities, and anti-corruption. Consider and approve the annual corporate governance and social responsibility and anti-corruption assessment reports prepared by the assigned sub-committees.
- (12) Ensure that there is no conflict of interest between the stakeholders of the Company and its subsidiaries. If any director has an interest in any transaction with the Company or having an increase or decrease in shareholding in the Company and/or its subsidiaries, such director shall notify the Company without delay.
- (13) Appoint sub-committees to assist and support the performance of duties of the Board of Directors as appropriate.

- (14) Appoint the Company Secretary and/or the secretary of the Board of Directors to assist the Board of Directors in performing various tasks to ensure that the Company's business operations are in compliance with the relevant laws and regulations.
- (15) Engage a consultant or an independent person to provide opinions or advice as needed.
- (16) Prepare annual report and be responsible for the preparation and disclosure of financial statements to reflect the Company's financial positions and operating results in the past year for submission to the shareholders' meeting.
- (17) Arrange an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year.
- (18) Consider and approve various matters by taking into account the interests of shareholders and all groups of stakeholders of the Company with fairness.
- (19) Set up a succession plan for the Company's top executives.
- (20) Review and amend the Charter of the Board of Directors to be in line with the present circumstances.
- (21) Assign one or more directors or any other person to perform any act on behalf of the Board of Directors.

In this regard, the assignment of power and duties and the responsibilities of the Board of Directors will neither delegate nor sub-delegate the authority that allows the Board of Directors or the person authorized by the Board of Directors to approve the transactions of which the Board of Director, the authorized person, or person may have conflict of interest (as defined in the applicable rules) or an interest or may benefit in any way, or may have any other conflict of interest with the Company or a subsidiary of the Company, except for the approval of transactions in accordance with policy and criteria approved by the shareholders' meeting or the Board of Directors.

The scope of duties and responsibilities of the Board of Directors under the authorization matrix are shown in the management structure section under the topic "Authorization."

Knowledge and expertise

The Board of Directors has diversity and skills aligned with the Company's business strategy through the preparation of the Board Skill Matrix. The Board of Directors is diversified in terms of educational background, experience and without any limitation on other differences. Profile of the director are as set out under [Attachment 1](#).

Table of Knowledge and Expertise

Name/Knowledge or Expertise	Energy, electricity, and Natural gas	Waste management business	Accounting/finance	Marketing	Engineer	Laws	Computer/Software	Stability	Construction	Jewelry/gems	Hotel / Resort / Real Estate	Transportation	Mine / Ore / Metal
1. Mr. Direk Lavansiri <i>Independent Director</i>	✓								✓				
2. Pol. Gen. Worapong Chewprecha <i>Independent Director</i>	✓				✓			✓					
3. Mr. Witoon Simachokedee <i>Independent Director</i>	✓		✓		✓				✓				
4. Mrs. Rawittha Phongnuchit <i>Independent Director</i>	✓				✓		✓			✓	✓		
5. Mr. Attawoot Papangkorn <i>Independent Director</i>	✓		✓			✓	✓				✓		
6. Mr. Chutchai Sumethchotimetha <i>Executive Director</i>	✓	✓				✓						✓	✓
7. Mrs. Aree Sumethchotimetha <i>Executive Director</i>	✓	✓				✓						✓	✓
8. Mr. Jakkraphong Sumethchotimetha <i>Executive Director</i>	✓	✓		✓									✓
9. Mr. Thanapon Sumetchotimaytha <i>Executive Director</i>	✓	✓		✓									✓

Details of the meeting attendance by the Board of Directors

Name of Board of Directors	Number of meeting attendance / Total number of meetings		
	Year 2020	Year 2021	Year 2022
1. Mr. Direk Lavansiri	6/6	6/6	6/6
2. Mr. Chutchai Sumethchotimetha	6/6	6/6	6/6
3. Mrs. Aree Sumethchotimetha	6/6	6/6	6/6
4. Mr. Thanapon Sumetchotimaytha	6/6	6/6	6/6
5. Mr. Jakkraphong Sumethchotimetha	6/6	6/6	6/6
6. Pol. Gen. Worapong Chewprecha	6/6	6/6	6/6
7. Mr. Witoon Simachokedee	5/6	6/6	6/6
8. Mrs. Rawittha Phongnuchit	6/6	6/6	6/6
9. Mr. Attawoot Papangkorn	6/6	6/6	6/6

7.2.3 Roles and Duties of the Board of Directors, the Chairman of the Board of Directors and the Chief Executive Officer

Roles and Duties of the Board of Directors

The Board of Directors plays an important role in overseeing the management of the Company, including setting the directions of the Company's business policies and strategies for the best interests of the Company and its shareholders and monitoring the operations of the various sub-committees of the Company. The Board of Directors also has the authorities and responsibilities as stipulated under the laws, regulations, objectives, and resolutions of the Company's shareholders' meeting. The Board of Directors must perform their duties with responsibilities and upholds the highest ethical standards.

The Board of Directors shall appoint one director as "Chairman of the Board of Directors", and if the Board of Directors deems appropriate, it may consider appointing one or more directors as "Vice Chairman of the Board of Directors".

The Company has determined the scope, power, duties, and responsibilities of the Company's directors in accordance with the Charter of the Board of Directors, including the roles and duties of the Chairman of the Board of Directors by publishing them on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

The Board of Directors is responsible for supervising the Company's business operations to comply with the laws and regulations and ensures that the Company does not act in violation of regulations. Since being a listed company, the Company has no history of violating the regulations of the SEC or the SET.

Roles and Duties of the Chairman of the Board of Directors

The Chairman of the Board of Directors is responsible for supervising, monitoring, and ensuring that the performance of duties of the Board of Directors is carried out efficiently and achieve the objectives of the organization. The Chairman of the Board of Directors shall ensure that there is transparency in disclosure of information and management. In case of any conflict of interest, the Chairman of the Board of Directors shall consider determining the agenda for the Board of Directors' meeting with the Chief Executive Office and shall ensure that the Company's directors receive accurate, complete, clear and timely information prior to the meeting. The Chairman of the Board of Directors shall provide support and act as a good role model in adhering to the corporate governance and code of conduct. The Chairman of the Board of Directors shall strengthen good relationship between the Board of Directors and the management and support the performance of the Chief Executive Officer and the management according to the Company's policies.

The Company has determined the scope, power, duties, and responsibilities of the Company's directors in accordance with the Charter of the Board of Directors, including the roles and duties of the Chairman of the Board of Directors by publishing them on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

Roles and Duties of the Chief Executive Officer

1

Supervise, manage, operate, and perform routine business activities for the benefits of the Company in accordance with the policies, visions, goals, business plans and the budget set by the Board of Directors' meeting and/or as assigned by the Executive Committee.

2

Manage the Company's operations in accordance with the main missions set by the Executive Committee to be in line with the Company's business plan and budget and related business strategies as stipulated by the Board of Directors and/or the Executive Committee.

3

Supervise the overall operations of finance, marketing, personnel management, and other operational aspects to comply with the Company's policies and operational plans set forth by the Board of Directors and/or the Executive Committee.

4

Have the authority to engage, appoint, transfer, dismiss and terminate employees of the Company in a position lower than the Chief Executive Officer.

5

Have the authority to determine wages, compensation, rewards, bonuses, and salary increases for employees of the Company in the positions lower than the Chief Executive Officer within the framework and policies set by the Executive Committee and/or as stipulated in the authority limits.

6

Negotiate and enter into contracts, order payments and/or any transactions relating to the normal business operations of the Company, provided that the credit limit for each transaction shall be as prescribed by the Executive Committee and/or as stipulated in the authority limits.

7

Approve the appointment of consultants in various fields necessary for the Company's operations and within the limits stipulated in the authority limits.

8 Approve any borrowing and request for loans from financial institutions, lending, pledge, mortgage or become a guarantor of the Company and its subsidiaries, and investment of the Company within the limits stipulated in the authority limits.

9 Approve expenses for organizing public relations activities, seminars, recreational activities, and arrange relationship meetings within the limits as stipulated in the authority limits.

10 Issue orders, regulations, announcements, and records within the Company to operate the Company's business operations in accordance with policies and for the benefits of the Company, including maintaining discipline within the organization.

7.3 Information on the Sub-committees

The Board of Directors has considered the importance of the board structure. Three sub-committees have been established, namely the Audit Committee, the Executive Committee, and the Nomination and Remuneration Committee to allow important matters to be scrutinized before being presented to the Board of Directors for consideration. The three sub-committees have their scope of power, duties, and responsibilities in accordance with the charter of each committee published on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

The details of each sub-committee are summarized as follows:

Audit Committee

As of 31 December 2022, the Audit Committee consists of 4 members:

1 Pol. Gen. Worapong Chewprecha
Chairman of the Audit Committee

2 Mr. Witoon Simachokedee
Member of the Audit Committee

3 Mrs. Rawittha Phongnuchit
Member of the Audit Committee

4 Mr. Attawoot Papangkorn
Member of the Audit Committee

Scope of Power Duties and Responsibilities of the Audit Committee

1. Financial Reporting and Disclosure

1. Review and ensure that the Company has accurate financial reports and discloses sufficient and reliable information in accordance with generally accepted accounting principles.
2. Review important issues which may affect the reliability of financial reports and operating results of the Company with the auditor such as:
 - Significant difficulties or conflicts faced by the auditor during their work
 - Facts and differences in opinion between the auditor and the management
 - Level of efficiency of the internal control system
 - Defect or loss that appear in this accounting period that may occur in the next accounting period
 - Violation of the laws applicable to the Company and/or its business

The Audit Committee shall report to the Board of Directors for improvements within the time period as the Audit Committee deems appropriate.

3. Consider connected transactions or transactions that may have conflict of interest to be in accordance with the laws applicable to the Company and/or its business to ensure that such transactions are reasonable and in the best interests of the Company.

2. Internal Control

- Review and ensure that the Company has an internal control system and an internal audit system that are appropriate and effective and in accordance with COSO standards (The committee of Sponsoring Organization of Tread way Commission).
- Review and give opinion on sufficiency and effectiveness of the good corporate governance process, risk management, internal control, and risks and internal controls of the Company's information technology system.
- Provide advice to the management on improving the good corporate governance process, risk management, compliance with relevant laws, rules and regulations, and internal control to be efficient and effective.
- Review and give opinion on sufficiency, appropriateness and effectiveness of internal control in preparing of the Company's financial reports.

3. Auditor

Support performance by the auditor to be independent. The Audit Committee will have a meeting to discuss with the auditor without participation by the management and internal audit unit at least once a year.

Consider selecting and nominating an independent person to act as the Company's auditor and offer compensation for such persons.

8. Other Responsibilities

- Supervise the internal audit unit to be ethical and to have acceptable audit standards in place.
- Consider and approve organizational structure, manpower rate, annual audit plan of the internal audit and budget to lead to efficiency and effectiveness of various activities.
- Review the internal audit report and independence of the internal audit unit.
- Give opinion to the management regarding appointment, transfer, termination of employment, results of operations, budgets, rates of the internal audit unit. Determine remuneration and consider merits of internal audit unit managers.
- Promote development of competence and professional advancement of the internal auditor to ensure that the internal audit performance is accurate, efficient, and effective and in line with the development of the Company.
- Examine and review the charter of the internal audit unit on a regular basis.
- Supervise other operations of the internal audit unit in addition to the internal audit works and ensure that they do not affect independence of the internal audit unit or ethics of the internal auditor.

5. Compliance with Laws, Regulations, and Work Regulations

- Review the Company's operations to ensure compliance with relevant laws, rules, and within the Company and of regulatory agencies.
- Review policy and assess effectiveness of risk management in respect of compliance with relevant rules and regulations within the Company and of regulatory agencies.
- Review the Company's processes on corporate governance, social responsibilities, and anti-corruption.

6. Review of the Charter of the Audit Committee

Prepare the Charter of the Audit Committee and review it as appropriate in order to determine whether there is a need to revise the responsibilities of the Audit Committee.

7. Preparation of the Audit Committee's Report

Prepare the Audit Committee's report to be disclosed in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and must contain at least the following information:

- Opinion on correctness, completeness, and credibility of the Company's financial reports;
- Opinion on the adequacy of the Company's internal control system;
- Comments on compliance with relevant laws and laws applicable to the Company and/or its business;
- Opinion on suitability of the auditor;
- Opinion on transactions that may have conflicts of interest;
- Number of the meetings of the Audit Committee and meeting attendance by of each member of the Audit Committee;

8. Review of the Charter of the Audit Committee

- Has the authority to inspect or investigate related persons within the scope of authority of the Audit Committee and has the authority to engage or bring in specialists to help inspect or investigate;
- Has the authority to engage independent consultants or persons to provide opinion or advice as needed.

The Company has determined the scope, power, duties, and responsibilities of the Audit Committee in accordance with the Audit Committee Charter by publishing them on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

In this regard, Mr. Attawoot Papangkorn is a member of the Audit Committee and independent director who has sufficient knowledge and experience in accounting and finance to review the reliability of the Company's financial statements. Mr. Attawoot Papangkorn graduated with bachelor's degree in business administration, majoring in accounting and master's degree in accounting.

Details of Meeting Attendance by the Audit Committee

Name of the Audit Committee	Number of meeting attendance / Total number of meetings		
	Year 2020	Year 2021	Year 2022
1. Pol. Gen Worapong Chewprecha	5/5	4/4	4/4
2. Mr. Witoon Simachokedee	5/5	4/4	4/4
3. Mrs. Rawittha Phongnuchit	5/5	4/4	4/4
4. Mr. Attawoot Papangkorn	5/5	4/4	4/4

Executive Committee

As of 31 December 2022, the Executive Committee consists of 7 members:

1 Mr. Chutchai Sumethchotimetha Chairman of the Executive Committee	2 Mrs. Aree Sumethchotimetha Executive Director	3 Mr. Jakkraphong Sumethchotimetha Executive Director	4 Mr. Thanapon Sumetchotimaytha Executive Director
5 Ms. Napaporn Sathitthammaporn Executive Director	6 Ms. Jittanit Tantrakool Executive Director	7 Mr. Piya Vittayavarotkit Executive Director	

Remarks:

Mr. Piya Vittayavarotkit was appointed as Chief Human Resources Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2021 held on 11 November 2021, effective from 1 January 2022 onwards.

Miss Pattaraporn Kiewrungpet was appointed as the Secretary of the Board of Directors from 2 November 2018 onwards according to the resolution of the Board of Directors' Meeting No. 9/2018.

Scope of Power, Duties, and Responsibilities of the Executive Committee

- Prepare and formulate policies, directions, strategies, business plans, budgets, management structures and management authorities to propose to the Board of Directors for approval and proceed as approved by the Board of Directors, as well as to monitoring and following up on such performance to be efficient and effective.
- Be the person who manages and supervises the business operations relating to the general management of the Company.
- Approve the entry into any contract and/or transaction relating to the normal business operations of the Company (such as trading, investing or joint ventures with other parties for the normal business of the Company and for the benefit of operating the Company's objectives) within the limits as stipulated in the authority limits or as specified by the Board of Directors.
- Approve loan and any request for loans from financial institutions, lending, pledge, mortgage, or become a guarantor of the Company and its subsidiary within the limits as stipulated in the authority limits or as specified by the Board of Directors.
- Approve the appointment of consultants in various fields necessary for the operations of the Company within the budget framework approved by the Board of Directors each year.
- Establish a framework and policies for salary determination, salary increase, determination of bonuses, compensation and gratuities for employees and executives (who are not the Chief Executive Officer).
- Perform any other acts as assigned by the Board of Directors or in accordance with the policies set by the Board of Directors.
- Review and propose amendments to the charter of the Executive Committee in accordance with the present circumstances.
- Authorize one or more persons to perform any act on behalf of the Executive Committee.

In this regard, the assignment of powers, duties and responsibilities of the Executive Committee shall neither delegate nor sub-delegate the authority that allows the Executive Committee or the person authorized by the Executive Committee to approve any transaction of which the Executive Committee, the authorized person, or person may have conflict of interest (as defined in the notification of the Securities and Exchange Commission or notification of the Capital Market Supervisory Board) or an interest or may benefit in any way, or may have any other conflict of interest with the Company or a subsidiary of the Company, except for the approval of transactions in accordance with policy and criteria approved by the Board of Directors' meeting.

The scope of duties and responsibilities of the Executive Committee under the authorization matrix are shown in the management structure section under the topic "Authorization."

The Company has determined the scope, power, duties and responsibilities of the Executive Directors in accordance with the Charter of the Executive Committee by publishing them on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

Details of Meeting Attendance by the Executive Committee

Name of the Audit Committee	Number of meeting attendance / Total number of meetings		
	Year 2020	฿ 2564	Year 2020
Mr. Chutchai Sumethchotimetha	11/11	10/10	11/11
Mrs. Aree Sumethchotimetha	11/11	10/10	11/11
Mr. Jakkraphong Sumethchotimetha	10/11	10/10	11/11
Mr. Thanapon Sumetchotimaytha	11/11	10/10	11/11
Ms. Napaporn Sathitthammaporn	11/11	10/10	11/11
Ms. Jittanit Tantrakool	-	8/8	11/11
Mr. Piya Vittayavarotkit	-	-	11/11

Remarks:

Mr. Piya Vittayavarotkit was appointed as Chief Human Resources Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2021 held on 11 November 2021, effective from 1 January 2022 onwards.

Nomination and Remuneration Committee

As of 31 December 2022, the Company's Nomination and Remuneration Committee consists of 3 members:

1	Mrs. Rawittha Phongnuchit Chairman of the Nomination and Remuneration Committee	2	Mr. Attawoot Papangkorn Member of the Nomination and Remuneration Committee	3	Mr. Piya Wittayawarotkit Member of the Nomination and Remuneration Committee
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Remark :

Ms. Pattaraporn Kiewrungpet was appointed as the secretary of the Nomination and Remuneration Committee since 8 November 2018 according to the resolution of the meeting of the Nomination and Remuneration Committee No. 2/2018.

Scope of Power Duties and Responsibilities of the Nomination and Remuneration Committee

- Determine qualifications and criteria for nominating company directors (including members of the Company's sub-committees) and senior management and consider the selection of persons who are suitable in terms of knowledge, experience and expertise to nominate the Board of Directors for consideration and/or propose to the shareholders' meeting for further appointment (as the case may be).
- Consider the independence of each independent director to ensure that the Company's independent directors are fully qualified.
- Consider model and process for development of the Chief Executive Officer to be consistent with the Company's business and the present circumstances.
- Consider forms and criteria for payments of compensation (whether in the form of cash, securities or otherwise) to the Company's directors, sub-committees, and the Chief Executive Officer to be appropriate, fair and in accordance with the relevant laws.

- Consider assessment criteria for the Chief Executive Officer and present them to the Board of Directors for approval.
- Review and propose amendments to the scope of power, duties and responsibilities of the Nomination and Remuneration Committee in accordance with the present circumstances.
- Perform any other act as assigned by the Board of Directors or in accordance with policies determined by the Board of Directors.

The Company has determined the scope, power, duties and responsibilities of the Nomination and Remuneration Committee in accordance with the charter of the Nomination and Remuneration Committee's charter by publishing them on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

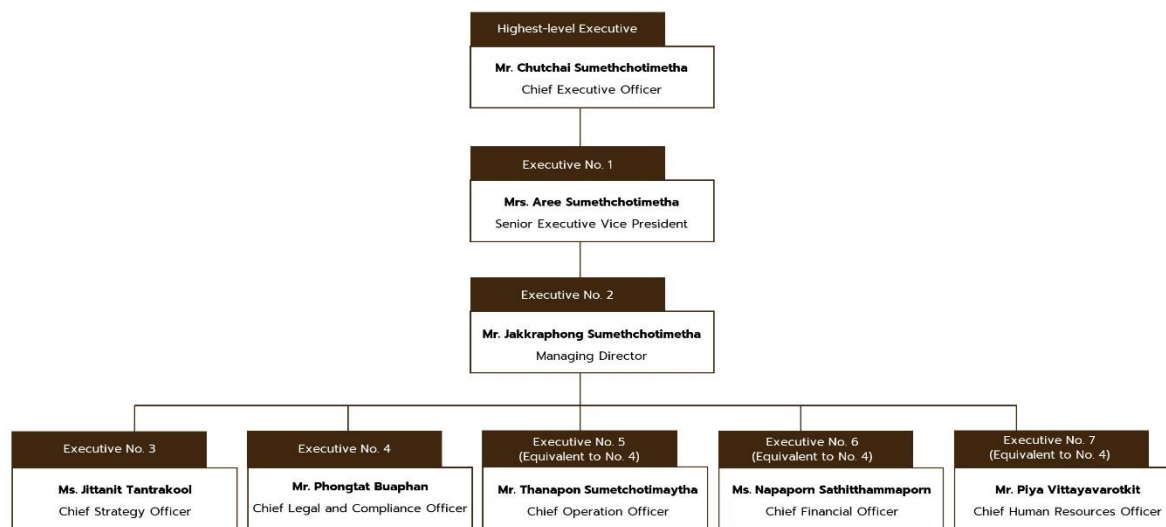
Details of Meeting Attendance by the Nomination and Remuneration Committee

Name of the Audit Committee	Number of meeting attendance / Total number of meetings		
	Year 2020	฿ 2564	Year 2020
Mrs. Rawittha Phongnuchit	2/2	2/2	2/2
Mr. Attawoot Papangkorn	2/2	2/2	2/2
Mr. Piya Wittayawarotkit	1/2	2/2	2/2

Approval Authority of Board of Directors

The Board of Directors has its authority to carry out transactions as set out in the Articles of Association excluding some transactions such as the determination of directors' remuneration, dividend payment, appointment of directors, increasing or decreasing the number of directors, and determination of auditor's fees which are required the shareholders' approval.

7.4 Information on the management



Remark:

Mr. Phongtat Buaphan was appointed as Chief Legal and Compliance Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2022 held on 8 November 2022, effective from 1 January 2023 onwards.

7.4.1 Name and Management Positions

As of 31 December 2022, the Company has 7 executives:

List of executives	Position
Mr. Chutchai Sumethchotimetha	Chairman of the Executive Committee
Mrs. Aree Sumethchotimetha	Vice Chairman of the Executive Committee
Mr. Jakkraphong Sumethchotimetha	Managing Director
Mr. Thanapon Sumetchotimaytha	Chief Operating Officer
Ms. Napaporn Sathitthammaporn	Chief Financial Officer
Ms. Jittanit Tantrakool	Chief Strategy Officer
Mr. Piya Vittayavarotkit	Chief Human Resources Officer

Remarks :

1. A list of executives of the Company is in accordance with the Notification of the SEC concerning determination of definitions in notifications relating to issuance and offer for sale of securities.
2. Miss Napaporn Sathitthammaporn is the highest responsible person in accounting and finance (CFO).
3. Mr. Piya Vittayavarotkit was appointed as Chief Human Resources Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2021 held on 11 November 2021, effective from 1 January 2022 onwards.

7.4.2 Policy on Remuneration of Executive Directors and Executives

Remuneration of Executive Directors

The Board of Directors (including executive directors or employees of the Company) will not receive meeting allowances and remuneration for the positions of executive director and sub-committees, but may receive remuneration in the form of gratuities as determined by the Board of Directors

7.4.3 Remuneration of Executives of the Company and Subsidiaries

Remuneration of Executives as Defined by the SEC

The Board of Directors has established a compensation policy for the Chief Executive Officer (CEO) and senior management both short-term and long-term by considering performance as a key factor.

Executives receive short-term compensation such as monthly remuneration and bonus. The compensation is set at a level comparable to the industry practice. Performance is assessed based on key performance indicators (KPIs) and returns are linked to performance. The Company has compared the total amount of remuneration for executive directors and executives to demonstrate the appropriateness of compensation and transparency in management according to the details as follows:

Total Remuneration of Executive Directors and Executives:

1. Monetary Compensation

In 2020, 2021 and 2022, the Company has paid remuneration to the management in the total amount of Baht 18,053,389.75, Baht 18,575,494.84, and Baht 21,398,732.90 respectively. Such compensation is in the forms of salary, bonus, and others such as provident fund. This can be summarized as follows:

Executive remuneration	Year 2020		Year 2021		Year 2022	
	No. of persons	Amount (Baht)	No. of persons	จำนวนเงิน (บาท)	No. of persons	Amount (Baht)
Salary and bonus	5	17,199,823.33	6	17,612,832.00	7	19,886,868.67
Others	-	853,566.42	-	962,662.84	-	1,531,864.23
รวม	-	18,053,389.75	-	18,575,494.84	-	21,398,732.90

Remark:

Executive remuneration in the above table is the remuneration of executives according to the definition of the SEC, which is different from the remuneration of key executives as stated in the notes to the financial statements for the year ending 31 December 2022 and notes to the interim financial statements for the three-month period ending 31 March 2023.

2. Non-monetary Compensation

Other executive remuneration

- Provident fund

The Company provides a provident fund for executives. The Company makes contributions at the rate of 4-7 percent of salary (according to years of work). In the year 2022, the Company paid a contribution to the provident fund for executives in the total amount of Baht 2,801,997.03.

The Company's executives under the above table include Mr. Chutchai Sumethchotimetha, Mrs. Aree Sumethchotimetha, Mr. Thanapon Sumetchotimaytha, Mr. Jakkraphong Sumethchotimetha, Ms. Napaporn Sathitthammaporn, Ms. Jittanit Tantrakool, and Mr. Piya Vittayavarotkit.

Evaluation of the Performance of Top Executive

The Company arranges an annual evaluation of the performance of the highest-level executive, the Chief Executive Officer (CEO) and uses the results to determine the remuneration of the top executive and present to the Board of Directors for approval.

7.5 Employee Information

Number of Employees

As of 31 December 2022, the Company and its subsidiaries have a total of 177 employees, divided into the following departments:

Department	As of 31 December 2020 No. of persons	As of 31 December 2021 No. of persons	As of 31 December 2022 No. of persons
Executives	5	6	7
Management – staff	1	1	0
Engineering Department	26	14	14
Human Resources Department	6	7	7
General Administration Department	3	1	1
Standard System Department	2	1	1
Accounting and Budgeting Department	6	9	10
Business Development Department	2	1	3
Information Technology Department	1	1	2
Finance Department	3	3	4
Legal Department	1	2	1
Internal Audit Office	2	-	-
Investor Relations Department	2	1	-
Office	8	3	2
Mae Krating Power Co., Ltd.	15	55	51
RE Biofuels Co., Ltd.	11	-	-
N15 Technology Co., Ltd.	-	46	74
Total	94	151	177

Remark: The Company and its subsidiaries include Sakol Energy Public Company Limited, SK 15 Co., Ltd., SKE Development Co., Ltd., Mae Krating Power Co., Ltd., N15 Technology Co., Ltd. (a subsidiary of the Company from 1 June 2021) and RE Biofuels Co., Ltd. (ceased from being a subsidiary of the Company since 9 April 2021).

Compensation of Employees of the Company and Subsidiaries

The Company has paid compensation to employees (including executives) in the form of salary, bonus and other compensation, the details of which are set out below.

Employee compensation	2020	2021	2022
Salary and bonus	33,431,699.62	53,078,105.97	66,896,297.95
Overtime	1,550,058.84	1,913,128.46	3,881,183.55
Allowance and diligence allowance	428,420.00	912,318.15	1,014,405.00
Others	613,722.08	1,349,892.26	2,530,389.34
Total	36,023,900.54	57,253,444.84	74,295,275.84

The provident fund of the Company and its subsidiaries was established on 25 August 2016 by the Office of the Securities and Exchange Commission. The provident fund has been registered and became effective since 1 October 2016.

Employee Development Policy

The Company is committed to developing professionals and quality personnel. It consistently provides opportunities for employees to show their full potential at all levels, encouraging employees to progress according to their career path along with the success in the Company's operations by implementing the following practices:

1. The Company provides both internal and external training as appropriate according to the position and duties of each employee.
2. The Company encourages employees, who have attended the training, to have the opportunity in sharing knowledge and experience gained from training with other employees to transfer knowledge and experience within the organization in a form of knowledge management.
3. The Company has developed a 70: 20: 10 training system to develop employees' skills and learning processes: 70 on their own and on the job, 20 from coaching of supervisors and colleagues, and 10 from training and learning in the classroom provided by the Company.
4. The Company has set up a leadership development system (Leadership Skills) to create a successor plan.
5. The Company has developed an individual development plan (IDP) as a framework or guideline to help personnel in the organization achieve their career goals within 1-5 years of their career growth and being an employee of the Company.

Labor Dispute

In the past 3 years until 31 December 2021, the Company has no labor dispute to which it is a disputed party that may have a significant impact on the Company's business operations.

7.6 Other Important Information

7.6.1 List the Persons Assigned to the Following Responsibilities

Company Secretary

The Board of Directors Meeting No. 2/2016 held on 9 March 2016 resolved to appoint Mr. Jakkraphong Sumethchotimetha as Company Secretary with duties and responsibilities as stipulated in the Securities Act. Qualifications of a person holding the position of Company Secretary are as set out under [Attachment 1](#).

Scope of Power Duties and Responsibilities of the Company Secretary

- Prepare and maintain a register of directors, notice to the Board of Directors' meeting, minutes of the Board of Directors' meeting, annual report, notice to the shareholders' meeting, minutes of the shareholders' meeting on behalf of the Company and/or the Board of Directors.
- Maintain reports on interest reported by directors or executives on behalf of the Company and/or the Board of Directors.
- Perform any other acts as specified in the notification of the Capital Market Supervisory Board and send a copy of the report on interest pursuant to Section 89/14 prepared by directors to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 working days from the date on which the Company receives such report on behalf of the Company and/or the Board of Directors.
- Provide basic advice on legal matters, rules and regulations of the Company that the Board of Directors would like to know and follow up to ensure that they are properly complied with regularly, including reporting significant changes to regulations and/or laws to the Board of Directors.
- Organize shareholders' meetings and board of directors' meetings in accordance with the laws, Articles of Association and related practices.
- Record the minutes of the shareholders' meeting and the minutes of the Board of Directors' meeting and follow up to ensure compliance with the resolutions of the shareholders' meeting and the Board of Directors' meeting.
- Supervise disclosure of information and information memorandum responsible for the relevant agencies according to the regulations and requirements of such agencies.
- Supervise the activities of the Board of Directors and any other actions to be in accordance with the laws and/or as prescribed by the Capital Market Supervisory Board and/or as assigned by the Board of Directors.

Person with the Highest Responsibility in Accounting and Finance

Ms. Napaporn Sathitthammaporn , whose commencement date was on 1 May 2019, details of which are as set out in [Attachment 1](#).

In the year 2021 and 2022, the Company engaged AMT Solution Company Limited as its internal auditor with Mr. Akkarachai Amroongjitchai acting as the head of the internal audit team. The internal auditors are knowledgeable, professional, and independent to ensure that the audit of the Company's internal control system is most effective. The Company encourages external independent internal auditors to perform their duties in accordance with international standards of professional practice of internal auditing by establishing a channel to report directly to the Audit Committee, the details of which are as set out under Attachment 1.

Investor Relations Supervisors and Contact Information

The Company has presented its Company information, financial information and general information to shareholders, investors and relevant regulatory agencies through various channels, such as reporting through the disclosure system of the Stock Exchange of Thailand, the Office of the SEC, and the Company's website for those who are interested in studying information conveniently, which the Company has given importance to the disclosure of information that shall be complete and based on accurate information, including in accordance with the rules of the Office of the SEC and the Stock Exchange of Thailand.

The Company has set up an Investor Relations Department to be the center for providing information, clarifying, and communicating to shareholders or investors. In addition, in 2022, the Company has participated in Opportunity Day activities organized by the Stock Exchange of Thailand through electronic media in the number of 4 times of which the Company's directors and senior executives have participated in the event to provide information to investors and allow participants to ask questions transparently.

Contact Details of Investor Relations Department

Telephone: 02-026-3451 ext. 270

Email: ir@sakolenergy.com

Audit Fee

List	Amount (Baht)		
	2020	2021	2022
Audit fee	2,665,000	2,280,000	2,060,000
Non-audit fee (audit fee for investment-promoted business)	40,000	40,000	40,000

For the financial year ended 31 December 2020, the Company and its subsidiaries paid audit fees to the audit firm in the amount of Baht 2,665,000 and its subsidiaries paid non-audit fee (audit fee for investment-promoted business) in the amount of Baht 40,000.

For the financial year ended 31 December 2021, the Company and its subsidiaries paid audit fees to the audit firm in the amount of Baht 2,280,000 and its subsidiaries paid non-audit fee (audit fee for investment-promoted business) in the amount of Baht 40,000.

For the financial year ended 31 December 2022, the Company and its subsidiaries paid audit fees to the audit firm in the amount of Baht 2,060,000 and its subsidiaries paid non-audit fee (audit fee for investment-promoted business) in the amount of Baht 40,000.

Related persons or businesses of the auditors and the audit firm are not related persons or businesses of the Company and its subsidiaries.

8. Report on Key Performance in Corporate Governance

8.1 Summary on the Performance of the Board of Directors in the Past Year

8.1.1 Recruitment, Development, and Performance Assessment of the Board of Directors

Selection and Appointment of Directors and Highest-level Executive

The Nomination and Remuneration Committee will consider and screen persons who will become directors of the Company (including members of the Company's sub-committees) and senior management and select persons who are suitable in terms of knowledge, experience, and expertise for nomination to the Board of Directors for consideration and appointment and/or to further propose to the shareholders' meeting for consideration and appointment.

Company Director

The key composition of the Board of Directors can be summarized as follows:

The Board of Directors does not have to be shareholders of the Company.	At least one-third of the total number of directors must be independent directors and the number of independent directors shall not be less than three persons.
The number of the Board of Directors shall be as specified by the shareholders' meeting but there must be at least 3 members, and not less than half of the total number of directors must be resident in the Kingdom of Thailand.	In this regard, the Board of Directors shall appoint one director as "Chairman of the Board of Directors", and if the Board of Directors deems appropriate it may consider appointing one or more directors as "Vice Chairman of the Board of Directors".

Appointment and Position of the Board of Directors can be summarized as follows:

- | | |
|--|---|
| 1. The Board of Directors shall be responsible for nominating persons who are qualified to hold the position of the Company's director and presenting the name of such persons to the shareholders' meeting for further consideration and approval on the appointment. | 2. The shareholders' meeting shall appoint the Company's directors. In case of appointment of a director to replace the vacant position for reasons other than the expiration of the term, the Board of Directors is allowed to appoint persons with full qualifications to serve as director. In this regard, the person who assumes the position of director in such case shall hold office only for the remaining term of the director whom he/she replaces. |
|--|---|

3. At every annual general meeting of shareholders, one-third of the total number of directors shall be retired. If the number of directors cannot be divided exactly into three parts, it shall be the number closest to one-third. The retiring committee may be re-appointed to take up the position. The directors who must retire from office in the first year and the second year after registration of the Company shall be drawn by ballot. In the following years, the directors who have been in the position for the longest time shall retire. Directors who retire by rotation may be re-appointed for another term. However, independent director shall hold office for a total term of not more than 9 years, unless the Board of Directors deems that such person should continue to be an independent director of the Company for the best interest of the Company.

The Board of Directors has set the following qualifications:

1. Person with knowledge and capabilities, who is honest, has business ethics and sufficient time to devote knowledge and skills to the Company.
2. Person who is qualified and not prohibited by the applicable laws, who does not have characteristics that indicate a lack of suitability to be entrusted with managing a business that has a public shareholding according to the Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand (collectively referred to as the "Related Rules").
3. Not being a person who operates businesses of the same nature and is in competition with the Company's business or become a partner a director in another juristic person who operates a business of the same nature and is in competition with the business of the Company whether they do it for their own benefit or that of others, unless notified to the shareholders' meeting prior to the resolution of appointment.
4. Independent directors must have qualifications related to independence as stipulated by the Company and in accordance with the Related Rules on qualifications of independent directors and must be able to take care of the interests of all shareholders equally and do not cause any conflict of interest. In addition, they must be able to attend the Board of Directors' meeting and express their opinion independently.

The Company stipulates those directors who do not serve as executives are independent from the management and controlling shareholders, and do not have any business relationship with the Company in such a way as to limit independent opinion. They must have additional qualifications as follows:

1. Holding no more than one percent of the total number of shares with voting rights of the Company, parent company, subsidiary, associated company, major shareholder or controlling person of the Company, including the shareholding of related persons of that independent director.

2. Not being or used to be a director who takes part in management, employee, advisor who receives a regular salary or controlling person of the Company, parent company, subsidiary company, associated company, subsidiary of the same level, major shareholder or the Company's controlling person, unless the foregoing position has been vacated for not less than two years prior to the date of appointment. However, such prohibited characteristics do not include the case where the independent director used to be a government official or an advisor to a government agency, which is a major shareholder or controlling person of the Company.

3. Not being a person who has a blood relationship or by legal relationship as parent, spouse, sibling and children, including spouse of the children of other director, executive, major shareholder, controlling person or person who will be nominated as an executive or controlling of the Company or its subsidiary.

4. Does not have or had a business relationship with the Company, parent company, subsidiary, associated company, major shareholder or controlling person of the Company in a manner that may impede the exercise of one's independent judgment, including not being or having been a significant shareholder or a controlling person of a person having a business relationship with the Company, parent company, subsidiary, associated company, major shareholder or controlling person of the Company, unless the foregoing status has been vacated for not less than two years prior to the date of appointment. Such business relationship includes normal commercial transaction for rental business or leasing real estate, items related to assets or services or giving or receiving financial assistance by accepting or giving loans, guarantees, or providing assets as collateral for liabilities, including other similar behaviors. As a result of such relationship, the Company or the contracting party has obligations to be paid to the other party, from three percent of the Company's net tangible assets or twenty million baht or more whichever is lower. However, the calculation of such obligations shall be in accordance with the method of calculating value of the connected transaction in accordance with the relevant regulations on connected transactions, mutatis mutandis. Such obligations shall include debt obligations incurred during one year prior to the date of business relationship with the same person.

5. Not being or used to be an auditor of the Company, parent company, subsidiary, associated company, major shareholder or controlling person of the Company and is not a significant shareholder, controlling person, or a partner of the audit firm which has the auditors of the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company, unless the foregoing status has been vacated for not less than two years prior to the date of appointment.

6. Not being or having been a professional service provider of any kind, including serving as a legal or financial advisor which receives a service fee of more than Two Million Baht per year from the Company, parent company, subsidiary, associated company, major shareholder or controlling person of the Company. Not being a significant shareholder, controlling person or a partner of professional service provider, unless the foregoing status has been vacated for not less than two years prior to the date of appointment.

7. Not being a director who has been appointed to represent the Company's directors, major shareholder or shareholder who is related to major shareholder.

8. Do not operate businesses that are of the same nature and are in significant competition with the business of the Company or its subsidiaries or not being a significant partner in the partnership or being a director who takes part in the management, an employee, a staff, a consultant who receives regular salary or holding more than one percent of the total number of shares with voting rights of other companies which operates similar business and in a significant competition with the Company's business or its subsidiary.

9. Having no other characteristics that prevent from expressing independent opinion on the Company's operations.

Audit Committee

The key composition of the Audit Committee can be summarized as follows:

The Audit Committee consists of at least 3 independent directors, of which at least one member must have sufficient knowledge and experience in accounting or finance to review the reliability of the financial statements. The Audit Committee shall appoint one member of the Audit Committee as the Chairman of the Audit Committee and appoint a secretary of the Audit Committee to assist the Audit Committee's performance of duties regarding meeting appointments, agenda preparation, submission of documents for the meeting and record the minutes of the meeting.

Appointment and position of the Audit Committee can be summarized as follows:

The Board of Directors or the shareholders' meeting shall appoint independent directors of the Company to be the Audit committee. The term of office of member of the Audit Committee shall be in accordance with the term of office of the Company's director. The Audit Committee who retires by rotation may be reappointed as the member of the Audit Committee.

If the member of the Audit Committee completes the term of office or is unable to hold office until the expiration of the term and the Audit Committee consists of less than 3 members, the Board of Directors or the shareholders' meeting should appoint a new member of the Audit Committee immediately or at the latest within 3 months from the date on which the number of Audit Committee is incomplete to ensure continuity in the performance of the Audit Committee.

The Board of Directors has set the qualifications of the Audit Committee as follows:

1. Being fully qualified to be an independent director in accordance with the criteria and conditions prescribed by the Office of the Securities and Exchange Commission and the Capital Market Supervisory Board and/or the Stock Exchange of Thailand.
2. Not being a director who has been assigned by the Board of Directors to make decisions on the operation of the Company, parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person of the Company.
3. Not being a director of a parent company, subsidiary, or same-level company only for the listed company.
4. Having sufficient knowledge and experience to be able to perform duties as an audit committee and at least one member of the Audit Committee has sufficient knowledge and experience in accounting or finance to be able to review the reliability of the financial statements.

Nomination of directors and highest-level executive

Nomination of directors

In appointing directors, the Nomination and Remuneration Committee, which consists of 1 independent director out of the total 3 members of the Nomination and Remuneration Committee, is responsible for considering the selection and screening qualified persons according to the Company's Articles of Association. The Nomination and Remuneration Committee shall nominate the qualified candidates to have professional directors and diversity and present its opinion to the Board of Directors to seek approval from the directors. Such directors shall then be presented to the shareholders' meeting for appointment.

The Nomination and Remuneration Committee shall ensure that the Board of Directors has the right size and composition, including being adjusted to suit the changing environment. The directors must be knowledgeable with capabilities and suitable qualifications. The Nomination and Remuneration Committee provides opportunities for directors and shareholders to participate in the nomination of qualified directors.

The appointment of directors through the shareholders' meeting is based on the following rules and procedures:

1. In voting for appointment of director, a shareholder shall have vote equal to 1 share per 1 vote.
2. Shareholders may exercise the right to choose only one or more persons as directors. However, the number of chosen persons must not exceed the number of directors to be appointed at that time.
3. In the event that shareholder exercises the right to choose more than one person as directors, the shareholder shall have the right to vote for each person equal to the number of his/her votes, the votes cannot be divided to any person to any extent.
4. Persons receiving the highest votes in descending order shall be appointed as directors equal to the number of directors to be appointed at that time. In case of persons appointed in descending order having equal votes exceed the number of directors to be appointed at that time, the chairman of the meeting shall have a casting vote on such appointment.

Recruitment of highest-level executive

In selecting the Chief Executive Officer / Chairman of the Executive Committee / Managing Director of the Company, the Nomination and Remuneration Committee shall preliminarily screen and recruit person who is suitable in terms of knowledge, experience, and expertise which is beneficial to the Company's operations and understand the Company's business well. Such person must be able to manage works to achieve objectives and goals determined by the Company for proposal to the Board of Directors for consideration and appointment.

Development of Directors and Executives

To develop knowledge and capabilities of the on a regular basis and create useful views and ideas that can be applied to the Company's business, the Company has encouraged directors and executives to attend training with the Thai Institute of Directors (IOD), the Stock Exchange of Thailand and other institutions, including attending seminars to exchange knowledge in sustainable business development with good corporate governance as fundamental with experts. This is to create confidence among shareholders and other stakeholders, which will lead to business growth and increase business value in the long run. The details of the training/seminars in 2022 are as follows:

Name of director	Position	Date of training/seminar	Training course/seminar in the year 2022
Mr. Jakkraphong Sumethchotimetha	Managing Director	2-23 November 2022	Academic and practical training course "Corporate Sustainability Strategy 2022" Class 5/2022, organized by the Stock Exchange of Thailand.
		13 September and 29-30 September 2022	Academic and practical training course "Digital Transformation" organized by the Stock Exchange of Thailand.

Name of director	Position	Date of training/seminar	Training course/seminar in the year 2022
Ms. Napaporn Sathitthammaporn	Chief Financial Officer	26 July 2022	Academic course "HR Strategy in New Normal" organized by the Stock Exchange of Thailand.
		27 May and 20 and 23 June 2022	Academic and practical training course "Business Model Reinvention for Corporate Sustainability" organized by the Stock Exchange of Thailand.
		2-23 November 2022	Academic and practical training course "Corporate Sustainability Strategy 2022" Class 5 / 2022 , organized by the Stock Exchange of Thailand.
		31 October 2022	Academic course TLCA CFO Professional Development Program "The role of the CFO in corporate sustainability" Class 6/2022"
		21 October 2022	Academic Course "Understanding Fair Value Measurement Under TFRS 13" Class 2/2022
		12 October 2022	Academic course TLCA CFO Professional Development Program Class 5/2022 "Restructuring Business for Growth"
		8 October 2022	Academic course "Summary of Important Changes and Issues of TFRS" (Revised 2022)" Class 2/2022
		13 September and 29-30 September 2022	Academic and practical training course "Digital Transformation" organized by the Stock Exchange of Thailand.
		26 July 2022	Academic course "HR Strategy in New Normal" organized by the Stock Exchange of Thailand.
		21 July 2022	TLCA CFO Professional Development Program "PDPA for Accounting and Finance" Class 3/2022
		27 May and 20 and 23 June 2022	Academic and practical training course "Business Model Reinvention for Corporate Sustainability" organized by the Stock Exchange of Thailand.
		25 May 2022	Academic course TLCA CFO Professional Development Program Class 2/2022 "Economic Update for CFO"
		29 March 2022	Academic Course TLCA CFO Professional Development Program Class 1/2022
		15 February 2022	Academic course "Upgrade financial personnel to become The Next Normal Financial Professional"
		25 January - 20 March 2022	Academic course TLCA Executive Development Program: EDP 2021 Building Transformational Leaders.
Ms. Jittanit Tantrakool	Chief Strategy Officer	2-23 November 2022	Academic and practical training course "Corporate Sustainability Strategy 2022" Class 5 / 2022 , organized by the Stock Exchange of Thailand.

Name of director	Position	Date of training/seminar	Training course/seminar in the year 2022
Mr. Piya Vittayavarotkit	Chief Human Resources Officer	13 September and 29-30 September 2022	Academic and practical training course "Digital Transformation" organized by the Stock Exchange of Thailand.
		26 July 2022	Academic course "HR Strategy in New Normal" organized by the Stock Exchange of Thailand.
		27 May and 20 and 23 June 2022	Academic and practical training course s "Business Model Reinvention for Corporate Sustainability" organized by the Stock Exchange of Thailand.
		2-23 November 2022	Academic and practical training course "Corporate Sustainability Strategy 2022" Class 5 / 2022, organized by the Stock Exchange of Thailand.
		13 September and 29-30 September 2022	Academic and practical training course "Digital Transformation" organized by the Stock Exchange of Thailand.
		26 July 2022	Academic course "HR Strategy in New Normal" organized by the Stock Exchange of Thailand.
		27 May and 20 and 23 June 2022	Academic and practical training course "Business Model Reinvention for Corporate Sustainability" organized by the Stock Exchange of Thailand.

8.1.2 Attendance and compensation payment

Details of meeting attendance in 2021 are as follows:

Name	Number of meeting attendance / right to attend the meeting (percentage of attendance)				
	BOARD	Sub-committee			e-AGM
		AC	NRC	EXCOM	
1. Mr. Direk Lavansiri	6/6 (100%)	-	-	-	1/1 (100%)
2. Mr. Chutchai Sumethchotimetha	6/6 (100%)	-	-	11/11 (100%)	1/1 (100%)
3. Mrs. Aree Sumethchotimetha	6/6 (100%)	-	-	11/11 (100%)	1/1 (100%)
4. Mr. Thanapon Sumetchotimaytha	6/6 (100%)	-	-	11/11 (100%)	1/1 (100%)
5. Mr. Jakkraphong Sumethchotimetha	6/6 (100%)	-	-	11/11 (100%)	1/1 (100%)
6. Pol. Gen. Worapong Chewprecha	6/6 (100%)	4/4 (100%)	-	-	1/1 (100%)
7. Mr. Witoon Simachokedee	6/6 (100%)	4/4 (100%)	-	-	1/1 (100%)
8. Mrs. Rawittha Phongnuchit	6/6 (100%)	4/4 (100%)	2/2 (100%)	-	1/1 (100%)
9. Mr. Attawoot Papangkorn	6/6 (100%)	4/4 (100%)	2/2 (100%)	-	1/1 (100%)
10. Ms. Napaporn Sathitthammaporn	6/6 (100%)	-	-	11/11 (100%)	1/1 (100%)
11. Ms. Jittanit Tantrakool	-	-	-	11/11 (100%)	1/1 (100%)
12. Mr. Piya Wittayawarotkit	-	-	2/2 (100%)	11/11 (100%)	-

Remarks :

Ms. Napaporn Sathitthammaporn is the highest responsible person in accounting and finance (CFO).

Mr. Piya Vittayavarotkit was appointed as Chief Human Resources Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2021 held on 11 November 2021, effective from 1 January 2022 onwards.

Remuneration of directors and executives

Remuneration of directors

1. Monetary Compensation

The 2022 Annual General Meeting of Shareholders held on 30 April 2021 approved the remuneration of directors and sub-committees in the form of monthly remuneration and allowance per meeting, the details of which are as follows:

- **Board of Directors**

Position	Monthly compensation	Allowance per meeting
Chairman of the Board of Directors	Baht 25,000	Baht 25,000
Member of the Board of Directors	Baht 15,000	Baht 15,000

Remark :

The 2021 Annual General Meeting of Shareholders held on 30 April 2021 approved the remuneration of directors and sub-committees in the form of monthly remuneration and allowance per meeting in the amount not exceeding Baht 3,000,000 per year. The Company's directors holding the position of executive directors waive their right to receive monthly remuneration for holding the position of the Company's directors. There are 4 directors, namely Mr. Chutchai Sumethchotimetha, Mrs. Aree Sumethchotimetha, Mr. Thanapon Sumetchotimetha and Mr. Jakkraphong Sumethchotimetha, which has become effective from April 2016 onwards.

- **Audit Committee**

Position	Monthly compensation	Allowance per meeting
Chairman of the Audit Committee	-	Baht 20,000
Member of the Audit Committee	-	Baht 12,000

- **Executive Committee**

The Board of Directors' Meeting No. 3/2016 resolved to acknowledge determination of remuneration of the Executive Committee in holding the position of executive director without receiving compensation, whether monthly compensation or meeting allowance. The Executive Committee shall continue to perform duties to the best of its ability and for the Company's best interests, with effect from April 2016 onwards.

- **Nomination and Remuneration Committee**

Position	Monthly compensation	Allowance per meeting
Chairman of the Nomination and Remuneration Committee	-	Baht 12,000
Member of the Nomination and Remuneration Committee	-	Baht 10,000

Remark :

The meeting allowance of the Nomination and Remuneration Committee in the amount of Baht 12,000 is for members of the Nomination and Remuneration Committee who are directors. There will be no remuneration for members of the Nomination and Remuneration Committee who do not hold the position of director.

Details of remuneration for individual directors for the year 2022

Name of Directors	Directors' remuneration (as of 31 December 2022)							Total
	Board of Directors		Audit Committee		Nomination and Remuneration Committee			
	Meeting Allowance	Monthly Compensation	Meeting Allowance	Monthly Compensation	Meeting Allowance	Monthly Compensation		
1. Mr. Direk Lavansiri	150,000	300,000	-	-	-	-	450,000	
2. Mr. Chutchai Sumethchotimetha	90,000	-	-	-	-	-	90,000	
3. Mrs. Aree Sumethchotimetha	90,000	-	-	-	-	-	90,000	
4. Mr. Jakkraphong Sumethchotimetha	90,000	-	-	-	-	-	90,000	
5. Mr. Thanapon Sumetchotimetha	90,000	-	-	-	-	-	90,000	
6. Pol. Gen. Worapong Chewprecha	90,000	180,000	80,000	-	-	-	350,000	
7. Mr. Witoon Simachokedee	90,000	180,000	48,000	-	-	-	318,000	
8. Mrs. Rawittha Phongnuchit	90,000	180,000	48,000	-	24,000	-	342,000	
9. Mr. Attawoot Papangkorn	90,000	180,000	48,000	-	20,000	-	338,000	
10. Ms. Napaporn Sathitthammaporn	-	-	-	-	-	-	-	
11. Ms. Jittanit Tantrakool	-	-	-	-	-	-	-	
12. Mr. Piya Wittayawarotkit	-	-	-	-	-	-	-	
Total	870,000	1,020,000	224,000	-	44,000	-	2,158,000	

8.1.3 Supervision of Subsidiaries and Associated Companies

Sakol Energy Public Company Limited has a policy on investment and management of subsidiaries and associated companies. It will invest in businesses that are related, similar, or that will benefit and support the Company's business operations to strengthen the stability and performance of the Company.

In supervising the operations of subsidiaries and associated companies, the Company will send a representative of the Company who have qualifications and experience suitable for the business in which the Company invests as a director of such subsidiaries and associated companies. The representative may be the chairman of the board of directors, Chief Executive Officer, director, senior management, or any person of the Company without conflict of interest with the business of those subsidiaries and associates. This is to enable the Company to control and supervise the business and the operations of subsidiaries and associated companies as if they were part of the Company. The Company, therefore, requires its representatives to manage the business of subsidiaries and associated companies in accordance with the laws applicable to the business operations of the subsidiary and/or associated company. The submission of representatives to be directors in such subsidiary and associated company shall be in accordance with the shareholding proportion of the Company and/or mutual agreement in the case of the associated company.

The Company will closely monitor the operating results and operating results of its subsidiaries and associated companies, including supervising collection of information and accounting records of subsidiaries and associated companies for examination by the Company.

The directors who are the Company's representatives or the persons representing the Company as directors of subsidiaries must report progress of each company to the Board of Directors every time there is a meeting to jointly formulate policies that are important to the business

At present, there are directors and executives who hold directorships in subsidiaries. The details are as set out in Attachment 2.

In addition to sending directors to represent the Company as directors and executives, the Company encourages subsidiaries and associated companies to use similar criteria relating to disclosure of financial positions and operating results, transactions between the Company and connected persons, acquisition or disposition of assets, including the use of the same audit office, namely KPMG Phoomchai Audit Ltd.

The Company has no agreements between the Company and other shareholders for managing subsidiaries and associates. The management of such entities is in accordance with normal shareholding proportions.

8.1.4 Monitoring to Ensure Compliance with Corporate Governance Policies and Practices

1. Prevention of Conflict of Interest

The Company has an important policy of eliminating conflict of interest carefully with honesty, reasonability, and independence under a good ethical framework for the benefits of the Company, requiring those who are involved in, or connected to the transaction that are being considered, to disclose information about their interests

and related parties to the Company, and must not participate in the consideration, including no authority to approve such transaction.

The Company has a policy to enter connected transactions and transactions with conflicts of interest in accordance with applicable laws or regulations.

The details have been specified in the Company's connected transaction policy and a manual on good corporate governance, ethical standards, and business ethics, which has been published on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

2. Exploitation of Inside Information

Sakol Energy Public Company Limited attaches great importance to the prevention of the use of inside information of the Company that may affect the price of the Company's securities or information that, if disclosed, will cause damage or disadvantage to the Company. It is considered confidential and important, including inside information of the Company that has not been disclosed to the public to reveal or seek benefits for oneself or others, whether directly or indirectly and whether they receive a return or not. In this regard, the Company has established guidelines to prevent the use of inside information by educating directors and executives of the Company on the duty to report securities holdings of themselves, their spouses, and minor children to the Office of the Securities and Exchange Commission in accordance with the guidelines set forth in Section 59 and penalty provisions under Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (as amended). It also includes reporting the acquisition or disposition of securities of one's own, spouse, and minor children, to the Office of the Securities and Exchange Commission in accordance with Section 246 and the penalties under Section 298 of the Securities and Exchange Act B.E. 2535 (1992) (as amended). This is to prepare the Company and its directors and executives to be ready to offer shares to the public and listing the Company's ordinary shares as listed securities on the Stock Exchange of Thailand.

The Company has monitored and supervised that the directors or executives do not use the Company's inside information for their own benefits, including securities trading, especially during the first month before the financial statements are released to the public and the directors and executives must strictly comply with. The details are set out in the Good Corporate Governance Manual, Ethical Standards and Code of Conduct, which has been published on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

Securities Holdings by Directors and Executives

Item	Name of directors	Number of shares (shares)			Change in the number of shares
		As of 31 Dec 2020	As of 31 Dec 2021	As of 31 Dec 2022	
1	Prof. Emeritus Dr. Direk Lavansiri	-	-	-	-
	Spouse and minor children	-	-	-	-
2	Pol. Gen. Worapong Chewprecha	-	-	-	-
	Spouse and minor children	-	-	-	-
3	Dr. Witoon Simachokedee	-	-	-	-
	Spouse and minor children	-	-	-	-
4	Mrs. Rawittha Phongnuchit	-	-	-	-
	Spouse and minor children	-	-	-	-
5	Assistant Professor Dr. Attawoot Papangkorn	-	-	-	-

Item	Name of directors	Number of shares (shares)			Change in the number of shares
		As of 31 Dec 2020	As of 31 Dec 2021	As of 31 Dec 2022	
	Spouse and minor children	-	-	-	-
6	Mr. Chutchai Sumethchotimetha	294,114,803	352,937,763	352,937,763	-
	Spouse and minor children	206,756,858	248,108,229	248,108,229	-
7	Mrs. Aree Sumethchotimetha	206,756,858	248,108,229	248,108,229	-
	Spouse and minor children	294,114,803	352,937,763	352,937,763	-
8	Mr. Jakkraphong Sumethchotimetha	1,729,661	2,075,593	1,276,593	799,000
	Spouse and minor children	-	-	-	-
9	Mr. Thanapon Sumetchotimetha	930,661	930,693	930,693	-
	Spouse and minor children	-	-	-	-
10	Ms. Napaporn Sathitthammaporn	-	-	-	-
	Spouse and minor children	-	-	-	-
11	Ms. Jittanit Tantrakool	-	-	-	-
	Spouse and minor children	-	-	-	-
12	Mr. Piya Vittayavarotkit	-	-	-	-
	Spouse and minor children	-	-	-	-

Remarks :

Mr. Piya Vittayavarotkit was appointed as Chief Human Resources Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2021 held on 11 November 2021, effective from 1 January 2022 onwards.

3. Anti-Corruption

The Company has an ideology in business management based on transparency, ethics and adherence to corporate governance principles and comply with the laws relating to prevention and anti-corruption and giving to or accepting bribes from government officials or the private sector. The Company has established policies and guidelines on anti-corruption and bribery ("Anti-Corruption Policy"). The policy defines the organizational structure with division of duties and responsibilities, work process and chain of command in each unit to be clear, have a balance of power and strictness in auditing one another. It also provides clear guidelines for business operations and development into a sustainable organization.

The details are set out in the Anti-Corruption and Bribery Policy and Guidelines which has been published on the Company's website at <https://www.sakolenergy.com/en/corporate-governance/download>

Whistleblowing

There has been no complaints or violations of policies and guidelines, including cases of fraudulent acts or commit a violation of ethics. There has been no case where non-executive director has resigned due to corporate governance issues of the Company. There has not been any negative reputation of the Company due to its failure to oversee the Board of Directors.

8.2 Report on the Performance of the Audit Committee

8.2.1 Meeting Attendance of the Audit Committee

Name of Audit Committee	Number of times attended / Total number of times attended the meeting		
	2020	2021	2022
1. Pol. Gen. Worapong Chewprecha	5/5	4/4	4/4
2. Mr. Witoon Simachokedee	5/5	4/4	4/4
3. Mrs. Rawittha Pongnuchit	5/5	4/4	4/4
4. Mr. Attawoot Papangkorn	5/5	4/4	4/4

8.2.2 Report on the Performance of the Audit Committee in the Past Year

The Audit Committee was appointed according to the resolution of the Board of Directors. Four independent directors are: (1) Pol. Gen. Worapong Chewprecha, Chairman of the Audit Committee; (2) Mr. Witoon Simachokedee, member of the Audit Committee; (3) Mrs. Rawittha Pongnuchit, member of the Audit Committee; and (4) Mr. Attawoot Papangkorn, member of the Audit Committee. In 2021, the Company engaged A.M.T. Solution Company Limited as the Company's internal auditor.

The Audit Committee have fully performed their duties as stipulated in the Audit Committee Charter approved by the Board of Directors by placing importance on reviews of the financial statements, good corporate governance, risk management system, internal control system and internal audit, review of compliance with the laws relating to securities and exchange, regulations of the stock exchange or the laws applicable to the Company's business operation, review of accuracy and effectiveness of information technology relating to operations, financial report, compliance with regulations and laws, and nomination for appointment of auditor.

In 2022, the Audit Committee held a total of 5 meetings whereby auditor and internal auditor also attended such meetings. Meeting attendance by the Audit Committee can be summarized as follows:

Name of Audit Committee	Position	Number of times attended / Total number of times attended the meeting
Pol. Gen. Worapong Chewprecha	Chairman of the Audit Committee	4/4 (100%)
Mr. Witoon Simachokedee	Member of the Audit Committee	4/4 (100%)
Mrs. Rawittha Pongnuchit	Member of the Audit Committee	4/4 (100%)
Mr. Attawoot Papangkorn	Member of the Audit Committee	4/4 (100%)

Summarize the essence of the performances as follows:

1. Reviewed the Financial Statements for the year 2022 whereby the Audit Committee has agreed with the Auditor that the said Financial Statements were materially accurate as they should be in accordance with accounting standards and financial reporting standards.

2. Review the internal control system and internal audit to assess the adequacy and efficiency of the internal control system by considering the internal audit report and the adequacy assessment form of the Company's internal control system. The Company did not find any significant weaknesses and the Company had proper maintenance of the assets and disclosed information accurately, completely and reliably. The Audit Committee was of the opinion that the Company had an adequate, appropriate and effective internal control system.

3. Review and give opinions on connected transactions or transactions that may have conflicts of interest, including disclosure of information in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The Auditor has disclosed related information in the financial statements and notes to the financial statements and the audit committee has agreed with the Auditor and was of the opinion that the transactions were reasonable, and the relevant information have been disclosed accurately and completely.

In 2022, the Audit Committee has considered and provided its opinion on important items as follows:

To consider, select, nominate, and propose auditor's remuneration for the year 2022 to be proposed to the Board of Directors for approval at the 2022 Annual General Meeting of Shareholders, where the Audit Committee has considered the performance, the independence, and the appropriateness of the remuneration and it has resolved to propose to engage KPMG Phoomchai Audit Limited. In summary, from the aforementioned reports, the Audit Committee was confident that the Company's internal control system was adequate and effective, including the preparation of annual financial reports that were accurate and complete and they had been disclosed in accordance with financial reporting standards.

On behalf of the Audit Committee
Pol. Gen. Worapong Chewprecha
(Worapong Chewprecha)
Chairman of the Audit Committee

8.3 Summary of Performance of Other Sub-Committees

Report on Performance of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of Sakol Energy Public Company Limited consists of 3 directors, 2 of which are independent directors, and a director who is in the highest position in the Human Resources Department. The list of directors and details of meeting attendance in the year 2022 are as follows:

Name of Nomination and Remuneration Committee	Position	Number of meeting attendance /Total number of meetings
Mrs. Rawittha Phongnuchit	Chairman of the Nomination and Remuneration Committee	2/2 (100%)
Mr. Attawoot Papangkorn	Member of the Nomination and Remuneration Committee	2/2 (100%)
Mr. Piya Wittayawarotkit	Member of the Nomination and Remuneration Committee	2/2 (100%)

The Nomination and Remuneration Committee has performed duties as assigned by the Board of Directors with prudence, transparency, and fairness. The performance of duties has been adjusted to cover and in line with the current situations and the Company's business strategy. The Nomination and Remuneration Committee also screens and provides opinions on important issues before presenting to the Board of Directors. In 2021, the following important matters were considered:

1. Consider and provide opinions on the appointment of directors to replace those who retire by rotation, based on knowledge, capabilities, experience, and expertise that are beneficial to the Company's operations, including rules and prohibitions under the Public Limited Companies Act B.E. 2535 (1992) (as amended) and the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the relevant notifications.

2. Consider and provide opinions on the form and criteria for remuneration payment of the Company's directors and sub-committees. The committee has scrutinized the suitability by considering various factors including the Company's operating results and size of the Company's business, suitability and in line with duties and responsibilities of the Board of Directors and sub-committees and referring to the remuneration rates of directors and sub-committees of other listed companies in the same industry group.

3. Provide opinions on the criteria for setting corporate goals for the year 2021.

4. Consider and provide opinions on criteria for performance assessment of the Chief Executive Officer for the year 2022, and criteria for salary adjustment of the Chief Executive Officer for the year 2021.

5. Consider and provide opinions on criteria for the Chief Executive Officer's bonus for the year 2021.

6. Consider and provide opinions on appointment of Chief Legal and Compliance Officer and appointment of executive directors.

The Nomination and Remuneration Committee has performed its duties independently in accordance with the principles of good corporate governance for recruitment process, determination of remuneration, and good corporate governance to be transparent and create confidence for all shareholders and stakeholders.

Mrs. Rawittha Phongnuchit

Chairman of the Nomination and
Remuneration Committee

Report on Performance of the Executive Committee

The Executive Committee of Sakol Energy Public Company Limited consists of 6 directors. Details of meeting attendance in the year 2021 are as follows:

Name of Executive Committee	Position	Number of meeting attendance /Total number of meetings
Mr. Chutchai Sumethchotimetha	Chairman of the Executive Committee	11/11 (100%)
Mrs. Aree Sumethchotimetha	Executive Director	11/11 (100%)
Mr.Jakkraphong Sumethchotimetha	Executive Director	11/11 (100%)
Mr.Thanapon Sumetchotimaytha	Executive Director	11/11 (100%)
Ms. Napaporn Sathitthammaporn	Executive Director	11/11 (100%)
Ms. Jittanit Tantrakool	Executive Director	11/11 (100%)

Remarks:

Mr. Piya Vittayavarotkit was appointed as Chief Human Resources Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2021 held on 11 November 2021, effective from 1 January 2022 onwards.

The Executive Committee has performed duties as assigned by the Board of Directors. The Executive Committee supports the Board of Directors in managing the Company's business in accordance with any policy, work plan, regulation, order, and objectives determined under the framework assigned by the Board of Directors. In 2022, the following important matters were considered:

- 1 Consider determination and review of missions, visions, policies, strategies, goals, business plans and budgets of the Company and its subsidiaries for submission to the Board of Directors for approval.
- 2 Supervise the management of the Company and its subsidiaries to operate the business according to the specified plan efficiently.
- 3 Review strategies and goals in accordance with the situations of the Company and its subsidiaries.
- 4 Conduct feasibility studies on new projects and consider and approve investments in various projects.

5

Consider proposing dividend payments to the Board of Directors.

6

Determine the organizational structure, wages, compensation, employee bonuses.

7

Establish guidelines for self-prevention from the spread of the Covid-19 to take care of all stakeholders, especially employees.

The Executive Committee performs its duties in accordance with the principles of good corporate governance to ensure transparency in the management of the organization and build confidence for all shareholders and stakeholders.

Mr. Chutchai Sumethchotimetha

Chairman of the Executive Committee

9. Internal Control and Connected Transactions

9.1 Internal Control

The Board of Directors of Sakol Energy Public Company Limited recognizes the importance of sufficiency and appropriateness of the internal control system. Therefore, the Board of Directors has assigned the Company's internal auditor to assess the sufficiency and appropriateness of the internal control system. The Board of Directors also assigned the Audit Committee to review the results of the internal control assessment to ensure that the Company's business operations are efficient and effective in terms of resource utilization, property maintenance, and prevention or reduction of errors and potential damage. The Audit Committee also ensures that there are accurate and reliable financial reports and compliance with the laws, rules and regulations relating to the Company's business operations.

During the Board of Directors' Meeting No. 1/2022 held on 25 February 2022, with 5 independent directors attending the meeting, the Board of Directors has considered adequacy and appropriateness of the internal control system and has approved opinions of the Audit Committee on the internal control system according to the assessment form of the Securities and Exchange Commission on 5 aspects. These include: (1) Control Environment; (2) Risk Assessment; (3) Control Activities; (4) Information and Communication; (5) Monitoring Activities. The internal control system of Sakol Energy Public Company Limited was found to be sufficient and appropriate to mitigate significant risks in the business operations. In addition, personnel have been assigned to effectively operate according to the internal control system. There has been monitoring, control, and supervision on performance to be in accordance with the good internal control system and in consistence with the relevant laws and regulations.

The assessment results of sufficiency of the Company's internal control system according to COSO framework (The Committee of Sponsoring Organizations of the Treadway Commission) can be concluded based on the opinion of the Audit Committee on the Company's internal control system in all 5 aspects:

Control Environment The Company has established policies, procedures, practices, organizational structure, and approval authority. The Company places importance on transparent management, which is good corporate governance.

Risk Assessment The Company has established a risk management manual as guidelines for managing all types of risks to an acceptable level. The Company also attaches great importance to preventing corruption within the organization and has established various policies to prevent corruption such as anti-corruption and bribery policies and connected transaction policy etc. The Company has included review of risk management as part of the internal audit process. The results of such reviews must be reported to the Audit Committee for acknowledgment, and to the Board of Directors for assignment of the management to take further rectifications/preventive measures.

Control Activities The Company has established procedures to deal with various transactions including finance, procurement, information technology, general administration, and human resource management. The Company has also clearly determined scope, authority, hierarchy of approval for compliance by employees. This includes operating guidelines of subsidiaries to be consistent with the Company's operating guidelines.

Information & Communication The Company places importance on its information and communication systems. There is communication at all levels of the Company on a regular basis through e-mails, meetings, and Line application. All employees will, therefore, be informed of all of the Company's news. In the beginning of 2020, the

Company has started using the ERP system in its operations and continued to use the system until present, enabling more efficient performance of every department.

Monitoring Activities The Company requires regular monitoring on performance of duties according to the chain of command. This includes monitoring of performance by the Internal Audit Office which reports directly to the Audit Committee and following up on results of improvements according to the findings every quarter.

Related Party Transactions for the year ended 31 December 2022

Summary of the related party transactions between Sakol Energy Public Company Limited (the "Company") and the Company's subsidiaries with the person or juristic person who may have the conflict of interests for the year 2022 is as follows:

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
1. Transuwan Co., Ltd. ('Transuwan')	Transportation service	<ul style="list-style-type: none"> 2 common directors i.e., Mr. Chutchai Sumethchotimetha and Mrs. Aree Sumethchotimetha. Mrs. Aree is the spouse of Mr. Chutchai Sumethchotimetha. Mrs. Aree is the director and executive of the Company in a position of Senior Vice President. Mr. Chutchai and Mrs. Aree are the major shareholders of Transuwan at the proportion of 47.93 percent and 31.40 percent respectively, as of 4 January 2022. 	1.1) Utilities income The Company collects the payment for utilities from Transuwan, which has the temporary office in the natural gas station of the Company to operate the transportation of gas to PTT. Since August 2022, the Company collects additional utilities income from washing tractors. <ul style="list-style-type: none"> Utilities income Other receivables 	91,035.75 7,271.19	20,366.00 2,623.80	<u>Necessity and Suitability of the Related Transaction</u> The entering into such transaction is in accordance with the agreement which the Company entered into with PTT, whereby the Company collects the service fee from Transuwan at the same rate as those the Company collects from other companies having no relationship with the Company and it is the service fee collected according to normal course of business. <u>Opinion of the Audit Committee</u> Such operation is a suitable business practice, and the Company treats Transuwan the same as general customers.
1. Transuwan Co., Ltd. ('Transuwan') (Cont.)			1.2) Rental income On August 8, 2022, the company has leased space for gas containers. The contract starts from July 21, 2022 to January 20, 2023 at a rental rate of THB 16,000 per month. <ul style="list-style-type: none"> Rental income Other receivables 	80,000.00 16,000.00	- -	<u>Necessity and Suitability of the Related Transaction</u> Since the Company has space and management of asset utilization, the Company therefore consider Transuwan Renting such space for business operations at a reasonable rental rate. <u>Opinion of the Audit Committee</u> It was a normal business supporting transaction of a subsidiary which is reasonable and beneficial to the overall business of the group of companies.

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
1. Transuwan Co., Ltd. ('Transuwan') (Cont.)			<p>1.3) Other income</p> <p>On July 16, 2021, the Company sold a passenger car for more than 7 people (four-passenger van), Toyota Hiace brand, year 2010 to Transuwan and on September 6, 2022, the Company sold a passenger car for no more than 7 people (seated in three parts) brand Mitsubishi Pajero Sport Year 2012 for Transuwan .</p> <ul style="list-style-type: none"> Revenue from sale of asset 	378,504.67	205,000.00	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>Since the Company no longer used the van and the driver resigned whereby the Company did not hire anyone in his stead. In this regard, Transuwan wished to use the van to support its business hence the Company sold such van to Transuwan at the price of THB 205,000, which was higher than the market price at THB 200,000, for the benefits of the Company. Since the Company does not use a personal car, Transuwan intends to use such a personal car, so the company sells the car for the benefit of the company at a price of THB 405,000, which is a reasonable price compared to the market price.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Such asset sale is reasonable, and the selling price is suitable compared to the market price.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
1. Transuwan Co., Ltd. ("Transuwan") (Cont.)	Transportation service		<p>1.4) Other service income In 2022, Transuwan provides the service of fire truck vehicle for the Company whereby Transuwan calculates the fees based on the actual expenses plus the operation service fee at the price of THB 1,000 per time and on August 11, 2022, Transuwan provides machinery moving services from Saraburi station to the warehouse in Nakhon Sawan province.</p> <ul style="list-style-type: none"> • Other service income (renewal of annual tax) • Other service fees (machine moving cost) 	- 74,500.00	17,182.00 -	<p><u>Necessity and Suitability of the Related Transaction</u> Since the Company bought the fire truck from Transuwan and such fire truck is modified from normal truck, the Company thus agrees that Transuwan provides the vehicle tax service for such fire truck every year whereby the fees include the actual expenses and operation service fee per time.</p> <p>Since the Company rents a warehouse from Transuwan, which operates a transportation business, the company therefore agrees to let Transuwan move machinery from Saraburi Station to Nakhon Sawan Warehouse, charging actual expenses.</p> <p><u>Opinion of the Audit Committee</u> The transaction is a normal business support, and the fee rate is suitable and reasonable.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
1. Transuwan Co., Ltd. ("Transuwan") (Cont.)	Transportation service		<p>15) Warehouse rental for machine storage</p> <p>The company has entered into a warehouse rental agreement for machine storage, in Nakhon Sawan Province, with a contract starting from July 20, 2022 to July 19, 2023 at a monthly rental rate of THB 35,000.</p> <ul style="list-style-type: none"> • Rent • Other creditors 	175,000.00 35,000.00	- -	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>Since the company has cancelled the natural gas filling business of Saraburi station and has a project under construction of N15 Technology's RDF waste fuel plant (which has not yet entered into an area lease agreement), therefore, the machinery in the gas filling process must be demolished and not made. Can be stored in the area, so the company has agreed to rent Transuwan 's warehouse with the rental rate being reasonable compared to the market price.</p> <p><u>Opinion of the Audit Committee</u></p> <p>The transaction is a normal business support, and the fee rate is suitable and reasonable.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
2. Mae Krating Power Company Limited (MKP)	Business generate and distribute electricity by biomass using the installed capacity of 9.9 megawatts	<ul style="list-style-type: none"> The Company holds 80 percent of the total number of shares in MKP 3 common directors i.e., Mr. Chutchai Sumethchotimetha, Mr. Jakkraphong Sumethchotimetha and Mr. Thanapon Sumetchotimaytha 	<p>21) Management and administration consultant income</p> <p>MKP entered into an agreement to hire the Company as the management and administration consultant for the Company to be a management consultant, which covers the accounting service and general management. The agreement will be renewed annually. Afterwards, on 18 November 2020, MKP and the Company agreed to renew the agreement for 1 year, starting from 1 January 2021 and the fee throughout the term of agreement is THB 120,000 which is specified to be paid quarterly i.e., THB 30,000 per quarter. Further, on 1 June 2021, the Company provided human resource service to MKP whereby the service fee is THB 40,000 per month. Subsequently, on December 17, 2021, Mae Krating Biomass Power Plant and the Company agreed to extend the contract for another 1 year. The contract started on January 1, 2022. The wages throughout the contract period are THB 1,596,000, paid quarterly at THB 399,000 per quarter. Subsequently, on August 8, 2022, the company provided information technology services to Mae Krating Biomass Power Plant. The monthly service fee is THB 26,500 per month.</p> <ul style="list-style-type: none"> Management and administration consultant income Other receivables 	1,728,500.00	400,000.00	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>For the management and administration of MKP, which is the subsidiary of the Company, to be efficient and effective, the Company thus supports any field of its operation and specifies that MKP shall pay the remuneration for assistance received. <u>Opinion of the Audit Committee</u></p> <p>Such transaction is a normal business support to the subsidiary, and it is beneficial for internal management of the Company's group. Therefore, it is reasonable and beneficial for overall business.</p>
				511,995.00	-	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
2. Mae Krating Power Company Limited ('MKP') (cont.)			<p>2.2) Building lease and service agreement</p> <p>The company entered into an agreement to rent some office building space, office equipment and provide general office services, with the contract starting from August 1, 2022 to December 31, 2022, with a fixed rental rate and office service fee of THB 85,654.98 per month. Utilities, photocopying fees, parking fees. Calculate expenses according to actual expenses Payable on a quarterly basis.</p> <ul style="list-style-type: none"> • Rental income • Other service income • Utilities income • Other receivables 	163,862.05 271,348.85 83,282.16 323,892.46	- - - -	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>Mae Krating Biomass Power Plant leases and uses some office space, office equipment and general office services of the Company. For the benefit of business operations, the rental and service rates are appropriate compared to the market price.</p> <p><u>Opinion of the Audit Committee</u></p> <p>The transaction is a normal business support, and the fee rate is suitable and reasonable.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
2. Mae Krating Power Company Limited ("MKP") (cont.)			2.3) Short-term loans and interest income The Company entered into an agreement to lend a short-term loan to MKP in September 2018. The limit of such loan is not exceeding THB 100 million with the interest rate of (MOR+0.75%) +2% per year. Afterwards, on 14 January 2019 and 15 April 2020, the Company entered into memorandums of agreement annexed to such loan agreement whereby the Company agreed to extend the instalment payment until June 2026 (at present, the interest rate is at 9.22% per year).			<u>Necessity and Suitability of the Related Transaction</u> For MKP to continuously operate the business, the Company, as the parent company, thus financially supports MKP by entering into the loan agreement with MKP and charging interest rate based on the interest rate of commercial banks. <u>Opinion of the Audit Committee</u> Lending money to the subsidiary is a transaction of financial assistance to the subsidiary which is able to do so and is reasonable and beneficial for overall business of the Company's group.
			<ul style="list-style-type: none"> Long-term loan (reclassified from short-term to long-term loan in 2020) 	- (Received partial payment on 2 March 2022)	4,130,000.00	
			<ul style="list-style-type: none"> Interest income 	61,551.71	635,091.29	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
2. Mae Krating Power Company Limited ('MKP') (cont.)			<p>2.4) Long-term loans and interest income</p> <p>The Company entered into an agreement to lend a long-term loan to MKP on 21 December 2018 at the limit of THB 280 million with the interest rate of (MLR-250%) + 2.75% per annum.</p> <p>Afterwards, on 26 October 2020, the Company entered into a memorandum of agreement annexed to such loan agreement whereby the Company agreed to extend the instalment payment until December 2026 and adjusted the interest rate to MLR + 0.25% per annum, starting from 1 November 2020 (at present, the interest rate is 6.375% per year)</p> <ul style="list-style-type: none"> Long-term loan 	249,000,000.00		<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>For MKP to continuously operate the business, the Company, as the parent company, thus financially supports MKP by entering into the loan agreement with MKP and charging interest rate based on market interest rate.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Lending money to the subsidiary is a transaction of financial assistance to the subsidiary which is able to do so and is reasonable and beneficial for overall business of the Company's group. Also, the interest rate is appropriate and reasonable.</p>
			<ul style="list-style-type: none"> Interest income 	<p>280,000,000.00</p> <p>(Partial payment received on 2 Mar 2022 and 12 Apr 2022)</p> <p>16,574,424.58</p>	17,850,000.03	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
2. Mae Krating Power Company Limited (MKP) (cont.)			<p>2.5) Other income</p> <p>The Company entered into a suretyship contract for the long-term loan between MKP and Government Savings Bank at the limit of THB 172.59 million, whereby Company charged the suretyship fee at the rate of 2%. The contract started on 7 October 2019 and is effective until 6 October 2026, totalling THB 3,451,800 fee. The Company gradually recognises the revenue according to the term of loan agreement and in the first quarter of 2022, Mae Krating Biomass Power Plant has terminated the loan agreement with the Government Savings Bank on March 15, 2022 and redeemed the Company's collateral on March 17, 2022, thus cancelling the loan guarantee agreement.</p> <p>Subsequently, the Company entered into a guarantee agreement for a long-term loan between Mae Krating Biomass Power Plant and Phatra Leasing Public Company Limited in the amount of THB 213.99 million, whereby the Company charges a guarantee fee of 1%.</p> <p>The contract started on March 7, 2022 to March 14, 2029. The fee amounted to THB 2,139,882, which the Company gradually recognized revenue over the loan agreement period.</p> <p>For the fiscal year 2020, Mae Krating Biomass Power Plant did not make provisions for employee benefits using actuaries. Therefore, for the purpose of preparing the Company's consolidated financial statements, the Company hires an actuary to estimate liabilities for Mae Krating Biomass Power Plant and charged service fees from Mae Krating Biomass Power Plant at the rate of service fees according to the actuary contract plus 10% profit.</p>			<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>For MKP to continuously operate the business, the Company, as the parent company, thus financially supports MKP by entering into the suretyship contract for the loan limit. In this regard, the Company charges the suretyship fee for such loan at the rate of 2% of the loan amount, which is according to the fee of commercial banks. Furthermore, in order to receive the information of the Defined Benefit Obligation recognition, the Company hence provides valuation of such obligation to MKP.</p> <p>As MKP did not make an actuarial provision for employee benefits for the fiscal year 2020 financial statements, the Company hired an actuary to make provisions for the purpose of preparing the consolidated financial statements. The fee is charged to MKP at the contractual rate plus 10% profit.</p> <p>For the fiscal year 2021, MKP made provisions for employee benefits using actuaries but contracts as a group company to benefit the price and the duration of the contract. Therefore, the Company reserves service fees to the employer as a counterparty and collects service fees from MKP at the rate stipulated in the contract.</p> <p><u>Opinion of the Audit Committee</u></p> <p>They are the transactions which support the subsidiary to receive the financial assistance from financial institution and for the sake of accounting entry and preparing of financial statements in accordance with the accounting standard which can be done for overall benefits of the Company's group. Besides, the fee and service fee rates are appropriate and reasonable.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
2. Mae Krating Power Company Limited ('MKP') (cont.)			<p>For the fiscal year 2021 Mae Krating Biomass Power Plant Provisions for employee benefits using actuarial But the actuarial contract was made in the form of a group of companies, resulting in the company to pay the expenses instead of the Mae Krating Biomass Power Plant and charge the service fee at the rate specified in the contract.</p> <p>For the financial statements of the 2nd quarter of 2022, the company has charged Khun Rapepat for refuelling expenses. Managing Director of Mae Krating Biomass Power Plant because it is a Krungthai card Fleet guard on behalf of the company and is in the process of applying for the name of Mae Krating Biomass Power Plant by collecting from April to September 2022</p> <p>For the 4th quarter financial statements of the year 2022, the company has organized a New Year's Eve party for the year 2023 in the form of a group of companies (the company and its subsidiaries), so the company has charged support for such event and the company has reserved for health insurance premiums for one executive of Mae Krating Biomass Power Plant.</p> <ul style="list-style-type: none"> • Other service income (Guarantee Fee) • Other accrued income (Guarantee Fee) • Other service income (Assessment of employee benefit obligations) • Other receivables (Assessment of employee benefit obligations) • Other income (fleet card) • Other income (new year support expenses) • Other receivables (new year support expenses) • Advance payment (health insurance premiums) 	352,914.27		<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>- Due to Mae Krating Biomass Power Plant In the process of issuing fleet cards for refuelling therefore brought the Company's fleet card for refuelling to be used first, with actual expenses charged. At present, Krungthai Fleet Card has been issued in the name of Mae Krating Power Co., Ltd.</p> <p>- The Company and its group Organized a New Year's Eve event in the year 2023 in the form of a group of companies The fee is charged according to the proportion of the company, which has been approved by the authorized person.</p> <p>- The company reserved the health insurance premium for one executive of Mae Krating Biomass Power Plant according to the criteria and charged actual expenses.</p> <p><u>Opinion of the Audit Committee</u></p> <p>It is a normal business support transaction. The service rate is reasonable and reasonable.</p>
				250,278.59	-	
				-	7,615.39	
				-	18,571.43	
				194,088.55	-	
				46,728.97	-	
				50,000.00	-	
				11,775.00	-	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
2. Mae Krating Power Company Limited (MKP) (cont.)			2.6) Short-term loans and interest income For the financial statements of the second quarter of the year 2022 Mae Krating Biomass Power Plant A short-term loan agreement was made with N15 Technology on June 7, 2022, a loan amount of not more than THB 35 million, an interest rate of 6.10% per annum, and on November 1, 2022, a short-term loan agreement was made with additional N15 Technology, the loan amount is not more than THB 30 million, where N15 Technology received the loan on November 17, 2022, the interest rate is 6.10% per year. <ul style="list-style-type: none"> • Short term loans 	60,000,000.00 (Partial payment received on 23 June 2022)	-	<u>Necessity and appropriateness of related transactions</u> - In order for N15 Technology to be able to continue its business, the Company, as a parent company, provides financial support by entering into a loan agreement between them. And the interest rate is based on the interest rate of commercial banks. <u>Opinion of the Audit Committee</u> The loan to the subsidiary is a financial assistance item to the subsidiary that can be operated. and reasonable It is the overall benefit of the group of companies.
			<ul style="list-style-type: none"> • Accrued interest • Interest income 	1,268,465.75 1,281,835.61	- -	<u>Necessity and appropriateness of related transactions</u> - In order for N15 Technology to be able to continue its business, the company, as a parent company, provides financial support by entering into a L/C and T/R guarantee agreement between N15 Technology and Kasikorn Bank. and charge a guarantee fee at the rate of a commercial bank's fee.
			2.7) Other service income of Mae Krating Power Co., Ltd. "Mae Krating Biomass Power Plant" Mae Krating Biomass Power Plant entered into a credit guarantee agreement for L/C and T/R between N15 Technology and Kasikorn Bank in the amount of THB 41.36 million . A guarantee fee is charged at the rate of 1%. The contract starts from June 7, 2022 to June 6, 2023. The fee is THB 413,600. Mae Krating Biomass Power Plant Gradually recognize revenue over the contract period. <ul style="list-style-type: none"> • Other service income (Guarantee Fee) • Other accrued income (Guarantee Fee) 	235,695.34 235,695.34	- -	<u>Opinion of the Audit Committee</u> Entering into a credit guarantee agreement for a subsidiary is a financial assistance transaction to a subsidiary. in order to be able to carry out buying or selling abroad, which can be performed and reasonable It is the overall benefit of the group of companies.

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
3. Trans Energy Company Limited ('Trans Energy')	Business of factory building construction	<ul style="list-style-type: none"> Mr. Rapepat Sumethchotimetha is an authorised director and a shareholder of Trans Energy. Mr. Rapepat is the son of Mr. Chutchai Sumethchotimetha and Mrs. Aree Sumethchotimetha, who are the Chief Executive Officer and Senior Executive Vice President of the Company. 	<p>3.1) Car rental expense of Mae Krating Power Company Limited (MKP)</p> <p>MKP entered into a car rental agreement with Trans Energy to rent a Toyota Fortuner car at the rental fee of THB 29,500 per month. The agreement started from 3 August 2018 to 2 August 2023.</p> <ul style="list-style-type: none"> Rights-of-use assets – car rented Lease liabilities Depreciation Interest expense 	211,84750 230,884.35 317,771.25 24,155.06	529,618.75 560,729.28 317,771.25 42,930.61	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>For car rental of MKP, MKP considered and compared the car rental fee (VAT excluded) of the same car model from 3 companies as follows:</p> <ol style="list-style-type: none"> Trans Energy Co., Ltd. > rental fee is THB 29,500 per month and Trans Energy will pay the yearly vehicle tax and fee arisen Krungthai Car Rent & Lease PLC. > rental fee is THB 31,500 per month King City Co., Ltd. > rental fee is THB 29,500 per month <p>MKP considered and chose to rent the car from Trans Energy because the offer received is better than King City Co., Ltd. Moreover, the rental fee is according to the market rental rate.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Renting car of the subsidiary to use in the business operation is an allowable transaction as the rental fee is according to the market rate. Therefore, it is reasonable and beneficial for overall business of the Company's Group.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
4.B.P.15 Company Limited ('B.P.15')	Business of wood pellets production and distribution	<ul style="list-style-type: none"> 2 common directors i.e. Mrs. Aree Sumethchotimetha and Mr. Jakkraphong Sumethchotimetha. Mr. Rapepat Sumethchotimetha, the authorised director and a shareholder of B.P.15, is the son of Mr. Chutchai Sumethchotimetha and Mrs. Aree Sumethchotimetha who are the Chief Executive Officer and Senior Executive Vice President, respectively, of the Company. 	<p>4.1) Purchase of biomass of Mae Krating Power Limited (MKP)</p> <p>MKP entered into an agreement to purchase the biomass from B.P. 15, starting from 15 August 2019 to 14 August 2024. MKP purchases the biomass in the amount of 220 tons per day and the price per ton is set according to the purchase price announced by MKP in front of the power plant, combined with an adder of 15% of the purchase price on the delivery date based on the selling price according to the market price of such product in the neighbouring areas.</p> <ul style="list-style-type: none"> Prepaid expenses – Goods Raw material purchase Trade accounts payable 	95,801,749.40 2,264,251.62 40,000.00	100,497,696.80 1,752,296.75 -	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>Woodchips are the essential biomass for electric power generation of MKP's business. Therefore, the subsidiary purchased the woodchips from B.P. 15 who is the producer and seller of qualified woodchips.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Such transaction is the normal business transaction of the subsidiary which is reasonable and beneficial for overall business of the Company's group.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
4.B.P.15 Company Limited ("B.P.15") (Cont.)			4.2) Vehicle rental of Mae Krating Power Co., Ltd. "Mae Krating Biomass Power Plant" Mae Kathi Biomass Power Plant There is a forklift rental with B.P.15 for use in business at the rental rate of THB 23,000 per month <ul style="list-style-type: none"> Vehicle rental Accrued expenses (Vehicle rental) 	253,000.00 270,710.00	- -	<u>Necessity and appropriateness of related transactions</u> In renting a forklift from Mae Krating Biomass Power Plant, we have considered the price of forklift rental. (Excluding VAT) for the same car model from 4 companies consisting of 1. B.P.15 Co., Ltd. Rental price THB 23,000 per month for 12 months. 2. Chiangmai Forklift Company Limited Rental price THB 26,000 per month, period 12 months, free of charge for moving and maintenance every month. 3. T.R.Y Machinery Co., Ltd. Rental price THB 32,000 per month for 12 months. 4. Bangkok Komatsu Forklift Co., Ltd. Rental price THB 23,000 per month, period 48 months, price THB 21,000 per month, period 60 months, free of transportation, training, inspection service which the purchase is based on reasonable conditions Mae Krating Biomass Power Plant considers deciding to rent a car with BP 15 because it offers better deals, the rental price is in accordance with the market rental rate. <u>Opinion of the Audit Committee</u> Renting a forklift of a subsidiary to be used in that business Considered as a transaction that can be operated. The rental fee is the market price. therefore, is reasonable It is beneficial to the overall business of the group of companies.

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
5. PTC Holding Co., Ltd. (PTC)	Operates the business of metal and metal ore wholesale	<ul style="list-style-type: none"> 3 common directors i.e., Mrs. Aree Sumethchotimetha, Mr. Jakkraphong Sumethchotimetha and Mr. Thanapon Sumetchotimaytha Mr. Chutchai, Mrs. Aree and Mr. Jakkraphong Sumethchotimetha, who are the Chief Executive Officer, Senior Executive Vice President and Managing Director, respectively, of the Company, are the shareholders of PTC. 	<p>5.1) Messenger service of Mae Krating Power Co., Ltd. (MKP)</p> <p>MKP uses the messenger service of PTC to deliver financial documents and other documents in business operation. The use of service started from March 2019 and the service fee depends on the distance and service period.</p> <p>5.2) Location rental and service fee of Mae Krating Power Co., Ltd. "Mae Krating Biomass Power Plant"</p> <p>Mae Krating Biomass Power Plant rents and uses the area of PTC inside Olympia Tower, 6th Floor, Ratchadapisek Road The contract period starts from April 1, 2020 until March 31, 2021. The rental fee is THB 120,000 per month and the service fee is THB 80,000 per month, and the contract has been extended for another 1 year starting from April 1, 2021 Until March 31, 2022 at the same rental and service rates</p> <p>Later on July 1, 2021, the service fee was adjusted to THB 90,000 per month due to an increase in the scope of computer system administration services. And the contract has been extended for another 4 months starting from April 1, 2022 to July 31, 2022 at the same rental and service rates. Mae Krating Biomass Power Plant did not renew the contract, resulting in the contract being terminated on July 31, 2022.</p>			<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>- For the convenience and speed in delivering financial transaction documents and other documents of the subsidiary, the subsidiary thus uses the messenger service from PTC whereby the service fees are based on the distance and according to the market price.</p> <p>Rental and service fees for the areas used by MKP are charged at the rate which is comparable to the rental rate that the Company paid to PTC in 2017, at the rental and service fees of approximately THB 182,429 per month.</p> <p>- Rates of wages for driver services It is a lower rate than the service fee charged by the Company. Paid to other external companies that provide the same type of service.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Opined that it was a normal business support transaction of the subsidiary. which is reasonable It is beneficial to the overall business of the group of companies by Mae Krating Biomass Power Plant. The contract was not renewed, resulting in the contract being terminated.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
5. PTC Holding Co., Ltd. (PTC) (Cont.)			<p>5.3) Other service fees PTC made a contract to provide driver services to the Company on October 14, 2020. PTC arranges 1 driver to be stationed at the Company's office or other places as notified by the Company. The Company agrees to pay he monthly wage is THB 19,687/50 per month and the service fee is 10% based on the actual monthly wages and other expenses.</p> <ul style="list-style-type: none"> • Other service fees - hiring for receiving-delivering documents • Other service fees - use the service area • Right to use the asset - lease the building • Lease liabilities • Depreciation • Interest payment • Other creditors - hired to receive-deliver documents 	57,484.00	68,355.86	
				630,000.00	1,020,000.00	
				-	1646,614.63	
				-	1731,413.58	
				726,158.04	1,317,291.71	
				29,043.01	143,353.07	
				4,632.03	7,079.12	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
6. Tran Tanacom Co., Ltd. (Tran Tanacom)	Business of transportation and shipping of goods, including passengers	<ul style="list-style-type: none"> 2 common directors i.e., Mr. Chutchai Sumethchotimetha and Mrs. Aree Sumethchotimetha. Mrs. Aree is the spouse of Mr. Chutchai Sumethchotimetha. 	<p>6.1) Service and transportation expenses</p> <p>Mae Krating Power Co., Ltd. ('MKP') entered into an agreement to hire Tran Tanacom to transport sugarcane bagasse and ash for the power plant for 3-year term, starting from 1 October 2019 to 30 September 2022 with the transportation fees rate as follows:</p> <ul style="list-style-type: none"> Wage for carrying ashes out of and to the power plant at the rate of THB 3,000 per round. Wage for carrying ashes out of the power plant and to BP.15 Co., Ltd. At the rate of THB 2,000 per round. Wage for carrying sugarcane bagasse at the rate of THB 500 per round. <p>Total transportation fees are concluded for monthly payment</p> <ul style="list-style-type: none"> Transportation fee Other service fees – ash transportation Trade accounts payable 	670,000.00 2,564,900.00 226,000.00	1,830,700.00 1,616,300.00 200,000.00	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>MKP sought for a contractor within Phrae Province and neighbouring provinces to transport sugarcane bagasse and ashes out of the power plant and it appeared that only Tran Tanacom desired to be hired to transport the sugarcane bagasse and ashes to the subsidiary based on the same transportation fees as those BP. 15 Co., Ltd. hired Tran Tanacom to transport woodchips.</p> <p><u>Opinion of the Audit Committee</u></p> <p>The Audit Committee views that such transaction is a normal business support transaction of the subsidiary, which is reasonable and beneficial for overall business of the Company's group.</p>
			<p>6.2) Other income – Fuel sale</p> <p>Tran Tanacom Co., Ltd. fills up oil with MKP, at the oil purchased cost price plus 10%.</p> <ul style="list-style-type: none"> Other income (fuel sale) Other receivables 	40,194.03 267,972.67	10,988.59 71,711.40	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
7 N15 Technology Co., Ltd. (N15 Technology)	Business of management of non-hazardous waste	<ul style="list-style-type: none"> 3 common directors i.e., Mr. Chutchai Sumethchotimetha, Mr. Jakkraphong Sumethchotimetha and Mr. Thanapon Sumetchotimaytha. 4 directors of N15 Technology are member of Executive Committee of the Company i.e., Mr. Chutchai Sumethchotimetha, Mr. Jakkraphong Sumethchotimetha, Mr. Thanapon Sumetchotimaytha and Ms. Napaporn Sathitthamaporn. Mr. Chutchai and Mrs. Aree Sumethchotimetha, who are the Chief Executive Officer and Senior Executive Vice President, respectively, of the Company, are the shareholders of N15 Technology. 	7.1) Revenue from rent N15 Technology concluded a contract to lease one wheel loader branded KOMATSU model WA100-5 to BP. 15 Co., Ltd. (BP. 15) using for its business operation at the wood pellets plant project in Phrae Province. The term of contract is 4 years, starting from 1 October 2019 to 30 September 2023 with the rental fee of THB 42,000 per month. <ul style="list-style-type: none"> Lease receivable Interest income Rental Income 	- 12,849.50 42,000.00	858,480.25 191,018.97 -	<u>Necessity and Suitability of the Related Transaction</u> In 2019, N15 Technology had unused equipment and machines, N15 Technology considered allowing BP. 15 to lease the asset in BP. 15 business operation at the reasonable rental rate. N15 Technology viewed that it was for the management of asset utilisation. <u>Opinion of the Audit Committee</u> It is a normal business support transaction of the subsidiary, which is reasonable and beneficial for overall business of the Company's group.
			7.2) Transportation and service expenses N15 Technology uses the garbage truck service of Transuwan Co., Ltd. ('Transuwan') to collect refuse in the Amata City Chonburi Industrial Estate and transport refuse-derived fuels (RDF) to customers. <ul style="list-style-type: none"> Trade accounts payable Garbage transport charges Transportation rental fee Shipping cost Mass relations and public relations (Waste transportation fee for CSR activities) 	1,116,580.00 1,167,740.00 120,000.00 5,229,776.00 300,500.00	1,269,670.00 1,118,500.00 24,000.00 5,397,669.00 -	<u>Necessity and Suitability of the Related Transaction</u> N15 Technology does not possess garbage truck to collect refuse in the Amata City Industrial Estate or transport RDF to customers. So that the business to be operated continuously and given the benefits which N15 Technology will obtain, N15 Technology thus uses the garbage truck service from Transuwan at the reasonable service fee. <u>Opinion of the Audit Committee</u> It is a normal business transaction of the subsidiary, which is reasonable and beneficial for overall business of the Company's group.

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
7.N15 Technology Co., Ltd. (N15 Technology) (Cont)			<p>7.3) Loan and accrued interest receivable</p> <p>On 18 February 2004, N15 Technology lent money to Mr. Chutchai Sumethchotimetha in the amount of THB 17,230,000 which N15 Technology received the repayment of whole principal in 2006, remaining only the accrued interest receivable.</p> <ul style="list-style-type: none"> interest payable 	-	98,699.12	<p><u>Necessity and Suitability of the Related Transaction</u></p> <p>For the efficient and effective internal management and administration of N15 Technology, N15 Technology borrowed the money from Transuwan with the interest rate based on the interest rate of commercial banks.</p> <p><u>Opinion of the Audit Committee</u></p> <p>This borrowing transaction is allowable transaction as it is a receipt of financial assistance transaction, which is reasonable.</p> <p>In this regard, N15 Technology repaid the long-term loan and accrued interest payable before business combination dated 1 June 2021..</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
7.N15 Technology Co., Ltd. (N15 Technology) (Cont.)			<p>7.5) Short term loan and interest payable</p> <p>For the second quarter of 2022 financial statements, N15 Technology entered into a short-term loan agreement with Mae Krating Biomass Power Plant on June 7, 2022, with a loan amount of not more than THB 35 million, with an interest rate of 6.10% per year.</p> <p>and on November 1, 2022, a short-term loan agreement with Mae Krating Biomass Power Plant was made, with an additional loan amount of not more than THB 30 million, with N15 Technology receiving a loan on November 17, 2022, setting an interest rate of 6.10 per cent year.</p> <ul style="list-style-type: none"> • Short term loan • Accrued interest • Interest payment 	<p>60,000,000.00 partial payment was made on 23 June 2022)</p> <p>1,268,465.75</p> <p>1,281,835.61</p>	-	<p>Necessity and Suitability of the Related Transaction</p> <p>Deposit and retention are normal items that hirer ask to collect from contractors so that the work is completed according to the time specified in the contract and the system can work normally.</p> <p><u>Opinion of the Audit Committee</u></p> <p>It is a normal business transaction of the company, which is reasonable and beneficial for overall business of the Company's group.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
7/N15 Technology Co., Ltd. (N15 Technology) (Cont)			<p>7.6) Short-term loans and interest expenses For the third quarter of 2022, N15 Technology entered into a short-term loan agreement with VANTA Capital on August 9, 2022, with a loan amount of THB 12 million and an interest rate of 4% per year.</p> <ul style="list-style-type: none"> • Short term loan • Accrued interest • Interest payment 	<p>12,000,000.00</p> <p>190,684.92</p> <p>190,684.92</p>		<p><u>Necessity and appropriateness of related transactions</u> So that the management within N15 Technology can operate efficiently and effectively. Therefore borrowed money from Vanta Capital with interest rates based on commercial bank interest rates.</p> <p><u>Opinion of the Audit Committee</u> This loan is an actionable transaction as it is a financial assistance transaction. reasonable.</p>
			<p>7.7) Fee for credit line guarantee Mae Krating Biomass Power Plant enters into a credit guarantee agreement for L/C and T/R between N15 Technology and Kasikorn Bank in the amount of THB 4136 million Mae Krating Biomass Power Plant charges a guaranteed fee of 1 percent. On June 7, 2022 to June 6, 2023, the fee is THB 413,600, which N15 Technology gradually recognizes expenses according to the contract period.</p> <ul style="list-style-type: none"> • Guarantee Fee • Other accrued expenses (Guarantee Fee) 	<p>235,695.34</p> <p>235,695.34</p>	<p>-</p> <p>-</p>	<p><u>Necessity and appropriateness of related transactions</u> - In order for N15 Technology to be able to continue its business, the company, as a parent company, provides financial support by entering into a L/C and T/R guarantee agreement between N15 Technology and Kasikorn Bank. and charge a guarantee fee at the rate of a commercial bank's fee.</p> <p><u>Opinion of the Audit Committee</u> Entering into a credit guarantee agreement for a subsidiary is a financial assistance transaction to a subsidiary. in order to be able to carry out buying or selling abroad, which can be performed and reasonable It is the overall benefit of the group of companies.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
8. T. Line Transport Company Limited ('T. Line')	Business of road transportation	<ul style="list-style-type: none"> One common director, Mrs. Aree Sumethchotimetha. Mrs. Aree is the director and executive of the Company in a position of Senior Executive Vice President and is a major shareholder of T. Line. 	<p>8.1) Accrued rental income from the solar power generation equipment</p> <p>T. Line entered into an agreement to rent the solar rooftop power generation equipment with the Company on 24 June 2020 for the rental term of 20 years, starting from 11 August 2020 whereby T.Line agreed to pay monthly rental fee according to the actual units of electricity used, which are generated from the rented equipment, at the rate of 85% of the unit price of the Metropolitan Electricity Authority. The electricity sale started from June 2021.</p> <ul style="list-style-type: none"> Other receivables Accrued income Rental income from power generation equipment 	7,333.42	6,465.77	<p><u>Necessity and Suitability of the Connected Transaction</u></p> <p>The Company started a solar power generation business in 2020 and allowed T. Line, which is a connected person, to rent the solar power generation equipment whereby the rental rate is stipulated according to the market price and considering the business operator in the same manner as the general public.</p> <p><u>Opinion of the Audit Committee</u></p> <p>This operation is a normal business transaction and appropriate as the treatment is in the same manner as what general customers receive.</p>
				68,936.40	72.82	
					44,329.82	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
9. Vanta Capital Company Limited ("VANTA Capital")	Prepare a set of commands, programs and software for trading master. Automated assets (Algorithmic Trading)	<ul style="list-style-type: none">There are 2 common directors with the Company, namely Mr. Jakkraphong Sumethchotimetha and Mr. Thanapon Sumetchotimaytha.The Company holds 30.04% of shares, which is a major shareholder of Vanta Capital.Note: In April 2022, the company purchased shares in Vanta Capital.	9.1) Server rental income VANTA Capital rents assets, namely Switch, Firewall and Server of the company from November 1, 2021, until December 31, 2022, with a monthly rental fee of THB 26,000 per month. <ul style="list-style-type: none">Rental incomeOther receivables (rental income)Accrued income (rental income)	234,000.00 27,820.00 52,000.00	- - -	<u>Necessity and appropriateness of related transactions</u> In order for VANTA Capital's business operations to be able to operate efficiently, the Company therefore allows VANTA Capital to lease assets such as Switch, Firewall and Server from the Company with the rental rate that is appropriate compared to the market price. <u>Opinion of the Audit Committee</u> Such actions are normal business transactions of the Company, which is reasonable beneficial to the business. <u>Necessity and appropriateness of related transactions</u> In order to manage the trading of the Company's securities can operate efficiently and effectively, the Company has therefore agreed to hire VANTA Capital to supervise and operate the securities trading system, whereby the Company receives a monthly return of 0.833% of the initial investment. <u>Opinion of the Audit Committee</u> Such transaction is considered a normal business transaction of the Company. Which is reasonable beneficial to the business.
			9.2) Other income The Company agrees to hire Vanta Capital as a Trading Administrator. (Regulators and operators using the securities trading system or Program Trading) The contract has a period of 1 year between April 20, 2021 to April 19, 2022 and is renewable for another year. The company receives a return of 0.833 percent per month on the initial investment of THB 5,000,000, and the rest is the wages of Vanta Capital. <ul style="list-style-type: none">Other service incomeOther receivables (other service income)	372,559.53 44,583.69	- -	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
9. Vanta Capital Company Limited ("VANTA Capital") (Cont.)			9.3) Short-term loans and interest expenses For the financial statements of the third quarter of 2022, VANTA Capital entered into a short-term loan agreement with N15 Technology on August 9, 2022, with a loan amount of THB 12 million, with an interest rate of 4% per year. <ul style="list-style-type: none"> ▪ Short term loans ▪ Accrued interest • Interest income 			<u>Necessity and appropriateness of related transactions</u> In order for the management within N15 Technology to be able to operate efficiently and effectively, VANTA Capital has provided loans. The interest rate is calculated based on the commercial bank interest rate. <u>Opinion of the Audit Committee</u> This loan is an actionable transaction as it is a financial assistance transaction. reasonable
				12,000,000.00	-	
				190,684.92	-	
				190,684.92	-	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
10. Mr. Chutchai Sumethchotimetha	-	Mr. Chutchai Sumethchotimetha is the director and the Chief Executive Officer of the Company. As of 6 October 2021, he holds 31.625% of the Company's shares.	<p>10.1) Registration of the head office of the subsidiary</p> <p>At present, the head office of SK 15 Company Limited, which is a subsidiary, is located at No. 15 Prasert Manukit Road, Senanikorn Subdistrict, Chatuchak District, Bangkok. Such area is owned by Mr. Chutchai Sumethchotimetha whereby the use of such area is not based on any contract and is free of charge.</p> <ul style="list-style-type: none"> Office occupancy expense 	Free of Charge		<p><u>Necessity and Suitability of the Connected Transaction</u></p> <p>The subsidiary registered its head office on the area owned by Mr. Chutchai without charge. At present, such subsidiary is still in the process of conducting a feasibility study on future project development. However, if the direction of project development is clear or the subsidiary can procure a suitable new office location, the subsidiary will relocate to the new office right away.</p> <p><u>Opinion of the Audit Committee</u></p> <p>The transaction does not affect the Company's group and it is reasonably operated.</p>
			<p>10.2) Short-term loan and interest income</p> <p>The Company entered into a contract to lend a short-term loan, totaling THB 27 million to Mr. Chutchai Sumethchotimetha on 25 May 2021. The interest rate is calculated at the rate of 6% per annum. Both interest and principal shall be paid together on 25 October 2021. However, the Company has received the principal and interest payment on October 29, 2021 with a penalty for late payment (4 days) at the rate specified in the contract of 15% per annum.</p> <ul style="list-style-type: none"> Accrued interest income Interest income 	- -	679,068.49 44,383.56	

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
10. Mr. Chutchai Sumethchotimetha (Cont.)			<p>10.3) Bill of exchange and interest expenses</p> <p>The company issued a short-term bill of exchange in the amount of THB 30 million to Mr. Chatchai Sumethchotimetha on April 1, 2022 with an interest rate of 8.25% per year. The principal and interest have been repaid on June 30, 2022.</p> <ul style="list-style-type: none"> Interest payment 	598,107.00	-	<p><u>Necessity and Suitability of the Connected Transaction</u></p> <p>The transaction is reasonable, and the interest rate is appropriate compared to the financial cost of the Company. This will contribute to new business opportunities and benefits of the Company in the future. The ability to repay such short-term loan of the director is also considered and the view is that such director is able to repay the loan according to the conditions and the interest rate is calculated based on the rate of commercial banks for penalties for late repayment as properly stipulated in the contract.</p> <p><u>Opinion of the Audit Committee</u></p> <p>The transaction is the financial assistance which does not affect the Company's group and is reasonably operated.</p>

Name of the Related Persons	Business Operation	Relationships	Related Transactions	Transaction Value/ Balances with related parties (THB)		Necessity and Suitability of the Related Transaction/ Opinion of the Audit Committee
				31 Dec 22 (12 months)	31 Dec 21 (12 months)	
11. Ms. Intira Sumethchotimetha	-	Ms. Intira Sumethchotimetha is the daughter of Mr. Chutchai and Mrs. Aree Sumethchotimetha, who are the Chief Executive Officer and Senior Executive Vice President of the Company.	<p>Accrued rental income from the solar power generation equipment</p> <p>Ms. Intira Sumethchotimetha entered into an agreement to rent the solar rooftop power generation equipment with the Company on 19 October 2020 for the rental term of 20 years, starting from the rental equipment delivery date, whereby the rental fee was agreed to be paid monthly according to the actual units of electricity used, which are generated from the rented equipment, at the rate of 85% of the unit price of the Metropolitan Electricity Authority. The electricity sale started from June 2021.</p> <ul style="list-style-type: none"> • Other receivables • Accrued income • Rental income from power generation equipment 	13,536.68 438.31 121,337.10		<p><u>Necessity and Suitability of the Connected Transaction</u></p> <p>The Company started a solar power generation business in 2020 and allowed Ms. Intira Sumethchotimetha, who is a connected person, to rent the solar power generation equipment whereby the rental rate is stipulated according to the market price and considering the business operator in the same manner as the general public.</p> <p><u>Opinion of the Audit Committee</u></p> <p>This operation is a normal business transaction and appropriate as the treatment is in the same manner as what general customers receive.</p>
				5,502.69 248.67 31,202.15		

Related Party Transaction

The Company will comply with the Securities and Exchange Act and the regulations, orders or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand. However, executives or connected parties will not be able to participate in approving such transactions.

In the case that such law requires that related party transactions must be approved by the Board of Directors' meeting, the Company will arrange for the Audit Committee to attend the meeting to consider and give opinions on the necessity of the transaction and the reasonableness of the transaction, in entering into a transaction that is a commercial agreement with general commercial and transactions that are commercial agreements that are not general conditions shall be in accordance with the following criteria:

(1) Transactions that are trade agreements that are general trading conditions

Transactions that are commercial agreements with general conditions between the Company and its subsidiaries and executive directors or persons related to the Company are proposed for approval in principle from the Board of Director of such transaction. If such transaction has a commercial agreement in the same way that a reasonable person should do with a general counterparty in the same situation with commercial bargaining power without influence from his status as an executive director who is related to the company will prepare a report summarizing the transactions to report to the Audit Committee meeting and the Board of Directors meeting every quarter.

(2) Transaction that is a trade agreement that is not a general trading condition

Transactions that are trade agreements that are not general trading conditions must be considered and commented by the Audit Committee before being presented to the Board of Directors and/or the shareholders' meeting for further approval to comply with the law on securities and exchange and the regulations, notifications, orders or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with the disclosure requirements of connected transactions.

Policy for future connected transactions

Entering into connected transactions or related party transactions of the Company Group with persons who may have conflicts of interest Or there may be a conflict of interest in the future, the company will comply with regulations of the SET and the Office of the SEC that is effective if the Company wishes to enter into related transactions or transactions between the Company's group with persons who may have conflicts of interest in the future, the Company will strictly follow the policies and procedures described above.

Independent Auditor's Report

To the Shareholders of Sakol Energy Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Sakol Energy Public Company Limited and its subsidiaries (the "Group") and of Sakol Energy Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Impairment of goodwill	
Refer to Notes 3(k) 3(m) and 12 to the consolidated financial statements	
The key audit matter	How the matter was addressed in the audit
As at 31 December 2022, the Group had goodwill from a business acquisition. The management normally assesses the impairment from the estimated recoverable amount of the cash generating unit containing goodwill. The recoverable amount was determined by discounting future cash flows to be generated and related assumptions. Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses.	My audit procedures included the following: <ul style="list-style-type: none">● Inquired of the management to understand the process of impairment indicators assessment estimated recoverable amount, and preparation of discounted cash flow projection;● Considered the key assumptions in the estimated recoverable amount report and business plan including evaluated the appropriateness of discount rate used in

Impairment of goodwill	
Refer to Notes 3(k) 3(m) and 12 to the consolidated financial statements	
The key audit matter	How the matter was addressed in the audit
The judgments of management required to be applied over assumptions and the inherent uncertainty involved in forecasting and discounting future cash flows. This area was focused on my audit accordingly.	<p>the calculation and tested mathematical accuracy of impairment testing;</p> <ul style="list-style-type: none"> Performed sensitivity analysis around the key assumptions Considered the adequacy of disclosures in accordance with Thai Financial Reporting Standards.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

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

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

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my 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.

(Sophit Prompol)

Certified Public Accountant

Registration No. 10042

KPMG Phoomchai Audit Ltd.

Bangkok

24 February 2023

Sakol Energy Public Company Limited and its subsidiaries
Statement of financial position

Assets	<i>Note</i>	Consolidated financial statements 31 December		Separate financial statements 31 December	
		2022	2021	2022	2021
		<i>(Baht)</i>			
Current assets					
Cash and cash equivalents	5	47,570,520	25,247,254	6,493,537	8,165,525
Current investments	19	43,566	21,752	-	-
Current portion of deposits at financial institutions					
with restrictions on withdrawal	13	2,829,500	4,313,795	-	-
Trade accounts receivable	6	86,367,380	89,927,179	21,000,562	19,030,181
Current portion of lease receivables	8	14,451,300	21,206,050	10,944,799	20,820,440
Other current receivables	4	61,657,104	47,399,927	35,451,789	15,364,702
Current portion of long-term loans	4	5,039,034	3,186,381	25,039,034	3,186,381
Short-term loans	4	75,962	235,000	115,075,962	10,000,000
Inventories	7	5,129,438	5,092,157	663,300	663,300
Current spare parts and supplies		5,199,927	3,324,051	1,457,551	1,673,557
Total current assets		228,363,731	199,953,546	216,126,534	78,904,086
Non-current assets					
Deposits at financial institutions with					
restrictions on withdrawal	13	28,176,379	17,274,110	10,435,000	500,000
Investments in subsidiaries	9	-	-	821,389,400	632,839,400
Lease receivables	8	77,399,442	157,053,855	57,936,105	156,580,985
Other non-current account receivable		8,109,090	12,927,241	8,109,090	12,927,241
Long-term loans	4	2,348,445	4,047,191	231,080,008	286,654,124
Non-current spare parts and supplies		2,781,187	2,897,143	2,781,187	2,897,143
Investment properties	10	215,365,446	171,617,614	63,004,174	-
Property, plant and equipment	11	1,185,620,960	900,519,462	107,862,196	133,310,206
Intangible assets	12	98,264,342	100,354,216	2,293,129	3,551,207
Goodwill	9, 12	32,787,775	-	-	-

Sakol Energy Public Company Limited and its subsidiaries
Statement of financial position

	<i>Note</i>	Consolidated financial statements 31 December		Separate financial statements 31 December	
		2022	2021	2022	2021
Assets					
				<i>(Baht)</i>	
Other non-current assets		<u>25,347,057</u>	<u>20,321,063</u>	<u>24,540,765</u>	<u>19,514,771</u>
Total non-current assets		<u>1,676,200,123</u>	<u>1,387,011,895</u>	<u>1,329,431,054</u>	<u>1,248,775,077</u>
 Total assets		 <u><u>1,904,563,854</u></u>	 <u><u>1,586,965,441</u></u>	 <u><u>1,545,557,588</u></u>	 <u><u>1,327,679,163</u></u>

Sakol Energy Public Company Limited and its subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Liabilities and equity		2022	2021	2022	2021
		(Baht)			
Current liabilities					
Bank overdrafts and short-term borrowings	4, 13, 19	57,484,201	5,000,000	82,284,201	30,800,000
Trade accounts payable	4, 19	29,251,305	30,811,844	9,432,988	7,467,279
Other current payables	4, 19	86,440,326	18,208,754	19,813,683	7,506,622
Current portion of long-term borrowings	13, 19	38,590,049	123,098,443	1,125,000	61,213,967
Current portion of lease liabilities	13, 19	16,902,795	17,020,656	4,631,729	3,989,850
Total current liabilities		228,668,676	194,139,697	117,287,601	110,977,718
Non-current liabilities					
Long-term borrowings	13, 19	209,344,919	254,399,765	13,500,000	107,865,297
Debentures	13, 19	295,127,837	-	295,127,837	-
Lease liabilities	13, 19	35,336,277	20,814,977	4,103,957	5,148,777
Deferred tax liabilities	18	19,907,219	29,328,417	1,146,062	9,008,170
Provisions for employee benefits		2,727,924	2,085,275	1,086,756	872,706
Other long-term provisions		1,598,464	1,090,000	1,090,000	1,090,000
Total non-current liabilities		564,042,640	307,718,434	316,054,612	123,984,950
Total liabilities		792,711,316	501,858,131	433,342,213	234,962,668

Sakol Energy Public Company Limited and its subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2022	2021	2022	2021
(Baht)					
Equity					
Share capital:	15				
Authorised share capital		669,600,000	558,000,000	669,600,000	558,000,000
Issued and paid share capital		558,000,000	558,000,000	558,000,000	558,000,000
Share premium on ordinary shares	14	353,418,600	353,418,600	353,418,600	353,418,600
Retained earnings					
Appropriated					
Legal reserve	14	34,879,000	33,904,000	34,879,000	33,904,000
Unappropriated		147,778,589	146,464,171	165,917,775	147,393,895
Discount on business combination					
under common control		(82,458,483)	(82,458,483)	-	-
Equity attributable to owners of the parent		1,011,617,706	1,009,328,288	1,112,215,375	1,092,716,495
Non-controlling interests		100,234,832	75,779,022	-	-
Total equity		1,111,852,538	1,085,107,310	1,112,215,375	1,092,716,495
Total liabilities and equity		1,904,563,854	1,586,965,441	1,545,557,588	1,327,679,163

Sakol Energy Public Company Limited and its subsidiaries

Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(Baht)			
Revenues	16				
Revenue from rendering of services		129,368,209	130,226,941	111,032,484	110,402,657
Revenue from leases		10,511,166	17,874,262	9,882,609	17,683,243
Revenue from sale of goods		340,427,647	333,382,012	-	-
Other income	4	17,109,113	6,619,044	48,354,114	25,786,518
Gain from disposal of investment in subsidiary		-	13,357,350	-	-
Total revenue		497,416,135	501,459,609	169,269,207	153,872,418
Expenses	17				
Cost of rendering of services		76,718,484	74,924,840	64,435,601	64,371,738
Cost of sales of goods	7	264,530,086	250,738,661	-	-
Selling and administrative expenses	4	125,667,037	120,881,113	70,909,012	73,560,260
Total expenses		466,915,607	446,544,614	135,344,613	137,931,998
Profit from operating activities		30,500,528	54,914,995	33,924,594	15,940,420
Finance costs		(38,350,676)	(24,817,946)	(22,287,822)	(9,164,086)
Profit (loss) before income tax expense		(7,850,148)	30,097,049	11,636,772	6,776,334
Tax income (expense)	18	9,537,061	1,943,255	7,862,108	(71,453)
Profit for the year		1,686,913	32,040,304	19,498,880	6,704,881

Sakol Energy Public Company Limited and its subsidiaries

Statement of comprehensive income

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	(Baht)			
<i>Other comprehensive income</i>				
<i>Item that will not be reclassified to profit or loss</i>				
Gain on remeasurements of defined benefit plans	-	279,455	-	56,570
Total item that will not be reclassified to profit or loss	-	279,455	-	56,570
Other comprehensive income for the year, net of tax	-	279,455	-	56,570
Total comprehensive income for the year	<u>1,686,913</u>	<u>32,319,759</u>	<u>19,498,880</u>	<u>6,761,451</u>
Profit (loss) attributable to:				
Owners of the parent	2,289,418	26,734,810	19,498,880	6,704,881
Equity of subsidiary before business restructuring	-	2,630,398	-	-
Non-controlling interests	(602,505)	2,675,096	-	-
Profit for the year	<u>1,686,913</u>	<u>32,040,304</u>	<u>19,498,880</u>	<u>6,704,881</u>
Comprehensive income (expense) attributable to:				
Owners of the parent	2,289,418	27,014,265	19,498,880	6,761,451
Equity of subsidiary before business restructuring	-	2,630,398	-	-
Non-controlling interests	(602,505)	2,675,096	-	-
Comprehensive income for the year	<u>1,686,913</u>	<u>32,319,759</u>	<u>19,498,880</u>	<u>6,761,451</u>
Basic earnings per share (in Baht)	<u>0.002</u>	<u>0.026</u>	<u>0.017</u>	<u>0.006</u>
Diluted earnings per share (in Baht)	<u>0.002</u>	<u>0.026</u>	<u>0.017</u>	<u>0.006</u>

Sakol Energy Public Company Limited and its subsidiaries
Statement of changes in equity

Consolidated financial statements

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Discount on business combination under common control (Baht)	Equity attributable to owners of the parent	Equity of subsidiary before business restructuring	Non-controlling interests	Total equity
				Legal reserve	Unappropriated					
Year ended 31 December 2021										
Balance at 1 January 2021		465,000,000	297,618,600	33,568,000	133,735,348	-	929,921,948	59,911,119	73,658,976	1,063,492,043
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Issue of ordinary shares	15	93,000,000	55,800,000	-	-	-	148,800,000	-	-	148,800,000
Dividends to owners of the Company		-	-	-	(13,949,442)	-	(13,949,442)	-	-	(13,949,442)
Total contributions by and distributions to owners of the parent		93,000,000	55,800,000	-	(13,949,442)	-	134,850,558	-	-	134,850,558
Changes in ownership interests arising in subsidiary and business restructuring										
Disposal of investment in subsidiary		-	-	-	-	-	-	-	(555,050)	(555,050)
Acquisition of a business under common control		-	-	-	-	(82,458,483)	(82,458,483)	(62,541,517)	-	(145,000,000)
Total changes in ownership interests in subsidiaries and business restructuring		-	-	-	-	(82,458,483)	(82,458,483)	(62,541,517)	(555,050)	(145,555,050)
Comprehensive income for the year										
Profit		-	-	-	26,734,810	-	26,734,810	2,630,398	2,675,096	32,040,304
Other comprehensive income		-	-	-	279,455	-	279,455	-	-	279,455
Total comprehensive income for the year		-	-	-	27,014,265	-	27,014,265	2,630,398	2,675,096	32,319,759
Transfer to legal reserve	14	-	-	336,000	(336,000)	-	-	-	-	-
Balance at 31 December 2021		558,000,000	353,418,600	33,904,000	146,464,171	(82,458,483)	1,009,328,288	-	75,779,022	1,085,107,310

Sakol Energy Public Company Limited and its subsidiaries
Statement of changes in equity

Consolidated financial statements

Year ended 31 December 2022

Balance at 1 January 2022

Transactions with owners, recorded directly in equity

Changes in ownership interests arising in subsidiary

Acquisition of non-controlling interests
through business combination

Total changes in ownership interests in subsidiaries

Comprehensive income (expense) for the year

Profit (loss)

Other comprehensive income

Total comprehensive income (expense) for the year

Transfer to legal reserve

Balance at 31 December 2022

Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Discount on business combination under common control (<i>Baht</i>)	Equity attributable to owners of the parent	Equity of subsidiary before business restructuring	Non-controlling interests	Total equity
			Legal reserve	Unappropriated					
	558,000,000	353,418,600	33,904,000	146,464,171	(82,458,483)	1,009,328,288	-	75,779,022	1,085,107,310
9	-	-	-	-	-	-	-	25,058,315	25,058,315
	-	-	-	-	-	-	-	25,058,315	25,058,315
	-	-	-	2,289,418	-	2,289,418	-	(602,505)	1,686,913
	-	-	-	-	-	-	-	-	-
	-	-	-	2,289,418	-	2,289,418	-	(602,505)	1,686,913
14	-	-	975,000	(975,000)	-	-	-	-	-
	558,000,000	353,418,600	34,879,000	147,778,589	(82,458,483)	1,011,617,706	-	100,234,832	1,111,852,538

Sakol Energy Public Company Limited and its subsidiaries

Statement of changes in equity

Separate financial statements

		Issued and	Share	Retained earnings		Total
		paid-up	on ordinary	Legal	Unappropriated	
	Note	share capital	shares	reserve		equity
				(Baht)		
Year ended 31 December 2021						
Balance at 1 January 2021		465,000,000	297,618,600	33,568,000	154,917,886	951,104,486
Transactions with owners, recorded directly in equity						
Contribution by and distributions to owners						
Issue of ordinary shares	15	93,000,000	55,800,000	-	-	148,800,000
Dividends to owners of the Company		-	-	-	(13,949,442)	(13,949,442)
Total contribution by and distributions to owners		93,000,000	55,800,000	-	(13,949,442)	134,850,558
Comprehensive income for the year						
Profit		-	-	-	6,704,881	6,704,881
Other comprehensive income		-	-	-	56,570	56,570
Total comprehensive income for the year		-	-	-	6,761,451	6,761,451
Transfer to legal reserve	14	-	-	336,000	(336,000)	-
Balance at 31 December 2021		558,000,000	353,418,600	33,904,000	147,393,895	1,092,716,495

Sakol Energy Public Company Limited and its subsidiaries

Statement of changes in equity

Separate financial statements

		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total
	Note			Legal reserve	Unappropriated	equity
				(Baht)		
Year ended 31 December 2022						
Balance at 1 January 2022		558,000,000	353,418,600	33,904,000	147,393,895	1,092,716,495
Comprehensive income for the year						
Profit		-	-	-	19,498,880	19,498,880
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	19,498,880	19,498,880
Transfer to legal reserve	14	-	-	975,000	(975,000)	-
Balance at 31 December 2022		558,000,000	353,418,600	34,879,000	165,917,775	1,112,215,375

Sakol Energy Public Company Limited and its subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	(Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	1,686,913	32,040,304	19,498,880	6,704,881
<i>Adjustments to reconcile profit to cash receipts (payment)</i>				
Tax (income) expenses	(9,537,061)	(1,943,255)	(7,862,108)	71,453
Finance costs	38,350,676	24,817,946	22,287,822	9,164,086
Depreciation and amortisation (Reversal of) impairment loss recognised	76,955,556	73,712,458	17,638,351	13,134,286
in profit or loss	386,880	1,396,261	(2,854,122)	2,163,345
(Gain) loss on disposal of assets	165,053	3,855,291	(1,172,624)	215,063
Loss from sale and leaseback	1,583,741	-	-	-
Unrealised gain from current investment	(140)	-	-	-
Employee benefits expenses	642,649	2,657,338	214,050	2,402,877
Gain from disposal of investment in subsidiary	-	(13,357,350)	-	-
Gain on termination of lease contract	(14,058,958)	-	(13,907,977)	-
Interest income	<u>(676,098)</u>	<u>(2,337,037)</u>	<u>(20,037,281)</u>	<u>(21,006,425)</u>
	95,499,211	120,841,956	13,804,991	12,849,566
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	3,559,799	3,749,647	(1,970,381)	15,261,783
Other current receivables	(1,374,354)	19,164,556	(3,728,572)	6,618,459
Lease receivables	47,956,287	14,176,958	57,030,819	13,989,976
Inventories	(37,281)	(1,159,235)	-	(663,300)
Spare parts and supplies	(1,759,920)	(1,137,558)	331,962	149,482
Other non-current assets	-	(5,742,590)	-	(5,864,508)
Trade accounts payable	(1,594,679)	(183,778)	1,965,709	(6,031,703)

Sakol Energy Public Company Limited and its subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(Baht)</i>			
Other current payables	14,168,302	3,584,885	764,724	(1,338,803)
Employee benefits paid	-	(2,182,953)	-	(2,182,953)
Net cash generated from operating	156,417,365	151,111,888	68,199,252	32,787,999
Taxes paid	(5,629,350)	(6,280,098)	(4,435,431)	(4,950,263)
Net cash from operating activities	150,788,015	144,831,790	63,763,821	27,837,736

Sakol Energy Public Company Limited and its subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	(Baht)			
<i>Cash flows from investing activities</i>				
Increase in deposits at financial institutions with				
restrictions on withdrawal	(9,417,974)	(8,811,858)	(9,935,000)	-
Net proceeds (repayment of) from sale				
of current investments	(21,674)	10,009,118	-	-
Proceeds from disposal of investment in subsidiary	5,600,000	1,000,000	5,600,000	1,000,000
Cash payment for investment in subsidiaries,				
net of cash acquired	(7,217,968)	(145,000,000)	(177,337,500)	(145,000,000)
Net proceeds from (repayment of) short-term loans	159,038	10,364,315	(105,075,962)	(4,400,685)
Proceeds from repayment of long-term loans	663,735	468,484	35,793,735	10,338,484
Proceeds from sale of assets	1,780,374	1,560,246	2,004,673	124,163
Acquisition of plant and equipment and intangible assets	(295,474,261)	(12,647,223)	(176,732)	(1,419,791)
Interest received	320,636	1,513,514	17,966,723	20,151,491
Net cash used in investing activities	(303,608,094)	(141,543,404)	(231,160,063)	(119,206,338)
<i>Cash flows from financing activities</i>				
Net proceeds from (repayment of)				
short-term borrowings	52,484,201	(13,105,804)	51,484,201	14,000,000
Proceeds from debentures	300,000,000	-	300,000,000	-
Proceeds of long-term borrowings	251,000,000	-	-	-
Repayment of long-term borrowings	(385,099,357)	(95,106,997)	(155,927,000)	(51,022,656)
Payment of lease liabilities	(6,429,004)	(14,279,974)	(4,950,222)	(4,170,750)
Dividends paid to owners of the Company	-	(13,949,442)	-	(13,949,442)
Proceeds from issue of shares	-	148,800,000	-	148,800,000
Interest paid	(36,812,495)	(25,696,559)	(24,882,725)	(8,910,712)
Net cash from (used in) financing activities	175,143,345	(13,338,776)	165,724,254	84,746,440
Net increase (decrease) in cash and cash equivalents	22,323,266	(10,050,390)	(1,671,988)	(6,622,162)

Sakol Energy Public Company Limited and its subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(Baht)</i>			
Cash and cash equivalents at 1 January	25,247,254	35,297,644	8,165,525	14,787,687
Cash and cash equivalents at 31 December	47,570,520	25,247,254	6,493,537	8,165,525
<i>Non-cash transactions</i>				
Payables of plant and equipment purchased	53,266,387	52,430	-	-
Payables from acquisition of investment in subsidiary	-	-	11,212,500	-
Receivable from termination of lease contract	14,878,520	-	14,878,520	-

Sakol Energy Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

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These notes form an integral part of the financial statements.

The financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 24 February 2023.

1. General information

Sakol Energy Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in November 2017. The Company has its registered head office and branches as follow:

Head office: 15 Moo 1 Chiang Rak Noi, Samkhok Pathumthani 12160

Branch 1: 168 Moo 4 Tha Maprang, Kaeng Khoi Saraburi 18110

Branch 2: 252/108(B) and 252/109(C) Muang Thai–Phatra Complex Building, 21st Floor, Ratchadaphisek Road, Huai Khwang Bangkok 10310

As at 31 December 2022 the Company’s major shareholders is Sumethchotimetha Family (54% shareholding).

The principle activity of the Company is compression of natural gas to PTT Public Company Limited. The Group operates primarily in energy industry. Details of the Company’s subsidiaries as at 31 December 2022 and 2021 are given in notes 9.

2. Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Since 1 January 2022, the Group has early adopted Thai Accounting Standard No.16, *Property, Plant and Equipment*, which has issued by the Federation of Accounting Professions No.32/2022 dated 26 September 2022. The revised TAS will effective for annual accounting periods beginning on or after 1 January 2023. The early adopt has no impact on the financial statements of the Group.

3. Significant accounting policy

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. When there is a change in the Group’s interest in a subsidiary that do

not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control are accounted for as other surpluses or deficits in shareholders' equity.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

(b) Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. Gains and losses on disposal of the investments are recognised in profit or loss.

(c) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

(d) Financial instruments

(d.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivables (see note 3(f))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group/Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(d.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.3) Impairment of financial assets other than trade accounts receivable

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, lease receivables, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial assets.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(d.4) Write offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(d.5) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(f) Trade accounts receivable

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) Spare parts and supplies

Spare parts and supplies are measured at cost. Cost is calculated using the first in first out principle.

(i) Investment properties

Investment properties are measured at cost less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. No depreciation charged on freehold land. Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. The estimated useful lives are as follows:

Buildings and constructions	10 - 20 years
Electrical system	10 years

(j) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Subsequently Cost

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

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Land improvement	5 - 20 years
Buildings and constructions	10 - 20 years
Machinery and equipment	2 - 20 years
Electrical system	5 - 20 years
Tools	5 - 10 years

Furniture, fixtures and office equipment	3 - 10 years
Vehicles	5 years

(k) Intangible assets

Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

Other intangible assets

Other intangible assets that have indefinite useful lives are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licenses and computer program	5 years
Sale purchase gas agreement	10 years
Sale purchase electricity agreement	20 years

(l) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Group is an intermediate lessor, the Group classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investment properties.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of rental income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

The Group derecognises and determines impairment on the lease receivables as disclosed in note 3(d).

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Employee benefits

Defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed regularly by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(p) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and

the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(q) Revenue from contracts with customers

Revenue recognition

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

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

Commission revenue

For the contracts that the Group is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue.

(r) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise convertible notes.

(t) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4. Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

Relationships with subsidiaries are described in note 9. Other related parties which the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
PTC Holding Company Limited	Thailand	Common directors and directors hold substantial shares
Transuwan Company Limited	Thailand	Common directors and directors hold substantial shares
Tranthanakom Company Limited	Thailand	Common directors and directors hold substantial shares
T.Line Transport Co., Ltd.	Thailand	Common directors and directors hold substantial shares
B.P. 15 Company Limited	Thailand	Common directors and shareholders
Trans Energy Company Limited	Thailand	Common shareholders
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Group. (whether executive or otherwise)

**Significant transactions with
related parties**
For the year ended 31 December

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Subsidiaries				
Management income	-	-	9,043	1,876
Other service income	-	-	2,918	539
Interest income	-	-	19,463	18,853
Interest expense	-	-	1,108	1,019
Other related parties				
Other service income	444	356	361	345
Interest income	13	870	-	679
Purchase of raw materials	95,802	100,525	-	-
Transportation and other service expenses	12,143	12,688	250	44
Interest expense	662	285	598	-
Key management personnel				
Short-term employee benefits	36,165	30,448	23,111	21,616
Post-employment benefits	249	120	86	75
Total key management personnel compensation	36,414	30,568	23,197	21,691

Balances with related parties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
As at 31 December				
Other current receivables				
Subsidiaries	-	-	6,170	861
Other related parties	353	85	45	15
Total	353	85	6,215	876
Lease receivables				
Other related parties	-	858	-	-
Short-term loan				
Subsidiary (Interest rate : 4%, 6% per annum)	-	-	115,000	10,000
Long-term loan				
Subsidiary (Interest rate : MOR +2.75% and MLR+0.25% per annum)	-	-	249,000	284,130
Less allowance for expected credit loss	-	-	(268)	(1,523)
Net	-	-	248,732	282,607

<i>Balances with related parties</i>	Consolidated financial statements		Separate financial statements	
<i>As at 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Reversal of expected credit losses for the year ended 31 December:</i>				
Loan	-	-	(1,255)	(1,153)
<i>Trade accounts payable</i>				
Other related parties	3,607	3,300	-	-
<i>Other current payables</i>				
Subsidiaries	-	-	596	715
Other related parties	390	7	35	-
Total	390	7	631	715
<i>Lease liabilities</i>				
Other related parties	231	2,702	-	-
<i>Short-term borrowing</i>				
Subsidiaries <i>(Interest rate : 4 % per annum)</i>	-	-	29,800	30,800

Significant agreements with related parties

Management and administration consulting agreements

The Company entered into management and administration consulting agreements with subsidiaries for providing management and administration consulting service such as human resource, accounting, finance, information technology, legal, business development and general administration for a period of six months to one year. The subsidiaries are committed to pay a service fee at the rate as stipulated in the agreements.

Fuel purchase and sale agreement

A subsidiary entered into a fuel sale and purchase agreement with a related party. Such agreement has been effective since August 2019 to August 2024. The related party agreed to supply fuel to the subsidiary at the conditions and service fee as stipulated in the agreement.

Bagasse and ash transportation agreement

A subsidiary entered into an agreement with a related company to transport bagasse and ash to the location specified by the subsidiary under the price and conditions stipulated in the agreement.

5. Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash on hand	181	348	150	310
Cash at banks - current accounts	5,794	3,260	392	419
Cash at banks - savings accounts	41,596	21,639	5,952	7,437
Total	47,571	25,247	6,494	8,166

1 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Within credit terms	75,799	81,515	21,001	19,030
Overdue:				
1-30 days	9,761	7,458	-	-
31-60 days	175	659	-	-
61-90 days	12	122	-	-
More than 90 days	620	173	-	-
Total	86,367	89,927	21,001	19,030
Less allowance for expected credit loss	-	-	-	-
Net	86,367	89,927	21,001	19,030

The normal credit term granted by the Group is 7-60 days.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Raw materials	4,375	4,259	-	-
Finished goods	91	170	-	-
Work in process	663	663	663	663
Total	5,129	5,092	663	663
Inventories recognised in 'cost of sales of goods'	264,530	250,739	-	-

6. Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At 31 December				
Within credit terms	75,799	81,515	21,001	19,030
Overdue:				
1-30 days	9,761	7,458	-	-
31-60 days	175	659	-	-
61-90 days	12	122	-	-
More than 90 days	620	173	-	-
Total	86,367	89,927	21,001	19,030
Less allowance for expected credit loss	-	-	-	-
Net	86,367	89,927	21,001	19,030

The normal credit term granted by the Group is 7-60 days.

7. Inventories

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Raw materials	4,375	4,259	-	-
Finished goods	91	170	-	-
Work in process	663	663	663	663
Total	5,129	5,092	663	663
Inventories recognised in 'cost of sales of goods'	264,530	250,739	-	-

8. Lease receivables

Consolidated financial statements

	Effective interest rate (% per month)	Portion due						Total
		Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Over 5 years	
2022								
Lease receivables		24,190	21,473	21,473	21,473	21,096	18,370	128,075
Less unearned interest income	0.50 - 3.71	(9,739)	(8,562)	(7,182)	(5,531)	(3,530)	(1,680)	(36,224)
Net		14,451	12,911	14,291	15,942	17,566	16,690	91,851
2021								
Lease receivables		37,825	32,177	31,673	31,673	31,673	95,831	260,852
Less unearned interest income	0.50 - 3.71	(16,619)	(15,213)	(13,698)	(12,003)	(10,031)	(15,028)	(82,592)
Net		21,206	16,964	17,975	19,670	21,642	80,803	178,260

Separate financial statements

	Effective interest rate (% per month)	Portion due					Total
		Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Over 5 years	
		(in thousand Baht)					
		Within 1 year					
2022							
Lease receivables		17,956	15,239	15,239	15,239	18,370	97,282
Less unearned interest income	0.50 - 3.71	(7,011)	(6,340)	(4,548)	(3,283)	(1,681)	(28,401)
Net		10,945	8,899	10,691	11,956	16,689	68,881
2021							
Lease receivables		37,320	31,673	31,673	31,673	95,831	259,843
Less unearned interest income	0.50 - 3.71	(16,500)	(15,182)	(12,003)	(10,031)	(15,028)	(82,442)
Net		20,820	16,491	17,975	19,670	80,803	177,401

(in thousand Baht)

Natural gas compression contracts

The Company entered into two natural gas compression contracts with PTT Public Company Limited (PTT) to provide gas storage trailers natural gas compression service to PTT. The Company must comply with the conditions stipulated in the contracts for a period of 20 years, expiring in March 2029 and October 2030, respectively. Under TFRS 16, these contracts have met the conditions for arrangements which contain lease.

At the Board of Directors' Meeting held on 24 September 2021, the Board of Directors approved of termination of the natural gas compression contract by private mother station (Ban Na-Kaeng Khoi) in Saraburi Province and related contracts between the Company and PTT which expiry date of the contract is on 14 October 2030. The termination was a result of a continuous reduction of the demand of the compressed natural gas for vehicles (NGV) of the private mother station (Ban Na-Kaeng Khoi) in Saraburi Province and the Company was informed that the demand of NGV for the private mother station (Ban Na-Kaeng Khoi) was zero ton per day from 1 March 2021 onwards.

Subsequently, on 25 March 2022, the Company entered into an agreement to terminate the natural gas compression contract by private mother station prior to the expiration date with PTT in which, the parties agreed such natural gas compression contract to be effective until 31 March 2022 and ended on 1 April 2022. The Company would receive cash compensation for the contract termination by term and conditions as stipulate in the agreement. As a result of the termination, on 1 April 2022, the Company derecognised lease receivable, recognised buildings and equipment under the lease contract, and classified certain assets, of which the purpose of use have been changed, as investment properties. In addition, the Company recognised gain from contract termination amounting to Baht 13.91 million as other income in the statements of comprehensive income for the year ended 31 December 2022.

Machinery lease contracts

During the year 2022, a subsidiary entered into machinery sublease contracts for a period of 62 months, which are classified as financial lease contracts and recognised as lease receivables.

9. Investments in subsidiaries

Separate financial statements											
	Type of business	Ownership interest		Paid share capital		Cost		Allowance impairment		Cost - net	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Subsidiaries											
	SK15 Company Limited										
	SKE Development Co., Ltd.										

All subsidiaries were incorporated in Thailand and the Company has no investments in subsidiaries registered in the stock exchange so there are no published price quotations to be disclosed.

N15 Technology Company Limited

In April 2022, N15 Technology Company Limited ("N15"), a subsidiary of the Company, increased its registered capital from Baht 40 million (400,000 shares at Baht 100 per share) to Baht 185 million (1,850,000 shares at Baht 100 per share). The Company paid for shares subscription amounting to Baht 85 million on 18 April 2022 and Baht 60 million on 23 June 2022.

Vanta Capital Co., Ltd.

In April 2022, the Company entered into a shares purchase and subscription of shares agreement with Vanta Capital Co., Ltd. ("VANTA") which operates a software business including development of securities trading software to purchase 44,000 ordinary shares from existing shareholders of VANTA with a par value of Baht 100 per share, at a purchase price of Baht 650 per share, totalling Baht 28.60 million and to subscribe for the newly issued preferred shares of VANTA (6 voting rights per share) of 23,000 shares, with a par value of Baht 100 per share, at a subscription price of Baht 650 per share, totalling Baht 14.95 million. The Company fully paid for ordinary shares purchase in April 2022 and partially paid for preferred shares purchase in the amount of Baht 3.74 million in April 2022. In this respect, the shares purchase from existing shareholders and the subscription of newly issued shares have a total value of Baht 43.55 million. As a result, the Company holds 67,000 shares in VANTA, or equivalent to 30.04% of the total issued shares of VANTA and has the voting right for 53.85% of the total voting rights over VANTA including rights and responsibilities stipulated in a shareholders' agreement. The Company classified the investment in VANTA as investment in subsidiary.

The investment in VANTA, whose operates in a digital industry which is important in the present, is considered as a new business line of the Group. At the present, the Company realises the growth of the technology business and believes that VANTA is in the upward trend of the growth.

During the period from acquisition date to 31 December 2022, VANTA contributed revenue of Baht 4.40 million and net profit of Baht 0.07 million to the Group's results. If the acquisition had occurred on 1 January 2022, the management estimates that consolidated profit for the year ended 31 December 2022 would have decreased by Baht 2.12 million. In determining these amounts, the management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

Identifiable assets acquired and liabilities assumed

	Fair value <i>(in thousand Baht)</i>
Cash and cash equivalents	25,119
Other current assets	11,349
Equipment	315
Intangible assets	3,151
Trade and other current payables	(646)
Loan	(3,000)
Other current financial liabilities	(179)
Other non-current liabilities	(289)
Total identifiable net assets	35,820
Less Non-controlling interests	(25,058)
Total identifiable net assets received	10,762
Goodwill arising from the acquisition	32,788
Purchase consideration transferred	43,550

The Company engaged an independent professional valuer to determine the fair value of net assets acquired on the date of purchase of investment as a result of the change in the fair value of the securities trading software (Intangible assets). The valuation technique is based on the income approach, using the Multi Period Excess Earning Method (MPEEM). The key assumptions in the calculation include estimated future revenue and discount rate. As at 31 December 2022, fair value assessment of identifiable assets acquired and liabilities assumed was completed.

10 Investment properties

The fair value of investment properties of the Group and the Company as at 31 December 2022 of Baht 393.76 million and 144.13 million, respectively (*2021: Baht 284.65 million for the Group*) was determined by independent professional valuers, at market price method. The fair value measurement for investment property has been categorised as a Level 2.

Investment properties were the properties that the Group has not used for operation.

	Consolidated financial statements				Separate financial statements			
	Land	Buildings and improvement	Electrical System	Total (in thousand Baht)	Land	Buildings and improvement	Electrical System	Total
Cost								
At 1 January 2022	171,618	-	-	171,618	-	-	-	-
Additions	-	20,554	1,303	21,857	-	20,554	1,303	21,857
Disposal/write-off	-	(92)	-	(92)	-	(92)	-	(92)
Transfer from property, plant and equipment (Note 11)	14,166	17,589	194	31,949	33,423	17,589	194	51,206
At 31 December 2022	185,784	38,051	1,497	225,332	33,423	38,051	1,497	72,971
Depreciation and impairment losses								
At 1 January 2022	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	(2,870)	(120)	(2,990)	-	(2,870)	(120)	(2,990)
Disposal/write-off	-	38	-	38	-	38	-	38
Transfer from property, plant and equipment (Note 11)	-	(6,885)	(130)	(7,015)	-	(6,885)	(130)	(7,015)
At 31 December 2022	-	(9,717)	(250)	(9,967)	-	(9,717)	(250)	(9,967)
Net book value								
At 1 January 2022	171,618	-	-	171,618	-	-	-	-
At 31 December 2022	185,784	28,334	1,247	215,365	33,423	28,334	1,247	63,004

11. Property, plant and equipment

Consolidated financial statements

	Land and land improvement	Buildings and constructions	Machinery and equipment	Electrical System	Tools (in thousand Baht)	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Cost									
At 1 January 2021	130,359	174,064	800,817	18,366	6,030	30,533	31,330	3,124	1,194,623
Additions	520	1,289	6,451	-	1,183	945	352	3,058	13,798
Disposal/write-off	-	-	(10,892)	-	(911)	(2,125)	(2,201)	-	(16,129)
Decrease from disposal of investment	(3,714)	(14,225)	(59,513)	(6,091)	(481)	(684)	-	-	(84,708)
Transfer	-	546	2,900	209	1,259	1,268	-	(6,182)	-
At 31 December 2021 and 1 January 2022	127,165	161,674	739,763	12,484	7,080	29,937	29,481	-	1,107,584
Additions	-	-	19,712	-	338	925	5,839	323,115	349,929
Disposal/write-off	-	-	(2,109)	-	(220)	(1,229)	(7,411)	-	(10,969)
Transfer	-	295	-	-	-	-	-	(295)	-
Acquisition through business combination (Note 9)	-	-	-	-	-	326	-	-	326
Transfer to investment property (Note 10)	(14,166)	(17,589)	-	(194)	-	-	-	-	(31,949)
Adjustments due to lease modification	-	(920)	-	-	-	-	-	-	(920)
Increase in assets from termination of lease contract	-	-	30,498	-	-	-	-	-	30,498
At 31 December 2022	112,999	143,460	787,864	12,290	7,198	29,959	27,909	322,820	1,444,499

Consolidated financial statements

Furniture,
fixtures
and
office
equipment

	Land and land improvement	Buildings and constructions	Machinery and equipment	Electrical System	Tools (in thousand Baht)	Vehicles	Assets under construction	Total
Accumulated depreciation and loss from impairment								
At 1 January 2021	(1,373)	(27,829)	(95,253)	(3,728)	(3,455)	(20,496)	-	(169,942)
Depreciation charge for the year	(1,590)	(11,435)	(44,351)	(1,061)	(855)	(3,155)	-	(66,869)
Reversal of loss from impairment	-	-	1,280	-	-	-	-	1,280
Disposal/write-off	-	-	5,777	-	903	2,178	-	10,872
Decrease from disposal of investment	358	2,059	13,194	1,476	216	-	-	17,594
At 31 December 2021 and 1 January 2022	(2,605)	(37,205)	(119,353)	(3,313)	(3,191)	(21,473)	-	(207,065)
Depreciation charge for the year	(1,248)	(9,529)	(45,585)	(907)	(1,087)	(3,769)	-	(66,483)
Loss from impairment	-	-	(609)	-	-	-	-	(609)
Disposal/write-off	-	-	594	-	204	7,068	-	9,081
Acquisition through business combination (Note 9)	-	-	-	-	-	-	-	(11)
Transfer to investment property (Note 10)	-	6,885	-	130	-	-	-	7,015
Increase in assets from termination of lease contract	-	-	(806)	-	-	-	-	(806)
At 31 December 2022	(3,853)	(39,849)	(165,759)	(4,090)	(4,074)	(18,174)	-	(258,878)

Consolidated financial statements

	Land and land improvement	Buildings and constructions	Machinery and equipment	Electrical System	Tools (in thousand Baht)	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Net book value									
At 31 December 2021									
Owned assets	120,208	119,306	584,017	9,171	3,889	9,168	678	-	846,437
Right-of-use assets	4,352	5,163	36,393	-	-	844	7,330	-	54,082
	124,560	124,469	620,410	9,171	3,889	10,012	8,008	-	900,519
At 31 December 2022									
Owned assets	105,308	102,108	581,671	8,200	3,124	6,494	1,937	322,820	1,131,662
Right-of-use assets	3,838	1,503	40,434	-	-	386	7,798	-	53,959
	109,146	103,611	622,105	8,200	3,124	6,880	9,735	322,820	1,185,621

Separate financial statements

	Land	Buildings and constructions	Machinery and equipment	Electrical System	Tools (in thousand Baht)	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Cost									
At 1 January 2021	78,634	27,056	38,372	2,221	2,740	23,874	24,514	2,254	199,665
Additions	-	807	-	-	9	556	-	938	2,310
Disposal/write-off	-	-	(79)	-	(830)	(2,071)	(1,925)	-	(4,905)
Transfer	-	456	-	209	1,259	1,268	-	(3,192)	-
At 31 December 2021 and 1 January 2022	78,634	28,319	38,293	2,430	3,178	23,627	22,589	-	197,070
Additions	-	-	-	-	-	177	4,084	-	4,261
Disposal/write-off	-	-	(900)	-	(130)	(1,217)	(7,411)	-	(9,658)
Transfer to investment property (Note 10)	(33,423)	(17,589)	-	(194)	-	-	-	-	(51,206)
Increase in assets from termination of lease contract	-	-	29,143	-	-	-	-	-	29,143
At 31 December 2022	45,211	10,730	66,536	2,236	3,048	22,587	19,262	-	169,610

Separate financial statements

	Land	Buildings and constructions	Machinery and equipment	Electrical System	Tools	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
					<i>(in thousand Baht)</i>				
Accumulated depreciation									
At 1 January 2021	-	(8,308)	(11,411)	(903)	(2,442)	(16,144)	(17,478)	-	(56,686)
Depreciation charge for the year	-	(3,478)	(2,767)	(228)	(258)	(3,240)	(1,827)	-	(11,798)
Disposal/write-off	-	-	32	-	827	1,963	1,902	-	4,724
At 31 December 2021 and 1 January 2022	-	(11,786)	(14,146)	(1,131)	(1,873)	(17,421)	(17,403)	-	(63,760)
Depreciation charge for the year	-	(2,282)	(5,068)	(226)	(350)	(3,033)	(2,434)	-	(13,393)
Disposal/write-off	-	-	493	-	119	1,203	7,068	-	8,883
Transfer to investment property (Note 10)	-	6,885	-	130	-	-	-	-	7,015
Increase in assets from termination of lease contract	-	-	(493)	-	-	-	-	-	(493)
At 31 December 2022	-	(7,183)	(19,214)	(1,227)	(2,104)	(19,251)	(12,769)	-	(61,748)

Separate financial statements

		<i>(in thousand Baht)</i>								
		Land	Buildings and constructions	Machinery and equipment	Electrical System	Tools	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
Net book value										
At 31 December 2021										
Owned assets		78,634	13,415	24,147	1,299	1,305	5,362	345	-	124,507
Right-of-use assets		-	3,118	-	-	-	844	4,841	-	8,803
		78,634	16,533	24,147	1,299	1,305	6,206	5,186	-	133,310
At 31 December 2022										
Owned assets		45,211	2,044	47,322	1,009	944	2,950	-	-	99,480
Right-of-use assets		-	1,503	-	-	-	386	6,493	-	8,382
		45,211	3,547	47,322	1,009	944	3,336	6,493	-	107,862

Leases

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Land improvement	514	585	-	-
- Buildings and construction	2,740	3,490	1,615	1,615
- Machinery and equipment	4,860	6,046	-	-
- Furniture, fixtures and office equipment	517	512	517	512
- Vehicles	3,275	2,950	2,432	1,821
Interest on lease liabilities	1,873	2,980	473	487
Expenses relating to short-term leases	94	-	-	-
Expenses relating to leases of low-value assets	119	66	30	30

12. Intangible assets

Consolidated financial statements

	Software license	Computer program	Software license under installation	Sale and purchase gas agreement (in thousand Baht)	Sale and purchase electricity agreement	Goodwill	Total
Cost							
At 1 January 2021	696	7,057	-	1,180	110,000	8,077	127,010
Disposal/write-off	(60)	(618)	-	-	-	-	(678)
Decrease from disposal of investment	-	(55)	-	(1,180)	-	(8,077)	(9,312)
At 31 December 2021 and 1 January 2022	636	6,384	-	-	110,000	-	117,020
Additions	-	40	2,770	-	-	-	2,810
Disposal/write-off	-	(106)	-	-	-	-	(106)
Acquisition through business combination (Note 9)	-	2,689	715	-	-	32,788	36,192
At 31 December 2022	636	9,007	3,485	-	110,000	32,788	155,916
Amortisation and losses from impairment							
At 1 January 2021	(280)	(2,275)	-	(228)	(7,704)	(640)	(11,127)
Amortisation for the year	(123)	(1,357)	-	(29)	(5,493)	-	(7,002)
Disposal/write-off	60	460	-	-	-	-	520
Decrease from disposal of investment	-	46	-	257	-	640	943
At 31 December 2021 and 1 January 2022	(343)	(3,126)	-	-	(13,197)	-	(16,666)
Amortisation for the year	(124)	(1,868)	-	-	(5,493)	-	(7,483)
Disposal/write-off	-	103	-	-	-	-	103
Loss from impairment	-	(564)	-	-	-	-	(564)
Acquisition through business combination (Note 9)	-	(253)	-	-	-	-	(253)
At 31 December 2022	(467)	(5,708)	-	-	(18,690)	-	(24,864)
Net book value							
At 31 December 2021	293	3,258	-	-	96,803	-	100,354
At 31 December 2022	169	3,300	3,485	-	91,310	32,788	131,052

Separate financial statements

	Software license	Computer Software (in thousand Baht)	Total
Cost			
At 1 January 2021	696	7,002	7,698
Write-off	(60)	(618)	(678)
At 31 December 2021 and 1 January 2022	636	6,384	7,020
Write-off	-	(106)	(106)
At 31 December 2022	636	6,278	6,914
Amortisation			
At 1 January 2021	(280)	(2,241)	(2,521)
Amortisation for the year	(123)	(1,345)	(1,468)
Write-off	60	460	520
At 31 December 2021 and 1 January 2022	(343)	(3,126)	(3,469)
Amortisation for the year	(124)	(1,131)	(1,255)
Write-off	-	103	103
At 31 December 2022	(467)	(4,154)	(4,621)
Net book value			
At 31 December 2021	293	3,258	3,551
At 31 December 2022	169	2,124	2,293

Impairment testing for the cash generating unit containing goodwill

For the purpose of impairment testing, goodwill has been allocated to the cash generating unit or group of cash generating units ("CGU") which is represented by VANTA Capital Co., Ltd.

The recoverable amount was based on value in use method which determined from discounted future cash flows estimated by managements covering a three-year period. Cash flows beyond the three-year period are extrapolated using average growth rate for the business. Key assumptions used in determination of future cash flow included revenue derived from expectations of future outcome taking into account past experience, adjusted for anticipated market and future plan, and long-term growth rate.

Discounted cash flow method is used for impairment testing which discount rate referred to weighted-average cost of capital (WACC) at 9.52%. The recoverable amount exceeded its carrying amount therefore no impairment losses to be recognised in the consolidated financial statements.

Sensitivity analysis

Increase in WACC at 3.88% while holding other assumptions constant, would cause the carrying amount to equal the recoverable amount.

13. Interest-bearing liabilities

	Consolidated financial statements	
	2022	2021
	(in thousand Baht)	
Current		
Bank overdraft	2,484	-
Short-term borrowings from financial institutions - Secured	55,000	5,000
Current portion of long-term borrowings from leasing company		
- Secured	34,251	-
Current portion of long-term borrowings from financial institutions		
- Secured	3,214	108,119
- Unsecured	1,125	14,979
Current portion of lease liabilities	16,903	17,021
Total current interest-bearing liabilities	112,977	145,119
Non-current		
Long-term borrowings from leasing company- Secured	193,156	-
Long-term borrowings from financial institutions		
- Secured	2,689	254,400
- Unsecured	13,500	-
Debentures	295,128	-
Lease liabilities	35,336	20,815
Total non-current interest-bearing liabilities	539,809	275,215
Total interest bearing liabilities	652,786	420,334

	Separate financial statements	
	2022	2021
	(in thousand Baht)	
Current		
Bank overdraft	2,484	-
Short-term borrowings from related parties - Unsecured	29,800	30,800
Short-term borrowings from financial institutions - Secured	50,000	-
Current portion of long-term borrowings from financial institutions		
- Secured	-	46,235
- Unsecured	1,125	14,979
Current portion of lease liabilities	4,632	3,990
Total current interest-bearing liabilities	88,041	96,004
Non-current		
Long-term borrowings from financial institutions		
- Secured	-	107,865
- Unsecured	13,500	-
Debentures	295,128	-
Lease liabilities	4,104	5,148
Total non-current interest-bearing liabilities	312,732	113,013
Total interest bearing liabilities	400,773	209,017

Guarantee

As at 31 December 2022, the Group had guaranteed for the following credit facilities:

- Credit facility of a subsidiary which granted from a leasing company of Baht 296.36 million (2021: Baht 300 million) and
- Credit facilities of a company which was formerly a subsidiary of the Company of Baht 26.65 million (2021: Baht 31.45 million). Currently, the Company is in the process of terminating these credit facilities guarantee contracts with the financial institution.

Details of the Group's loans as at 31 December were as follows:

		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		(in thousand Baht)			
The Company :					
1)	Baht 20 million Bank Overdraft at interest rate of MOR% per annum	2,484	-	2,484	-
2)	Baht 3.8 million Short-term Loan Facility at interest rate of 4% per annum, principal payable within 1 year after withdrawal	-	-	3,800	3,800
3)	Baht 28 million Short-term Loan Facility at interest rate of 4% per annum, principal payable within 1 year after withdrawal	-	-	26,000	27,000
4)	Baht 80 million Short-term Loan Facility at interest rate of MLR-1% per annum, principal payable every 3 months after withdrawal	50,000	-	50,000	-
5)	Baht 280 million Term Loan Facility at interest rate of MLR-2.50% per annum, principal payable in monthly for 75 instalments commencing from March 2019	-	155,552	-	155,552
6)	Baht 15 million Revolving Loan Facility at interest rate of 2% per annum, principal payable in one lump sum amount in April 2022. Subsequently, there was an amendment of loan agreement at interest rate of MLR-1.625% per annum, principal payable every 3 months commencing from July 2022.	14,625	15,000	14,625	15,000
7)	Debenture with named-registered, secured, and senior debentures with a debenture holder representative amounting to Baht 300 million for 2 years and 8 months period with interest rate of 6.25% per annum. The par value of the debentures are Baht 1,000 each principal payable every 3 months commencing from September 2022.	300,000	-	300,000	-

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Subsidiaries :				
1) Baht 5 million Short-term Loan Facility at interest rate of MLR-2% per annum, principal payable in one lump sum amount in March	5,000	5,000	-	-
2) Baht 250 million Term Loan Facility at interest rate of MLR-0.50% per annum, principal payable in monthly for 75 installments commencing from June 2020	-	189,496	-	-
3) Baht 6.3 million Term Loan Facility at interest rate of 2% per annum, principal payable in monthly for 24 installments commencing from January 2021	-	5,462	-	-
4) Baht 8.6 million Term Loan Facility at interest rate of MLR-0.5% per annum, principal payable in monthly for 64 installments commencing from January 2020	3,739	5,518	-	-
5) Baht 45 million Term Loan Facility at interest rate of MLR per annum, principal payable in monthly for 42 installments commencing from January 2020	1,164	11,006	-	-
6) Baht 1 million Term Loan Facility at interest rate of MLR% per annum, principal payable in monthly for 60 installments commencing from January 2023	1,000	-	-	-
7) Baht 250 million Term Loan Facility, principal payable in monthly for 84 installments, for 1-60 installments at interest rate of 5.28% per annum and 61-84 installments at interest rate of MLR commencing from March 2022	227,407	-	-	-
Total	605,419	387,034	396,909	201,352
Less Unamortised front end fee and expense for issuing debentures	(4,872)	(4,536)	(4,872)	(1,473)
Net borrowings and debentures	600,547	382,498	392,037	199,879

Under loan agreements and issuing of debentures, the Group and the Company must comply with certain conditions stipulated in the agreements and prospectus such as maintain loan covenants ratio as stipulated in the agreements. At 31 December 2022, the Group and the Company was able to maintain loan covenants ratio as stipulated in the agreement and prospectus.

On 7 March 2022, a subsidiary had refinanced its loan from a financial institution to a leasing company with long-term borrowings facility amounting to Baht 250 million. The subsidiary had pledged its land, buildings, machinery and equipment as collateral for the borrowings.

During the year 2022, the Company offered named-registered, secured, and senior debentures with a debenture holder representative to institution investors and/or high net worth investors. The issue size of debentures is of Baht 300 million for 2 years and 8 months period with interest rate of 6.25% per annum. The par value of the debentures are Baht 1,000 each, maturity date on 23 February 2025 and interest is payable quarterly.

<i>Assets pledged as security for liabilities as at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Deposits at financial institutions				
with restrictions on withdrawal	31,006	21,588	10,435	500
Investment properties	185,784	171,618	33,423	-
Property, plant and equipment	761,843	805,486	45,211	82,760
Total	978,633	998,692	89,069	83,260

As at 31 December 2022, the Group and the Company had unutilised credit facilities totaling Baht 110.02 million and Baht 102.52 million, respectively, (2021: Baht 232.50 million and Baht 175 million, respectively).

14. Share premium and reserves

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

15. Share capital

	Par value per share (in Baht)	2022		2021	
		Number	Baht	Number	Baht
		<i>(thousand shares / thousand Baht)</i>			
Authorised					
At 1 January					
- ordinary shares	0.50	1,116,000	558,000	930,000	465,000
Issue of new shares	0.50	223,200	111,600	186,000	93,000
At 31 December					
- ordinary shares	0.50	1,339,200	669,600	1,116,000	558,000
Issued and paid-up					
At 1 January					
- ordinary shares	0.50	1,116,000	558,000	930,000	465,000
Issue of new shares	0.50	-	-	186,000	93,000
At 31 December					
- ordinary shares	0.50	1,116,000	558,000	1,116,000	558,000

At the Annual General Meeting of Shareholders of the Company held on 27 April 2022, the shareholders had resolutions as follows:

- To approve the increase in the Company's registered capital from the existing registered capital of Baht 558 million (1,116 million shares with a par value of Baht 0.50) to Baht 669.60 million (1,339.2 million shares with a par value of Baht 0.50 per share) by issuing new ordinary shares of 223.20 million shares, with a par value of Baht 0.50 per share. These shares were approved to support the exercise of right according

to the warrants to purchase ordinary shares of the Company No.1 (SKE-W1) (the “Warrant W1”) in the amount of 223.20 million units allocated to the existing shareholders proportionate to their respective shareholdings.

- To approve the issuance and offering of the 223.20 million units of the Warrants W1 to the existing shareholders proportionate to their respective shareholdings at no cost and at the allocation ratio of 5 existing ordinary shares to one unit of the Warrants W1. The term of the Warrants W1 is four years from the issuance date and the holders of the warrants can exercise their rights on the last business day of each quarter from the issuance of the warrants to the maturity of the warrants. The exercise ratio is one unit of the warrants to one ordinary share at the exercise price of Baht 1.30 per share.

16. Segment information and disaggregation of revenue

Management determined that the Group has five reportable segments which are the Group’s strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments.

Segment 1	Natural gas compression service
Segment 2	Generating and distribution of electricity
Segment 3	Waste disposal management and RDF production
Segment 4	Developing software for securities trading (Note 9)
Segment 5	Others

Other operations include non-operating activities. None of these segments meets the quantitative thresholds for determining reportable segments in 2022 or 2021.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments and disaggregation of revenue by product and service lines

For the year ended 31 December	Natural gas compression service		Generating and distribution of electricity		management and RDF production		Developing software for securities trading		Others		Elimination of inter-segment		Total
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
	(in thousand Baht)												
External revenues													
- Revenue from rendering of services	111,032	110,403	-	-	18,336	19,824	-	-	-	-	-	-	130,227
- Revenue from lease	9,883	17,683	-	-	628	191	-	-	-	-	-	-	17,874
- Revenue from sales of goods	-	-	283,248	282,859	52,980	49,525	4,200	-	-	998	-	-	333,382
Other income	48,127	25,694	1,790	477	1,313	1,414	197	-	1,493	1,551	(35,811)	(22,516)	6,620
Gain from disposal of investment in subsidiary	-	-	-	-	-	-	-	-	-	13,357	-	-	13,357
Total	169,042	153,780	285,038	283,336	73,257	70,954	4,397	-	1,493	15,906	(35,811)	(2,644)	501,460
Segment profit (loss) before income tax	11,355	6,711	2,093	13,202	(15,513)	1,014	(1,646)	-	(753)	9,494	(3,386)	(324)	30,097
Interest income	20,037	21,006	1,348	52	7	-	197	-	1,131	1,150	(22,043)	(19,872)	2,336
Interest expense	22,288	9,164	36,294	32,436	3,755	3,005	-	-	-	832	(23,986)	(20,619)	24,818
Depreciation and amortisation	17,583	13,134	42,397	47,292	11,154	10,874	599	-	272	2,056	4,951	357	73,713
Segment assets	1,544,124	1,325,770	798,629	790,927	517,997	130,189	33,339	-	225,458	226,076	(1,214,983)	(885,997)	1,586,965
Segment liabilities	433,341	234,963	499,621	503,172	327,891	69,259	322	-	354	16	(468,818)	(305,552)	501,858

Geographical segments

The Group is managed and operates only in Thailand. There are no revenues derived from, or assets located in, foreign countries.

Major customers

Revenue from five customers of the Group's segment 1, 2, 3 and 4 represent approximately Baht 445.60 million (2021: Baht 452.39 million) of the Group's total revenues.

Promotional privileges

The Group has been granted promotional business certificates by the Office of the Board of Investment for natural gas compression, and generating and distribution of electricity businesses and Waste disposal management and RDF production. The Group has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

Year ended	Consolidated financial statements					
	2022			2021		
31 December	Non-			Non-		
	Promoted business	promoted business	Total	Promoted business	promoted business	Total
	(in thousand Baht)					
Total revenues	<u>314,717</u>	<u>182,699</u>	<u>497,416</u>	<u>313,970</u>	<u>187,490</u>	<u>501,460</u>

17. Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Cost of rendering services and sales	78,498	91,155	56,653	54,073
Raw materials and consumables used	163,765	142,811	547	473
Employee benefit expenses	84,875	69,828	43,364	43,366
Depreciation and amortisation	76,956	73,713	17,638	13,134

Defined contribution plan

The defined contribution plan comprise provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contribution are made monthly by the employees at rates ranging from 2% to 15% of their basic salaries and by the Company at rates ranging from 4% to 7% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed Fund Manager.

18. Income tax

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Current tax expense				
Current year	173	230	-	-
Deferred tax expense				
Movements in temporary differences	(9,710)	(2,173)	(7,862)	71
Total income tax expense	(9,537)	(1,943)	(7,862)	71

Reconciliation of effective tax rate

	Consolidated financial statements			
	2022		2021	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		(7,850)		30,097
Income tax using the Thai corporation tax rate	20.00	(1,570)	20.00	6,019
Expenses not deductible for tax purposes		1,384		1,857
Deferred tax		(9,710)		(2,173)
Additional deductible expenses for tax purposes		(5,693)		(2,689)
Current year losses for which no deferred tax asset was recognised		9,987		779
Utilisation of previously unrecognised tax losses		(282)		(5,315)
Others		(3,653)		(421)
Total	(121.49)	(9,537)	(6.46)	(1,943)

	Separate financial statements			
	2022		2021	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		11,637		6,776
Income tax using the Thai corporation tax rate	20.00	2,327	20.00	1,355
Expenses not deductible for tax purposes		652		799
Deferred tax		(7,862)		71
Additional deductible expenses for tax purposes		(3,009)		(63)
Current year losses for which no deferred tax asset was recognised		1,839		-
Utilisation of previously unrecognised tax losses		-		(2,091)
Others		(1,809)		-
Total	(67.56)	(7,862)	1.05	71

Deferred tax as at 31 December

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Deferred tax assets	4,118	1,145	3,579	1,175
Deferred tax liabilities	(24,025)	(30,473)	(4,725)	(10,183)
Net	(19,907)	(29,328)	(1,146)	(9,008)

Movements in deferred tax during the year were as follows:

	Consolidated financial statements (Charged) /Credited to:				At 31 December 2022
	At 1 January 2022	Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>	Business combination	
Deferred tax asset					
Property plant and equipment	-	2,940	-	-	2,940
Allowance for expected credit loss	664	(320)	-	-	344
Allowance for impairment of asset	-	234	-	-	234
Others	481	119	-	-	600
Deferred tax liabilities					
Difference in revenue recognition for accounting and taxation purposes of revenue from lease	(11,864)	5,661	-	-	(6,203)
Intangible assets	(17,701)	1,142	-	(289)	(16,848)
Deferred interest expenses	(908)	(66)	-	-	(974)
Total	(29,328)	9,710	-	(289)	(19,907)

	Consolidated financial statements (Charged) /Credited to:				At 31 December 2021
	At 1 January 2021	Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>		
Deferred tax asset					
Allowance for expected credit loss	-	664	-	-	664
Others	422	129	(70)	-	481
Deferred tax liabilities					
Difference in revenue recognition for accounting and taxation purposes of revenue from lease	(11,720)	(144)	-	-	(11,864)
Intangible assets	(18,990)	1,289	-	-	(17,701)
Deferred interest expenses	(1,143)	235	-	-	(908)
Total	(31,431)	2,173	(70)		(29,328)

	Separate financial statements (Charged) /Credited to:		
	At 1	Profit or	Other
	January 2022	loss (in thousand Baht)	comprehensive income
Deferred tax asset			
Property plant and equipment	-	2,940	-
Allowance for expected credit losses	593	(414)	-
Allowance for impairment of asset	375	(156)	-
Others	207	34	-
Deferred tax liabilities			
Difference in revenue recognition for accounting and taxation purposes of revenue from lease	(9,888)	6,138	-
Deferred interest expenses	(295)	(680)	-
Total	(9,008)	7,862	-

	Separate financial statements (Charged) /Credited to:		
	At 1	Profit or	Other
	January 2021	loss (in thousand Baht)	comprehensive income
Deferred tax asset			
Allowance for expected credit losses	535	58	-
Allowance for impairment of asset	660	(285)	-
Others	166	55	(14)
Deferred tax liabilities			
Difference in revenue recognition for accounting and taxation purposes of revenue from lease	(9,882)	(6)	-
Deferred interest expenses	(402)	107	-
Total	(8,923)	(71)	(14)

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(in thousand Baht)		
Tax losses	9,910	7,602	1,839	4,928

The tax losses expire from 2023 to 2027. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

19. Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

Consolidated financial statements						
	Financial instrument measure at		Fair value			
	Fair value through profit or loss	Amortised cost - net	Level 1 (in thousand Baht)	Level 2	Level 3	Total
At 31 December 2022						
Financial assets						
Current investments	44	-	44	-	-	44
Financial liabilities						
Long-term borrowings	-	227,407	-	182,348	-	182,348
Debentures	-	295,128	-	301,660	-	301,660
At 31 December 2021						
Financial assets						
Current investments	22	-	22	-	-	22
Financial liabilities						
Long-term borrowings	-	20,441	-	19,971	-	19,971

Separate financial statements						
	Financial instrument measure at		Fair value			
	Fair value through profit or loss	Amortised cost - net	Level 1 (in thousand Baht)	Level 2	Level 3	Total
At 31 December 2022						
Financial liabilities						
Debentures	-	295,128	-	301,660	-	301,660
At 31 December 2021						
Financial liabilities						
Long-term borrowings	-	14,979	-	14,671	-	14,671

Financial instruments measured at fair value

Investments in marketable unit trusts classified as financial assets measured at FVTPL is stated at fair value using the net asset value as of the reporting date. For those cancelled fund, to determine the fair value of the debt securities, management used a valuation technique in which the net asset value as of the closing date announced was reconciled with each announced amount return to the unit holder.

Financial instruments not measured at fair value

The Company considers Level 2 fair value for debentures is based on bid price from the Thai Bond Market Association as of the reporting date.

Fair values of fixed-interest-rate long-term loans to and borrowings using the discounted cash flow method based on the discount rates of contracts with similar borrowing conditions.

(b) *Financial risk management policies*

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The executive committee is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

(b.1.1) Trade accounts receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 16.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 2 months. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables are disclosed in note 6.

(b.1.2) Investment in debt instruments

The Group considers investments in debt instruments, measured at amortised cost have low credit risk.

(b.1.3) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions for which the Group considers to have low credit risk.

(b.1.4) Guarantees

The Group's policy is to provide financial guarantees only for subsidiaries' liabilities. At 31 December 2022 and 2021 (see note 13).

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effect of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements					
Contractual cash flows					
			More than 1 years but less than 5 years	More than 5 years	
<i>Non-derivative financial liabilities at 31 December</i>	Carrying amount	1 year or less			Total
<i>(in thousand Baht)</i>					
2022					
Bank overdrafts and short-term borrowings	57,484	60,325	-	-	60,325
Trade accounts payable	29,251	29,251	-	-	29,251
Other current payables	86,440	89,202	-	-	89,202
Long-term borrowings	247,935	48,468	191,578	49,931	289,977
Debentures	295,128	18,750	321,524	-	340,274
Lease liabilities	52,239	20,175	37,589	4,864	62,628
	768,477	266,171	550,691	54,795	871,657
2021					
Short-term borrowings	5,000	5,174	-	-	5,174
Trade accounts payable	30,812	30,812	-	-	30,812
Other current payables	18,209	18,209	-	-	18,209
Long-term borrowings	377,498	135,974	275,853	-	411,827
Lease liabilities	37,836	19,533	19,646	5,246	44,425
	469,355	209,702	295,499	5,246	510,447

Non-derivative financial liabilities at 31 December	Carrying amount	Separate financial statements			Total
		Contractual cash flows			
		1 year or less	More than 1 years but less than 5 years		
			More than 5 years		
			(in thousand Baht)		
2022					
Bank overdrafts and short-term borrowings	82,284	86,119	-	-	86,119
Trade accounts payable	9,433	9,433	-	-	9,433
Other current payables	19,814	19,814	-	-	19,814
Long-term borrowings	14,625	2,252	17,546	-	19,798
Debentures	295,128	18,750	321,524	-	340,274
Lease liabilities	8,736	4,944	4,389	-	9,333
	430,020	141,312	343,459	-	484,771
2021					
Short-term borrowings	30,800	32,032	-	-	32,032
Trade accounts payable	7,467	7,467	-	-	7,467
Other current payables	7,507	7,507	-	-	7,507
Long-term borrowings	169,079	66,643	113,614	-	180,257
Lease liabilities	9,139	4,317	5,328	-	9,645
	223,992	117,966	118,942	-	236,908

(b.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates consist of float and fixed interest rate. The Group is primarily exposed to interest rate risk from its borrowings (see note 4 and 13).

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 0.25 % in interest rate at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

<i>Impact to profit or loss</i>	Consolidated financial statements		Separate financial statements	
	Profit or loss		Profit or loss	
	0.25%	0.25%	0.25%	0.25%
	increase in interest rate	decrease in interest rate	increase in interest rate	decrease in interest rate
	<i>(in thousand Baht)</i>			
2022				
Financial instruments with variable interest rate	<u>45</u>	<u>(44)</u>	<u>22</u>	<u>(22)</u>
2021				
Financial instruments with variable interest rate	<u>814</u>	<u>(813)</u>	<u>361</u>	<u>(361)</u>

20. Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

21. Commitments with non-related parties

	Consolidated financial statement		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Bulidings and equipment	55,806	-	-	-
Other commitments				
Service contracts and others	11,260	11,081	7,181	8,837
Bank guarantees	21,579	39,325	19,749	38,700
Letter of credit for machinery	7,013	-	-	-

Certification of Information

The Company has reviewed the information in this annual registration statement/annual report with caution. The Company certifies that such information is correct, complete, not false and does not mislead others or lack of information that should be notified in material matters. In addition, the Company certifies that:

(1) The financial statements and financial information summarized in the annual registration statement/annual report present accurate and complete information in all material respects regarding financial positions, performance and cash flows of the Company and its subsidiaries.

(2) The Company has established a good information disclosure system to ensure that the Company discloses material information of the Company and its subsidiaries correctly and completely, as well as controlling and supervising the implementation of such system.

(3) The Company has established a good internal control system and supervision to ensure compliance with such system. The Company has informed results of the internal control assessment as of the latest available date to the auditor and the Company's Audit Committee. Such information covers deficiencies and significant changes in the internal control system, including wrongful acts that may affect the preparation of financial reports of the Company and its subsidiaries.

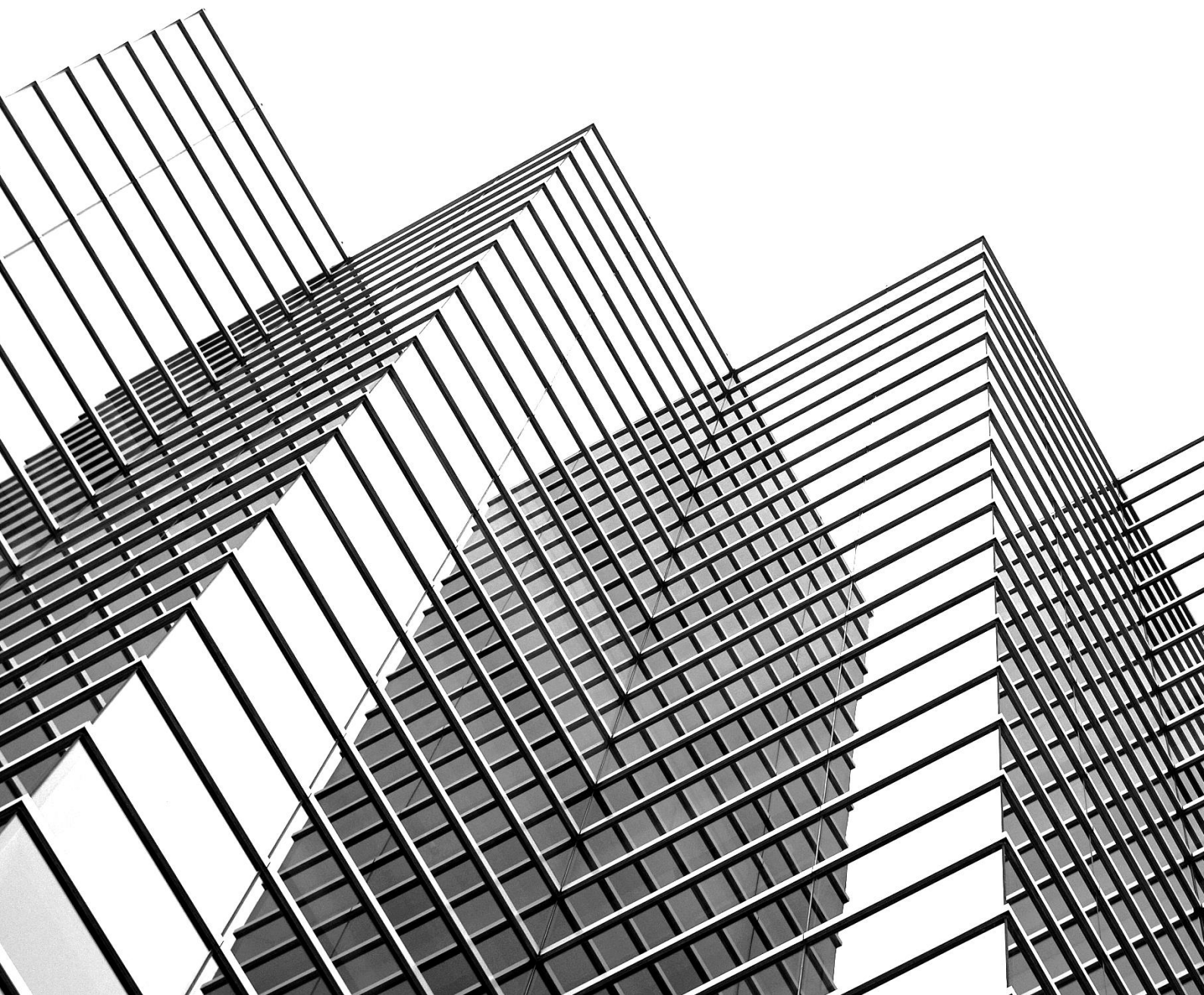
As evidence that all documents are the same set of documents that has been certified by the Company, the Company has assigned Mr. Jakkraphong Sumethchotimetha to sign this document on every page. Any document without the signature of Mr. Jakkraphong Sumethchotimetha, the Company shall deem that such document is not the information that the Company has certified for accuracy of information mentioned above.

Name	Position	Signature
1. Mr. Chutchai Sumethchotimetha	Director Chief Executive Officer	_____
2. Mr. Jakkraphong Sumethchotimetha	Director Manager Director Company Secretary	_____

Authorized Person

Name	Position	Signature
1. Mr. Jakkraphong Sumethchotimetha	Director Managing Director Company Secretary	_____

Attachment



Attachment 1

Details of directors, executives, person with control authority, person who is assigned the highest responsibility in accounting and finance, who is directly responsible for accounting supervision and company secretary as of 31 December 2023



Prof. Emeritus Dr. Direk Lavansiri

Chairman

Independent Director

Educational qualifications

- Doctor's degree
Doctor of Engineering in Civil Engineering, Oregon State University, USA
- Master's degree
Master of Engineering in Civil Engineering (M.S.C.E), University of Washington, USA
- Bachelor's degree
Bachelor of Civil Engineering, Faculty of Engineering Chulalongkorn University

Training history

- Director Certification Program (DCP) 76/2006 IOD
- Director Accredited Program (DAP) 56/2006 IOD

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2017 - Present Independent Director, Chairman of the Board of Directors of Sakol Energy Public Company Limited

Holding a position in a company or other entities

2008 – 2014 Chairman of the Energy Regulatory Commission, Office of the Energy Regulatory Commission

1984 – Present Director, Cheney Engineering Consultants Company Limited

Date of first appointment: 7 April 2017, 24 April 2019

(first reappointment), 27 April 2022 (second reappointment)

Age: 73 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None

Educational qualifications

- Master's degree
Master's degree (Public Administration) National Institute of Development Administration
- Bachelor's degree
Bachelor of Public Administration (Police), Royal Police Cadet Academy

Training history

- Director Certification Program (DCP) 218/2016 IOD

Work experience (in the past 5 years)**Holding a position in a company listed on the Stock Exchange of Thailand**

2016 – Present Independent Director, Chairman of the Audit Committee, Sakol Energy Public Company Limited

Holding a position in a company or other entities

2013-2015 Deputy Commissioner, the Royal Thai Police
2009 – Present Director, Silver Shield Football Club Public Company Limited

**Pol. Gen. Worapong Chewprecha**

Independent Director

Chairman of the Audit Committee

Date of first appointment: 14 September 2016, 19 April 2018 (first reappointment), 30 April 2021 (second reappointment)

AGE: 68 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None



Dr. Witoon Simachokedee

Independent Director

Member of Audit Committee

Date of first appointment: 14 September 2016, 24 April 2019 (first reappointment), 27 April 2022 (second reappointment)

Age: 68 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None

Educational qualifications

- Honorary Doctorate
Honorary Doctorate of Engineering in Industrial Engineering Technology, King Mongkut's University of Technology North Bangkok
Honorary Doctorate Degree in Engineering Safety Engineering, Kasetsart University
Honorary Doctorate Degree in Engineering Occupational Safety and Health Technology Faculty of Industrial Technology, Suan Sunandha Rajabhat University
- Doctor's degree
Doctor of Philosophy in Public Administration (Public and Private Management), Ramkhamhaeng University
- Master's degree
Master of Business Administration (MBA), Thammasat University
- Bachelor's degree
Bachelor of Engineering (Electrical Engineering), Kasetsart University
Bachelor of Laws, Thammasat University

Training history

- Role of the Chairman Program (RCP) 23/2010 IOD
- Director Certification Program (DCP) 11/2009 IOD
- Financial Statements for Directors (FSD) 4/2009 IOD

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2016 - Present	Independent Director, Member of Audit Committee Sakol Energy Public Company Limited
2005 - 2017	Director, T Engineering Company Corporation Public Company Limited
1994 - Present	Director, Delta Electronics (Thailand) Public Company Limited

Holding a position in a company or other entities

2009 - 2014	Permanent Secretary, Ministry of Industry Ministry of Industry
2020 - Present	Chairman of Resources Management for Sustainability (3R) Foundation
2013 - 2021	Chairman of the Institute of Business and Industrial Development
2020 - 2022	Advisor to the Minister of Industry
2009 - 2014	Permanent Secretary of the Ministry of Industry Ministry of Industry

Educational qualifications

- Master's degree
Master of Political Science, Thammasat University
- Bachelor's degree
Bachelor of Laws, Ramkhamhaeng University

Training history

- Director Certification Program (DCP) 59/2005 IOD
- Senior Justice Administration Program, Class 19 (Bor.Jor.Sor.19)
- Administrative Justice Administration Program, Advanced, Class 3 (Bor.Jor.Por.3)
- Top Executive Program in Trade and Commerce (TEPCOT), Class 1
- Senior Executive Program, Capital Market Academy (CMA Program) Class 3 years 2006
- Government Administration and Public Law Program, Prajadhipok Institute (Porra Prajadhipok's Institute) Class 3
- National Defense Course public-private partnership (Phra.), National Defense College, Class 15 years 2003

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2016 - Present	Independent Director, Member of Audit Committee, Chairman of Remuneration and Compensation Committee, Sakol Energy Public Company Limited
2012 – present	Independent Director, Audit Committee, Pranda Jewelry Public Company Limited
2012 – present	Board Chairman, Pranda Jewelry Public Company Limited
2012 – present	Independent Director, Audit Committee, Chairman of Legal Risk Management Committee, Synnex (Thailand) Public Company Limited
2019 – 2022	Chairman of the Nomination and Remuneration Committee, Synnex (Thailand) Public Company Limited
2011 – 2021	Independent Director, Chairman of the Audit Committee, Solartron Public Company Limited

Holding a position in a company or other entities

2013 - Present	Director, Chankam Residence Company Limited
2011 – Present	Director, Phutra Corporation Company Limited
1992 – Present	Director, Nam Heng Concrete (1992) Company Limited
Present	Director, Fiscal Policy Research Institute Foundation
Present	Advisor, Institute of Management Consultants Association of Thailand
Present	Chairman of the Class 59, Director Certificate Program (DCP59)
Present	Advisor, Economics and Finance Academy
Present	Vice President, Thai Duty Free Shop Trade Association



Mrs. Rawittha Pongnuchit

Independent Director

Member of Audit Committee

Chairman of Remuneration and Compensation

Date of first appointment: 14 September 2016, 24 April 2019
(first reappointment)

Age: 72 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None



Asst Professor Dr. Attawoot Papangkorn

Independent Director

Member of Audit Committee

Member of Remuneration and Compensation Committee

Date of first appointment: 14 September 2016, 19 April 2018
(first reappointment), 27 April 2022 (second reappointment)

Age: 37 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None

Educational qualifications

- Doctor's degree
DBA in Business and Administration major in Management (Corporate governance) University of The Thai Chamber of Commerce
- Master's Degree
Master of Accounting, Thammasat University
- Bachelor's degree
Bachelor of Accounting Thammasat University

Training history

- Risk Management Program For Corporate Leaders (RCL) 14/2018 IOD
- Director Accredited Program (DAP) 134/2017 IOD

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2016 - present	Independent Director, Member of Audit Committee, Member of Remuneration and Compensation Committee, Sakol Energy Public Company Limited
2022 - Present	Independent Director, Member of Audit Committee Project Planning Service Public Company Limited

Holding a position in a company or other entities

2017 – Present	Director, System 986 Company Limited
2017 – Present	Director, Innovation 986 Company Limited
2015 – Present	Director, Hot Horology Company Limited
2015 – Present	Director, Suppayasit Company Limited
2015 – Present	Director, Midteeyu Company Limited
2010 – Present	Director, Pinklao-Banglumpoo Company Limited
1992 – Present	Director, Sajpong Lawyer Office Company Limited

Educational qualifications

- Master's degree
Master's degree in Public Administration, National Institute of Development Administration
- Bachelor's degree
Bachelor of Laws, Ramkhamhaeng University

Training history

- Director Accredited Program (DAP) 132/2016 IOD
- Certificate of the Senior Justice Administration (TCB), Class 11, Government Development Institute Judicial Department
- Health Media Course, Class 2, Chulabhorn Royal College
- National Defense College of Thailand SML Class 1

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2016 - Present Director, Chairman of Executive Committee, Chief Executive Officer, Sakol Energy Public Company Limited

Holding a position in a company or other entities

2018 - Present Director, N15 Technology Company Limited (Subsidiary)
2018 - Present Director, Mae Krating Power Company Limited (Subsidiary)
2014 - Present Director, SKE Development Company Limited (Subsidiary)
2014 - Present Director, SK 15 Company Limited (Subsidiary)
2014 - Present Director, TC Power Resources Company Limited
2014 - Present Director, CSK Inventory Services Company Limited
2014 - Present Director, CSK West Recycling Company Limited
2013 - Present Director, Thai Biogas Technology Company Limited
2007 - Present Director, Thala Marine Company Limited
2002 - Present Director, Thanthanakom Company Limited
1984 - Present Director, Thansuwan Company Limited



Mr. Chutchai Sumethchotimetha

Director, Chairman of Executive Committee
Chief Executive Officer (Authorized Director)

Date of first appointment: 14 September 2016, 6 March 2017
(first reappointment), 6 August 2020 (second reappointment)

Age: 68 years

Shareholding in the Company (%): 31.63% (352,937,763 shares)
(as of 5 January 2023)

Family relationship with the managements:

Husband of Mrs. Aree Sumethchotimetha

Father of Mr. Jakkraphong Sumethchotimetha and Mr.
Thanapon Sumetchotimaytha



Mrs. Aree Sumethchotimetha

Director, Executive Director

Senior Executive Vice President (Authorized Director)

Date of first appointment: 14 September 2016, 6 March 2017
(first reappointment), 6 August 2020 (second reappointment)

Age: 67 years

Shareholding in the Company (%): 22.23% (248,108,229 shares)
(as of 5 January 2023)

Family relationship with the managements:

- Wife of Mr. Chutchai Sumethchotimetha
- Mother of Mr. Jakkraphong Sumethchotimetha and Mr. Thanapon Sumetchotimaytha

History of offense on the laws of securities derivatives: None

Educational qualifications

- Master's degree
Master's degree in Public Administration, National Institute of Development Administration
- Bachelor's degree
Bachelor of Laws, Ramkhamhaeng University

Training history

- Director Accredited Program (DAP) 132/2016 IOD

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2016 - Present Director, Chairman of Executive Committee, Chief Executive Officer Sakol Energy Public Company Limited

Holding a position in a company or other entities

2016 - Present Director, Than Suwan Table Tennis Club Company Limited

2014 - Present Director, SKE Development Company Limited (Subsidiary)

2014 - Present Director, SK 15 Company Limited (Subsidiary)

2014 – 2021 Director, N15 Technology Company Limited (Subsidiary)

2014 - Present Director, B.P.15 Company Limited

2013 - Present Director, Thai Biogas Technology Company Limited

2012 – Present Director, PTC Holding Company Limited

2007 – Present Director, Thala Marine Company Limited

2003 – Present Director, T Line Transport Company Limited

2002 – Present Director, Thanthanakom Company Limited

1984 – Present Director, Thansuwan Company Limited

Educational qualifications

- Master's degree
Master of International Marketing (MA), London Metropolitan University, London, UK
- Bachelor's degree
Bachelor of Science, Faculty of Science, Chulalongkorn University

Training history

- Corporate Sustainability Strategy 2022, The Stock Exchange of Thailand
- Business Resilience 2022: Business Model Reinvention for Corporate Sustainability, HR Strategy in New Normal and Digital Transformation, The Stock Exchange of Thailand
- Director Accredited Program (DAP) 132/2016 IOD
- Driving Strategic Success with IT Governance (ITG) 3/2016 IOD
- Anti-Corruption Practice Guide ACPG 34/2016 IOD
- Certificate of the New Executives for Peacekeeping Work, Class 1, Faculty of Police Science Police Cadet Academy
- KTB-MMS Customer Business Development Program Certificate, Class 2, Krung Thai Bank Public Company Limited
- New Leadership Program in Democracy (PMC), Class 9, King Prajadhipok's Institute

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2016 – Present Director, Executive Director, Managing Director, Company Secretary, Sakol Energy Public Company Limited

Holding a position in a company or other entities

2014 - Present Director, SKE Development Company Limited (Subsidiary)
2014 - Present Director, SK 15 Company Limited (Subsidiary)
2018 – Present Director, Mae Krating Power Company Limited (Subsidiary)
2016 - Present Director, Than Suwan Table Tennis Club Company Limited
2014 – 2021 Director, N15 Technology Company Limited (Subsidiary)
2014 - Present Director, B.P.15 Company Limited
2012 – Present Director, PTC Holding Company Limited



Mr. Jakkrachong Sumethchotimetha

Director

Executive Director

Managing Director

Company Secretary (Authorized Director)

Date of first appointment: 14 September 2016, 19 April

2018 (first reappointment), 30 April 2021 (second reappointment)

Age: 37 years

Shareholding in the Company (%): 0.11% (1,276,593 shares) (as of 5 January 2023)

Family relationship with the managements:

- Son of Mr. Chutchai Sumethchotimetha and Mrs. Aree Sumethchotimetha

History of offense on the laws of securities derivatives:

None



Mr. Thanapon Sumetchotimaytha

Director

Executive Director

Chief Operating Officer (Authorized Director)

Educational qualifications

- **Bachelor's degree**
Bachelor in international marketing, Bournemouth University

Training history

- Director Accredited Program (DAP) 127/2016

Work experience (in the past 5 years))

Holding a position in a company listed on the Stock Exchange of Thailand

2016 - Present Director, Executive Director, Chief Operating Officer
Sakol Energy Public Company Limited

Holding a position in a company or other entities

2018 – Present Director, Mae Krating Power Company Limited (Subsidiary)
2018 – 2021 Director, RE Biofuels Company Limited (former subsidiary)
2014 - Present Director, SKE Development Company Limited (Subsidiary)
2014 - Present Director, SK 15 Company Limited (Subsidiary)
2014 - Present Director, N15 Technology Company Limited (Subsidiary)
2013 - Present Director, CSK Inventory Company Limited
2012 – Present Director, PTC Holding Company Limited

Date of first appointment: 14 September 2016, 6 March 2017
(first reappointment), 6 August 2020 (second reappointment)

Age: 41 years

Shareholding in the Company (%): 0.08% (930,693 shares)
(as of 5 January 2023)

Family relationship with the managements:

- Son of Mr. Chutchai Sumethchotimetha and Mrs. Aree Sumethchotimetha

History of offense on the laws of securities derivatives: None

Educational qualifications

- Master's degree
Master's degree in business administration, University of Bath, UK
Master's degree in accounting, Chulalongkorn University
- Graduate Diploma in Auditing, Thammasat University
- Bachelor's degree
Bachelor's degree in accounting (Second Class Honors), Bangkok University

Training history

- Corporate Sustainability Strategy 2022, The Stock Exchange of Thailand
- Business Resilience 2022: Business Model Reinvention for Corporate Sustainability, HR Strategy in New Normal and Digital Transformation, The Stock Exchange of Thailand
- Academic Course "Understanding Fair Value Measurement Under TFRS 13" and "Summary of Important Changes and Issues of TFRS" (Revised 2022)", Thailand Federation of Accounting Professions
- TLCA CFO Professional Development Program, Thai Listed Companies Association
- CFO Focus on Financial Reporting Thailand Federation of Accounting Professions
- Short-Course Quick Nano-MBA Online CBS Academy Chulalongkorn Business School
- CFO Refresher Course, The Stock Exchange of Thailand
- Financial personnel upgrade program to become The Next Normal Financial Professional, The Stock Exchange of Thailand
- Trends, directions of M&A, important issues to consider and strategies for making successful M&A, The Stock Exchange of Thailand
- Summary on key issues of TFRS for PAEs that must be aware of and changes in the year 2021, Personnel Development Training Program for Listed Companies 2021, the Stock Exchange of Thailand
- TLCA CFO Professional Development Program, Thai Listed Companies Association
- CFO Focus on Financial Reporting, Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- Short-Course Quick Nano-MBA Online CBS Academy Chulalongkorn Business School
- CFO Refresher Course Class No. 1, The Stock Exchange of Thailand

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2019 - Present Executive Director and Chief Financial Officer
Sakol Energy Public Company Limited

Holding a position in a company or other entities

2021 - Present Director, N15 Technology Company Limited (subsidiary)
2018 - Present Consultant, PKF Audit (Thailand) Co., Ltd.
2017 - Present Honorary member of sub-committee on examination of auditing performance, auditing examination by Federation of Accounting Professions Under The Royal Patronage of His Majesty The King 2562 - 2564
2019 - 2021 Director, RE Biofuels Company Limited (former subsidiary)
2003 - 2018 Executive Director, KPMG Phoomchai Audit Co., Ltd.



Ms. Napaporn Sathitthammaporn

Executive Director

Chief Financial Officer (an executive according to the SEC's definition as the highest responsible person in accounting and finance)

Effective date: 1 May 2019

Age: 46 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None



Ms. Jittanit Tantrakool

Executive Director

Chief Strategy Officer (an executive under the definition of the SEC)

Educational qualifications

- Bachelor's degree
Bachelor of Arts, Suan Sunandha Rajabhat University

Training history

- Corporate Sustainability Strategy 2022, The Stock Exchange of Thailand
- Business Resilience 2022: Business Model Reinvention for Corporate Sustainability, HR Strategy in New Normal and Digital Transformation" The Stock Exchange of Thailand
- Circular Economy and Sustainability Strategies, 2021, Cambridge Judge Business School, University of Cambridge

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

2021 - Present	Chief Strategy Officer, Sakol Energy Public Company Limited
2017 - 2020	Manager, Investment Relations Department, Sakol Energy Public Company Limited

Holding a position in a company or other entities

2021 - Present	Executive Director, N15 Technology Company Limited (Subsidiary)
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Effective date: 1 March 2021

Age: 37 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None

Educational qualifications

- Master's degree
Master of Arts Program in Political Economy,
Chulalongkorn University Chulalongkorn University
- Bachelor's degree
Bachelor of Political Science, Thammasat University

Training history

- Corporate Sustainability Strategy 2022, The Stock Exchange of Thailand
- Business Resilience 2022: Business Model Reinvention for Corporate Sustainability, HR Strategy in New Normal and Digital Transformation" The Stock Exchange of Thailand
- High Stakes Leadership: Leading in Times of Crisis, University of Michigan (Online)
- Converting Challenges into Opportunities, University of California San Diego (Online)
- Successful Career Development, University System of Georgia (Online)

Work experience (in the past 5 years)**Holding a position in a company listed on the Stock Exchange of Thailand**

2565 - Present	Executive Director, Chief Human Resources Officer Sakol Energy Public Company Limited
2562 - 2564	Human Resource Director, Sakol Energy Public Company Limited

Holding a position in a company or other entities

2564 – Present	Executive Director, N15 Technology Company Limited (Subsidiary)
2564 – Present	Director Consync Group Company Limited
2561 – 2562	Human Resources and Corporate Strategy Manager, Central Trading Company Limited and CRC Sports Company Limited (Central group)
2558 – 2561	Assistant Human Resources Manager, SCG Landscape Company Limited (The Siam Cement Group)

**Mr. Piya Vittayavarokit****Executive Director****Chief Human Resources Officer****Member of Remuneration and Compensation Committee (an executive under the definition of the SEC)****Effective date:** 1 January 2022**Age:** 35 years**Shareholding in the Company (%):** None (as of 5 January 2023)**Family relationship with the managements:** None**History of offense on the laws of securities derivatives:** None

The person supervising accounting

2 September 2019 – 20 August 2021

Mr. Monchai Sueasamrit Accounting and Budget Manager (as a supervisor in accounting)

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None

20 August 2021 – 21 November 2021

Mr. Natwat Petchthai Accounting and Budget Manager (as a supervisor in accounting)

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None

15 December 2021 – present

Miss Rung-arun Lerdsaknapakul Accounting and Budget Manager (as a supervisor in accounting)

Age: 35 years

Shareholding in the Company (%): None (as of 5 January 2023)

Family relationship with the managements: None

History of offense on the laws of securities derivatives: None

Educational qualifications

Bachelor of Accounting, Kasetsart University

Work experience (in the past 5 years)

Holding a position in a company listed on the Stock Exchange of Thailand

December 15, 2021 – Present Accounting and Budget Manager (Accounting Supervisor), Sakol Energy Public Company Limited

Holding a position in a company or other entities

September 2019 – December 2021 Accounting and Finance Manager, After You Public Company Limited

Attachment 2 Details of directors of subsidiaries as of 31 December 2022

Name of subsidiary	Name of director														
	Prof. Emeritus Dr. Direk Lavansiri	Dr. Witoon Simachokdee	Pol. Gen. Worapong Chewprecha	Mrs. Rawitha Phongnuchit	Asst. Prof. Attawoot Papangkorn	Mr. Chutchai Sumethchotimetha	Mrs. Aree Sumethchotimetha	Mr. Jakraphong Sumethchotimetha	Mr. Thanapon Sumetchotimaytha	Ms. Napaporn Sathithammaporn	Mr. Parn Prasjaksatru	Mr. Phonrit Sethakamnerd	Mr. Rapepat Sumethchotimetha	Ms. Intira Sumethchotimetha	Ms. Jittanit Tantrakool
	Mr. Piya Wittayawarokit	Mr. Pokpong Chirayukool	Mr. Luttawit Punjanutbonkot	Mr. Somboon Kittianong	Mr. Phongtat Buaphan	Mr. Thanawat Nukulkarn	Ms. Khem Khunratana								
Sakol Energy Public Company Limited	X, /	/	/	/	/	/	/	/	/	/	/	/	/	/	/
1. SKE Development Co., Ltd.	-	-	-	-	-	/	/	/	/	-	-	-	-	-	-
2. SK 15 Co., Ltd.	-	-	-	-	-	/	/	/	/	-	-	-	-	-	-
3. Mae Krating Power Co., Ltd.	-	-	-	-	-	/	-	/	/	/	X, /	-	-	-	/
4. N15 Technology Co., Ltd.	-	-	-	-	-	X, /	-	/, /, /, O	/	/, /	-	-	/	/	-
5. VANTA Capital Co., Ltd.	-	-	-	-	-	-	-	X, /	/	-	-	-	-	-	-

Remarks:

X = Chairman of the Board of Directors / = Director // = Executive Director

* = Chief Executive Officer O = Managing Director /// = Executive

(1) Vanta Capital Co., Ltd. became the Company's subsidiary on 1 April 2022.

(2) Subsidiary shall mean a significant subsidiary with revenues of more than 10% of total revenues under the consolidated statement of income for the latest accounting year.

(3) Mr. Phongtat Buaphan was appointed as Chief Legal and Compliance Officer and executive director of Sakol Energy Public Company Limited according to the resolution of the Board of Directors' Meeting No. 6/2022 held on 8 November 2022, effective from 1 January 2023 onwards.

Attachment 3

Details of Head of the Internal Audit

In the year 2022, the Company engaged A.M.T. Solution Company Limited as the Company's internal auditor with Mr. Akkarachai Amrungjitchai as the head of the internal audit team who is knowledgeable, professional, and competence to act as an independent internal auditor and ensure that the audit of the Company's internal control system is the most effective. The Company encourages independent internal auditor to perform its duties in accordance with international standards of professional internal auditing practices and requires the internal auditor to report directly to the Audit Committee.

Attachment 4

Details of Assets Used in the Business and Asset Appraisal

Details of assets used in business and asset appraisal are set out under Form 56-1 One Report: Business Overview and Operating Performance under the title of 'Assets used in the business.'

Attachment 5

Policy on good corporate governance, code of conduct and good corporate governance manual, ethical standards, and business ethics, including the Charter of the Board of Directors and the charter of the sub-committees of Sakol Energy Public Company Limited

Sakol Energy Public Company Limited has established a policy on good corporate governance to serve as guidelines for the Company's operations to be effective. It also creates transparency to investors which will instill confidence in the Company's business operations with third parties.

The Company has announced the code of conduct to which directors, executives and employees of the Company must adhere as guidelines for performing their duties on behalf of the Company. Good corporate governance manual, ethical standards, and business ethics have been prepared for the Board of Directors, executives, and all employees for acknowledgement and as practices for their performance of duties.

For details relating to good corporate governance policy, code of conduct and good corporate governance manual, ethical standards, and business ethics, including the Charter of the Board of Directors and the charter of the sub-committees, can be viewed at the below link.

<https://www.sakolenergy.com/en/corporate-governance/download>

Attachment 6

Report of the Audit Committee

As appeared under the report on performance of duties by the Audit Committee during the past year.



Sakol Energy Public Company Limited

252/108(B),252/109(C) Muang Thai Phatra Complex,
Tower B, Level 21 Ratchadaphisek Road, Huai Kwang
Sub-district, Huai Kwang District, Bangkok 10310