Asia biomass Public Company Limited

Form 56-1 (One Report)

Annual Report 2021

www.asiabiomass.com

ABM
Asia Bio Mass

Achievement Award

บรรษัทภิบาลแห่งชาติ บรรษัทภิบาลแห่งชาติ บรรษัทภิบาลแห่งชาติ บรรษัทภิบาลแห่งชาติ
National CG Committee National CG Committee National CG Committee National CG Committee

Bureau Veritas Certification

ASIA BIOMASS PUBLIC COMPANY LIMITED

273/2 RAMA2 RD., SAMAEDAM, BANGKHUNTIEN, BANGKOK 10150, THAILAND

Bureau Veritas Certification Holding SAS certifies that the company has implemented a FSCTM product groups control system according to the Forest Stewardship CouncilTM certification system, in the above location and complies with the requirements of Standard:

FSC Chain of Custody Certification standard, Ref.: FSC-STD-40-004 V 3.0

Additional FSC standard(s): FSC CoC Certification of Multiple Sites standard, Ref.: FSC-STD-40-003 V2 1

For its activities concerning:

Trading with/without physical possession of Wooden products certified FSC100%, FSC Mix, and FSC Controlled Wood.
Trading with/without physical possession of Roundwood (logs) and Twigs certified FSC100% and FSC Controlled Wood.
Trading with/without physical possession of Wood charcoal certified FSC100%.
Trading without physical possession of Rubber/ Latex certified FSC100%.
Trading with/without physical possession included outsourcing process for Wood chips and Wood pellets certified FSC100% and FSC Mix.
Sale and Manufacturing of woodchips and wood pellets certified FSC100% and FSC Mix.

*Updated list of products & species on the FSC database (info.fsc.org)

Type of certification: Multi-Site

Original certification date:	09 August 2016
Date of certification decision:	30 June 2021
Expiration date:	08 August 2026
FSC Certificate code:	BV-COC 130246/BV-CW 130246
BV Certificate No. / Version:	TH016638/1
Contract No:	10538270
Issue date:	06 July 2021

Signed on behalf of Bureau Veritas Certification Holding

The mark of responsible forestry
FSC® A000994

The validity of this certification shall be verified on: info.fsc.org This certificate itself does not constitute evidence that a particular product supplied by the certificate holder is FSC-certified or FSC Controlled Wood. Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required FSC claim is clearly stated on sales and delivery documents.

Accredited office: Bureau Veritas Certification Holding – 8, cours du Triangle - 92800 Puteaux - France; www.bureauveritas.com

Certification decision office: Bureau Veritas Certification China, F22, Tower B, Beijing Global, Trade Center, 36 North, Third Ring Road East, Dongcheng District, Beijing 100013, China

Contracting office: Bureau Veritas Certification Thailand

A list of the products or services that are included in the scope of the certificate may be obtained on request to Bureau Veritas Certification. This certificate remains the property of Bureau Veritas Certification, all copies or reproductions and the certificate itself shall be returned or destroyed on Bureau Veritas certification request. All certificates not in English are for reference only.

FSC CoC Certificate rev 7.5 1/3 March 1, 2021

BUREAU VERITAS Certification

Certificate of Conformity
Certificat de Conformité

ASIA BIOMASS PUBLIC COMPANY LIMITED

273/2 RAMA2 RD., SAMAEDAM, BANGKHUNTIEN 10150 BANGKOK - THAILAND

All sites included in the scope of this certificate are listed in annex.
L'ensemble des sites concernés par cette certification se trouve en annexe.

Bureau Veritas Certification certifies that the company mentioned above meets the requirements for PEFC Chain of Custody certification according to the following standards:
Bureau Veritas Certification certifie que l'entreprise nommée ci-dessus respecte les exigences définies pour la certification De la Chaîne de Contrôle PEFC, énoncés dans les référentiels suivants:

PEFC ST 2002:2013 – December 07th 2015
PEFC ST 2001:2008 2nd Edition – November 26th 2010

Scope – Domaine d'activité

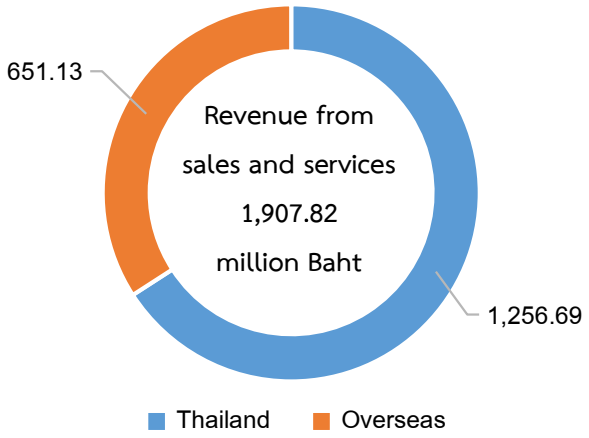
Trading of Roundwood (Sawlogs and veneer logs, Pulpwood, Wood residues), **Fuelwood** (fuel chips, residues, pellets, briquets, etc.), **Sawnwood, Particleboard, Fibreboard** (MDF), **Pulp** (Dissolving) **and with/without subcontracting process certified PEFC X% and PEFC Controlled source.**
Trading and Mixing of Fuel wood (Wood chips, Wood pellets) **with/without subcontracting process certified PEFC X% and sales and manufacturing of Fuel wood** (Wood chips) **Certified PEFC X% and PEFC Controlled source.**
Physical Separation and Average percentage method
Appendix 2 – *Prise en compte de l'annexe 2 (Multisite)*

Certificate n° – Certificat n°: **BV/SAC/7015161**
Account n° – *N° d'affaire:* **7103104**
Date – *Date:* **24 September 2021**
This certificate is valid until – Ce certificat est valable jusqu'au: ***24 September 2026***
To check the validity of this certificate please call: +33 1.41.97.00.60
Pour Vérifier la validité de ce certificat, appelez le 01.41.97.00.60

Rémy GABARRE
Wood & Trade
Department Head

Any question concerning this certificate can be answered by the certified company.
Tout réclamé concernant sur cette certification peut être obtenu auprès de l'Entreprise certifiée.
Last update – *Dernière mise à jour le* **24/09/2021**

Financial Highlights in 2021



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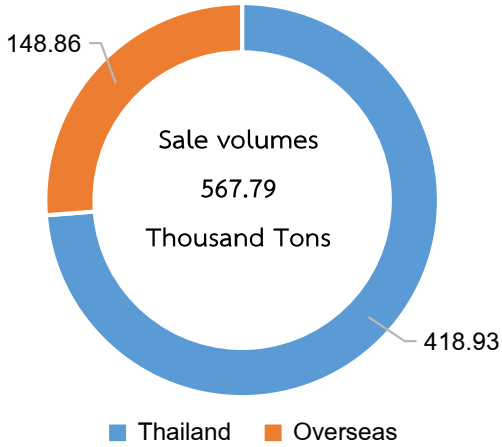

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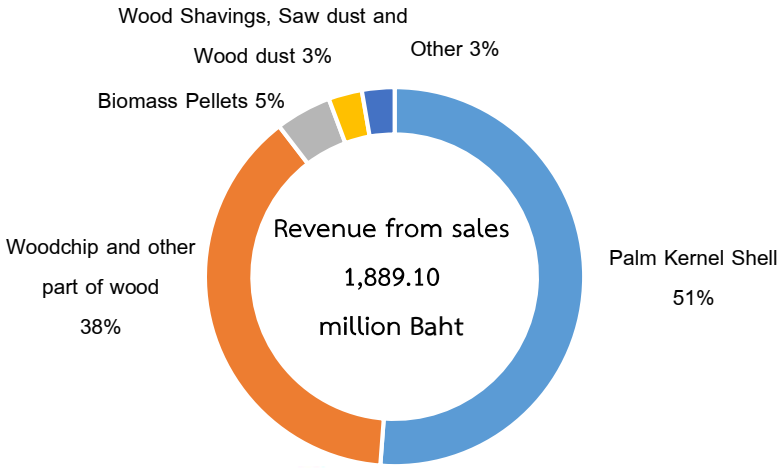

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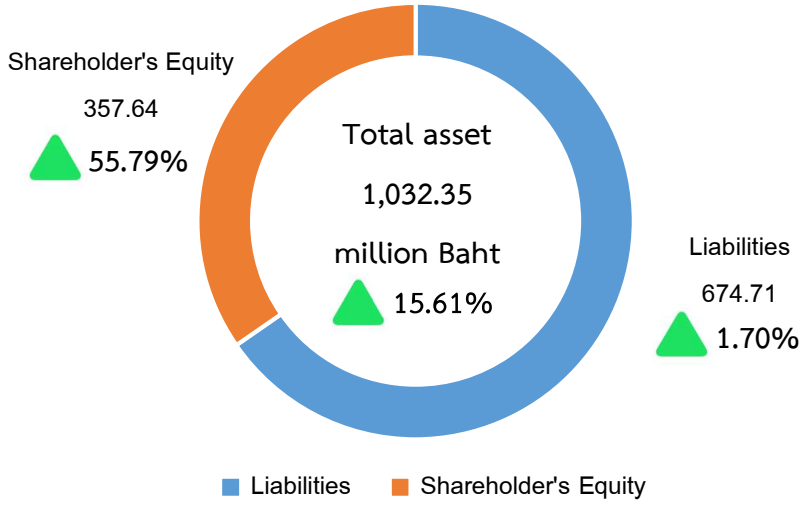
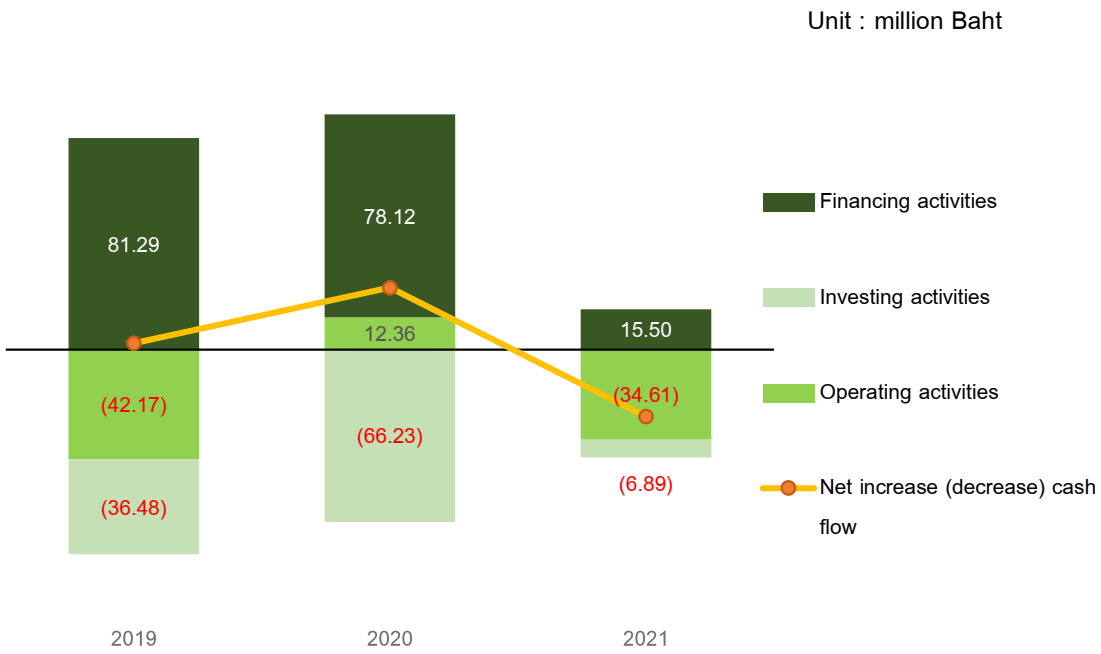


Company's cash flow



Net cash flow ▼ 25.8 million

Mr. Apisit Rujikeatkamjorn

Chairman

Message from the Chairman of the Board of Directors

Asia Biomass Public Company Limited "ABM" is committed to conduct business with honesty and integrity, aiming to create value for all stakeholders, and responsible for operating the business for stable and sustainable growth together.

2021 was another challenging year for the coronavirus or COVID-19 epidemic, causing the economy to stall. The measures do not only affect our lifestyles, but also the business sectors, the overall economy of Thailand, and the world economy. In addition, global warming and rapidly changing technology mean that all sectors have to adapt and overcome this crisis together.

The key to get through this crisis is to expand the business by distributing new products and expanding distribution channels for biomass products both inside and outside the energy industry and to seek opportunities for the Company's growth by leaps and bounds: build on infrastructure, experience, and knowledge of the existing organization and act quickly to keep up with the situation including effective logistics management, and the application of information technology to control budgets and expenses, simplifying operational procedures to reduce management costs and enhance customer service efficiency, which makes the Company's earnings improve over the past year despite numerous crises. In addition, The development the organization to be stronger by developing personnel to be more capable, the recruitment of new personnel with specific expertise to join the team, and effective risk management planning along with operations considering social and environmental responsibilities continuously by focusing on projects that create shared value between the Company and the community, such as promoting jobs, the production of cement tubes for use in raising oysters are needed.

Another important thing is the development of business on the basis of being a Supply Chain Facilitator ,by investing in infrastructure and developing production processes and services with potential and efficiency on the basis of social responsibility to support the growth of business with trading partners throughout the supply chain. The wood chip factory business and a biomass briquette plant have been expanded, which connects and expands the Integrated Management System with partners in order to upgrade products and services to meet the needs of customers.

The Company has been certified for sustainable forest management system standards, which is a matter of many dimensions including, economic, social, community, and environmental. The objective is to ensure that forest products and services can meet current demands. At the same time, the forest area can be continually preserved and supports long-term development, causing the planted forest area to remain in this management system. The Company has encouraged farmers to use the forest management system in order to raise the level of Thai farmers' products to compete in the world market. Including quality certification standards (ISO 9001:2015), environmental certification standards (ISO 14001:2015), occupational safety, health, and work environment standards accredited to various standards. These actions enable the Company to grow in the renewable energy business sustainably as well as a strategy to expand the business by adding a product line, Biomaterial, which is a high-value product to meet the needs of customers and expand more customer groups.

Finally, on behalf of the Board of Directors of Asia Biomass Public Company Limited, I would like to thank all shareholders, investors, business partners, financial institutions, government agencies, and the private sectors involved, as well as all customers, who have always believed in and supported the Company. Most importantly, the Company would like to express gratitude to the Executive Committee and all employees of the Company for their dedication and hard work, as well as honesty, diligence, and patience, which push the Company to develop and move forward steadily, creating sustainable returns for the shareholders and all stakeholders forever.

Mr. Apisit Rujikeatkamjorn
Chairman

EXECUTIVE COMMITTEE

2 1 3 4

1.Miss Tiyada Mekpongsatorn

Chairman of Executive Committee

2.Mr.Pongtham Danwungderm

Vice Chairman of Executive Committee

3.Mr.Panom Kuansataporn

Executive Committee

4.Mrs.NatpaphaKuansataporn

Executive Committee

MANAGEMENT TEAM

3 2 1 4 5

1.Miss Tiyada Mekpongsatorn

Managing Director

2.Mr.Pongtham Danwungderm Deputy Managing Directorand

ChiefFinancialOfficer(CFO)

3.Mrs.Apiratee Sakulin

CompanySecretary and DirectorOf Human Resources and

Administration

4.Mr.Prutthipol Soisuwun

Director of Sourcing and Supply Chain BU2

5.Mr.Chairat Dejpaiboonyot

Assistant Directorof Salesand Marketing

“ ABM Core Values ”

I AM ABM

- I = Innovative
- A = Adaptability
- M = Moving Forward
- A = Accountability
- B = Be Best For Customers
- M = Morality

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ASIA BIOMASS PUBLIC COMPANY LIMITED

PART 1 Business Overview and Performance

1. Structure and Operations of the group

1.1. Policies and the Overview of Business

Asia Biomass Public Company Limited ("the Company" or "ABM") operates the business of procuring and distributing various type of environmentally friendly biomass fuel for industrial customers in many fields of business that require energy from biomass fuel in the production process both domestic and international.

The Board of Directors gives priority to the operations of the Company. Therefore, the Board of Directors has considered reviewing the vision, mission, and strategy with the executives in the Board of Directors' meeting No. 3/21, held on 13 August 2021, with a resolution to change the vision for the Company to be consistent and appropriate with current and future business operations.

1.1.1 Vision Mission and Business direction

Vision

To be a leader in biomass and related goods procurement and development in ASEAN by 2025, with solutions that meet customers' needs in various industries and be ready to focus and drive the business to grow sustainably based on the new economy (BCG Economy).

Mission

Response promptly to customers' needs with various biomass fuels, focuses on quality and quantity of biomass fuel are delivered to customers continuously and regularly, with a logistics system that satisfied, including excellent after-sales service and considering the interests of the Company's stakeholders

Business direction (2021 – 2025)

The Company had business direction as follow:

1. Focus on delivering quality biomass fuel to customers.
2. Focus on providing a variety of products to customers
3. Pay attention to efficient logistics management
4. Improve accessibility to biomass fuel sources and customers continuously, both domestic and international
5. Continuously improve the quality of customer service.

1.1.2 Key Changes and Development

Authority to Control the Company in the Previous Year

Shareholders' details are in the topic of shareholders, page 34

Nature of Business Operation in the Previous Year

Kuansataporn family has more than 60 years of business experience, starting from the business of being a manufacturer of incense powder, raw material for mosquito coil, and distributing biomass fuel from husks, wood chips, and firewood to industrial factories. Subsequently, the Company was established on 20 August 1984 as Thai Incense Powder Industry Company Limited with an initial registered capital of 1.00 million Baht to expand the business. Later, the Company established a subsidiary named Sathaporn Thanapat Company Limited ("STP") on 27 March 1990, to provide transportation services by car, and make delivery management more efficient and provide services within the time specified by customers. In addition, the Company has invested in warehouses such as receiving, collecting, stockpiling, and distributing products points to the Company. After the biomass fuel procurement and distribution business continued to grow as the demand for renewable fuels increased, the Company turned to focus on the procurement business and distribute biomass fuel by ceased the business of producing incense powder and raw materials for mosquito coils, and changing the name to Asia Biomass Company Limited on 20 October 2009, to make the name more consistent with the main business. The Company was listed on the Market for Alternative Investment (MAI) on 27 February 2018 as Asia Biomass Public Company Limited.

In addition, the Company established a subsidiary named Paprapat Company Limited ("PPP") on 1 October 2009 to support the expansion of biomass fuel procurement and distribution business, by procuring and distributing VAT exempted biomass fuel. The Company and the subsidiary have been in the business of procuring and distributing biomass fuel for a long time and are well known and are widely accepted by distributors and buyers from various industries, including distributors and customers abroad. The Company, therefore, established 3 overseas subsidiaries, which are PT. Asia Biomass Indonesia ("ABI") Asia Biomass Energy SDN. BHD. ("ABE") and Asia Biomass Resources SDN. BHD. ("ABR") to supply biomass fuel in Indonesia and Malaysia then sold to ABM for further distribution. The distribution of biomass fuel is directly from the 3 subsidiaries to ABM's customers abroad and ABM's warehouses in Thailand.

For over 37 years, the Company has been committed to operating the business under the principles of good corporate governance and giving priority to the responsibility to all stakeholders for the Company to grow sustainably. In 2021, the Company can operate the business as usual despite the situation of the COVID-19 pandemic. The Company has taken precautionary measures and taken good care, causing no impact to the Company's business operations.

2021

- Launched Wood Pellet plant
- 1st launch Tapioca starch
- The company achieved very score (100 of 100 points) in Annual General Meeting (AGM) in 2021 from jointed program of Thai Investor Association and The Securities and Exchange Commission.
- Received CSR-DIW Award 2021
- Received additional PEFC ST 2002:2013 and PEFC ST 2001:2018 2nd Edition Certificate

2020

- Launched Wood Chip plant
- 1st exported Palm Kernel Shell from Thailand
- The company achieved very score (97 of 100 points) in Annual General Meeting (AGM) in 2020 from jointed program of Thai Investor Association and The Securities and Exchange Commission.
- On June 10th, 2020, The company received certificate of achievement on Zero accident campaign for the first year from Ministry of Labour with 252,382 hours of zero accident in 2020.

2018

- IPO
- ABM received ISO 9001:2015 and 14001:2015
- Established ABP

2017

- Received additional FSC-CoC Certificate
- Received CSR-DIW
- STP received ISO 9001:2005

2016

- Received FSC-CoC

2009 - 2015

- Changed the name to ABM
- Established PPP, ABI, ABE and ABR

1990

- Established STP

1984

- Founded as Thai Joss Powder Co.,Ltd

1.1.3 Money Usage from Fund Raising

- None

1.1.4 Promised Obligations of the Company

- None

1.1.5 General Information

Company Information (on 31 December 2021)

Thai Company Name	บริษัท เอเชีย ไบโอแมส จำกัด (มหาชน)
English Company Name	Asia Biomass Public Company Limited
Securities Initial	ABM
Head Office Location	273/2 Rama2 Road, Samae Dam, Bang Khun Thian, Bangkok.
Nature of Business Operation	Biomass Fuel Distributor
Company Registration Number	0107560000061
Registered capital	150,000,000.00 Baht
Paid-up capital	150,000,000.00 Baht
The number of shares sold	Ordinary share 300,000,00.00 shares
Par value per share	0.50 Baht
Head Office Phone	02 415 0054
Head Office Fax	02 894 0066
Website	www.asiabiomass.com
Company secretary	Telephone: 02-415-0054 Extension 2619 Fax: 02-894-0066 Fax: 02-894-0066 Email : apiratee@asiabiomass.com
Registrar of Ordinary Shares	Thailand Securities Depository Co., Ltd. No. 93 Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok, 10400 Telephone: 02-229-2800 Fax: 02-654-5472
Auditors	Mr. Narong Luktharn CPA No. 4700 Miss Maliwan Phahuwattanakorn CPA No. 4701 Mr. Chaikrit Warakitjakorn CPA No. 7326 Miss Kamontat Jitkarnka CPA No. 10356 NPS Siam Audit Limited No. 555/5-6 SSP Tower 5 Floor, Soi Sukhumvit 63 (Ekkamai), Sukhumvit Road, Klongton Nua Sub-district, Wattana District, Bangkok 10110 Telephone: 02 711 5300 Fax: 02 711 5866

1.2. Nature of Business Operation

Business Overview and Revenue Structure Classified by Business Type

1.2.1 Revenue Structure

The Company and subsidiaries are mainly engaged in the procurement and distribution of biomass fuel. The procurement and distribution of biomass fuel domestically and internationally are carried out by the Company and subsidiaries which are PPP, ABI, ABE, ABR, with ABP acting in the production, and STP to support the operation of biomass fuel transportation services that the Company and subsidiaries procure and distribute by showing the revenue structure classified by business type as follows:

Revenue structure categorized by Type of Business	Operated by	2019		2020		2021	
		Million Baht	%	Million Baht	%	Million Baht	%
Revenue from product sales		**1,314.55**	**98.69**	**1,535.06**	**98.24**	**1,889.10**	**97.97**
- Domestic	ABM and PPP	919.56	69.04	1,013.58	64.87	1,237.97	64.20
- Overseas	ABM	394.99	29.65	521.48	33.37	651.13	33.77
- Overseas- Subsidiaries in oversea countries[1/]	ABE	-	-	-	-	-	-
Revenue from transportation services[2/]	**STP**	**9.13**	**0.69**	**13.31**	**0.86**	**18.72**	**0.97**
Other incomes[3/]	**ABM and subsidiaries**	**8.33**	**0.63**	**14.14**	**0.90**	**20.48**	**1.06**
รวม		**1,332.00**	**100.00**	**1,562.51**	**100.00**	**1,928.30**	**100.00**

Remark:

1/ The company received purchase order from Malaysian customers. The price was satisfactory. The requested quantity did not affect the company's export plan. Therefore; the company assigned ABE to directly sell to customers in particular cases.

2/ The income from transportation service as shown above is only the income that STP gave services to the outsiders. Normally, STP will mainly give services only to the company and PPP.

3/ Other incomes consist of (1) Income from asset sales (2) Profit from foreign exchange rate (3) Income from properties' insurance claim (4) Other incomes

Procured and distributed products by the Company and subsidiaries can be divided into 5 main groups and the sales revenue are divided by product types between 2019 and 2021.

Revenue structure categorized by Type of Business	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic sales	**919.56**	**69.95**	**1,013.58**	**66.03**	**1,237.97**	**65.53**
- Palm Kernel Shell	705.95	53.70	809.29	52.72	967.36	51.21
- Woodchip and other parts of wood	109.59	8.34	84.84	5.53	120.49	6.38
- Biomass Pellets	90.43	6.88	45.86	2.99	90.38	4.78
- Wood Shavings, Sawdust and Wood dust	33.71	2.56	70.84	4.61	53.93	2.85
- Other products	-	-	2.75	0.18	5.81	0.31
Overseas sales	**394.99**	**30.05**	**521.48**	**33.97**	**651.13**	**34.47**
- Palm Kernel Shell	23.39	1.78	88.28	5.75	-	-
- Woodchip and other parts of wood	125.98	9.58	399.16	26.00	604.43	32.00
- Biomass Pellets	225.50	17.15	34.04	2.22	-	-
- Other products	-	-	-	-	46.70	2.47
Total	**1,314.55**	**100.00**	**1,535.06**	**100.00**	**1,889.10**	**100.00**

1.2.2 Characteristics of Products and Services

The Company and subsidiaries' main business are procuring and distributing biomass fuel to people who need biomass fuel in production process, such as industrial and power plants, and for other uses, such as biomass processors, wood products manufacturers, and groups that distribute biomass fuel, etc. The Company and subsidiaries will procure biomass fuel from producer sources with quality and reliable biomass fuel suppliers ("Supplier"). Domestic procurement sorted through ABM and PPP, overseas procurement allocated by ABI, ABE, and ABR. The distribution to customers will be done through ABM and PPP only.

Biomass fuel derived from living organisms or organic compounds that can be converted into energy, such as a secondary product from agricultural products processing and harvest leftovers in agriculture and forestry, etc. The biomass fuel that the Company and subsidiaries procure and distribute derived from agricultural products, which can be classified according to the source into 3 types:

1. **Biomass fuel derived from the process of agricultural products** such as palm kernel shells, palm fibers, palm bunches from crude palm oil extraction factories, shavings from wood furniture factories, sawdust, slabs, and other sawmill parts, etc.
2. **Biomass fuels derived from agriculture** such as tree tips, tree roots and stumps from rubber plantations, cassava rhizomes from cassava plantations, etc.
3. **Biomass fuel derived from newly planted trees as a specific energy source.** Most are fast-growing plants such as giant acacia, eucalyptus, and Napier grass.

The biomass fuel that the Company and subsidiaries procure and distribute are commonly derived from the processing of agricultural products.

The biomass fuel users of the Company and subsidiaries use the Direct Combustion method to convert biomass fuel into energy to heat in the boiler until the water in the boiler turns into steam. The steam will generate pressure, temperature, and flow rate as specified by the users, and users will use this steam in the production process, such as spinning a steam turbine to generate electricity, blowing air to dry fabric fibers in textile factories, and disinfection in the food industry. The steam can also be used in various ways in each industries production, and each step depends on the users. The biomass fuel users have to choose the type of biomass fuel that is suitable for the furnace and the existing boiler's technology. Some technologies can support only one type of biomass fuel, but some can support many forms of biomass fuels. The technology that can process many types of biomass fuels can increase flexibility for the users because they can substitute one type of biomass fuel with another.

The products that the Company procures and distributes can divide into 5 main groups as follows:

Group 1: Palm Kernel Shell

Palm kernel shells are a by-product of the palm oil extraction process, which is an oil extraction from the pulp and kernel of the palm fruit in the crude palm oil industry. The palm oil extraction will create palm kernel shells approximately 4% of the weight of fresh palm bunches used.

Palm kernels shells are one of the components of palm fruit. It is the part that covers the kernels of the fruit. The general appearance is dark brown in color, hard, and has high calorific properties. The heating value depends on the humidity and the size of the palm shell.

Palm Fruit

Palm Kernel Shell

Wood Slab

Wood chip

Firewood

Group 2: Woodchip and Others

Woodchip products and other parts of wood sold by the Company and subsidiaries are woodchips, slabs, rogues, firewood, and other parts obtained from cutting and sawing processes such as sawmills, woodchips factories, lumber factories, wooden furniture factories, etc. , which will vary in sizes according to the users and the customer's needs. The woodchips and other products distributed by the Company and subsidiaries come from rubberwood and 13 types of wood that have been approved by the Royal Forest Department

Group 3: Wood Shavings, Sawdust, Wood Dust

Wood shavings, sawdust, and wood dust are by-products of wood processing. Wood shavings look like thin bark from shaving the wood as for sawdust and wood dust are powdery similar to dust, lightweight from sawing wood, obtained from wood processing such as sawmills, lumber mills, wooden furniture factories, etc.

Wood Shaving

Saw Dust

Wood Dust

Biomass Pellet

Group 4: Biomass Pellet

Biomass pellets are products that are produced by taking by- products from agricultural processing such as bark, other parts of woods, wood shavings, sawdust, and husks into the digest process, reduce the humidity, and extrude into small cylindrical rods. The high density, and low humidity from the extrusion process and heat results in the biomass pellet has a higher heating value than biomass fuel before extrusion process. Most of the biomass pellets sold by the Company and subsidiaries are from wood by-products such as shavings, sawdust, known as Wood Pellets, and other types of biomass pellets are also sold, such as rice husk pellet, and sawdust and husks mixed pellets, etc.

Group 5: Others

The Company and subsidiaries distribute other biomass fuels as alternatives and meet customers' needs, such as rice husks, palm fibers, palm bunches, corncobs, rhizomes, cassava shredded, cassava starch, etc. In addition, the Company procures and distributes other products apart from biomass fuel such as processed timber products, eucalyptus wood chips, RDF waste which are products that the Company can obtain from Suppliers who distribute biomass fuel to the Company, such as sawmills and lumber mills, and sell to customers who are the Company's suppliers, which are wooden furniture factories and oversea customers.

The price of biomass fuel varies according to the heating value, which is inversely proportional to the humidity. During the trading, buyers and sellers will agree on the price and determine the moisture level of each type of biomass fuel. Each biomass fuel produces different energy from combustion, according to the various elements of each biomass and the humidity accumulated in biomass which can be displayed as follows:

Biomass Fuel Type[1/]	Moisure (%)	Heat (kcal per kg)
Group 1: Palm Kernel Shell	25 - 27	3,400 – 3,800
Group 2: Woodchip and Others	45 - 50	2,300 – 2,800
Group 3: Wood Shavings, Sawdust, Wood Dust	10 – 18	3,700 – 4,000
Group 4: Biomass Pellet	8 - 10	4,000 – 4,400

Source: Company's internal data

Marketing and Competition

Marketing

Product Marketing Policy

The Company and subsidiaries shall be referred collectively as "the Company". The product marketing policy are as follows:

1. Product The Company focuses on selling quality biomass fuel to customers. The Company, therefore, focuses on the selection of suppliers, transportation, and products storage through product quality control procedure throughout the operations, including moisture, color, size, impurity, with laboratory testing and physical assessment, to make customers confident in the quality of the Company's biomass fuel products. The Company has a variety of biomass fuels for customers to choose from and provides replacement options if the price of products increased, unlike most companies in the industry that choose to sell only one type of product. The Company also satisfies customers' needs by raising the standard of products sold by the Company, which are biomass pellets made from wood by-products ("Wood Pellet"), wood shavings, sawdust, wood chips, and other parts of the wood. The Company is certified by The Forest Stewardship Council (FSC) FSC Chain of Custody (CoC), PEFC ST 2002:2013 and PEFC ST 2001:2008 2nd as standards to certify that the sell products are obtained from internationally recognized sources and can be traced throughout the product chain. Businesses from oversees want to purchase biomass fuel from a supplier that is certified by the standards. Therefore, the Company has advantages in selling products to oversees compared to other suppliers and distributors in Thailand.

2. Services The Company focuses on both pre and post-sale services. The Company has experts to supervise and advise on biomass fuel usage that are suitable for furnaces and boiler technology or customers' needs, by being able to advise customers who are studying the possibility of using biomass fuel, customers who already use biomass fuel in the production, customers who have customized the new boiler combustion, or customers who need a new type of biomass fuel. The Company's experts will discuss the needs, check the boiler, and advise the customer's factory to ensure that customers can be confident that the biomass fuel purchased from the Company can be used effectively and suitable for the production process. In terms of shipping services, the Company employs STP and other logistics operators to deliver products to customers. The Company has criteria for selecting logistics according to the standards set by the Company and has a regular assessment of transport contractors to be able to deliver products to the Company according to the plan, the products reach the customers on time, and reduce product loss during transportation. STP has been certified with ISO9001 Quality Management System: 2015, which ensures that STP's shipping management meets international standards.

3. Cost Management The Company focuses on effective cost management to help offer competitively priced biomass fuel to customers. The Company's team closely monitors the demand and supply of the biomass fuel market to supply the biomass fuel at reasonable price and quantity at each period. In addition, the Company has 4 warehouses

storing biomass fuel domestically and internationally, enabling the flexible plan for procurement and sales, manage appropriate inventory, and help the Company deliver products more efficiently. The Company has a method of transporting products from the supplier directly to the customer without going through the Company's warehouse. ("Direct Transportation"), which reduces the cost of transporting and storing the product.

4. Pricing Selling products both domestically and internationally, the Company determines the price of the product according to the market price at that time, by adding additional profits from actual costs such as product costs, transportation costs, administrative expenses, etc., and comparing them with the price to keep the price of the product at a competitive level. The cost structure will be calculated and define a minimum profit so that sales and marketing departments can offer customers a standardized price. However, during the competitive period, the sales and marketing departments can sell the products with a lower than calculated profit with approval from authorized persons.

5. Controlling and Considering Customer Credit

The Company has procedures for considering and screening customers to get quality customers and eliminating NPL troubles. The Company pays attention to the history and checks the customer's financial status before selling the product. The Company requires every new customer's credit history/approval for the authorized person to approve the opening of a customer's account. The sales and marketing staff will examine the customer history through interviews, business visits, internet search to know the basic information such as name, location of the business, desired product, order quantity, and provide supporting documents for approval, such as a copy of the Company's certificate, copy of VAT registration, and the latest financial statements. The accounting and finance staff will analyze and give opinions on the client's financial condition to present to the subcommittee to consider the credit limit to open a customer account. If approved, the trading account will be opened for the client and set payment conditions in the system. If it is a credit sale, the Company will set a clear credit limit and credit term. In case of overdue, the system will automatically lock and the sales and marketing teams will not be able to carry out the sale. However, if sales and marketing wish to sell if the credit limit or the payment period received by the customer are exceeded, approval must be obtained under the procedures. The Company reviews the credit every year or when there is an event that possibly affects a customer's credit to be suitable for the customer's financial position and business operation and closely followed up on outstanding debtors. If the customer has overdue, the Company will follow up on outstanding debt under the measures set by the Company.

Customer Satisfaction Survey

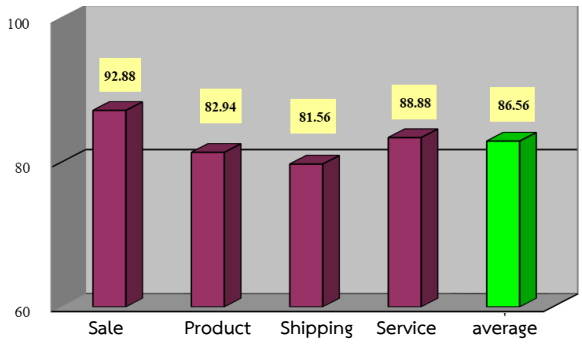
The Company focuses on creating customer satisfaction. The Company, therefore, conducts a satisfaction survey in various fields every year and summarizes the overall result to be used as a guideline for improvement, and development for the Company to be effective. As the Company aims to be the leading organization in biomass fuel management in Asia, the Company has conducted a customer satisfaction survey which can be summarized as follows:

There are 4 main topics used in the survey as follows:

1. Sales
2. Product
3. Shipping
4. Service

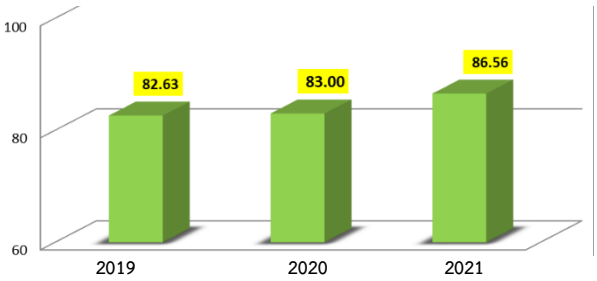
During 2021, the customer satisfaction survey receives the average satisfaction level is 86.56%, sales are 92.88%, products are 82.94%, delivery is 81.56% and services are 88.88%.

Customer Satisfaction Survey During 2021



During 2019 - 2021, the Company has continuously developed customer satisfaction in every aspect to meet customer satisfaction.

Customer Satisfaction Survey During 2019-2021



Business Strategy

For the Company to maintain the status of the country's leading biomass fuel supply organization and focus on regional growth. The Company has implemented a strategy that conforms with the vision and mission set by the Company by striving to create value from products and services to create sustainable benefits for customers and all stakeholders. The Company's business guidelines are summarized as follows:

1. The Company has a plan to expand its business based on being a Supply Chain Facilitator by investing in infrastructure and developing production processes and services to have potential and efficiency, based on social responsibility, to support business growth with partners throughout Supply Chain as follows:

1.1 In 2021, the Company has established a production line of wood pellets at a warehouse in Bang Nam Chuet Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province, with a capacity of 24,000 tons per year, to expand and increase the value of raw materials such as shavings, sawdust and woodchips, and manufacture products under the FSC and PEFC standards to support domestic customers and exported to overseas.

1.2 In 2021, the Company is in the process of establishing a new warehouse in Taphong Sub-district, Mueang Rayong District, Rayong Province, with an area of 17 rai approximately to support the distribution of biomass fuel around 100,0000 tons per year in the Eastern Special Development Zone (EEC) to support growth in the country's region industry according to government policy.

1.3 Woodchips Fuel Plant in Bang Kung Sub-district, Mueang Surat Thani District, Surat Thani Province is to produce woodchips with a capacity of 120,000 tons per year to add value to partners from firewood from farmer's rubber plantations, and logging teams, and adding value from sawmill's slabs, and wood drying industry.

1.4 Connect and expand the Integrated Management System with partners to upgrade products and services to meet customers' needs by applying the FSC and PEFC timber and forest product original certification standards, quality certification standards (ISO 9001:2015), environmental certification standards (ISO 14001:2015) with occupational safety standards in health and working environment.

2. The Company has distributed new products and expanded distribution channels both inside and outside the energy industry to find exponential growing opportunity and business based on infrastructure, experience, and knowledge of the organizations as follows:

2.1 From 2021 onwards, the Company began to export eucalyptus wood chipped and cassava starch biomass approximately 200,000 tons as raw materials for the pulp and paper industry. This helps generate revenue for Thai farmers about 450 million Baht a year and increase distribution channels of more than 60 producers of peeled eucalyptus wood chips and cassava starch.

3. The Company has guidelines for studying and developing future projects to build on a business and create value for products and services including expanding markets, distribution channels, and elevating customers' satisfaction above their needs as follows:

3.1 In 2022, the Company will study new markets and products for distributing to existing customers, using as inputs for customer's products such as agricultural and food products, mineral, and chemical products, as well as studying High-Value products for the Company's future growth.

3.2 In 2022, the Company will develop a full range of after- sales customer service, such as environment friendly waste and industrial waste disposal services, boiler inspection services according to the standards required by law, advising on fuel efficiency by experts, etc.

Characteristics and Target of Customer

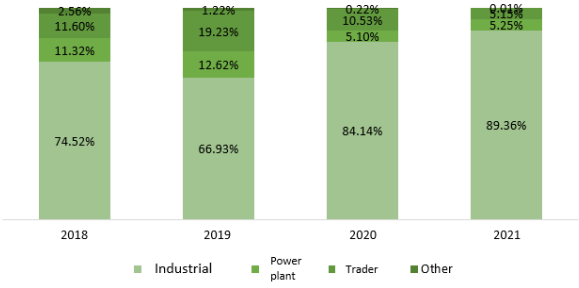
At this time, the Company and its subsidiaries distribute biomass fuel to domestic and international customers. The proportion of distribution to domestic and international customers divide as follows:

Domestic Customers

Domestic customers who want to use biomass fuel in the production and distribution are divide into 5 groups as follows:

1. **Industrial factory** is a group that uses biomass fuel to produce heat energy by using a boiler in the production process.
2. **Power plant** is a group that uses biomass fuel to produce electricity in power plant.
3. **Biomass fuel distributor group ("Trader")** is a group who buys the biomass fuel from the Company and redistributes to their customers.
4. **Biomass processing group** uses biomass fuel to produce biomass fuel for distribution to biomass fuel users or traders, such as biomass pellet manufacturers and woodchip manufacturers, etc.

Revenue by ABM's Domestic Customer group



Industrial customers are customers with the highest percentage of biomass fuel purchases with the Company because it is a group of customers who continuously and regularly use biomass fuel in their production processes. As long as they produce their products, this group of customers will always need biomass fuel. The industrial customers that use biomass fuel in the production process are:

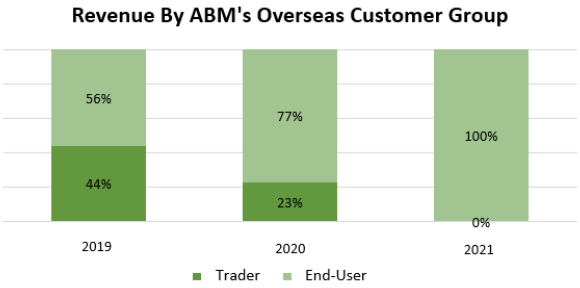
(1) Customers whose industrial plant areas locate in pollution control zones; or areas near the community
(2) Customers who sell products to customers who demand a low-carbon emission or protect the environment production process
(3) Customers who care about the environment.

In addition to industrial customers, power houses customers are also considered as customers who have consistent and continuous usage of biomass fuel in their production.

Oversea Customers

Overseas Customers consisted of:

1. Biomass Fuel Distributor Group ("Trader")
2. Customers who use biomass fue (End-User), which are power houses and industrial plants, etc.



The Company is trying to develop relationships with customers who use biomass (End-User) to increase the proportion of these customers groups. In 2021, the End-User customers were the core international customers, namely powerhouses and industrial plants that use biomass fuel for production. The Company and subsidiaries build confidence with foreign customers by having warehouses that can store quality products and the quantity required by the customers. The customer can come to inspect before the Company delivers the product at the specified time. The target market of the Company and subsidiaries are Japan, South Korea, European countries, etc.

In the future, foreign customers' proportion will expand due to the government's policy supporting renewable energy globally and nationally, which will help the Company and subsidiaries expand international customer base.

Industrial Condition

Demand and Supply of Renewable Energy by Country and Region

Thailand

Thailand has continuously been using renewable energy. This is from the government support. The renewable energy is the energy such as solar power, wind power hydropower, biomass fuel, biogas, waste energy and biofuel (Ethanol, Biodiesel). The Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy, issued the Alternative Energy Development Plan (AEDP 2015) to set the goal to increase Thailand's consumption of renewable energy by 30% at least in the year 2037.

Performance on Alternative Energy Policy: October 2020 - September 2021 (Fiscal Year)

Alternative Energy	2019	2020	2021	Target 2037
Electricity[1/ 2/] (MW)				
1. Solar Energy[3/]	2,692.26	2,715.21	2,982.43	12,139.00
2. Solar Powered Buoys	-	-	-	2,725.00
3. Biomass[3/]	3,400.24	3,501.18	3,763.77	5,790.00
4. Wind Energy	1,506.82	1,506.73	1,546.32	2,989.00
5. Biogas[4/]	528.92	547.26	569.79	1,565.00
6. MSW	314.67	324.44	348.48	900.00
7. Industrial Waste	-	-	-	75.00
8. Small Hydro Power[5/]	187.79	190.39	190.39	308.00
9. Large Hydro Power[6/]	2,919.66	2,919.66	2,919.66	2,920.00
10. Other Alternative Energy (Geothermal Power)	0.30	0.30	0.30	-
Total Electricity (MW)	**11,840.83**	**11,969.26**	**12,321.24**	**29,411.00**
Total Electricity (ktoe)	**3,194.00**	**2,903.00**	**3,109.00**	**7,298.00**
Heat (ktoe)				
1. Solar Energy[7/]	10.11	10.57	10.82	100.00
2. Biomass	7,961.00	5,903.00	4,224.00	23,000.00
3. Biogas	634.00	687.00	687.00	1,283.00
4. MSW	114.00	116.00	135.00	495.00
5. Bio Methane	-	-	-	2,023.00
Total Heat (ktoe)	**8,719.00**	**6,717.00**	**5,057.00**	**26,901.00**
Biofuels (ktoe)	**2,287.00**	**2,377.00**	**2,197.00**	**4,085.00**
Alternative Energy Consumption (ktoe)	**14,200.00**	**11,997.00**	**10,364.00**	**38,284.00**
Final Energy Consumption (ktoe)	**86,026.00**	**79,519.00**	**71,487.00**	**126,284.00**
Percentage of Alternative Energy Consumption (%)	**16.51**	**15.09**	**14.50**	**30.00**

Sources: EGAT, MEA, PEA, ERC, DEDE, and DOEB

Notes: 1/ Including off grid power generation.

2/ Including on grid power generation with capacity ≤ 1 MW & ≥ 1 MW.

3/ Including the community power plants.

4/ Including waste water / waste dumping and energy crops.

5/ Including hydro power plants ≤ 12 MW & hydro power plant using the water downstream.

6/ The existing installed capacity.

7/ Based on M2 installed from solar collector

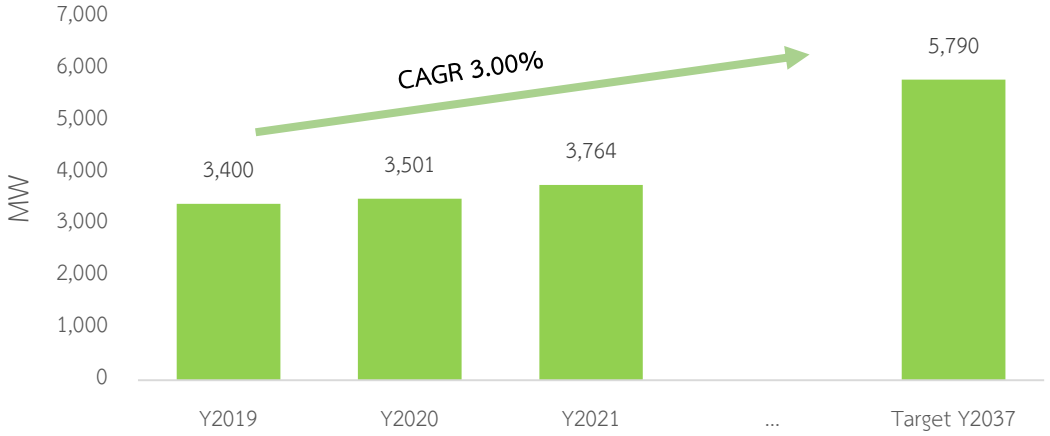
As of 30 September 2021

Source: Department of Alternative Energy Development and Efficiency

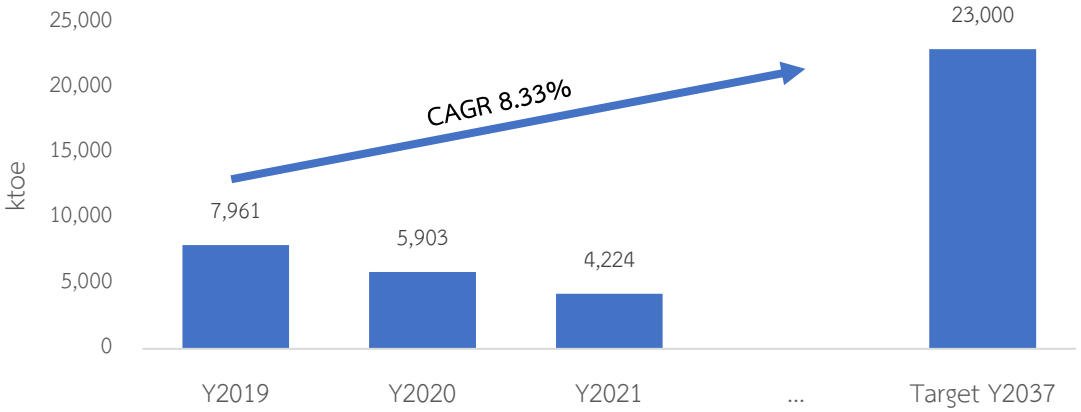
According to AEDP2015, the proportion of renewable energy consumption will increase in the future. In Thailand, biomass fuel will play an important role in electricity and heat generation.

The electricity generation by biomass fuel will increase to 5,790 MW in 2037 and Heat production by biomass will increase to 23,000 ktoe in 2037.

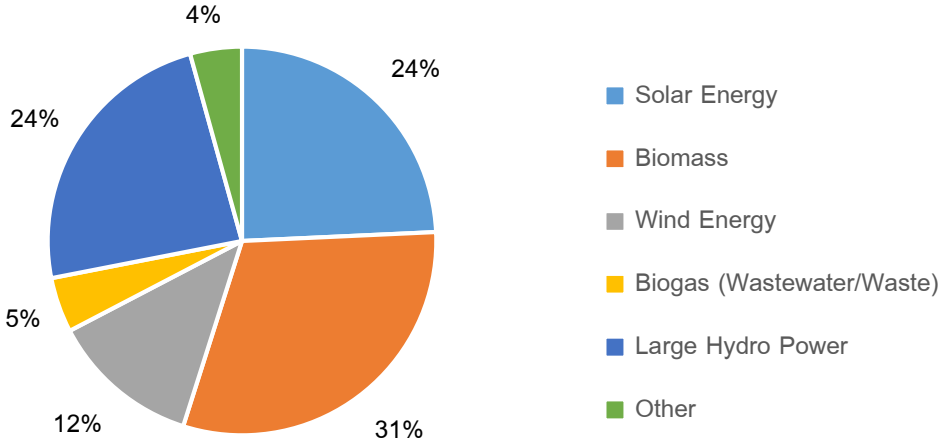
Electricity from Biomass Fuel



Heat from Biomass Fuel



Electricity from alternative energy



Source: Department of Alternative Energy Development and Efficiency, Company's calculation

Competition

The biomass fuel procurement and distribution market is full of organizations who can operate the procurement and distribution business of biomass fuel, as follows:

1. **Big trader** is a supplier and a distributor who operates like the Company and subsidiaries. The business operates by collecting biomass fuel from producers such as crude palm oil mills, wood furniture factories, sawmills, biomass briquette factories, and/or other traders in Thailand and overseas. There are warehouses to collect and store large quantities of biomass fuel. However, the Company estimates that there are less than 10 operators.
2. **Small traders** are business who have relationships with suppliers and buyers of biomass fuel. It will procure biomass fuel from suppliers in small volumes and sell to buyers as a trading business. It may or may not have a warehouse and will not store inventories at a large quantity.
3. **Producers who have a business in agricultural products process** as mentioned already have biomass fuel as a by-product from the production process. Therefore, the procurement and distribution of biomass fuel is the secondary business.

It is not difficult to operates business in the biomass fuel procurement and distribution industry. As a business that relies on procurement and distribution capabilities, by may have small initial investment, for example, starting a business with no investments in warehouses, inventory, and trucks with just the start-up capital to purchase goods, and adding additional profit for buyers to be able in starting a business, to be able to compete and grow continuously, operators have to meet the customers' needs in product type, product demand, product quality, product price, and services. Retail traders may not be able to meet customers' needs in all aspects, such as the truth that retail traders do not invest in warehouses. It is impossible to gather enough products for customers with high demand or manufacturers whose primary business is agricultural products processing and selling a few types of products. Selling only products obtained from their manufacturing processes will not be able to meet the many groups of customers' desires or entrepreneurs have little capital inability, and to have working capital to purchase biomass fuel according to customers' demands, etc.

The Company is one of the leading biomass fuel procurement and distribution companies. The factors that make the Company's potential and ability to compete over others are from:

1. **More than 60 years of experience in the biomass fuel business** from the major shareholders' group makes the Company understand the biomass fuel market, customers' needs and product sources, good relationship with buyers and sellers making the Company able to supply and recommend biomass fuels that are suitable for customers' needs.
2. **Distribute qualified biomass fuel with various types** to support all groups of customers' needs.
3. **Certified** with Wood By-Products by The Forest Stewardship Council ("FSC") FSC Chain of Custody (CoC), PEFC ST 2002:2013, and PEFC ST 2001:2008 2nd standards The Company is able to expand the market to users who require certification such as Japan and South Korea which will only purchase FSC certified products. Therefore, it is a crucial point for the Company to expand its distribution

to international markets in the future to obtain FSC Chain of Custody (CoC) certification. A certified product must be traceable throughout the production chain from the source of the wood to the production, transportation, to storage that meets the required standards.

4. **Provide biomass fuel by volume and time that the customers required** the Company and subsidiaries assess the demand for biomass fuel by asking customers directly to plan the supply according to the quantity that customer needs as well as having a warehouse to store products in large amounts, support the needs of customers throughout the season including having efficient transportation management both from using services from STP and other transport companies, makes it possible to deliver goods within the specified time.
5. **Effective cost management** The Company and subsidiaries can manage the cost of goods due to several warehouses located close to production sites domestically and internationally. The Company and subsidiaries can collect biomass fuel during the period of high production season, making the price not too high, and sell whenever customers need them. In addition, the Company and subsidiaries focus on efficient transportation management by trying to manage the delivery of goods from the Supplier directly to the customer without going through the Company's warehouse ("Direct Delivery") and the freight price framework for the hiring of STP and other carriers on appropriate cost level.
6. **The Company and subsidiaries have a stable capital and sufficient working capital** for procurement and investing in inventory to support the expansion of demand in the biomass fuel market.

1.2.3 Product and Service Procurement

Product Procurement

The Company and subsidiaries' biomass fuel procurement are divided into 2 types:

1. **Biomass fuel purchasing directly from producers** The Company will deal directly with manufacturers such as crude palm oil extraction mills, wood furniture factories, sawmills, rice mill, sugar mill, and wood pellets production plants, etc.
2. **Biomass fuel purchasing from a supplier ("Trader")** by the Company will contact the Trader who procures the biomass fuel from the producer and sold to another company.

The Company and subsidiaries' biomass fuel purchasing proportion are divided by type of suppliers domestically and internationally in 2019 to 2021 as follows:

The Company and subsidiary's biomass fuel procurement focuses on sourcing biomass fuel directly from producers. However, sourcing biomass fuel from traders is another crucial channel, by the way, the Company and its subsidiaries can access manufacturers and mainly procure biomass fuel from producers directly, especially the palm kernel shell whose quantities depend on the season, product manufacturers hedge their risks by not selling to a

single buyer entirely. Increasing the Company's procurement channels with its traders thus helps its biomass procurement more efficient, such as during the period when biomass fuel is decreasing but the price is growing, the Company and its subsidiaries can purchase those biomass fuels from traders at reasonable prices. Allows the Company and its subsidiaries to supply biomass fuel at the quantity and cost required by customers without the need to collect biomass fuel alone in another way to manage the costs and inventory of the Company and its subsidiaries, and in the part of procuring biomass fuel abroad. In the past, the Company had to rely mainly on biomass procurement channels from traders because the Company was in developing relationships with foreign producers both in Indonesia and Malaysia.

Each type of biomass fuel procurement has different details as follows:

Palm Kernel Shell Procurement

The Company and subsidiaries have procured palm kernel shells from domestic and international suppliers according to the procurement plans from assessing customers' needs in advance.

For heat energy production, palm kernel shells are considered as a crucial biomass fuel due to providing high calorific value. The quantity of palm shells depends on palm oil production in Thailand. Thailand is known as the world's third-largest oil palm producer. In 2016, the Agricultural Information Center, The Office of Agricultural Economics estimates that palm oil production will be about 11.68 million tons which will lead to the theoretical amount of palm kernel shells about 0.47 million tons. Indonesia and Malaysia are the world's No. 1 and 2 oil palm producers in order. If the palm kernel shells' theoretical quantity is calculated by using the biomass to oil palm fruit as 0.04, the total amount of palm kernel shells in Indonesia and Malaysia is 9.75 million tons and 4.01 million tons. The Customs Department did not disclose the amount of palm shell imports of Thailand. Therefore, the imported palm kernel shells number from these two countries could not be determined a theoretical quantity of palm kernel shells for each country can show as follows.

For other wood waste biomass in 2013, the Energy for Environment Foundation assessed the potential of lumber waste biomass. Only 13 types of wood are permitted into sawmills according to the announcement of the Ministry of Industry and Forestry Department are Eucalyptus, Tan Wattle, Brown Salwood, Lead tree, Shorea, Australian Pine, Mountain Ru, Coconut, Tamarind, Marian Plum, Burmese Grape, Raintree, and Palmyra Palm which estimate to contain other theoretical lumbers' biomass about 18.51 million tons.

Domestic Palm Kernel Shell Procurement

The sourcing of palm kernel shells in the country is only to meet the needs of domestic customers. Most of the Company's palm kernel shells domestic purchases will do through PPP since palm kernel shells classify as VAT exempted biomass fuels. Currently, PPP's domestic supply of palm kernel shells is 66% to 98% approximately of the total palm shell supply which can divide into 2 types of procurement which are:

1. **ABM and PPP order from several plants as a crucial direct supply to crude palm oil mills in Thailand's southern and eastern regions.** The number of factories in which ABM and PPP purchase palm shells accounts for about 70% of the crude palm oil mills' total number in Thailand, which is the factory group that ABM and PPP choose to order is a raw palm oil extraction plant

that has been operating continuously and production capacity is at a reasonable level to be able to supply palm kernel shells to ABM and PPP. In general, ABM and PPP have an average order for palm kernel shells about 60 to 80% of the palm shell production for each plant capacity.

2. **Sourcing through palm kernel shell traders**, which are subsequently purchased from crude palm oil mills and other traders, where ABM and PPP purchase with reliable traders and offer competitive pricing.

Overseas Palm Kernel Shell Procurement

The Company and subsidiaries also procure palm shells from abroad to increase the ability to meet customers' needs in quantity, quality, and prices. The Company has established subsidiaries, ABI in Indonesia, ABE, and ABR in Malaysia which are 1st and 2nd largest oil palm plantation countries in the world, to be used as a source of supply and collecting palm kernel shells from manufacturers in those countries for the Company solely and purchase from overseas subsidiaries to sell to customers. However, the overseas subsidiaries will accept biomass fuel procurement plans from the Company. The Company and subsidiaries can be divided into 2 types:

1. **Direct procurement** to crude palm oil extraction plants in Indonesia and Malaysia.
2. **Procurement through palm kernel shell trader (Trader)** will purchase palm kernel shells directly from the crude palm oil mill and/or other palm kernel shell traders and collect the quantity as agreed with the Company and its subsidiaries.

Trader procurement is currently the most procuring aspect of offshore sourcing of palm kernel shells, for approximately 20% to 50% of the total supply from 2019 to 2021. In the future, the Company and its subsidiaries plan to increase the direct procurement as much as possible when the Company and subsidiaries can develop relationships with crude palm oil mills. The procurement of foreign palm kernel shells is contractual and specifies the quantity and purchase price for a short period. Payments to foreign suppliers will be made as agreed in the contract by letter of credit (L/C) or money transfer.

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The overseas warehouse is a crucial factor in providing palm shells from abroad procedure because palm kernel shells from Indonesia and Malaysia to Thai and international customers transport by sea should have a minimum volume of between 8,000 to 30,000 tons to manage costs effectively.

Sourcing palm shells from multiple sources allows the Company and its subsidiaries to manage price fluctuations more efficiently due to the price of palm kernel shells of each origin depending on the harvest season, supply, and demand in each market which will be different depending on the time. The Company and subsidiaries can manage by purchasing from lower prices sources. In addition, the palm kernel shells obtained from each crude palm oil mill and country have different qualities and appearances, can be assessed from the size, moisture, and impurity of the palm kernel shell. The quality of the palm shell depends on the production process from crude palm

oil extraction plant, storage of palm shells in each production area, and the palm kernel shells thickness. The Company and its subsidiaries will grade the supplied palm kernel shells to be able to deliver to meet the customers' needs

Woodchip and other parts of wood Procurement

The Company directly procures woodchip from the chopped wood yard, and other parts from a wooden furniture factory, lumber factories, and sawmills in the country in the south, central, eastern, northeastern, and northern regions, with each area of the country having different quantities of each type of product. The biomass procurement department will procure them directly from each producer because it is a product with continuous supply, and the Company can choose to buy from the production source that is closest to the user for the most efficient transportation cost. As for the trading of woodchips, the Company has contracts and orders through purchase orders with suppliers. Most of the agreements made are 1-year contracts and set purchase prices in advance. The Company will order slabs through a purchase order with the supplier on a one-time basis. Most of the payment for this group of products will be credited to the supplier.

Wood Shavings, Sawdust, Wood Dust Procurement

The Company directly procures sawdust, shavings, and wood dust from wood furniture factories, sawmills, and lumber factories in the country in the southern, central, eastern, northeastern and northern regions as no price volatility products. Therefore, contracts with suppliers are contracted for 1 to 3 years and set purchase prices in advance with all suppliers. Some suppliers have contracted to sell products to the Company solely (Exclusive contracts) by buying from each supplier will vary, according to the quality of the product and delivery, which the payment terms will be by the contract. There are both cash purchases, credit purchases, and advance payments. Most of the suppliers of sawdust, shavings, and wood dust of the Company are suppliers that have been in contact for a long time. Most of them are located in the central and the eastern region.

Biomass Pellets Procurement

The Company directly supplies biomass briquettes to local biomass briquette manufacturers. Most of them are located in the eastern and southern regions and are studying procurement guidelines process from foreign suppliers. The biomass briquette producers in Thailand can divide into 3 sizes according to their production capacity, namely (1) A large producer with a capacity of 5,000 tons per month or more (2) A middle-man with a capacity of 1,000 to 5,000 tons per month (3) Small scale, production capacity is less than 1,000 tons by production size, and the ability to continuously supply products is crucial in choosing to be a supplier of biomass briquettes for the Company. The Company will have a purchase agreement with the Supplier, payment terms will be under the contract. There are both credit purchases and advance payments.

Service Provision

Transportation Service Provision

The company hires a freight forwarder to deliver the goods to the company in procuring biomass fuel procedures and the delivering process biomass fuel to customers, which has land and water transport.

Land Transportation

There are 2 types of land transport service providers as follows:

1. Transportation service provider as the Company's subsidiary

The Company's subsidiary is STP which establishes to provide freight services to domestic affiliated companies, related companies, and other companies. STP has invested in owning truck fleets and has various types and sizes such as special vehicles, trailers, semi-trailers, pick-up trucks, etc. To suit cargo transportation each type, STP has the number of cargo vehicles of the Company from 2019 until 31 December 2021, as follows:

Year	2019	2020	2021
No.of cars	48	48	34

The service users of STP can be divided into 3 groups: (1) ABM and PPP, (2) related companies, and (3) other companies. STP's trucks can deliver a wide range of cargoes such as biomass fuel, coal, fertilizer, animal feed, etc. Most of STP's transportation services are biomass fuel transportation services to ABM and PPP, and when the remaining transport capacity is available, it will be delivered to related companies and other companies in order to manage the STP transport trucks. It can be used with full efficiency in this manner. STP's logistics department receives freight orders directly from the Company's logistics department when a freight forwarding service is commissioned by the Company and is used to plan transportation management. The Remaining freight that STP cannot service STP will continue to find other freight forwarding services from related companies and other companies so that STP can use the transport vehicles to their full potential. The credit of the employer will also be considered and enter into a contract with the employer before providing transportation services to each customer

STP provides transportation services by using transport vehicles owned by STP only. All STP vehicles are equipped with a satellite coordinate system ("GPS system") to control the operation of the drivers and efficient fleet management. STP has employed drivers and staff carrying regular goods to support transportation services to customers. STP also has a maintenance department to maintain the condition of the transport vehicles in a safe and ready-to-use condition.

2. Third Party Carriers

The Company has hired a third-party transportation service provider ("Car-sharing Company") to transport biomass fuel to the Company, which are more than 100 companies, each with a different route expertise, divided accordingly to different regions of the country. The Company will select the transport service provider. The carrier must be an experienced carrier. There are trucks of different types that can support the Company's biomass fuel products. The Company will enter into a transportation service contract with every transport service provider with details of the hiring of transport, such as freight rates, adjustment of transportation wages when there is a change in oil prices, warranty against damage from damaged and lost products, etc. In addition, the Company also controls the quality of

the transportation service providers. The delivery status is checked with the carrier by telephone throughout the transportation process from loading the goods into the car to unloading the goods at the destination and randomly check the operation of the transport service providers at the job site as well

The Company's biomass fuel transportation management planning is carried out by the Company's logistics department. The sales, marketing and biomass purchasing department will notify the need for transportation services to the logistics department so that the logistics department can make a plan to hire STP or a car-sharing company to use the car service of STP or a car-sharing company The logistics department will consider the following

(1) Type of biomass fuel

- In the case of palm kernel shell or biomass pellet products, the Company and PPP will primarily hire car-sharing companies because the car-sharing companies can offer lower transportation costs
- In the case of chopped wood and other parts of wood and wood shavings, sawdust and wood dust products, the Company and PPP will hire STP because the products in this group require special trucks. That is to say that wood shavings, sawdust, and wood dust are lightweight products. Therefore; trucks with larger stalls than usual are required and must have staff with expertise to carry goods onto a transport vehicle in order to be able to arrange the transport trucks to support the amount of products according to the desired weight. However, in the case of chopped wood and other parts of the wood, the Company will place the pickup trucks to support the products from the suppliers; thus, requiring a hooklift to lift cargo up onto the transport truck. The car-sharing company does not have a transport vehicle or staff to provide services, or, if it does, it will cost more than STP service operations

(2) The necessity of using the service

- In case of urgent need, the Company and PPP will choose STP's freight forwarders regardless of the type of cargo transportation to be able to respond quickly to demand.

In addition, the logistics department will consider hiring a transport vehicle from a transport company by considering the rate of employment and expertise in transporting each type of cargo in each route in order to optimize the transportation of the company

The Company's biomass fuel transportation types can be divided into 2 types as follows:

1. **Transportation of goods from the supplier to the Company's warehouse** to wait for delivery to customers in the future.
2. **Transportation of goods from the supplier directly to the customer without going through the company's warehouse.** This increases efficiency in logistics and storage management. However, there are a number of factors preventing logistics departments from conducting direct shipments in all rounds, such as unfavorable transportation routes or it is the period when biomass fuel production is limited, not sufficient to send directly from the supplier to the customer. Therefore, products from the company's warehouse will need to be delivered to customers, etc.

Water Transportation

The Company employs a marine transportation service by outsourcing third-party

vessel operators to manage the transportation of large volumes of biomass fuel and carry out long distance transportation which can be divided transportations into:

1. **Domestic transport:** the Company procures and collects biomass fuel from suppliers in the south by collecting biomass fuel and store in the warehouse to have sufficient amount and hire a transport ship to transport it to a warehouse in the central region of the country in order to distribute products to the Company's customers effectively. Most of the ships used for domestic transportation are motor barges with a capacity of approximately 1,000 tons and lighters with a capacity of approximately 5,000 tons. When the products arrive port, the Company will hire a truck to transport them to the Company's warehouse or directly to the customer's warehouse.
2. **International transports are divided into:**

2.1 Shipment from the Company's warehouse to foreign customers are mostly FOB (Free on Board). In the case of the Company's products are sold to foreign customers under CIF (Cost, Insurance, and Freight) or CFR (Cost and Freight) trading terms, the Company shall provide a ship to transport products to customers in specified quantity and time.

2.2 Shipment from the Company's warehouse oversees to the Company's warehouse or customers in Thailand. The Company imports products from abroad to meet the needs of domestic customers in the event that the products in the country are not sufficient to meet the demand. Most of the ships that the Company procures for international transportation are large barge vessels, which range in size from 8,000 to 30,000 tons.

Product Storage

The Company and subsidiaries have warehouses to store biomass fuel products that the Company and its subsidiaries can supply. There are 5 warehouses owned by the Company and leased, of which 4 are domestic warehouses and 1 overseas warehouse as follows:

Warehouse	Area (Sq.m.)	Capaity[1/] (Tons)	Ownership
1. Bang Kung warehouse, Surat Thani	56,892	100,000	Company
2. Bang Nam Chuet warehouse, Samut Sakhon	25,848	40,000	Company
3. Bang Pakong warehouse, Chachoengsao	8,800	25,000	Lease
4. Bintulu warehouse, Malaysia	12,500	20,000	Lease
5. Rayong warehouse, Rayong	12,500	20,000	Company

Warehouse is a factor that helps the process of procurement and distribution of the company and its subsidiaries efficiently and effectively. The benefits of warehousing for business operations are as follows.

1. **The Company and its Subsidiaries can back up their products to meet the needs of customers** and can deliver goods to customers throughout the year.
2. **The company and its subsidiaries can effectively manage the cost of goods** in terms of the ability to store items when prices drop, storage of goods in transit, reduce transportation costs and support and delivery to customers in the neighborhood.
3. **The company and its subsidiaries can control the quality of goods** to be delivered to

customers because some products have to go through the grade and pass the sorting process before sending to customers

Storing is stored as stacking except for biomass pellet that are stored in a large bag with water proof for example wood shaving, sawdust and wood dust will be stored in the warehouse to maintain the quality of the product. The warehouse of the company and its subsidiaries will be stockpiled to categorize types of products by first in first out (FIFO). Products stored in the warehouse must be maintained regularly to ensure that products are ready to be delivered to customers on time. Products that are stored in open air yard will have to be covered by canvas in the time of rain to keep the product humidity at the standard level all the time and to flip over to prevent heat storage inside the stack.41 In addition, the inventory department of the company and its subsidiaries have a plan to check the stock of inventory in the warehouse. The inventory of the company and its subsidiaries will be regularly reviewed as follows:

1. Check the quantity of products by the company and its subsidiaries. It is operated by the accounting department with the warehouse department to check the inventory available in the warehouse with the amount recorded in the system. Use physical evaluation method. It will check every M month and every time the lot of goods are spent.

2. Inventory inspection by the external surveyor (Surveyor) twice a year, at the middle and end of the year. External inspectors use electronic tools to record the shape of each pile and measure it in three dimensions: width, length, height, and use software to calculate quantity which also relates to the moisture content of the products from the product samples stored on the inspection date"In case the quantity of the product examined is different from the quantity of the product being recorded in the system, the company and its subsidiaries will adjust the products in the system to match the reality. It must be approved by the authority. Based on a review of the past, it was found that the quantity of products stored in the warehouse and the quantity of products in the system was slightly different.

Product Quality Control

The company and its subsidiaries focus on the quality control of the products to meet the quality standards of the company. The company has standardized products in all stages of operation from receipt products to warehouse, storage and export products to customers. To provide customers with quality products and meet the company standards, the company has set the standard for control of each type of product.

The quality management staff are responsible for collecting product samples for inspection at a specified frequency. The Company has a manual on how to collect product samples and how to measure humidity and control standards in order to control the quality of products to the same standard, including having quality control measures for products that are in storage in the warehouse by providing tarps cover for the product when it rains. There is a storage layout for the products to allow the products to be rotated appropriately. There is a regular turnover of stock to prevent heat from building up for a long time, etc. In addition, to check the quality of the product, The company also checks the capacity of cargo, warehouse floor cleanliness, product placement, the cleanliness of the truck, and

the coverage of products with tarps before shipping to ensure that the Company's products meet the quality standards set.

The Company had standards for quality control each type of product as follow;

Product	Criteria	Procedure
Palm Kernel Shell	Moisture	Laboratory test[1/] and physical assessment
	Impurity	Physical assessment
	Size	Inspected by Vernier caliper
Woodchips and other parts of wood	Moisture	Laboratory test and physical assessment
	Impurity	Physical assessment
	Size	Inspected by Vernier caliper and random sieve
	Color	Physical assessment
Wood Shavings	Moisture	Laboratory test and physical assessment
	Impurity	Physical assessment
Sawdust	Moisture	Laboratory test and physical assessment
	Impurity	Physical assessment
	Size	
	elaboration	
Biomass Pellet	Moisture	Laboratory test and physical assessment
	Impurity	Physical assessment
	Length and Diameter	Inspected by Vernier caliper
	Density	Weighing
	Fracture	Weighing

Remark: 1/Test by using Hot air oven

Environmental Impact

The business operations of the Company and subsidiaries are primarily concerned about environmental sustainability. In terms of product procurement, the Company values the source of the wood biomass fuel products as those derived from natural forests or planting sites that have properly managed forests in accordance with internationally accepted principles, not from the destruction of natural forests. The source of the Company's products can be traced throughout the product chain, from raw material sourcing, processing, receiving, and storage, as well as sales and delivery. The Company has therefore adopted a system of inspection and certification according to the Forest Stewardship Council (FSC), Chain of Custody (CoC) standard. From wood pellets, wood shavings, sawdust, chopped wood, and other parts of wood (No. BV-COC-130246 and BV-CW-130246) on 11 May 2016 and in 2018, the Company has expanded the certification to other product groups, for example, biomass fuel products, such as wood briquettes and wood briquettes, and processed wood, plywood, thin wood, and sheet materials, such as processed rubberwood, particleboard, and medium-density fiberboard (MDF) which have been certified by Bureau Veritas Certification (Thailand) Company Limited as representatives. The aforementioned standards are certified, PEFC ST 2002:2013 and PEFC ST 2001:2008 $^{2nd.}$.

In addition, the Company and subsidiaries attach great importance to environmental impact and safety in operating processes. The Company and subsidiaries have set up environmental stewardship measures in order to organize a system of environmental protection and safety within the Company and subsidiaries.

On 26 November 2018, the Company has passed the standard certification for environmental management ISO 14001:2015 from Bureau Veritas Certification (Thailand) Company Limited and on 28 June 2018, the Company received the first-year honorary award in the campaign to reduce accident statistics from Zero Accident Campaign of the Ministry of Labor This, which shows the Company's commitment to environmental and safety management.

The Company and subsidiaries encourage personnel and stakeholders to have awareness regarding resource conservation and social responsibility. As a result, the Company and its subsidiaries can operate their business for sustainable growth together with the community and the environment.

1.2.4 Operating assets

On 31 December 2021, the statement and net book value after deducting accumulated depreciation of fixed assets for business operation of the company and its subsidiaries (hereinafter called "the company") shown in consolidated financial statements, are as follows:

Unit: million Baht

Assets	Net Book Value		Ownership	Obligation
	31 December 2021	31 December 2020		
Land and land improvements	348.84	219.74	Company	The company has taken land and land improvement that totaling net book value 209.39 million Baht, for guaranteed credit facilities from financial institution.
Building and building improvement	38.02	38.03	Company	The company has taken building and building improvement that totaling net book value 13.46 million Baht, for guaranteed credit facilities from financial institution.
Machinery and Equipment	21.84	13.32	Company	The company has taken the machinery and that totaling net book value 6.94 million Baht, for guaranteed credit facilities from financial institution.
Tools and furniture fixture	2.32	2.28	Company	N/A
Vehicles	23.45	26.28	Company	N/A
Asset under construction and installation	3.89	16.52	Company	N/A
Right-of-use				
- Land	1.88	2.85	Lease	N/A
- Vehicles	27.54	26.94		
Intangible assets	0.20	0.67	Company	N/A
Total	**467.98**	**346.63**		

land

Location	Area (Rai-Ngan-Wa)	Purpose	Purpose	Obligation
Bang Nam Chuet, Mueng Samut Sakhon, Samut Sakhon	18-0-66.8	To locate warehouse and truck maintenance service.	Company	N/A
Bang Kung, Mueng Surat Thani, Surat Thani	35-2-23	To locate warehouse and expand the area to support business in future.	Company	To guarantee credit facilities from financial institutions

Location	Area (Rai-Ngan-Wa)	Purpose	Purpose	Obligation
Taphong, Mueng Rayong, Rayong	17-1-53.6	To locate warehouse and expand the area to support business in future	Company	To guarantee credit facilities from financial institutions
Bang Pakong, Bang Pakong, Chachoengsao	3-0-0	To locate warehouse and store biomass products.	Lease	N/A

Building and building improvement

Asset	Location	Ownership	Obligation	Purpose
Bang Nam Chuet warehouse	Bang Nam Chuet , Mueng Samut Sakhon, Samut Sakhon	Company	-	Biomass fuel product storage
Bang Kung warehouse	Bang Kung, Surat Thani, Surat Thani	Company	For guaranteed credit facilities from financial institution	Biomass fuel product storage
Rayong warehouse	Taphong, Mueng Rayong, Rayong	Company	For guaranteed credit facilities from financial institution	Biomass fuel product storage
Bintulu warehouse	Bintulu, Sarawak, Malaysia	Lease	-	Biomass fuel product storage
Building (Head Office)	Samaedum, Bang Khun Thien, Bangkok	Lease	-	To be office building
Office's space	Bintulu, Sarawak, Malaysia	Lease	-	To be office building
Office's space	Jakarta, Indonesia	Lease	-	To be office building

Investment in subsidiaries

On 31 December 2021, ABM has investment in its subsidiaries as follows;

Company name	Investment by Cost Method (Million Baht)	Shareholding	Paid-up Capital (Million Baht)	Investment Type	Business Type
1. Sathaporn Tanapat Co., Ltd. (“STP”)	4.00	99.99	4.00	Subsidiary	Land transportation provider
2. Paprapat Co., Ltd. (“PPP”)	1.00	99.98	1.00	Subsidiary	Biomass fuel trading
3. ABM Pellets Co., Ltd. (“ABP”)	1.00	99.99	1.00	Subsidiary	Wood chip and Wood pellet manufacturing
4. PT Asia Biomass Indonesia (“ABI”)	9.51	99.00	USD 300,000	Subsidiary	Biomass fuel trader in Indonesia
5. Asia Biomass Energy SDN. BHD. (“ABE”)	2.50	55.00	MYR 500,000	Subsidiary	Biomass fuel trading in Malaysia
6. Asia Biomass Resources SDN. BHD. (“ABR”)	2.29	55.00	MYR 500,000	Subsidiary	Biomass fuel trading in Malaysia
Total	**20.30**				

Investment in subsidiaries and associated companies policy

The company has policy for investment and management for the subsidiaries and the associated companies. The company will invest in the relevant companies which will mutually benefit each other. Moreover, to operate business on its subsidiaries and the associated companies, the company (ABM) will send its experienced representatives who can be either the chairman of the board or chief executive or any person without any conflict interest.

Furthermore, these certain representatives will have to follow the rules and regulations including the law of the countries where the subsidiaries and the associated companies are located. The business operation of the subsidiaries and the associated companies must correspond with the company like they are parts of the company. Moreover, the ratio of the company’s shareholding must meet the agreement of ABM and subsidiaries or associated companies. The company will pay close attention to its subsidiaries and associated company’s revenue and management by collecting information and checking their account. To obtain approval, any investment project, the company must ensure that it must be complied with relevant laws and SET’s regulations, the Securities and Exchange Act B.E.2535 (as amended) and Securities and Exchange Act (No. 6) B.E. 2562 (2019).

1.3The Structure of Shareholding

The company has 3 major group structure as follows:

1. Biomass Fuel Trading
2. Logistics and Transport Service
3. Biomass Pellets factory

1.3.1 Company's Group operating policy

1.3.2 Names and locations of the corporates of ABM shareholding at least 10%

Subsidiaries	Location	Type of Business	Total Paid-up Shares	ABM Shareholding (%)
Paprapat Co.,Ltd	273/2 Rama2 Road Samae Dam Sub-district Bang Khun Thian District Bangkok	Biomass fuel trading (exempt from VAT)	10,000	99.98%
Sathaporn Tanapat Co,Ltd	273/2 Rama2 Road, Samae Dam Sub-district ,Bang Khun Thian District Bangkok.	Transportation Service by Truck	40,000	99.99%
ABM Pellets Co.,Ltd	273/2 Rama2 Road, Samae Dam Sub-district ,Bang Khun Thian District Bangkok.	Biomass Pellets factory	100,000	99.99%
PT. Asia Biomass Indonesia	Menara Thamrin Lt. 3A, Suite 02, Jl. MH. Thamrin Kav. 3, Kel. Kampung Bali, Kec. Tanah Abang Jakarta Pusat.	Sourcing biomass fuel in Indonesia	12,000	99%
Asia Biomass Energy SDN. BHD. (ABE)	Wisma Destiny, Sublot 47, Parent Lots 3485 & 3064, Parkcity Commerce Square, JalanTun Ahmad Zaidi, 97000 Bintulu, Sarawak, Malaysia	Sourcing biomass fuel in Malaysia	500,000	55%
Asia Biomass Resources SDN. BHD. (ABR)	Wisma Destiny, Sublot 47, Parent Lots 3485 & 3064, Parkcity Commerce Square, JalanTun Ahmad Zaidi, 97000 Bintulu, Sarawak, Malaysia	Sourcing biomass fuel in Malaysia	500,000	55%

1.3.3 Relationship with the Business Group of the Major Shareholders

- None

1.3.4 Shareholders

Shareholding structure of the company before and after the offering of newly issued ordinary shares to the public. can be summarized as follows:

	Shareholder Name	Number of shares (shares)	(%)
1.	Kuansataporn Family	192,294,195	64.098
2.	Mr. Apisit Rujikeatkamjorn /1	15,000,009	5.000
3.	THAI NVDR CO.,LTD. /2	7,945,490	2.648
4.	Mr. Nuttapol Songsaichonchai	6,500,000	2.167
5.	Mr. Pongsuthat Saevee	6,030,200	2.010
6.	Mr. Bancha Sirikul	4,975,600	1.659
7.	Mr. Arnakorn Sitarnratsamee	2,110,000	0.703
8.	Mr. Podjanakorn Tongthai	1,000,000	0.333
9.	Mrs. Suntaree Auewongprayoon	1,000,000	0.333
10.	Mr. Thanakotn Damrongrat	900,000	0.300
Total first 10 shareholders		**237,755,494**	**79.252**
Other minority shareholders		**62,244,506**	**20.748**
Total		**300,000,000**	**100.00**

Remark : /1 Mr. Apisit Rujikeatkamjorn served as the Chairman of the Board of Directors

/2 the Company registered in Thailand at the address No 62 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400. Thai NVDR Company Limited is the issuer of the warrants for benefits arising from the underlying securities for sale to shareholders

Shareholding structure of the Kuansataporn Family :

Shareholder Name			Number of shares (shares)	(%)
Kuansataporn Family				
1.	Mr. Panom	Kuansataporn	58,529,805	19.510
2.	Mr. Atipat	Kuansataporn	19,655,000	6.552
3.	Mr. Nataphat	Kuansataporn	19,395,000	6.465
4.	Mrs. Panida	Kuansataporn	16,100,002	5.367
5.	Mrs. Nataphat	Kuansataporn	14,970,198	4.990
6.	Mr. Vinai	Kuansataporn	13,621,497	4.540
7.	Miss Pimyada	Kuansataporn	10,102,674	3.368
8.	Miss Panita	Kuansataporn	10,102,674	3.368
9.	Miss Tiyada	Mekpongsatorn	10,102,674	3.368
10.	Miss Pimchaya	Kuansataporn	10,102,674	3.368
11.	Mr. Pongtham	Danwungderm	7,131,801	2.377
12.	Mr. Panus	Kuansataporn	2,480,196	0.827
	Total		192,294,195	64.098

1.4. Registered and Paid-up Capital

Asia Biomass Public Company Limited is listed on the Market for Alternative Investment (Mai). Information as at 31 December 2021, the Company has a registered capital of 150 million Baht as a paid-up capital of 150 million Baht, divided into 300,000,000 ordinary shares with a par value of 0.50 Baht per share.

Distribution of Securities Holdings by Nationality	Total Amount (shares/units)	Percentage (%)
Thai Securities Holders		
Juristic person	8,160,090	2.72
Individual person	291,839,910	97.28
Foreign shareholders		
Juristic person	-	-
Individual person	-	-
Total	300,000,000	100.00

1.5. Others Securities Issuance

- No other securities are issued

1.6. Dividend Payment Policy

Dividend Policy of the Company

The company has a policy to pay dividends at a rate of not less than 40% of net profit after corporate income tax and after deducting allowances and according to the company's Articles of Association, the Board of Directors is authorized to consider the dividend payment taking into account the various factors to benefit the shareholders, such as reserves for repayment of loans. Investment plan for expansion or to support the cash flow of the company in case of the impact of changes in market conditions, etc. The Board of Directors' consideration of such matter must be approved by the shareholders meeting except for the interim dividend payment. The Board of Directors is authorized to approve the interim dividend payment. The meeting should be informed at the next meeting.

Dividend payment policy of subsidiaries

Subsidiaries have a policy to pay dividends at the rate of not less than 90% of net profit after corporate income tax and after deducting allowances and as defined in the articles of association of the subsidiaries, the Board of Directors is authorized to consider the dividend payment taking into account the various factors to benefit the shareholders, such as reserves for repayment of loans, investment plan for expansion or to support the cash flow of the company in case of the impact of changes in market conditions, etc. The Board of Directors' consideration of such matter must be approved by the shareholders meeting except for the interim dividend payment. The Board of Directors is authorized to approve the interim dividend payment. The meeting should be informed at the next meeting.

2. Risk management

2.1. Risk management's policy and plan

The Company believes and recognizes in the importance of effective risk management and risk control in order to enable the Company to operate its business stably and continually with acceptable risks by using its official tools in management that maximizes the chances of success for the Company, minimize the likelihood of failures and losses, as well as reduce the uncertainty in the overall performance of the Company leading to the achievement of the Company's objectives.

1. Determine that the risk management is the responsibility of employees at all levels, in which they shall be aware of the risks involved in their operations and the organization as well as value risk management in various areas to a sufficient and appropriate degree.
2. Determine that all departments are responsible for assessing risks, setting key risk indicators and risk prevention and mitigation guidelines, or possible losses as well as regularly monitoring and evaluating risk management results. Additionally, they shall prepare a report on risks in accordance with the operational framework and risk management procedures.
3. Determine the risk management process to be a part of the decision making, strategic planning, plans, and operations of the Company.
4. When employees see or acknowledge risks that may affect the Company, such risks must be reported to those involved immediately to further manage the risks.
5. Focus on continually promoting, encouraging, and providing knowledge and understanding of the process and risk management guidelines for executives and employees on an in order to instill a habit for personnel at all levels to recognize the importance and engagement in the organization's risk management operations to be part of the culture that leads to value creation.

2.2. Business operation risk

2.2.1 Business operation risk

2.2.1.1 Risk from procurement

The company operates the core business in trading of biomass fuel such as palm kernel shell, woodchips & others, wood shaving, sawdust, wood dust, wood pellet, etc which are by- products obtained from other related industries such as production of crude palm oil, wood products and so on. Thus, the supply of biomass fuel is linked to the demand and supply of crude palm oil products, palm tree plantings, plants for producing wood products and harvest season of those plants. Domestic supply of palm kernel shell still cannot fully meet demand from biomass power plants and other end- use industries. At the same time, overseas demand for biomass fuel from countries in both Asia and Europe has been on a rise. Having expanded its sales channels to foreign markets, the company may risk falling to procure sufficient products to fully meet customers' demand or as agreed with them or at the price and of the quality as desired by customers. Such risk could relatively affect its performance and financial position.

Being aware of this risk, the company has approached and procured biomass fuel directly from producers and distributors across the countries and has procured woodchips & others, wood shaving, sawdust, wood dust from furniture factories, wood processing plants, sawmills and producers of wood products in the southern, central, eastern, northeastern and northern parts of the country. Meanwhile, palm kernel shells are purchased from major crude palm oil producers in the southern and eastern regions. More than 70% of all crude palm oil producers in Thailand sell palm kernel shells to the company. Besides, the company will coordinate with all concerned parties in feedstock procurement planning when initially working on the annual budget plan and will pursue the stock planning throughout the year, hence a slim chance for the company to obtain the feedstock less than planned. Most feedstock procurement is done under sales and purchase agreements with a definite schedule. For this business, moreover, it is typical that feedstock suppliers will less likely fail to abide by the sales and purchase agreements or will not change the quantity from the agreed amount within a short period of time. To cater the growing demand of biomass fuel at home and abroad. The company joined with a wide variety of distributors both in Indonesia and Malaysia, which is the world's first and second largest growers and producers of palm oil. The company therefore believes that, by implementing these measures, it will be able to procure the products to sufficiently fulfill the increase demand for biomass fuel at home and abroad and satisfy customer needs in terms of both price and quality. In addition, with a wide variety of biomass fuel offered by the company, it has alternative product to substitute for a short fall in any other product

2.2.1.2 Risk from price volatility

Biomass fuel relates directly to agricultural products, with prices determined by demand and supply. The key factors influencing the demand and supply are climate, harvest season, policy on biomass

fuel related plants and Thailand's and other countries' policies to promote the use of biomass. These will directly affect the supply of corps relating to biomass fuel sold by the company and the demand for biomass fuel which will relatively impact prices of relevant biomass fuel products in both Thai and global markets. As such price volatility could have an effect on the company's performance and financial position.

However, the company has had experience in biomass fuel trading for longer than 30 years. It has complied statistical data on product prices as a basic for study of price trend of each type of product. When price of any product is high, the company will substitute it with the product whose price is more stable. The company also has a policy to set the selling price plus a minimum margin after deduction of sales-related expenses, fixed costs, and finance costs and to determine a market-based price in the sales and purchase agreement. Moreover, the company invested in warehouses to store enough inventories. It currently has four domestic warehouses, comprising of:

1. Bang Nam Chuet warehouse Samut Sakhon
2. Bang Pakong warehouse Chachoengsao
3. Bang Kung warehouse Surat Thani
4. Rayong warehouse Rayong

The Company recognizing the necessity to have a warehouse that is close to supply sources to be able to store the products during the seasonal price decline and reserving products for future sales growth Including the wood chips project and wood pellets plant project which its own production plant. The company also plans to construct a woodchip plant and a biomass pellet plant in the future. All these domestic warehouses have capacity to store locally procured products and part of imported products in the maximum amount of more than 165,000 tons. In view of these measures, the company believes that product price fluctuation will not materially impact its operating performance in the future.

2.2.1.3 Risk of loss from inventories management

Due to the core business is biomass fuel trading, the company needs to stock inventories to be available for year-round sales. Meanwhile, the output of some products varies with the seasonal effect and climate in the planting areas resulting in price fluctuation. Some products, because of their light weight, occupy large storage area. The company's warehouses are divided into two sections:

(1) an empty building for storing products that must be kept dry such as wood shaving, wood dust, biomass pellet

(2) an open yard for storing products that need not to be kept in dry place such as palm kernel shell, woodchip, wood slab and scraps

Considering the way these products are stored, it could lead to product losses like they may be blown away by the wind or their moisture content may be reduced by sunlight or they may be eroded or damaged by rain or may deteriorate by long storage or no turnover etc.

Without efficient inventory management, the company could suffer a loss from decline in prices or quantity of its inventories caused by two major factors: (1) a drop in product prices in the market and/or (2) loss of the stored products. However, as learned from its operational experience over these past years, the company has put in place an efficient inventory management system. To cope with risk from product price drop, the company has complied historical data on an output and price statistics as a basis for forecasting product prices and volume in different period of time of the following year in

Thailand, Indonesia and Malaysia. It has also forecasted demand from local and overseas customers through customer demand survey as a basis for efficient inventory management and stock of each type of product in each period. To cushion against risk, the company has prepared an operational manual and arranged staff training. Moreover, the company has implemented measures to prevent product losses by installing a net over the wall around the warehouse to prevent products from being blown away by wind, adopting measures for moisture control, using canvas cover to safeguard product quality, regularly scooping up products that spread across the ground, paving the stock yard at every warehouse with concrete to prevent a loss caused by product being piled up on the ground. The company also assigned its warehouse team to perform physical checking at every end of month and engages an independent surveyor to check the stock twice a year, i.e. mid-year and year-end, so as to reaffirm the balance of inventories recorded in the account. By adopting these measures, the company believes that the loss from inventories management will not materially affect its performance and financial position in the future.

2.2.1.4 Risk from bad debts incurred from non-receipt of products already paid for in advance

In purchasing products, the Company will make an advance payment to the supplier in the amount specified in the agreement. Value of each shipment arrived will be deducted from such prepaid amount until the balance decreases below the agreed level, whereby the Company will top it up to the amount specified in the agreement. The advanced amount varies with the quantity of products agreed upon between the Company and each supplier. Such payment method is commonly used in the biomass trading business to ensure that the supplier will sell the agreed amount of products to the Company. Thus, once the advance payment has been made, the Company could be exposed to risk from the supplier failing to deliver the products or making only partial delivery to the Company. If this takes place, it will adversely affect the Company's financial position and performance as the company will probably not receive a refund of such advance payment upon the supplier's failure to deliver the products. Moreover, the Company may lose the opportunity to sell the products due to unavailability of the products.

In view of such risk, the Company has formed a sub-committee to consider the provision of credit lines for both trade accounts receivable and advance payment for products and to screen information about the trade partners who require advance payment from the Company including information on their corporate registration, financial information and other business information. The subcommittee must have the top executive in financial management consider and give opinion on every transaction. The advance payment to trade partners is subject to prior approval from the managing director under the approved credit line. The Company has also managed the advance payment risk by reducing the advanced amount to the level deemed fit with each trade partner's capability and switching from procurement through only a few trade partners in Indonesia and Malaysia that required advance payment for each massive volume to direct procurement from numerous producers or distributors each in a small volume. The establishment of its subsidiaries in Indonesia and Malaysia helps to expand the Company's network and enables it to procure products through a greater number of products and distributors. When the products already paid for in advance have been completely delivered to

warehouse of those subsidiaries, the Company will make advance payment to the sellers for the next sales and purchase agreement respectively. For the distributors who gradually deliver products each in a small volume, leading them to hold the advance amount for a long time period, the Company will follow up on them periodically to make certain that the products are completely delivered as per the agreements. The Company is therefore confident that the trade partners receiving the advance payment are capable of delivering the products completely according to the agreements and it will no longer have to set aside a huge amount of allowance for doubtful accounts as in the previous years.

2.2.1.5 Risk from fluctuation in sales revenues during the accounting year

The Company's main income source is from sales of palm kernel shells. The volume of palm kernel shells hinges on the seasonal effect on palm output, whereas prices of palm kernel shells vary with supply in the market and competition among players. When there is substantial supply with a large number of players competing in the market, the price of palm kernel shells will be lower than when there is less supply of the products. During the period with a tremendous amount of supply and intense competition (only from April to June), the Company will see only a slight increase in its sales of palm kernel shells and will therefore collect and store the products in its warehouses, due to the lower price level than other times of the year, so that it will have product available for sales when the output is low. As such, the percentage of revenues from palm kernel shell sales, its main income source, will likely diminish when there is substantial supply in the market and will edge up when the supply decreases and prices relatively go up, during which the Company will sell out those collected palm kernel shells. Generally (with the normal season change), prices of palm kernel shells will stay at a low level in the second quarter of the year and will rise in the third and fourth quarters and also in the first quarter of the following year, leading the Company's sales and profit to fluctuate over the different quarters of the year. However, the Company sells diverse types of biomass fuel.thus helping to lessen the fluctuation in revenues caused by main product. Besides, the availability of products reserved in its warehouses for sales when the products are undersupplied could help reduce the impact of unstable revenues and profit in each quarter to a certain extent.

2.2.1.6 Risk of Business Competition and Entry of new Competitors

At present, there are a large number of players in the biomass fuel trading market whether they are the direct manufacturers or the traders similar to the company and its subsidiaries or the dealers. There are both domestic and overseas firms. It is not difficult to enter the market because it requires only a small amount of startup fund so there is a high competition in the business, especially in terms of price. Meanwhile, most of the biomass fuel manufacturers are small enterprises. The major traders with working capital and having warehouses for a variety of products can satisfy customer's needs for their huge demands. Therefore; the major traders always have advantages over many the smaller enterprises which are many in number in Thailand. In addition, the procurement team and the sales team also play a very important role. The procurement team must have good relationship with the manufacturers and must have sourcing experience and must also understand the nature of the product and the product season so that they can collect

enough quality biomass fuel for biomass fuel users. Meanwhile, the sales team must cooperate well with the procurement team and must always have good relationship with both existing and future customers for competitiveness and continuous growth in both domestic and overseas markets.

Therefore; the company always emphasize on the importance of the personnel that are valued resources for the business operation by offering proper incentive and continuous training to develop their potentials and to keep qualified & experienced personnel for the long term. With much experience in biomass fuel business, the company not only provides quality biomass fuel but also offer services for machinery advising. We assist our customers in selecting proper biomass fuel and assist them when they face machinery problems. This makes the company reliable. The company also offers a wide range of products that can replace when biomass fuel is undersupplied. The company can collect huge amount of fuel from major and minor producers from Thailand and other countries such as Indonesia and Malaysia so that the company has an advantage over the small traders that have limited types of biomass fuel. Due to this reason, the company keeps competitive growth.

2.2.1.7. Risk of Key Person Dependency

Biomass fuel business requires dependency of the accumulated know-how, specialized and expertise personnel especially for the procurement team, the sales team (for domestic and overseas markets) and the inventory management team. Losing those key persons can affect business operations and the financial position of the company. The company has realized the importance of these experts in term of retaining existing personnel and recruiting new ones. The company takes measures for HR management by offering proper income and incentive by comparing their income they get from the company with that of from their same businesses, internal and external training including some activities that will develop their knowledge and skill. For recruiting new personnel, the company has cooperated with the vocational institutes and the professional recruiting companies to obtain qualified persons. In addition, since the company has been registered in MAI stock market, this increases reliability for the job seekers.

2.2.1.8 Risk from product transport management

Each type of products procured by the Company is available from different areas. Palm kernel shells are obtained from the south of Thailand (for domestic products) and Indonesia and Malaysia (for overseas products), while sawdust, wood shavings, wood dust, woodchip and others are available from the southern, central, eastern, northeastern and northern regions. At the same time, the Company's local customers are scattered in all parts of the country. Product transport is therefore the key factor of business operation since it has an effect on cost of goods sold, product quality and punctual delivery.

Accordingly, inefficient management of products transport will significantly affect the Company's performance and financial position. Recognizing the importance of product transport management, the Company thus established a 99.99% owned subsidiary, Sataporn Thanapat Co., Ltd (STP) to manage land transport and water transport. Land transport is intended for delivery of products not over a long distance both from a supply source directly to customer and from a supply source or port to the Company's warehouse or from the warehouse to customer's location. Water transport is for

delivering a large volume of products (1,500 – 10,000 tons) from the warehouse in Surat Thani or the warehouse in Indonesia or Malaysia to the port at Bang Pakong, port at Samut Sakhon and port at Samut Songkram for further transfer by trucks to the Company's warehouse. The Company partly uses trucks that are owned and managed by STP and uses the remainder from more than 100 transport service providers. The type of vehicle and the service provider are selected based on the type of products to transport, the transport volume per trip, the skill of each service provider, and the provision of transport service to and back from destination (a one-way service is not acceptable), thereby ensuring the optimum efficiency in transport management and reduction of transport costs. The Company therefore believes that it could efficiently manage the product transport.

2.2.1.9 Risk of customers' possibility changing to use other fuels

Currently, the demand of fuel use to generate heat energy and electric energy has various options 1) fossil fuel such as oil, coal, natural gas 2) alternative energy such as solar power, wind power, hydropower including biomass fuel etc. Each fuel has different production cost. Mostly, biomass fuel requires higher production cost than fossil. Customers may change to use fossil fuel instead because the price is lower. However, not only cost factor, customers also consider other factors such as 1) location, whether

customers' factories are in the pollution control zone 2) production process, whether customers sell products to environment conscious customers or require the products which are produced by the low carbon-releasing plants 3) environmental concern 4)government supporting policy etc. Because of the certain factors, customers' particularly select biomass fuel for generating heat energy and electric energy. Furthermore, due to the production process, switching cost will occur if they change the type of fuel.

2.2.2 Financial risk

2.2.2.1 Risk of Fluctuation in Interest Rate

Regarding that the company operates biomass fuel trading business, most of the sourcing require advance payment. The company may receive only about 3-7 days credit term. Meanwhile, the company provides 7-60 days credit term to the customers. This requires huge amount of working capital for the company's continuous growth. At present, the company has working capital source such as bank overdraft, letter of credit, promissory note and trust receipt which are short-term debts with floating interest rate referring to a prospective customer's rate, Minimum Overdraft Rate (MOR), a Major Prospective Customer's rate, Minimum Loan Rate (MLR). Therefore; the company may take risk of fluctuation in interest rate which affects financial cost, financial status and the company's turnover.

2.2.2.2 Risk of Fluctuations in foreign exchange and interest rate

Currently, the company imports palm kernel shell through its subsidiaries based in Indonesia and Malaysia. The company makes payment in the local currency when the company imports products (in case

of purchasing products through its subsidiaries) and in US Dollar if not purchasing through its subsidiaries. The certain imported products are for domestic sales and export market (most of them are to export). The company's subsidiaries in those countries will directly export to customers. The company receive payment in USD. Therefore; if there is high fluctuation in foreign exchange rate, it may have a negative effect on business operation, revenue and the company's financial status. However, as stated above, for the imported products, some parts will be directly exported through the company's subsidiaries. That export will be paid in USD. same as the currency of imported products in case the company directly buy products from overseas traders, not through the company's subsidiaries. This is to prevent Natural Hedging. There are still some minor risks that the time of payment and that of receiving payment do not happen at the same time. For some parts of the risks, the company manages by making forward contract with domestic commercial banks to mitigate foreign exchange rate fluctuation that affects the company's revenue.

2.2.3 Securities Holders' Investment Risks

2.2.3.1 Risks in the event that any group of shareholders holds more than 50 percent of shares

Kuansataporn family group and persons under Section 258 of the Securities and Exchange Act B.E. 2535, including amendments ("Section 258") hold shares in the Company for a total of 64.10 percent of the total issued and paid-up capital of the Company (as at 31 December 2021) by the Kuansataporn family and persons under Section 258 still hold more than half of the Company's shareholders. This will result in the Kuansataporn family group to have control over the Company's decision making in the event that a majority of votes are required. Unless the law or the Company's Articles of Association require a resolution of at least three-fourths of the votes in the shareholders' meeting, such as an increase and reduction in capital, a sale or transfer of some or all of the business. Therefore, other shareholders have a risk of being unable to collect votes to review and balance the matters
proposed by the major shareholders to the meeting for consideration.

However, the Company has set up a management structure in which competent personnel have set the scope of operations, clear delegation of authorities to directors and executives in order to operate the Company's business transparently. The Company has 4 directors who are not the representatives from the Kuansataporn family group out of a total of 7 directors. In addition, the Company has appointed 3 independent directors to review and balance the decisions of the Board of Directors. In addition, the Company has clearly determined the scope of authorities and duties of the directors. The Audit Committee and the Executive Committee. If the Company has a necessity to make a transaction with a person with possible conflicts, the Company will strictly comply with the related party transaction approval procedures and the regulations of the Securities and Exchange Commission, Capital Market Supervisory Board, and the Stock Exchange of Thailand. The persons with possible conflicts will not have the right to vote in the consideration of such transaction.

2.2.4 Risks of Investing in Foreign Securities

- The Company does not invest in foreign securities..

2.2.5 Possibility risk in the future

Cybersecurity Risk

Computer systems and networks, including the internet, are important tools in today's business operations, whether storing data, communicating, receiving and sending information, analyzing data, and preparing reports for presentation to internal and external stakeholders. Therefore, there is a risk that the networks may be attacked by outsiders, for example, causing system disruptions, exploiting Company's secrets, encrypting data for ransom money to regain access, etc.

The Company is aware of the widespread impact of cyber threats. and has established measures and guidelines to prevent risks related to internal data and networks. For example, the Company has installed a firewall system to prevent attacks from outsiders. Antivirus programs are installed on all computers and kept up to date. Also, there are assigning access rights to information based on the current employee's location and backups to support emergencies so that the business can operate seamlessly

3. Driving Business for Sustainability

3.1. Sustainability Management Policy and Goal

Sustainability Management Policy

Asia Biomass Public Company Limited Group is well aware of the responsibility of conducting business and consider all groups of stakeholders whether they are customers, employees, partners, society, and communities, as well as focusing on business development towards sustainability. The business is managed under the Sustainable Forest Management System Standards in international standard system and is conducted business in an ethical manner with regard to the Company's Stakeholders and respect for human rights, free from corruption. It also includes corporate risk management by selecting sustainability risk issues from stakeholder analysis and then use it to determine the goals in the operations by defining policies, projects, and activities to respond to the expectations of each stakeholder group. The Company also manages supply chain and plans strategies for sustainable development.

For clarity in sustainability management, the "sustainability management policy" has been established which covers 3 dimensions: economy, society and environment to use as a guideline for sustainable business growth. The guidelines to follow international standards are as follows:

Economic Dimension

- Good corporate governance and business operation with ethics, respect for rights, and responsibility to stakeholders and shareholders to create and maintain good performance and stability and financial sustainability for the Company.
- Commitment to develop good products and services to meet and create satisfaction for customers, focusing on customer relationship management.
- Developing a quality growth strategy by focusing on increasing the efficiency of supply chain management, good internal management, and the ability to adapt under changing conditions. This is in line with the vision of the organization: "Be the leader in supply chain management to deliver biomass and related products in the ASEAN region by 2025 with solutions that meet the needs of customers in various industries with the commitment and drive to make the business grow sustainably on the basis of the new economy (BCG Economy)"
- Cyber Crime Prevention

Social Dimension

- Conducting business with social responsibility through activities that are organized effectively and with maximum effectiveness which leads to happy coexistence in the society.

- Creating added value for the business by prioritizing employee welfare, developing the employees' potential, enhancing the potential of human resources to support the Company's strategy in various fields.
- Occupational hygiene and safety at work for employees and stakeholders.

Environmental Dimension

- Adopting environmental management system in order to prevent impacts on surrounding environment, communities, and stakeholders by implementing appropriate technology to prevent environmental impacts that may arise from the business.
- Cultivate awareness of environmental stewardship among employees and provide opportunities for employees to engage in environmental management and stewardship. This helps create an atmosphere of engagement and be a channel for employees to show their devotion and awareness of the environment.
- Water and Electricity Conservation

In addition, the Company is accredited with sustainable forest management standards by the Forest Protection Organization. The non-profit organization was founded under the cooperation of many organizations around the world, such as the forest and environment conservation group, manufacturers, traders of wood products, and the wood and wood product certification organization. It is to confirm that the selling products use wood from planted forests in accordance with the principles accepted from the international level, not from deforestation or from illegal logging, through the planting of forests with a sustainable management system that promotes proper forest management and to ensure that there are sufficient resources for production while protecting the environment. This will comply with the policy requirements for balance in 3 areas: economy, society, and environment. It is a standard that is strict, transparent, legal, and not harmful to the community, society, and environment, which is an international requirement that the Company must comply with to be in line with the sustainable development policy.

The Company has established the sustainability policy which was determined by the top executives of the organization, where all directors, executives, and employees of the Company are responsible for supporting, driving, and acting in accordance with the policies and framework of sustainability management for the Company's stable and sustainable growth

Community Complaints

In 2021, the Company has no disputes, complaints, or environmental issues with the communities around the factories.

3.2. Stakeholder Impact in Business Value Chain Management

Value Chain of Asia Biomass Public Company Limited ; Value Chain of ABM

Asia Biomass Public Company Limited ; ABM has been operating in parallel with the growth of Thailand for over 60 years on the basis of economic, social, and environmental sustainability. The Company also upholds social responsibility as the Company's value chain starts from the procurement of raw materials from the agricultural and industrial sectors to produce products and sell them to both domestic and international customers from added value of products throughout the supply chain. The process of producing, processing, storing,delivering, as well as creating benefits for business partners and stakeholders continuously.

Raw Material Procurement

ABM procures raw materials both domestically and internationally. both from agricultural sector and related industries The sources of raw materials are as follows:

1. **Procurement of raw materials from the agricultural sector directly from farmers (Farmers)** and related stakeholders, including logging teams, agricultural workers, local transport, etc.
2. **Procurement of primary materials (Primary Material)** mainly from the agricultural and food industries as follows:

2.1 Sawmills and lumber mills, lumber and biomass fuel industries: procuring raw materials such as woodchips, wood pellets, sawdust, wood slap, etc.

2.2 Palm oil industry: procuring raw materials such as palm kernel shell, empty food branch, palm fiber, palm kernel, etc.

2.3 Other industries: procuring raw materials, such as tapioca starch, tapioca chips, etc.

3. **Procurement of recycle materials (Recycle Material):** procuring raw materials from industrial wastes for reuse such as wood shavings, wood scrubs, and rejected fuel.

ABM focuses on adding value from agricultural and industrial sectors to develop and utilize in accordance with the 3Rs principle (reduce, reuse, recycle) to reduce the use of fossil-based resources, which will bring benefits both directly and indirectly to society and the environment.

Product Manufacturing and Subcontracting

ABM manufactures and contract outsources to increase product value throughout the supply chain in order to be a role model for business partners in the field of education, technology development, and production processes, and to reduce costs to be competitive on the basis of maintaining the quality standards of the products to meet the needs of customers, divided into 2 types as follows:

1. Production and processing from the Company's factories

1.1 Wood Chipped Fuel Plant in Bang Kung Sub-district, Mueang Surat Thani District Surat Thani to produce woodchips with a capacity of 120,000 tons per year to add value to partners from firewood from rubber plantations of farmers and logging teams, and adding value from timber from sawmill and wood drying industry.

1.2 Biomass Pellet Plant in Bang Nam Chuet Sub-district, Mueang Samut Sakhon District, Samut Sakhon to produce wood pellets with a capacity of 24,000 tons per year to expand and increase the value of raw materials such as shavings, sawdust, and wood chips

2. Production and processing by outsourcing of production (Outsources) ABM creates a network of business partners for outsourcing products to enhance competitiveness throughout the supply chain and to respond to the needs of customers in various fields as follows:

2.1 Stable quantity of products that are ready for delivery (Secure Supply)

2.2 Quality standard from ISO9001:2015 control processes and raw material source control according to FSC-CoC and PEFC-CoC standards

2.3 Cost management to have competitive potential and maintain reasonable costs for customers

Warehouse and Delivery

ABM operates warehouses and stock preparation processes to meet customers' needs in terms of continuous deliveries, the speed of delivery, and product quality standard maintenance. It consists of 4 warehouses located on appropriate locations with potential in logistics and supply chain as follows:

1. **Bang Nam Chuet Warehouse** , located at Bang Nam Chuet Sub-district, Mueang Samut Sakhon District, Samut Sakhon, is a storage facility that prepares products for delivery to customers. This warehouse supports industrial customers in Bangkok and surrounding provinces.
2. **Bang Kung Warehouse,** located at Bang Kung Sub-district, Mueang Surat Thani District. Surat Thani, is a place to collect raw materials, such as palm kernel shells, wood chips, and biomass pellets from southern Thailand.
3. **Bang Pakong Warehouse,** located at Bang Pakong Sub-district, Bang Pakong District, Chachoengsao, is a storage facility and prepares products for delivery to customers in the eastern region and nearby areas.
4. **Rayong Warehouse,** located at Taphong Subdistrict, Mueang Rayong District, Rayong , is a new warehouse to be used as a storage facility and prepare products for delivery to customers, as well as supporting economic growth in the Eastern Economic Corridor (EEC).

ABM can rent and use other warehouse services from time to time to support the needs of customers and to increase the competitiveness better.

Sales and Service

ABM sells biomass fuel and other biomass products to customers both domestically and internationally along with after-sales service technical team to educate and develop the utilization of biomass for the most cost-effective and beneficial way

Domestic Market

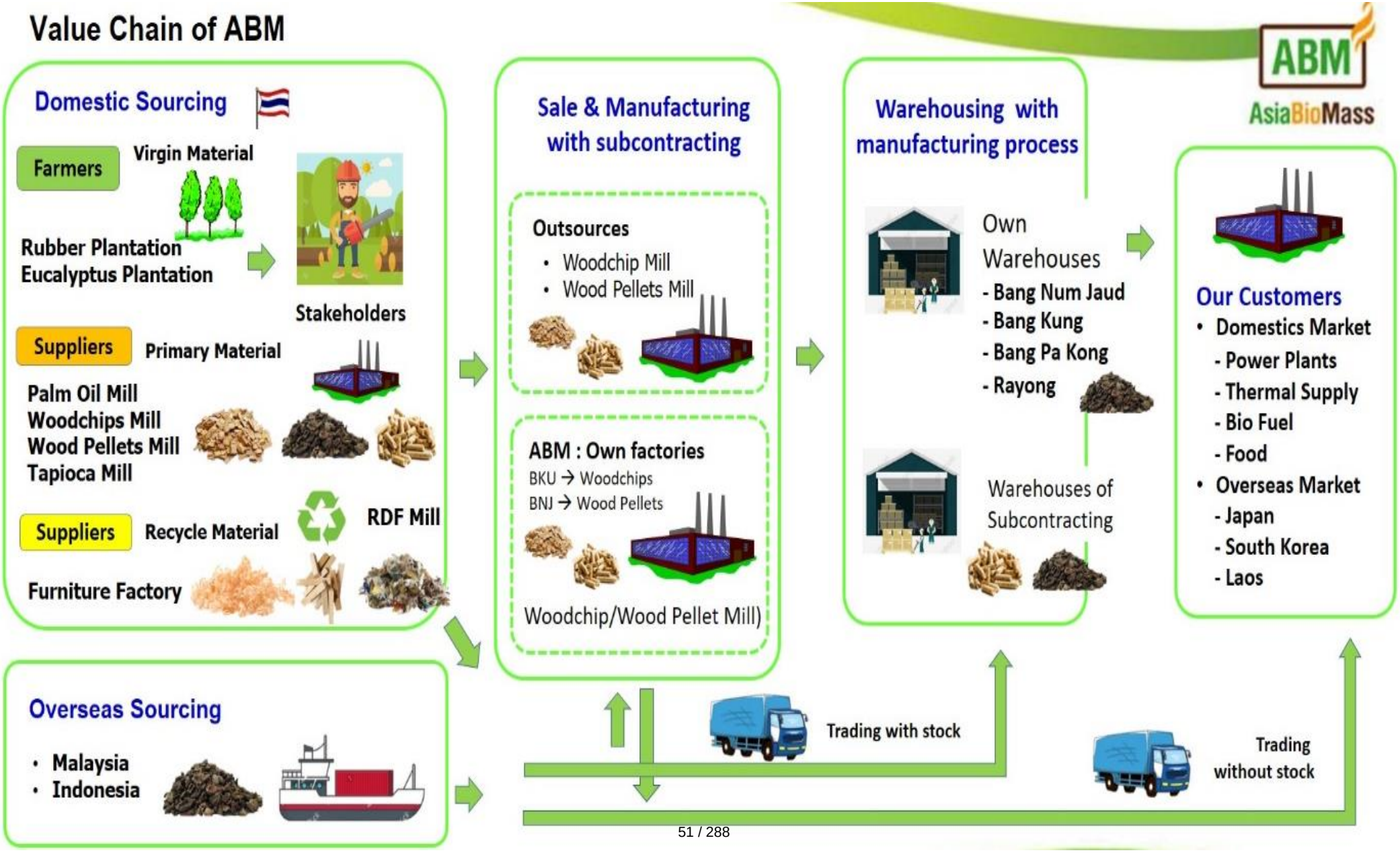
1. Biomass Power Plant Group; use wood chipped fuel, chopped palm bunch.
2. Industrial groups that use steam and heat; use biomass fuel in the form of palm kernel shell, biomass pellets.
3. Biofuel and food groups; use biomass as raw material such as chopped cassava (cassava chips)

Overseas Market

1. Japan export products such as fuel, palm shell, biomass pellets
2. South Korea export products such as fuel and biomass pellets
3. Laos export of products such as eucalyptus wood for the pulp and paper industry

In summary, ABM's business operations can be for the value of products throughout the supply chain, starting from collecting products from the agricultural and industrial sectors to producing, processing, storing and delivering to customers as according to the appropriate quantity, quality and time by implementing logistics and supply chain management systems along with various management standards such as ISO9001:2015 , ISO14001:2015 and FSC-CoC/CW , PEFC-CoC with DDS applied to create sustainable benefits for customers and all stakeholders.

Stakeholders in the Business Value Chain Analysis



3.3. Sustainability Management in the Environmental Dimension

3.3.1 Environmental Policies and Practices

Asia Biomass Public Company Limited is committed to operating its business with an environmental management system to respond to the expectations of stakeholders and prevent environmental impacts. Executives at all levels in the Company are responsible and exemplary figure in development and conservation of the environmental management system. The Company provides sufficient support in resources for all employees to engage in the implementation of the policy, as well as communicating to stakeholders for acknowledgement of the policy and the operation results on environmental management thoroughly. The Company has set the motto as follows: ***"Quality standards, environmentally friendly, responsible for stakeholders"***.

Determine policies stating that the environment is the responsibility of every employee. It is a part of the operation. Environmental protection shall be provided, focusing on preventing pollution at the source, reducing greenhouse gas emissions by using resources efficiently and sustainably, as well as complying with regulations and laws, along with continually improving, developing, integrating the environmental management system.

3.3.2 Environmental Performance Results

In every step of operation performance and service, the Company has assessed the nature of environmental problems to determine preventive and corrective measures for possible impacts, such as noise pollution, dust, and waste water. Control measures are implemented and have been measured in accordance with relevant laws.

The Company has implemented measures to use resources efficiently and sustainably: a campaign to use electricity and water responsibly, the purchase of energy-saving electrical equipment, using treated water for spraying, cleaning, and watering the plants. As for actions to reduce greenhouse gas emissions, the Company is in the process of studying information, formulating policies, goals, and guidelines, which will disclose the operating results.

CSR-DIW From past commitments, the Company has been certified for the environmental management system ISO14001:2015 Green Industry Certification Level 3 and CSR-DIW Social Responsibility Standard Award

Sustainable Forest Management Standards

It is the process of forest plantation management that is suitable according to the criteria and is accepted in a wide range of levels to ensure continuous productivity and service.

Nowadays, the world is aware of environmental issues that are getting increasingly serious every day, causing all sectors, including consumers, to be aware and alert to environmental issues and to prioritize conservation of natural resources and the environment as much as possible.

Green business and clean energy are one of the emerging trends that can drive and encourage consumers to be more environmentally conscious.

Asia Biomass Public Company Limited has applied for certification of sustainable forest management in 2 standards:

FSC (Forest Stewardship Council) is an international organization that drives and supports environmentally responsible forest stewardship around the world. It also aims for benefits to the society as a whole and the ability to manage to achieve sustainable economic results.

PEFC, or Program for the Endorsement of Forest Certification Scheme, is an international, non-profit organization that aims to promote sustainable forest management similarly to FSC.

PEFC believes that standardization based on an understanding of forest issues and sustainable forest management, setting standards which are transparent and open to all parties involved in drafting, separating the standardization process, separation of accreditation and assessment of certification bodies, and adhering to ISO standards in the certification and auditing of accreditation bodies as well as setting standards that support the performance of government agencies will make it an acceptable standard put into practice and will lead to sustainable forest management.

Advantages of Applying for Sustainable Forest Management Certification

1. The Company demonstrates that the raw materials of its products come from legal means and well-managed sources.
2. Valuable forest areas are used without risks and with the proper method.
3. The Company believes that it is important to have and use the forests in an appropriate manner.
4. The forests will be transferred to future offspring in perfect condition.
5. Necessary measures have been taken to protect forest areas and wildlife that lives in danger.

Therefore, the products are guaranteed with sustainable forest management. It can help ensure that the products are from commercially grown forests or forests that have been managed responsibly Benefits of the workers and the local people are protected.

Sustainable Forest Management Standards

- Follow up on the increase in the productivity of the forest plantation.

- Generate income from production (wood) and standardized services.

- Conservation of forest areas.
- Reduce the invasion of natural forest areas.

- The work process is verifiable and legal.

- Supporting safety in logging process.

- The rotation of natural resources.

3.4. Sustainability Management in Social Dimension

3.4.1 Social Performance Results

The Company recognizes the importance of sustainable business growth under corporate social responsibilities by focusing on operating business responsibly, considering human rights principles, protecting labor rights, safety, sanitation, and creating a good working environment, together with the continuous management and development of knowledge, competence, and necessary skills for personnel, as well as engaging and listening to the real needs of stakeholders, employees, communities, society, customers, business partners in the supply chain and investors.

Conducting Business with Fairness

The Company focuses on conducting business with honesty, fairness, and ethics, which is determined to compete in trade in accordance with ethical business practices, laws, and fair trade competition principles, including refusing any behavior that obstructs fair competition, such as seeking competitors' confidential information, requesting or receiving bribe, and not giving any dishonest commercial benefits in purchasing goods, etc. The Company also respects the intellectual property rights of others. The Company has a policy for its personnel to comply with the laws or requirements related to intellectual property rights, such as the use of computer programs that are legally copyrighted, etc. In addition, the Company has campaigns to promote and cultivate conscience for its personnel at all levels to create social responsibility as well.

Respect for Human Rights

The Company operates the business with a policy of supporting and respecting the protection of human right by treating those involved, whether employees, the community, and the surrounding communities with respect for human values. The Company values equality and equal freedom and does not violate fundamental rights nor limit one's independence or differences in the aspects of physical or mental attributes, ethnicity, nationality, religion, gender, language, age, color, disability, education, social status, or any other matters. The Company also ensures that its business is not involved in human rights violations, such as child labor, sexual harassment, etc.

In addition, the Company has promoted monitoring of compliance with human rights requirement by providing engagement in expressing opinions and channels for complaints for those who have suffered damage from rights violations arising from the Company's business operations and take appropriate remedies. There are measures to protect the complainants or whistleblowers and related persons as well.

In order to effectively respect human rights, the Company has created a body of knowledge on human rights and instilled awareness among its personnel to comply with human rights principles.

Fair Labor Treatment

The Company recognizes the importance of human resource development and treats workers fairly. This is a factor that will add value to the

business and enhance the Company's competitiveness and sustainable growth in the future. The Company has set policies and guidelines as follows:

1. Respect the rights of employees as according to human rights principles and comply with labor laws.
2. Provide an employment process and fair employment conditions, including compensation and consideration of merits under a fair performance evaluation process. Promote employment of people with disabilities to help society.
3. Promote human resource development by organizing training, seminars, training, as well as sending personnel to attend seminars and providing academic training in various related fields to develop knowledge competence and potential of personnel as well as instilling good attitude, morality, ethics, and teamwork among personnel.
4. Provide welfare in various fields for employees as required by law, such as social security, etc., and other than those required by law, such as provident funds and accident insurance, including providing various types of subsidies to employees such as funeral assistance, etc.
5. Provide annual health check-up services for employees of all levels of the Company by considering the risk factors according to the level, age, gender, and work environment of individuals.
6. Ensure that employees will have a safe working environment and good workplace hygiene by providing measures to prevent accidents and enhancing employees' safety awareness, including organizing training, encouraging employees to have good hygiene, and supervising hygiene of the workplace, as well as ensuring lasting safety. Provide opportunities for employees to express their opinions or complaints about unfair practices or misconduct in the Company, including providing protection to employees who report such matters

In the year 2021, the Company has important employee operations as follows (information as of 31 December 2021):

Employment

In 2021, the total number of employees can be divided into 100 male employees and 59 female employees, representing a proportion of the number of employees. with a turn over rate of 4 percent.

Employee Training

The Company prioritizes its personnel which are considered as an important resources. Therefore, the Company is committed to creating and developing personnel to be equipped with knowledge, skills, abilities, and good attitude toward the organization, as well as promoting advancement in quality work, such as determining clear roles, and responsibilities for each job position. The Company also sets appropriate personnel selection criteria in order to recruit personnel with knowledge and abilities that match the assigned tasks, and the Company arranges for consideration of position adjustments every year in order to motivate employees to develop themselves regularly.

In this regard, the Company has a policy for employees to attend training courses, including orientation for new employees and other training courses both internal and external to develop the potential of personnel according to the annual training plan as requested by the agency and approved by the Executives to be in accordance with the needs and operations of the Company. In

addition, the Company also values monitoring and measuring the results of the gained knowledge and the ability to apply such knowledge to work, as well as transferring the gained knowledge to the team and related departments.

Image of CSR- DIW Employee Education Training Activity (Kick off) Date 10 and 17 May 2021

On Thursday, 10 and 17 May 2021 training activities to educate employees were organized to raise awareness of the Company's policies in implementing projects on CSR or social responsibility and creating knowledge and understanding for employees toward what CSR is and how they can participate.

Photos of fire fighting training activities and fire evacuation drills for the year 2021

In 2021, the Covid-19 pandemic caused the Company to refrain from organizing various training activities to avoid the gathering of employees according to the pandemic prevention measures. When the government lessened the measures, the Company has organized training activities for employees in certain topics.

Courses to prepare employees to deal with emergencies with confidence by practicing fire control skills, how to survive, and how to help victims

Customer Responsibility

The Company determined to develop its products and services for the highest satisfaction and benefit of customers and adhere customer treatment with responsibility and honesty and taking care of customers as if they were the family of the Company as follows:

1. The Company determined to provide quality and standardized products and services with quality check, accurate and timely delivery. The Company complies with contracts, agreements, or conditions towards customers in a transparent and equitable manner along with paying attention to the needs in various forms of customers in each industry.
2. The Company adheres to fair marketing with policies to provide clients with accurate information about the Company's products and services without distortion, vague or exaggerated advertisements to provide clients with accurate and sufficient information in making decisions.
3. The Company provides a system allowing clients to report product use issues or improper services via e-mail or website so the Company may prevent/solve such problems quickly and

appropriately. The reported information will also be further used for further improvements for said products and services.

4. The Company will keep the client's information confidential and will not be subjected to misuse.
5. The Company arranges various activities to strengthen the lasting relationship among clients and between clients and the Company.

In 2021, the Company received satisfaction from clients as follows (Information on 31 December 2021)

The Company received a level of 86.56% on satisfaction and a 0.59 % on complaints from clients on important issues such as moisture levels and impurities. The Company has already handled such complaints.

3.4.2 Community Performance

The Company operates business in accordance with sustainable development guidelines under corporate vision and mission while following business development guidelines along with social responsibility. The Company prioritizes reducing environmental impact and avoiding operations that may have a negative impact on the quality of life of the communities surrounding the establishment. In 2021, under the Coronavirus (COVID-19) epidemic, the Company has adjusted operational plans to the situation. The adjusted business operations in 2021 did not face any complaints from the community on social issues. In addition, the Company also takes part in improving the quality of life and promoting participation with the community.

In 2021, the Company has participated in activities with the community as follows:

Providing Computers and Installing Fire Extinguishers at Ban Santisuk School

Building 50 Cement Tubes for Oyster Farming

Asia Biomass Public Company Limited, along with Ban Bang It Community, successfully built 50 cement tubes for oyster farming in line with the target set for the cement tube for oyster farming project by Ban Bang It Community.

“ Computer for Children” Project of the Mirror Foundation

On 9 December 2021, Asia Biomass Public Company Limited led by Ms. Tiyada Mekpongsatorn donated computers, PCs, notebooks, printers, mouse, keyboards, scanners and peripheral devices to the Computer for Children Project of the Mirror Foundation. The devices are delivered to upcountry schools lacking in computers and used as teaching aids for students in remote areas.

4. Management Discussion and Analysis (MD&A)

The analysis of financial information reflects the operating results and financial position of Asia Biomass Public Company Limited and its subsidiaries (Hereinafter referred to as "the Company"). The analysis in this section is based on the consolidated financial statements of the Company for the year ended December 31, 2021.

4.1. Economic overview

Overall in 2021, the Thai economy expanded by 1.6% private sector consumption and total investment increased by 18.8%, 0.3% and 3.4%, respectively. The average inflation rate was 1.2% and the current account deficit was 2.2%of GDP (Source: Office of the National Economics and Social Development Council). In addition, the Net Zero Emission Policy, which is a management concept to make the greenhouse gas emissions from activities or products to be zero. By removing greenhouse gases from the atmosphere through the Carbon Removal process, the demand in the biomass market increase. However, the limitation resources, the price continually increase. This had a positive effect on the biomass business in the past year and in the future.

However, factors that may slow down the Thai economy's recovery in 2022, such as the uncertainty of the COVID-19 outbreak due to mutations affecting vaccine efficacy, labor market vulnerabilities and rising debt problems, The side effect of the normalization of monetary policy in the core countries has caused volatility in the capital and financial markets. World supply constraints that may be a protracted problem which may affect production costs Domestic spending has not yet recovered thoroughly. There are also geopolitical risks from international conflicts. Including political risks in the country may affect the continuity of economic policy Therefore, it is something that the Company must pay attention to and continuously monitor in order to ensure that the business operation is in accordance with the policy.

4.2. Operation Performance

The company is principally engaged in the procurement and distribution of biomass fuels, starting with products derived from wood processing such as wood shaving, sawdust. The company has expanded its products such as Palm Kernel Shell, biomass pellet, wood chops and other parts of wood and to streamline the supply and distribution. The company also carries out its own shipments under the management of STP, a subsidiary of the company in conjunction with hiring external transport operators for the most efficient operation of the cargo. In addition to domestic sales, the company has expanded its distribution to overseas and when the demand for biomass fuel both domestically and internationally increases while domestic biomass capacity is limited so the company has been supplying biomass fuel from overseas sources from Indonesia and Malaysia. This will be the source of palm oil for the continued expansion of our biomass fuel distribution business.

Biomass sales volume in 2020 and 2021 was 525.81 and 567.79 thousand tons respectively. 2021's sales volume was increased comparing to those in 2020's due with an increase in oversea sales volume whereas a drop in domestic sales volume from product shortage period

Sales Volume	Year ended December 31						% change 2020-2019	%change 2021-2020
	2019		2020		2021			
	Thousand ton	%	Thousand ton	%	Thousand ton	%		
- Domestic	393.34	78.96	381.99	72.65	418.93	73.78	(2.89)	9.67
- Oversea	104.84	21.04	143.82	27.35	148.86	26.22	37.18	3.50
Total	**498.17**	**100.00**	**525.81**	**100.00**	**567.79**	**100.00**	**5.55**	**7.98**

Domestic sales volume

The main products of the company in 2021 was Palm Kernel Shell, Wood Chips and Wood pellets respectively, from the sales volume of Palm Kernel Shells due to greater market demand.

Oversea sales volume

The main products for exported of the company in 2021 was Wood Chips and other wood products, Palm Kernel Shell and Tapioca starch, respectively. The Oversea sales volume increased by 3.50% from the sales volume of wood chips and tapioca starch for exports to increase greatly this year.

Average Selling Price

The company has a variety type of biomass which has different price levels in terms of selling price and profit. The average selling price of the company during 2019 – 2021 as follows:

Selling Price	Year ended December 31		
	2019 Baht	2020 Baht	2021 Baht
Average Selling Price	2,590.73	2,916.76	3,340.48

The average product price increased by 15% due to an increase in the volume of export sales of high-priced goods. In addition, the exchange rate that has a positive effect and the higher market price of Palm Kernel Shells.

4.2.1 Financial Performance

Income Statement	Year ended December 31						% change 2020-2019	%change 2021-2020
	2019		2020		2021			
	MB	%	MB	%	MB	%		
Revenues								
Revenue from sales and services	1,323.67	99.37	1,548.37	99.10	1,907.82	98.94	16.98	23.21
Other incomes	8.33	0.63	14.14	0.90	20.48	1.06	85.83	44.84
Total Revenues	**1,332.00**	**100.00**	**1,562.51**	**100.00**	**1,928.30**	**100.00**	17.41	23.41
Expenses								
Cost of sales and services	(1,058.61)	(79.47)	(1,266.93)	(81.08)	(1,596.46)	(82.79)	19.68	26.01
Distribution costs	(195.69)	(14.69)	(194.23)	(12.43)	(215.25)	(11.16)	(0.75)	10.82
Administrative expenses	(88.85)	(6.67)	(66.40)	(4.25)	(72.53)	(3.77)	(23.75)	9.23
Total Expenses	**(1,343.15)**	**(100.84)**	**(1,527.56)**	**(97.76)**	**(1,884,24)**	**(97.72)**	**13.83**	23.24
Profit (Loss) before interest and tax	**(11.15)**	**(0.84)**	**34.95**	**2.24**	**44.06**	**2.28**	**413.51**	**26.08**
Financial costs	(12.69)	(0.95)	(11.88)	(0.76)	(13.29)	(0.69)	(6.40)	11.87
Profit (Loss) before income tax	**(23.84)**	**(1.79)**	**23.07**	**1.48**	**30.77**	**1.59**	196.76	33.39
Income tax (expenses) revenues	1.51	0.11	(5.97)	(0.39)	(8.59)	(0.44)	(495.36)	43.89
Net Profit (Loss)	**(22.33)**	**(1.68)**	**17.10**	**1.09**	**22.18**	**1.15**	**176.57**	**29.73**
Net Profit (Loss) attributable to equity holders	**(15.66)**	**(1.18)**	**18.62**	**1.19**	**26.80**	**1.39**	**218.80**	**43.93**

Revenue

Total revenue of the company is from sales of goods and services and other income. Revenue from sales of goods and services is recognized as revenues from the operations of two groups of companies.

1. **Revenue from sales** This is the main income of the company. This is due to the business operations of ABM and its local subsidiaries, namely PPP and its overseas subsidiaries, namely ABI in Indonesia and ABE and ABR in Malaysia. Overseas subsidiaries will provide and gather Palm Kernel Shells produced in Indonesia and Malaysia to distribute to ABM and PPP according to the distribution plan generated by ABM and PPP, which is the contact and receive orders from both domestic and foreign customers.
2. **Revenue from transportation services** , STP will be able to provide freight services to ABM and PPP, transport services to related companies and other companies. In case of available service capacity, STP will provide transportation services to related companies and other companies to achieve maximum operational efficiency.

The company's total revenues for the year 2020 and 2021 amounted to 1,562.51 million Baht and 1,928.30 million Baht, respectively. In 2021, the company had an increase in revenue of 365.79 million Baht or an increase of 23.41% from the previous year.

The major income is 99% of total revenues, which is the revenue from sales. Moreover, revenue from transportation services to related companies and other companies is approximately 0-1% of total revenues. And others income includes gain on sales of assets, gain on foreign exchange etc..

The total revenue of the company in 2019 - 2021 can be summarized as follows:

Revenue structure	Year ended December 31						% change 2020-2019	% change 2021-2020
	2019		2020		2021			
	MB	%	MB	%	MB	%		
Revenue from sales of goods and services								
1. Revenue from sales	1,314.55	98.69	1,535.06	98.24	1,889.10	97.97	16.77	23.06
2. Revenue from transportation services	9.13	0.69	13.31	0.86	18.72	0.97	45.78	40.65
Total Revenue from sales of goods and services	**1,323.67**	**99.37**	**1,548.37**	**99.10**	**1,907.82**	98.94	16.98	23.21
Other Income [1/]	8.33	0.63	14.14	0.90	20.48	1.06	85.80	44.84
Total Income	**1,332.00**	**100**	**1,562.51**	**100**	**1,928.30**	**100**	17.41	23.41

Remark: 1 / Other income consists of Income from bad debt recovery, gain on sales of assets, foreign exchange gain and income from insurance claims, etc.

Revenue structure of the company, there are three types of revenue: revenue from sales, the main income of the company, revenue from transportation services and other income.

Revenue from sales

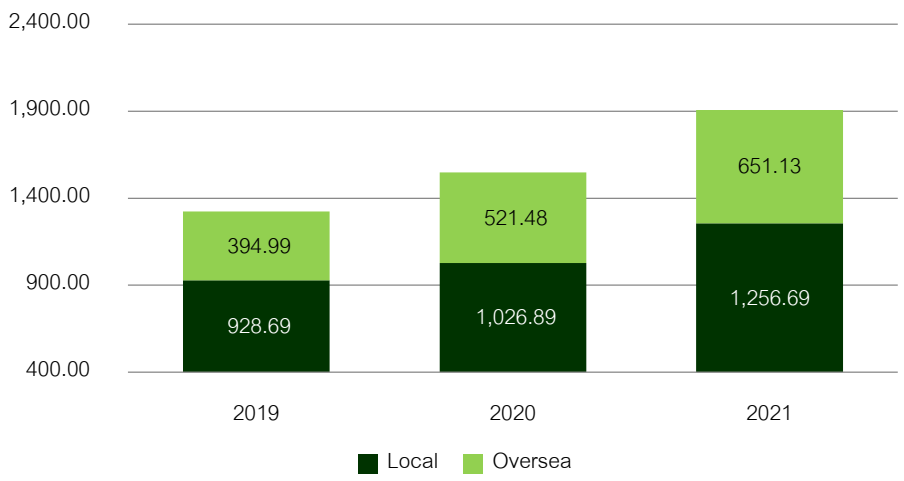
Revenue from sales, most of them are from biomass fuel products. The company's revenue from sales of biomass fuels was 1,535.06 million Baht and 1,889.10 million Baht in the years 2020 and 2021 respectively. The revenue from sales of the year 2021 increased from the year 2020 was 354.04 million Baht, equivalent to 23.06% due to increase in sale volume and average selling price.

Considering the geographical distribution, the company sells products both in the country and other countries. The domestic sales accounted for 70% - 80% of total sales. Proportion of domestic and foreign sales for the year 2019-2021 can be shown in the following diagram.

Table showing the distribution of products by geographical area. Based on customer location in 2019 - 2021

Revenue from sales and service by geographical area	Year ended December 31						% change 2020-2019	% change 2021-2020
	2019		2020		2021			
	MB	%	MB	%	MB	%		
Thailand	928.69	70.16	1,026.89	66.32	1,256.69	65.87	10.57	22.38
Overseas								
- Countries in Asia	394.99	29.84	521.48	33.68	651.13	34.13	32.02	24.86
Total revenue from sales of goods and services	**1,323.67**	**100.00**	**1,548.37**	**100.00**	**1,907.82**	**100.00**	**16.98**	**23.21**

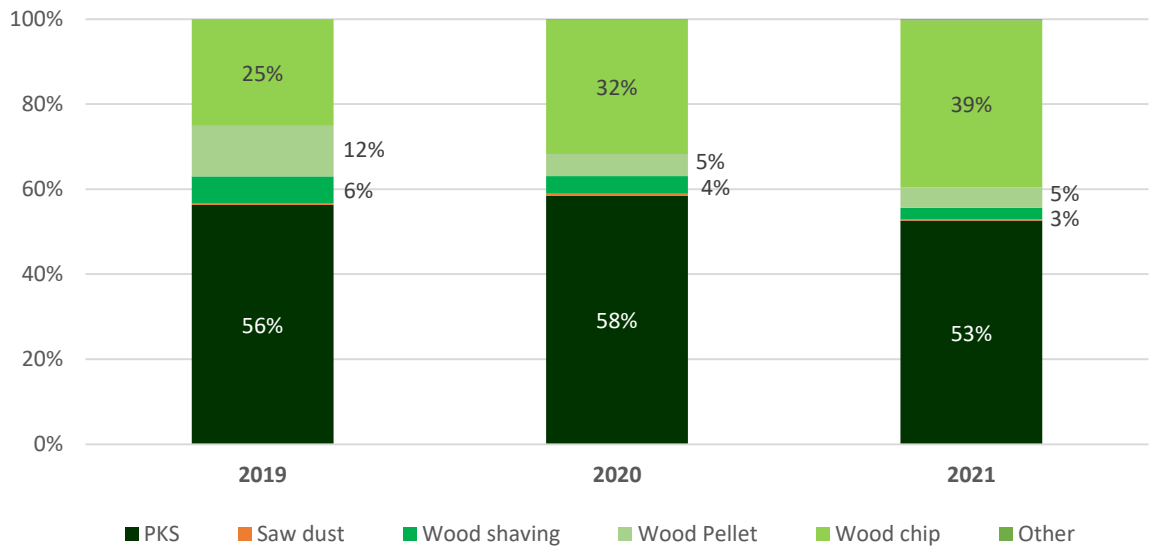
Diagram showing the distribution of products by geographical area
the destination of the products shipped in the year 2019 – 2021



In the year 2021, the company has revenue from shipping to overseas amounting to 651.13 million Baht increased from 2020 by 129.65 million Baht accounted for 24.86%. In addition, the main exported products of the company in 2021 were wood chips and other agricultural products, respectively.

In the year 2019 – 2021, the company's main income from the sale of Palm Kernel Shell accounted for 52 - 60% of total sales. Secondly, the group of woodchips and other parts accounted for 25-40% of total revenue from the sale of products, followed by biomass pellet 5 - 15 % of total revenues. The proportion of sales of each type of products can be shown in the following diagram.

Chart showing the distribution of each product in 2019 – 2021



Among the biomass fuel products that the company sells Palm Kernel Shells are considered as the by-products of agricultural processing with the highest demand. It is a high-value biomass fuel and there are enough sources to support the current needs. The company is aware of the trend. The company has focused on the relationship with sources of supply and collection of Palm Kernel Shells both domestically and internationally. In addition, the market of Palm Kernel Shells increased from the original focus on the distribution of products, wood shavings and sawdust as can be seen from the proportion of sales of each type of products mentioned above.

In 2020, wood chip products and other parts of wood, especially wood chips, accounted for the total income increasing from 25% in 2020 to 32%, growing from the export volume of timber and wood chips to foreign countries. While pellet biomass products accounted for 5% of total revenue, a decrease from 12% in 2020 from the total revenue decreased due to the demand in overseas biomass market are decreased.

In 2021, wood chip products and other parts of wood, especially wood chips, increasing from 32% in 2020 to 39%, growing from the export volume of wood chips. While portion of Palm Kernel Shells products decline from 58% to 53% of total revenue, due to other product's portion increase. However, the sales volume of Palm Kernel Shell still increases.

Revenue from transportation services

Key factors in the company's business of supplying and distributing biomass fuels, in addition to the source of the product, cargo management is important to maximize business performance. The company has set up a subsidiary company, STP, to carry cargo for the company and its subsidiaries. If the service is available at some time, STP will provide transportation services to related companies and other companies. Revenue from rendering of transportation services to related companies and other companies increased from 2020 at 13.31 million Baht to 18.72 million Baht in the year 2021 or increased by 5.41 million Baht from the number of transportation service from the company and related increased.

Other incomes

Other incomes of the company in the year 2020 and 2021 were 14.14 million Baht and 20.48 million Baht, respectively. Other incomes consisted of

1. The Company gained from exchange rate and financial derivatives total was 4.04 million Baht while in the year 2020, the company had gain from exchange rate and financial derivatives total was 7.95 million, respectively.
2. In the year 2021, the company has bad debts recovery as other income of 4.74 million Baht
3. Revenue from outsourcing services in the amount of 1.88 million Baht.

Cost of goods sold and services and gross profit

Cost of goods sold and services and gross profit

1. Cost of goods sold and gross profit

The cost of sales of the company in 2020 and 2021 was 1,256.69 million Baht and 1,580.98 million Baht, respectively. The cost of goods sold in 2021 increased by 324.29 million Baht or 25.80% in line with revenue from sales. While gross profit margin in 2020 and 2021 were 18.13% and 16.31% respectively. The gross profit margin decreased from the previous year because in 2021 higher price and stock adjustment in overseas stockpile.

2. Cost of services and gross profit

The cost of transportation services were 10.24 million Baht and 15.48 million Baht in 2020 and 2021, respectively. Increase by 51.27% in line with the increase in the volume of transportation services. While the gross profit margin accounted for 21.13% and 17.28% respectively decrease as a result higher fuel cost.

Distribution costs and administrative expenses

1. Distribution costs

Distribution costs in 2020 and 2021 were at 194.23 million Baht and 215.25 million Baht respectively. Distribution costs increase compared with 2020 in line with increase in revenue from sales when compared to the proportion to sales decreased due to better logistics management.

2. Administrative expenses

The company's administrative expenses during 2020 and 2021 were 66.40 and 72.53 million Baht increase by 9.23% compared with 2020 because of number of employees.

Most of the administrative expenses are employee compensation. This accounted for more than 50% of the administrative expenses, followed by rental and service expenses. This includes property operating leases, service fees, such as professional fees, consulting fees, internal audit fees, audit and review financial report and training/seminars fees etc. The next will be the cost of travel, depreciation and amortization expenses are also included in the administrative expenses, such as allowance for doubtful accounts and bad debts and other expenses.

Financial costs

The company has finance costs of 11.88 million Baht and 13.29 million Baht in 2020 and 2021 respectively, accounted for 0.76% and 0.69% of the total revenue respectively. The financial cost slightly decreased due to better cash flow liquidity.

Corporate Income Tax

In 2020 and 2021, the company had income tax revenue of 5.97 million Baht and had income tax expense 8.59 million Baht, respectively, resulting from profit from operation.

Net profit (loss)

As a result, in 2021, the net profit attributable to equity holders of the company was 26.80 million Baht increased when compared with 2020, which has net profit at 18.62 million Baht.

4.2.2 Financial Position Analysis

Asset

The total assets of the company as of 31 December 2020 and 2021 amounted to 892.99 million Baht and 1,032.25 million Baht, respectively. The company's main assets are trade and other receivables, inventory, and property, plant and equipment. As of 31 December 2021, the company's total assets increased by 139.36 million Baht or 15.61% mainly due to the increase in trade and other receivables and inventories which are major assets of the company.

Financial statement	As of 31 December						% change 2020-2019	% change 2021-2020
	2019		2020		2021			
	MB	%	MB	%	MB	%		
Assets								
Current Assets								
Cash and cash equivalents	27.45	3.84	51.23	5.74	25.43	2.46	86.63	(50.36)
Trade and other accounts receivable	158.30	22.14	208.60	23.36	225.20	21.81	31.78	7.96
Inventories	153.51	21.47	202.02	22.62	238.63	23.12	31.70	18.12
Advance payment for purchase of inventories	4.22	0.59	4.34	0.49	17.83	1.73	2.84	310.83
Other current assets	14.92	2.09	4.36	0.48	4.33	0.42	(71.79)	(0.69)
Total current assets	**358.40**	**50.13**	**470.55**	**52.69**	**511.42**	**49.54**	**31.29**	**8.69**
Non-current Assets								
Deposits at financial institutions under pledge	40.00	5.59	40.00	4.48	40.10	3.88	0.00	0.25
Advance payment for purchase of inventories	9.69	1.36	11.39	1.28	12.12	1.17	17.54	6.41
Property, plant and equipment and Rights of use	273.70	38.28	345.98	38.74	467.76	45.31	26.40	35.20
Computer software	1.25	0.17	0.67	0.08	0.21	0.02	(46.27)	(68.66)
Deferred tax assets	28.17	3.94	23.73	2.66	-	-	(15.75)	(100.00)
Other non-current assets	3.76	0.53	0.67	0.07	0.74	0.08	(81.64)	10.45
Total non-current assets	**356.56**	**49.87**	**422.44**	**47.31**	**520.93**	**50.46**	**18.48**	**23.31**
Total assets	**714.96**	**100.00**	**892.99**	**100.00**	**1,032.35**	**100.00**	**24.90**	**15.61**

The major components of the Company's assets are as follows:

Trade and other receivables	As of 31 December						% change 2020-2019	% change 2021-2020
	2019		2020		2021			
	MB	%	MB	%	MB	%		
Notes receivable	7.10	4.48	9.94	4.77	7.14	3.17	40.00	(28.17)
Trade accounts receivable								
Classified by aging of receivables								
Current	100.92	63.75	97.01	46.51	160.84	71.42	(3.87)	65.80
Overdue within 3 months	42.52	26.86	93.69	44.91	48.24	21.42	120.34	(48.51)
Over 3 to 6 months	0.43	0.27	1.08	0.52	0.02	0.01	151.16	(98.15)
Over 6 to 12 months	3.55	2.24	0.13	0.06	0.00	0.00	(96.34)	(100.00)
Over 12 months	2.48	1.57	4.32	2.07	0.00	0.00	74.19	(100.00)
Total trade accounts receivable	**157.00**	**99.18**	**206.17**	**98.84**	**216.24**	**96.02**	**31.32**	**4.88**
Less Allowance for doubtful accounts	(7.54)	(4.76)	(4.46)	(2.14)	(1.12)	(0.50)	(40.85)	(74.89)
Trade accounts receivable, net	**149.46**	**94.41**	**201.71**	**96.70**	**215.12**	**95.52**	**34.96**	**6.65**
Other receivables	8.84	5.59	6.89	3.30	10.08	4.48	(22.06)	46.30
Total trade and other receivables	**158.30**	**100.00**	**208.60**	**100.00**	**225.20**	**100.00**	**31.78**	**7.96**

Trade and other receivables

Trade and other receivables of the company at the end of 2020 and 2021 amounted to 208.60 million Baht and 225.20 million Baht, respectively, equivalent to 23.36% and 21.81% of total assets of the company, with other accounts receivable less than 1% of total assets. The remaining is trade receivables.

As at the end of 2021, the company's trade receivables were 215.12 million Baht increased to 13.41 million Baht from 225.20 million Baht at the end of 2020 or an increase of 6.65%, mainly due to more sale volume near the last quarter of the year so most of the receivables are not yet overdue or overdue less than 3 months as shown in table below

1. Trade accounts receivables

The company's trade accounts receivable consist of trade accounts receivable from related parties and other entities. Details of trade accounts receivable classified by aging are as table.

At the end of 2021, the company's allowance for doubtful accounts decreased to 1.12 million Baht from 4.46 million Baht at the end of 2020. The Company consider the impairment of trade accounts receivable under a Simplified Approach (TFRS9), included historical credit loss information to estimate expected losses and Forward - looking information also the policy of setting allowance for doubtful accounts as follows:

- Overdue receivables less than 180 days; No allowance for doubtful accounts
- Overdue receivables 181 - 360 days; Allowance for doubtful accounts at 50%
- Overdue more than 360 days; Allowance for doubtful accounts is 100%.

Policy on allowance for doubtful accounts, the company has considered the debt repayment history of the past receivables, which is sufficient to manage the company's debtors. However, the allowance for doubtful accounts will also be used with

other information. Without allowance for doubtful accounts, reasons must be submitted to the financial director for consideration and approved by managing director. The company will review the allowance for doubtful accounts at least once a quarter. The company also considers the adequacy of the setting the allowance for doubtful accounts for specific to each debtor based on the financial position, historical payment, the amount of debt outstanding against the ability to repay the debt and other factors. However, debtors who have had a bad history, long overdue or have financial problems, the company will control such receivables allowance for doubtful accounts particularly to that person.

2. Other receivables

Other receivables are accounts receivable due to operating expenses paid in advance and amortized over the period of expenses incurred, payroll advance, loans to employees, etc. At the end of 2021, the company had other receivables at 10.08 million Baht, an increase of 3.19 million Baht from the previous year. Other accounts receivable of the company are less than 1% of total assets.

Inventories

At the end of 2020 and 2021, the company had net inventories (net allowance for decline in value of inventories) of 202.02 million Baht and 238.63 million Baht or at 22.62% and 23.12% of total assets, respectively. In 2021, the inventories increased by 36.61 million Baht or 18.12%. Inventories increased from import of Palm Kernel Shell products. At the end of the year, however, the Company still has a policy to manage its inventory at an appropriate level.

Advance payment for goods

Most of the purchases of the company will be subject to payment terms in advance for the amount specified in the contract. Mostly it is the nature of money transfer to the manufacturer in advance for a certain amount of goods. Once the goods are received, the value of the goods will be deducted to the prepaid balance. Until the money paid in advance is lower than the agreed amount. The company will transfer the advance payment to the manufacturer to the full amount of advance payment as specified in the contract of purchase. The amount of advance payment for each product manufacturer will depend on the volume of goods that the distributor. There are deals to sell to companies. This advance payment policy is typical for the biomass fuel supply and distribution business. This is to ensure that the manufacturer will sell the products manufactured by the manufacturer to the company in accordance with the amount agreed. The company has set up sub-committee to consider the credit line for both accounts receivable and advance payment. It is necessary to review the information of partners who have agreed to pay for goods, such as registration information of partners and financial information as well as other business information, etc. The committee will have the highest management. Financial management is always considered and commented. In addition, the company manages the risk of advance payment by reducing the advance payment limit to the amount that the company has to pay in advance necessary according to the potential of partners as well. The direct purchase from the manufacturer or via a small retailer by subsidiaries of the company in both Indonesia and Malaysia is upon receipt of goods into the warehouse of the subsidiary, the company then prepares the advance payment to the seller under the next purchase contract.

At the end of 2020 and 2021, the company had advance payment for goods amounting to 15.73 million Baht and 29.95 million Baht, or 1.77% and 2.90% of total assets, respectively. The company currently focuses on efficiency inventory management. The company should have business partners to ensure that would be enough products.

Property, plant and equipment and Right of Use

The nature of the business of supply and distribution of biomass fuels, key factors that make the company continue to operate today, the company can supply and collect products from various sources to sell to customers throughout the year and deliver the quality products that customers need within the time. The company will be able to do that. The company needs to invest in warehouses to store and maintain the quality of their products to meet the shortage of goods. In addition, the company has invested in production machine such as Wood Chip, wood pellets and wood grinding. At the end of 2020 and 2021, the company's property, plant and equipment (net) and Right of Use were 345.98 million Baht and 467.76 million Baht or 38.74% and 45.31% of total assets, respectively. In 2021, the company's property, plant and equipment consisted of land and land improvement about 348.84 million Baht, building structure and improvement about 38.02 million Baht, machinery and equipment about 21.84 million Baht, furniture fixtures and office equipment about 2.32 million Baht, vehicles about 23.44 million Baht, fixed assets under installation about 3.89 million Baht, Right of Use-property about 1.88 million Baht, and Right of Use- vehicles about 27.53 million Baht,

In 2021, the company's property, plant and equipment (net) increased by 121.78 million Baht by compared with 2020 from land revaluation 130.44 million Baht invested in machine and equipment for Wood Pellets machine.

Liabilities

The company's total liabilities as of 31 December 2020 and 2021 amounted to 663.43 million Baht and 674.71 million Baht respectively increase by 11.28 million Baht, 1.70%. The Company's main liabilities were short-term loans from financial institutions, trade and other payables and long-term loans.

Financial statements	As of 31 December						% change 2020-2019	% change 2021-2020
	2019		2020		2021			
	MB	%	MB	%	MB	%		
Liabilities and Shareholders' Equity								
Current Liabilities								
Short-term loans from financial institutions	354.83	49.63	436.35	48.86	495.15	47.96	22.97	13.48
Trade and other accounts payable	34.44	4.82	82.05	9.19	48.94	4.74	138.26	(40.35)
Current portion of liabilities								
- finance lease liabilities	1.63	0.23	6.79	0.76	7.16	0.69	317.80	5.45
- Long-term loans	14.93	2.09	20.65	2.31	20.65	2.00	38.33	0.00
Income tax payable	3.93	0.55	0.57	0.06	3.09	0.30	(85.49)	442.11
Accrued expenses and other current liabilities	3.69	0.52	4.92	0.56	1.74	0.18	33.12	(64.63)
Total current liabilities	**413.44**	**57.83**	**551.33**	**61.74**	**576.73**	**55.87**	**33.35**	**4.61**
Non-current Liabilities								
Long-term loans	78.86	11.03	88.21	9.88	67.55	6.54	11.86	(23.42)
Finance lease liabilities	4.25	0.59	19.23	2.15	16.93	1.64	352.12	(11.96)
Deferred Tax Liabilities	-	-	-	-	7.30	0.71	-	100.00
Liability for post-employment benefits	4.61	0.65	4.66	0.52	6.20	0.60	1.01	33.05
Total non-current liabilities	**87.72**	**12.27**	**112.10**	**12.55**	**97.98**	**9.49**	**27.79**	**(12.59)**
Total liabilities	**501.17**	**70.10**	**663.43**	**74.29**	**674.71**	**65.36**	**32.38**	**1.70**

The major components of the company's liabilities are as follows:

Bank overdrafts and short-term loans from financial institutions

Short-term loans from financial institutions are considered as principal funds used in the business of the company. Short-term loans from financial institutions include Promissory Note ("P / N"), Trust Receipt ("T / R") and Export Credit (Packing Credit, "P / C"). At the end of 2020 and 2021, the company had short-term loans from financial institutions amounting to 436.35 million Baht and 495.15 million Baht respectively or 48.86% and 47.96% % of total liabilities and shareholders' equity, respectively.

Trade and other payables

Accounts payable and other payables of the company by the end of 2020 and 2021 was 82.05 million Baht and 48.94 million Baht respectively or 9.19% and 4.74% of total liabilities and shareholders' equity respectively.

1. Trade payables

The company had trade accounts payable amounting to 67.62 million Baht and 31.47 million Baht at the end of 2020 and 2021, respectively. This is because most manufacturers of products have a requirement for companies to pay in advance for their products. or if you agree to pay after receiving the product The credit period is relatively short, but in 2020, the balance is much higher than usual due to the import of goods at the end of the year, resulting in a large amount of outstanding balance.

2. Accrued expenses and other payables

Most of the other payables are related to the business operations of the company. It has not paid, such as accrued bonuses, Revenue Department, Accrual accounting service, accrued shipping charges, Land and building lease payable and other service payable.

Long-term loans

Long-term loans in 2021 decrease 20.66 million Baht from 2020 due to normal repayment.

Liabilities under financial lease

Liabilities under financial leases are liabilities arising from the provision of financial services by financial institutions for the purchase of trucks and other vehicles. At the end of 2020 and 2021, the company has financial lease liabilities amounting to 26.02 million Baht and 24.09 million Baht, respectively or 2.91% and 2.33% of total liabilities and shareholders' equity, respectively.

The components of the Company's trade and other payables are as follows:

Trade and other payables	As of 31 December						% change 2020-2019	% change 2021-2020
	2019		2020		2021			
	MB	%	MB	%	MB	%		
Trade accounts payable	13.04	37.86	67.62	82.41	31.47	64.30	418.56	(53.46)
Other payables	21.40	62.14	14.43	17.59	17.47	35.70	(32.57)	21.07
Total	**34.44**	**100.00**	**82.05**	**100.00**	**48.94**	**100.00**	**138.24**	**(40.35)**

Shareholders' Equity

Shareholders' Equity (Excluding non-controlling interest) at the end of 2020 and 2021 amounting to 239.30 million Baht and 373.42 million Baht or 26.80% and 36.17% of total liabilities and shareholders' equity, respectively. At the end of 2021, Shareholders' Equity increased due to the company had net profit.

Financial statements	As of 31 December						% change 2020-2019	% change 2021-2020
	2019		2020		20201			
	MB	%	MB	%	MB	%		
Shareholders' Equity								
Issued and paid-up share capital	150.00	20.98	150.00	16.80	150.00	14.53	0.00	0.00
Share premium	90.51	12.66	90.51	10.14	90.51	8.77	0.00	0.00
Surplus on business combination under common control	2.48	0.35	2.48	0.28	2.48	0.24	0.11	0.00
Retained earnings								
Appropriated for legal reserve	6.10	0.85	6.10	0.68	6.10	0.59	0.00	0.00
Unappropriated	(11.93)	(1.67)	3.36	0.38	30.16	2.92	(128.17)	797.62
Other components of shareholders' equity	(12.69)	(1.77)	(13.15)	(1.48)	94.17	9.12	3.64	(816.12)
Equity attributable to equity holders of the Parent	224.47	31.40	239.30	26.80	373.42	36.17	6.61	56.05
Non-controlling interest	(10.69)	(1.49)	(9.74)	(1.09)	(15.78)	(1.53)	(8.85)	62.01
Total Shareholders' Equity	213.79	29.90	229.56	25.71	357.64	34.64	7.38	55.79
Total Shareholders' Equity and liabilities	**714.96**	**100.00**	**892.99**	**100.00**	**1,032.35**	**100.00**	**24.90**	**15.61**

Liquidity analysis

Cash Flow	As of 31 December		
	2019	2020	2021
Net cash provided by (used in) operating activities	**(42.17)**	**12.36**	**(34.61)**
Net cash used in investing activities	**(36.48)**	**(66.23)**	**(6.89)**
Net cash provided by (used in) financing activities	**81.29**	**78.12**	**15.50**
Impact of exchange rate on Cash and cash equivalents	(0.04)	(0.00)	(0.07)
Impact of the translation of the financial statements	(0.22)	(0.47)	0.13
Net increased (decreased) in Cash and cash equivalents	**2.39**	**23.78**	**(25.80)**
Cash and cash equivalents at beginning of the period	25.06	27.45	51.23
Cash and cash equivalents at end of the period	27.45	51.23	25.43

Net cash provided by (used in) operating activities

In 2020, cash flow came from operating activities of 12.36 million Baht due to the company had profit for the year 2021 amounting 17.10 million Baht and increase in trade and other payables Baht 47.63 million even though increase in trade receivables and other receivable Baht 47.26 million and significantly increase in inventory amounting to Baht 56.13 million

In 2021, cash flow used in operating activities of 34.61 million Baht even though the company had profit for the year 2021 amounting 22.18 million Baht due to decrease in trade and other payables Baht 31.54 million and increase in trade receivables and other receivable Baht 13.17 million and significantly increase in inventory amounting to Baht 47.22 million so it shown negative operating cash flow.

Net cash used in investing activities

In 2020, the company has cash flow used for investing activities of 66.23 million Baht, due to invested in land and buildings in Rayong province approximately 46.5 million Baht and production machine for the biomass pellet plant. And wood grinding in Bang Nam Chued warehouse.

In 2021, the company has cash flow used for investing activities of 6.89 million Baht, due to additional machine and equipment for the biomass pellet plant and wood grinding in Bang Nam Chued warehouse.

Net cash provided by financing activities

In 2020, the company had cash flow from financing activities of 78.12 million Baht from short-term loans working capital for buying inventory in the 4th quarter compared to the previous year in order to support market demand and increase in long-term loans from financial institutions for investing in land and warehouse in Rayong province.

In 2021, the company had cash flow from financing activities of 15.50 million Baht from short-term loans working capital for buying inventory in the 4th quarter compared to the previous year in order to support market demand.

4.3. Financial Ratios

Financial Ratios		As of 31 December		
		2019	2020	2021
LIQUIDITY RATIO				
Current ratio	(Times)	0.89	0.85	0.89
Quick Ratio	(Times)	0.52	0.49	0.47
Cash flows ratio	(Times)	(0.13)	0.03	(0.06)
Accounts receivable turnover	(Times)	9.15	8.44	8.80
Average collection period	(days)	39.89	43.24	41.50
Inventory turnover	(Times)	7.23	7.13	7.25
Inventory days	(days)	50.47	51.24	50.37
Accounts payable turnover	(Times)	26.31	21.75	24.38
Accounts payable days	(days)	13.87	16.78	14.97
Cash Cycle	(days)	76.49	77.68	76.90
PROFITABILITY RATIO				
Accounts payable days	(%)	20.03	18.18	16.32
Operating profit margin	(%)	(0.84)	2.24	2.28
Other profit margin	(%)	0.63	0.90	1.06
Profitability Ratio	(%)	(2.25)	0.44	(0.99)
Net profit margin	(%)	(1.18)	1.19	1.39
Return on equity	(%)	(6.69)	8.03	8.75
EFFICIENCY RATIO				
Return on assets	(%)	(1.64)	4.35	4.58
Return on fixed assets	(%)	(4.03)	11.85	11.68
Assets turnover	(Times)	1.96	1.94	2.00
FINANCIAL POLICY RATIO				
Debt to equity ratio	(Times)	2.23	2.77	1.81
Interest coverage ration[1/]	(Times)	(1.68)	2.54	(0.96)
cash basis	(Times)	(3.96)	(1.92)	0.80
Dividend payout ratio	(%)	-	-	-

Note:1/ calculated by (operating cash flow+ interest expenses from operating taxes)/interest expenses from operating and investing

Liquidity Ratios

The Company's main current assets are trade and other receivables, Inventories and advance payment for goods. Total assets accounted for approximately of 40-50% of total asset. The main source of working capital is short-term loans from financial institutions and trade and other payables.

At the end of 2020 and 2021, the company's liquidity ratio was 0.85 times and 0.89 times, respectively increased due to increase in inventory while last year had a big lot import goods. As well as the lesser of quick ratio from 0.49 times to 0.47 times in year 2021.

The company had average collection period at 43.24 days and 41.50 days in 2020 and 2021 respectively, shorter due to sales increased while trade accounts receivable and other receivables are paid within credit term.

Inventory days were at 51.21 days and 50.37 days in 2020 and 2021 respectively due to sale increase.

In term of account payable days of the company was at 16.78 days and 14.97 days in 2020 and 2021 respectively. Since most of the small creditors had short-term credit. In this regard, the cash cycle in the year 2020 and 2021 has the cash cycle at 77.68 days and 76.90 days respectively.

Profitability Ratios

In 2020 and 2021 the company had a gross margin for sales of goods and services 18.18% and 16.32% respectively, decrease due to increase in cost effect from market competitor.

Efficiency Ratios

In 2020 and 2021, Total asset turnover was at 1.94 and 2.00 respectively, the better in total asset turnover due to increase in revenue in 2021.

Financial Policy Ratios

Debt to equity ratio of the company in 2020 and 2021 was at 2.77 times and 1.81 times respectively. Due to surplus on land valuation and Profit for the year.

5. General Information and Other Important Information

5.1. General Information and Other Important Information

Company Information (as of December 31, 2021)

Thai Company Name	บริษัท เอเชีย ไบโอแมส จำกัด (มหาชน)		
English Company Name	Asia Biomass Public Company Limited		
Securities Initial	ABM		
Company Registration No.	0107560000061		
Nature of Business Operation	Biomass Fuel Distributor		
Head Office Location	273/2 Rama 2 Road, Samae Dam, Bang Khun Thian, Bangkok 10150		
Branch Office Location	(1) No. 122, Moo 1, Bang Nam Chuet, Mueang Samut Sakhon, Samut Sakhon		
	(2) No. 155/1, Moo 14, Bang Pakong, Bang Pakong, Chachoengsao		
	(3) No. 113/1, Moo 3, Bang Kung, Mueang Surat Thani, Surat Thani		
Head Office Phone	02 415 0054		
Head Office Fax	02 894 0066		
Website	www.asiabiomass.com		
Registered Capital	300,000,000 ordinary shares		
	0.50 Baht per share, total 150,000,000 Baht		
Paid-up Capital	300,000,000 ordinary shares		
	0.50 Baht per share, total 150,000,000 Baht		
Registrar of Ordinary Shares	Thailand Securities Depository Company Limited		
	No. 93, The Stock Exchange of Thailand, Ratchadaphisek Road,		
	Din Daeng, Bangkok 10400		
	Phone: 02 229 2800		
	Fax: 02 654 5472		
Auditors	Mr. Narong	Luktharn	CPA No. 4700
	Miss Maliwan	Phahuwattanakorn	CPA No. 4701
	Mr. Chaikrit	Warakitjakorn	CPA No. 7326
	Miss Kamontat	Jitkarnka	CPA No. 10356

	NPS Siam Audit Limited No. 555/5-6 SSP Tower 5 Floor, Soi Sukhumvit 63 (Ekkamai), Sukhumvit Road, Klongton Nua Sub-district, Wattana District,Bangkok 10110 Telephone : 02 711 5300 Fax : 02 711 5866
Frequently contacted financial institutions	Kasikorn Bank Public Company Limited Krung Thai Bank Public Company Limited Siam Commercial Bank Public Company Limited

5.2. Other Important Information

- None

5.3. Legal Disputes

As of 31 December 2021, the company and its subsidiaries has no legal disputes which may negatively affect assets of the company or assets of its subsidiaries which is more than 5% of the shareholders or which may affect business operation including the cases of none normal performing business.

5.4. Secondary Market

- None

5.5. Financial Institutions that are contacted on a Regular Basis (Only in the case of Debt Instruments)

- None

ASIA BIOMASS PUBLIC COMPANY LIMITED

PART 2 Corporate Governance

6. Corporate Governance

6.1. Corporate Governance Policy

Asia Biomass Public Company Limited operates the business with an awareness of the responsibility towards all stakeholders under the framework of business ethics and work practices. The Company, therefore, sees the necessity of the compilation and establishment of corporate governance principles. as a guideline for organizational management to ensure that all actions are undertaken with fairness and consideration for the best interests of shareholders and stakeholders.

The Board of Directors defines visions, policies, goals, strategies, plans, and directions of operations related to corporate governance and anti-corruption, as well as supervising operations to achieve the set goals along with evaluating and improve for the efficiency of business operations.

The Company is committed to continuously conducting business in accordance with corporate governance principles while being responsible to the Thai society for the benefits of those involved and society as a whole.

The Board of Directors' meeting no. 1/2017 has a resolution to approve the determination of corporate governance policies in accordance with the guidelines of the Stock Exchange of Thailand, consisting of the following key principles:

6.1.1 Section 1 : Rights of Shareholders

Shareholders' Meeting

The Board of Directors organizes the annual general meeting of shareholders within four months following the end of the Company's fiscal year. A meeting invitation is prepared containing information, date, time, place, and agendas with details regarding facts and reasons, the board's viewpoint, votes in each agendas, as well as the defined criteria for the submission of questions in advance for shareholders. The Company delivers such invitation to shareholders at least seven days prior to the meeting date and announces the invitation to meeting via printed media for at least three consecutive days prior to the meeting. The Company also allows shareholders to give proxy to independent directors or other persons to attend the meeting on their behalf using the one of the proxy forms attached with the invitation.

Every time before the meeting commences, an explicit announcement is made to inform shareholders regarding the voting method. During the meeting, shareholders are allowed to voice viewpoints and questions equally regarding the meeting agendas where the Company's Board of Directors, audit committee, management committee,

and auditors provide explanations and answers to such questions.

In addition, the Board of Directors may call an extraordinary general meeting of shareholders at any time. Similarly, shareholders may sign a letter requesting the Board of Directors to call for a meeting of shareholders at any time in accordance with the Company's article of association. In such case, the Board of Directors shall hold a meeting of shareholders within one month from the date of receiving the letter from shareholders.

Procedures on the Date of the Meeting of Shareholders

- The Company gives shareholders an opportunity to raise their questions to the chairmen of sub-committees regarding related subjects.
- The Company arranges for agendas with multiple items to be voted on separately, such as the agenda for the appointment of directors.
- The Company arranges for 1 lawyer, for the sake of transparency and fairness, to act as a witness as well as count and inspect votes in the general and extraordinary general meeting of shareholders to be disclosed and recorded in the meeting minutes.
- The Company will arrange for the use of ballots in important agenda items for the sake of transparency and accountability in case of disputes later on.
- The chairman of the meeting allocates appropriate time to allow shareholders an opportunity to express their viewpoints and raise questions to the meeting on matters related to the Company.
- The Board of Directors encourages the Company to use technology in the meeting of shareholders, including shareholder registration and vote count and display so that the meeting may be carried out quickly and accurately.

Preparation of Minutes and Disclosure of the Meeting of Shareholders Resolutions

- The meeting of shareholders' minutes will keep a record of the explanation of voting procedures, the display of votes prior to the meeting, and the opportunity for shareholders to raise issues or questions and their answers. The minutes also keep a record of the voting results on each agenda, including agreeing, objecting, and abstaining votes, as well as a record of the names of directors attending the meeting and on leave.
- The Company will disclose the voting results of each agenda in the general and extraordinary meeting of shareholders to the public on the Company's website.

6.1.2 Section 2 : Equitable Treatment of Shareholders

Provision of Information Before the Meeting of Shareholders

The Company will conduct the meeting of shareholders in accordance to the law and guidelines for conducting meeting of shareholders as prescribed by regulatory bodies of shareholder's meetings. The Company will announce the meeting schedule and agendas along with the director's viewpoint to the Stock Exchange of Thailand and via the Company's website at least 28 days prior to the meeting of shareholders date. The Company will prepare and deliver Thai and English versions of the meeting

invitation and inform shareholders regarding the rules and regulations, voting process, and the voting rights for each type of shares in the meeting.

Protection of Minority Shareholders' Rights

- Every shareholder has the right to explicitly propose an additional agenda prior to the meeting date to demonstrate fairness and transparency in considering whether to add the agendas proposed by the minority shareholders to the meeting or not
- The Company will provide shareholders an opportunity to nominate a person to be a director in advance and the opportunity to exercise the right to appoint each director individually. The nomination requires information for the consideration of qualifications and the consent of the nominee.
- The meeting of shareholders will proceed with the agendas as stated in the invitation letter without the addition of agendas that have not been specified in advance, especially for important agendas that require time for shareholders to study before making a decision, as well as for the fairness of shareholders absent from the meeting
- The Company will, during the election of directors, allow shareholders to vote for directors one at a time, which gives shareholders the right to choose qualified representatives as directors to protect their own interests, creating diversity and a true representation of shareholders.

Insider Trading Prevention

- The Company has written guidelines on the safeguarding and prevention of insider information use, as well as informed such guidelines for everyone in the organization to adhere to.
- The use of opportunities or information obtained from being a director or executive to seek benefits for self or others, such as trading securities using insider information, disclosing insider information to persons related to directors and executives resulting in an unfair advantage or losses to the shareholders as a whole, etc. is forbidden.
- The directors and executives must report their securities holdings as required by law and submit such reports to the Board of Directors on a regular basis, as well as disclose such information in the annual report.

Directors' Interests

The directors and executives are required to disclose information about their interests and those related to them for the Board of Directors to consider the Company's transactions that may have conflicts of interest and make decisions for the Company's benefit as a whole. The stakeholders must report their interests before considering each agenda and keep a record in the minutes of every Board of Directors' meeting. Directors and executives with interests may not participate in the consideration of such agendas

6.1.3 Section 3: Roles of Stakeholders

Determination of Policies for the Treatment of Stakeholders

The Company is committed to fairness and integrity towards stakeholders to continuously strengthen business relationships including executives, employees, clients, business partners, creditors, competitors, and society as a whole. The treatment is free from the discrimination towards a

particular group and judgment based on personal views or relations, while providing equal opportunities without distinction of race, nationality, religion, or gender. The Company therefore arranges for the fair, transparent, and timely disclosure of information to facilitate the equal treatment of stakeholders. Furthermore, the Company has organized a channel for receiving whistleblowing, complaints, or suggestions of Company acts regarding illegal or unethical financial statements, internal control system defects, unfair actions, or other matters affecting stakeholders. The Company shall investigate and keep written record of such investigation without disclosing the whistleblower's identity to protect whistleblowers from possible impacts. The Company prioritizes the rights of all groups of stakeholders with details as follows:

1. Shareholders

The Company treats shareholders fairly and equally with fundamental rights while adhering to the corporate governance code in determination to be the shareholders' representative in running a transparent business operation with reliable accounting, financial, control, and internal audit systems in order to ensure that shareholders receive equal treatment in matters related to the Company, including the right to attend the shareholders' meetings, cast votes on agendas, give proxies, provide information in advance for decision making, meeting place, appropriate time allocation for agendas, interest disclosure, the right to freely express viewpoints in meetings, and so on. Additionally, the Board of Directors shall not take actions that may cause a conflict of interests towards the Company, seek personal benefits, or disclose company secrets to outsiders.

In addition, the Company has prepared a status and performance report on the Company, including informing all shareholders equally, consistently, accurately, and truthfully with reasonable supportive information in accordance with the Office of the Securities and Exchange Commission.

2. Employees

The Company values every employee, as they are considered a significant factor towards organizational success. The Company has therefore set employee-related policies such as compensation funds, benefits, provident funds, uniforms, physical activities, annual health checks, and benefits regarding childbirth, injuries, disabilities, and so on. Furthermore, the Company develops employee capabilities at all levels to support business growth in the future by arranging for knowledge and competence enhancing training in matters related to and appropriate for employees within each department. Such training also includes the transfer of knowledge to employees within that department. The details of the regulations and guidelines are as follows:

- Provide fair and appropriate compensation based on knowledge, ability, responsibility and the performance of each employee.
- Maintain a working environment that is safe for the lives and properties of employees.
- Promote and support training to educate employees in all aspects, such as the development of work potential, emphasis on environmental issues related to the Company's core operations, etc.
- Appointment, transfer, awarding and punishing of employees must be done with equality, honesty and on the basis of knowledge, capability, and

suitability including the actions or practices of such employees.

- Treat employees on a fair basis while also prioritizing development, knowledge transfer, and abilities of employees by providing uniform and regular opportunities to employees.
- Receive viewpoints and suggestions from employees at all levels equally and equitably
- Strictly comply with laws and regulations related to the labor law.
- Manage work by avoiding any unfair actions that may impact the job security of employees.
- Treat employees with courtesy and respect for individuality and human dignity.
- Have available channels for employees to report on misconduct and illegal acts include the Company's internal board and website, to the comments and complaints box inside the Company where the Managing Director alone possesses the key to open the box. Another channel is the Managing Director's email at " tiyada@asiabiomass.com "
- Encourage the understanding of the code of conduct and responsibilities among employees to promote behaviors within the framework of the code of conduct.
- Organize an anti-corruption programs and activities that encourages and instill compliance to related laws and regulations among employees.

3. Clients

The Company is committed to providing quality and standard products and services with quality checks, accurate and timely deliveries in compliance with contracts, agreements, or covenants between clients with transparency and equality. The Company is also mindful towards the various demands of clients in each industries by having agencies in contact with clients, giving and listening to feedback, and maintaining confidentiality. The details of the regulations and guidelines are as follows:

- Provide a system to maintain, safekeep, protect and safeguard any securities or properties entrusted to the Company's care by clients in a strict and appropriate manner.
- Maintain a sufficient amount of various types of assets according to the law and government regulations to build client confidence.
- Do not solicit or accept money, gifts, rewards, or any other compensation from clients or other persons, except for the reception due to traditional giving.
- Uphold and maintain honesty as the principle of doing business.
- Comply with various standards related to the Company's business operations that are generally accepted
- Operate businesses in compliance to laws and government regulations and refraining from assisting, promoting, or supporting illegal activities and transactions
- Track occurring developments and changes, initiate innovations for client satisfaction, and dedicate capabilities into operations.
- Utilize knowledge, capabilities, expertise, caution, and attention to quality products for clients as a professional.
- Safe keep and maintain confidential client information strictly and appropriately. Refrain from disclosing such information to other persons unless with client consent or in accordance to the law.
- Communicate information regarding the Company's products and services to clients for understanding.

- Provide a system where clients can report product use issues or improper services via e-mail or website so the Company may prevent/solve such problems quickly and appropriately. The reported information will also be used for further improvements of such products and services.

4. Business Partners

The Company considers the importance of business partners, where products and services are purchased from business partners under trade conditions and in compliance with the law, rules, and contracts with business partners. Purchases are fair, transparent, and paid for in a timely manner. The Company has a system for screening reliable as well as socially and environmentally responsible business partners to ensure clients receive quality products and services as specified. The regulations and guidelines are as follows: The Company considers the importance of business partners, where products and services are purchased from business partners under trade conditions and in compliance with the law, rules, and contracts with business partners. Purchases are fair, transparent, and paid for in a timely manner. The Company has a system for screening reliable as well as socially and environmentally responsible business partners to ensure clients receive quality products and services as specified. The regulations and guidelines are as follows:

- Do not solicit, accept, or offer trade benefits to business partners in bad faith. Maintain strict compliance with contracts and covenants with business partners. In the event that the terms in the covenants may not be met, business partners shall be promptly notified in advance to jointly consider solutions reasonably.
- Supervise or prevent any conflicts of interest related to the Company's business operations appropriately without seeking benefits in an unlawful way or in violation to government regulations.
- Do not undertake actions related to intellectual property infringement, including the encouragement of executives and employees to utilize the Company's resources and properties in an efficient manner. Additionally, encourage the use of licensed products and services so as to not support products and services that infringe intellectual property.
- Comply with the covenants and terms of trade agreements strictly to facilitate standardized trade with both domestic and foreign business partners.

5. Creditors

The Company has set covenants and treatment guidelines for creditors, who are various financial institutions providing financial support appropriate to the Company's business conditions. The Company has managed the Company's financial status to ensure financial risk management and readiness to comply with loan covenants. In the event that the compliance with a term within the covenant or a timely payment may not be met, the creditor shall be notified with full disclosure of the facts to jointly consider solutions reasonably.

6. Competitors

The Company acts in accordance to the frameworks of fair competition and on the basis of fair returns to both parties. The Company avoids unlawful methods to foil competitors, unlawful or inappropriate acquiring of competitor's secrets, and jeopardize the reputation of competitors through defamatory allegations without truthful information.

The Company also avoids undertaking actions that infringes intellectual property or licensed work of other persons or competitors.

7. The Community of which the Company is located

The Company is aware of the environmental impacts derived from the Company's business operations. Since the Company is an importer and distributor of biomass fuel, the impacts that may occur include dust particles spreading around the warehouse and around areas where freight trucks will deliver the products to clients. The Company, therefore, has implemented measures for the environment, including noise, air, and water pollution measures. The area surrounding the warehouse comes with a security and hygiene maintenance system to prevent the spread of dust particles.

8. The Environment and Society

The Company is aware of building understanding and trust from the residential community surrounding the warehouse. The Company has assigned the safety officer to handle the complaints of residents within the area. The Company has, in addition, provided support to government agencies within the surrounding and nearby areas by donating computers to and promoting religious activities in schools, promoting student and elderly activities, as well as prioritizing residents of nearby areas when recruiting employees to create local job opportunities and support residents of nearby areas which will in turn generate income and business prosperity in that community.

The Company is aware of the importance of the efficient and effective management of the organization while considering the responsibility towards society, community, and environment. The Board of Directors, therefore, prioritizes the policy on the maintenance of the environment, society, and community as well as encourages employees to use resources economically, conserve the environment, and be responsible for society as a whole.

6.1.4 Section 4: Disclosure of Information and Transparency

Information Disclosure

- Company assures investors of the accurate, complete, timely, transparent, and equal disclosure of the Company's important information, including financial information, performance, and other related information. Information disclosure is in line with the law as well as the framework, regulations, rules, and procedures of the Company that are related to the prevention of trade secret leaks to competitors. The Company has established an "investor relations unit" responsible for communicating with shareholders, investors, and stock market analysts and has provided the opportunity for top executives to clarify, meet, and answer inquiries.
- Company has prepared a report on corporate governance policies, business ethics, risk management policies, and policies on environment and social maintenance as approved by the Board of Directors. In addition, the practice

results and reasons for inability to comply with such policies are specified in the annual report.

- The Company provides a report on the Board of Directors' responsibility for financial reports and presents it alongside the auditor's report in the annual report.
- The Company will provide a Management Discussion and Analysis (MD&A) to aid in the disclosure of financial statements every quarter to provide investors with information and foster a better understanding of changes in the Company's financial status and performance in each quarter.
- The Company discloses audit fees and other auditor services fees.
- The Company will disclose the roles and duties of the Board of Directors and sub-committees, the number of meetings, the number of meeting attendance in the preceding year, and viewpoints from serving as well as the continuous professional training and development of the Board of Directors in the annual report.
- The Company will disclose remuneration policies to the Company's and subsidiaries' directors and top executives that reflect the duties and responsibilities of each individual, as well as the form or characteristics of the remuneration.

Minimum Information Disclosed on the Website

In addition to the dissemination of information in the annual registration statement (Form 56-1) and the annual report in accordance to the established rules, the Company also discloses information on the Company's website with regular revision to ensure up to date content. Such information are as follows:

- The Company's vision and mission
- The Company's characteristics of business operation
- The list of the Board of Directors and executives
- The current and previous years' financial statements, as well as financial status and performance reports
- 56-1 One Report and annual reports available for download
- Information or other documents presented to analysts, fund managers, and the media by the Company
- Shareholding structure of both direct and indirect ownerships
- Group structure including subsidiaries, associates and joint ventures
- Major shareholders, both direct and indirect ownerships, of at least 5 % of the total shares sold with voting rights
- Direct and indirect shareholdings of the Company's directors, major Shareholders, and top executives
- Invitation to the general and extraordinary general meeting of shareholders
- The Company's good corporate governance policy
- Risk management policy including methods for managing various risks
- Contact information of agencies or persons responsible for investor relations, such as the name and the telephone number of persons able to provide information

Investor Relations

The Company realizes the importance of accurate, complete, and timely disclosure of information in accordance with the disclosure criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to establish an investor relations unit as a part of providing information communication to investors through various channels such as telephone, email, and an

investor relations website, as well as the arrangement of outside activities to present Company information. The Investor Relations Department has established an investor relations code of conduct and information disclosure policy in order to comply with the principles of good corporate governance. However, those who are interested in asking for more information about the Company can contact the Investor Relations Department through the following channels:

- Asia Biomass Public Company Limited
  273/2 Rama 2 Road, Samae Dam, Bang Khun Thian, Bangkok 10150
- Email ir@asiabiomass.com
- Tel 02-415-0054 Ext. 2226

6.1.5 Section 5: Structure, Roles, Responsibilities and Independence of the Board

Structure of the Board of Directors

The Board of Directors consists of the number of directors as determined by the meeting of shareholders, at a minimum of 5 directors. At least 3 or one third of the Board of Directors, whichever is higher, must be independent directors whom are qualified under the Public Limited Companies Act, the criteria of the The Office of the Securities and Exchange Commission, and the stock exchange market. Such persons must also be proficient in various fields including the fields of business, accounting, and finance so as to support the Company's business. There are currently 7 members of the board consisting of 2 executive directors and non-executive director as well as 3 directors being an independent director.While the Chairman of the Board of Directors is not an independent director, the Chairman, however, holds no executive positions, is not the Company's authorized director, and has no relationship with major shareholders (the Kuansataporn family). In addition, the Chairman holds only 5% of the Company's paid-up capital after the initial public offering. Such Board of Directors' structure composition is to enable the effective performance of duties within the Board and to create a balance of power in the consideration and casting of votes regarding various matters. The Chairman and independent directors' votes are able to offset those of directors who represent major shareholders in the event that the Chairman and independent directors see that the approval of certain matters does not lead to the Company's maximum benefit.

The Board of Directors, furthermore, shall appoint the Company Secretary, who may be a director or other persons deemed appropriate by the Board of Directors to assist the Board of Directors' work regarding the appointment of meetings, preparation of meeting agendas, delivery of meeting documents, and recording of the minutes of the meeting. Moreover, the Company's Secretary shall possess the authorities, duties, and responsibilities in accordance with section 89/15, paragraph one, and section 89/16 of the Securities and Exchange Act B.E. 2535 (including any amendments)

Sub-committees

The Board of Directors' authority in the efficient and transparent management is decentralized with 4 sub-committees namely the (1) Audit Committee that alleviates the duties of the Board of Directors to consider matters in accordance with the good corporate governance policies; (2) Executive Committee that considers and screens

specific matters to assist in the board of directors' decision making; (3) Nomination and Remuneration Committee that nominates qualified persons for the position of director and top director, considers the form and criteria of the remuneration for directors and top executives, and present viewpoints to the board of directors and/or to the meeting of shareholders for approval (as the case may be) in accordance with the Company's good corporate governance policies and the Stock Exchange of Thailand's good corporate governance code for transparency and fairness for all groups of stakeholders, as well as the organization's effectiveness; and (4) the Risk Management Committee that assists the Board of Directors in managing risks from internal and external factors that may affect the Company's financial status and performance as well as long-term competitiveness.

Roles, Duties, and Responsibilities of the Board of Directors

- The Board of Directors has an important role in supervising and managing the Company, as well as performing duties in accordance with the law, Company objectives and regulations, and meeting of shareholders resolutions with honesty, caution to the Company's interests, and accountability to shareholders
- The Board of Directors has an important role in formulating policies and directions of the Company's operations. The Board of Directors also monitors and supervises management to operate in accordance to the Company's policies and regulations with efficiency and effectiveness under good corporate governance in order to maximize economic value and shareholders' wealth.
- The Board of Directors arranges for the written good corporate governance policies as a practice guideline for the Board of Directors, executives, and employees alongside the Company's rules and regulations. The Board of Directors will supervise the strict compliance to such policies and will review such policies and compliance annually.
- The Board of Directors encourages the Company to prepare a written manual of business ethics and work practices for directors, executives, and employees to use as guidelines for their work and to maintain a reputable and prideful status of being an employee leading to good corporate governance. The Company sincerely hopes that directors, executives, and employees will regularly adhere to such guidelines to the point of being a fundamental work principle. The Company has, in addition, appointed an operations unit for the distribution, announcing, training, campaigning, and assisting the serious practice of the business ethics manual as well as monitor and evaluate its implementation and report performances to the Board of Directors.
- The Board of Directors controls and supervises management to treat all stakeholders with ethics and equality.
- The Board of Directors considers, approves, and/or considers to provides viewpoints for the meeting of shareholders to approve entering transactions that are significant to the Company and other related transactions according to regulations, covenants and procedures of law, and related rules and/or the Company's article of association and/or meeting of shareholders' resolutions.
- The Board of Directors cautiously considers transactions with possible conflicts of interest in accordance with the Company's clearly stated guidelines for the Company and shareholders'

interests. Stakeholders will not be involved in such considerations, whereas the Board of Directors will regularly supervise such considerations to be in compliance with requirements regarding the procedures as well as completely disclose transactions with possible conflicts of interest. The Company' s articles of association has requirements regarding the Company' s related transactions according to the definition of the Stock Exchange of Thailand' s declaration of rules and procedures that companies are obliged to comply with. In addition, the Company has set guidelines within the Company' s business ethics manual for directors, executives, and employees to refrain from behaviors that may cause conflicts of interest with the Company. All directors, executives, employees, along with persons living under the same roof are prohibited from engaging in transactions that results conflicts of interests with the Company, whether directly or indirectly, and whether by own actions or joint actions with familial members or with persons of close relationships.

- The Board of Directors ensures that the Company has a productive and reliable accounting system, financial reporting, internal control, and internal audit.
- The Board of Directors considers and formulates an annual budget plan as well as improves such plan appropriately and in accordance to policies and direction of the Company' s business operation. The Board of Directors also inspects and supervises management to spend budget accordingly to the annual budget plan.
- The Board of Directors regularly monitors and evaluates the performance of management's duties and is aware of legal compliance and the terms of the Company's related contracts by requiring management to report on performance as well as report on other important matters of the Company in the Board of Directors' meeting for acknowledgement every quarter, for the Company to operate effectively.
- The Board of Directors has an important role in risk management operations by providing guidelines and risk management measures that are appropriate and adequate as well as with regular monitoring.
- The Board of Directors or the audit committee provide their viewpoints on the adequacy of the risk management and internal control systems in the annual report.
- The Board of Directors arrange for the Company's and/or the Board of Directors' annual report in compliance with the law or related rules. The board of directors also regularly, sufficiently, and truthfully reports to shareholders for acknowledgement regarding the Company' s current business operations and future business trends, both positive and negative aspects, along with adequate supportive reasonings.
- The Board of Directors provide clear action guidelines for those who wish to do whistleblowing or for stakeholders via the website or directly to the Company.
- The Board of Directors determines the mechanism for supervising subsidiaries to maintain the Company' s investment benefits by considering the suitability of persons sent to be directors in subsidiaries to supervise management in accordance with the Company' s policies and make various transactions to be in compliance with the securities and stock market law as well as the stock exchange market's declarations.

- The Board of Directors considers and approves an organization chart that is appropriate for business operations as well as establish sub-committees and appoint directors or experienced and capable persons deemed appropriate by the Board of Directors to serve as members of sub-committees. The Board of Directors also determines the authorities, duties, and responsibilities of the sub-committees.
- The Board of Directors considers and appoints the Managing Director and defines the scope of authorities, duties and responsibilities of the Managing Director.
- The Board of Directors considers and determines the Company's annual remuneration structure and the criteria for appropriate remuneration of directors, executives, and employees, taking into account appropriate factors such as results of performance evaluation, position, the scope of duties, responsibilities, qualifications, knowledge, competence, and reasonable remuneration rates in the same industry.
- The Board of Directors considers the appropriate amount of directors' remuneration in accordance with the remuneration payment criteria proposed by the Nomination and Remuneration Committee to be proposed to the meeting of shareholders for consideration and approval.
- The Board of Directors considers and appoint persons with knowledge, capability, experience, and has full qualifications according to related laws and regulations as proposed by the nomination and remuneration committee to be proposed to the meeting of shareholders for consideration in appointing as director.
- The Board of Directors may authorize one or more directors or any other persons to perform any act on behalf of the Board of Directors under the control of the Board or may authorize such persons with authorities as the board deems appropriate and within the period the Board deems appropriate. The Board of Directors may revoke, change, or amend such delegation of authority at any time as deemed appropriate. Such authorization must be made in written form or clearly recorded as the Board's resolutions in the minutes of the Board of directors' meetings with clear specifications of the scope of authorities and duties of the assignee.The assignee must not have authority to approve transactions of such persons or persons with possible conflicts of interest (“persons with possible conflicts of interest” as defined the Securities and Exchange Commission or the Capital Market Commission) with possible interests or conflicts of interest in any other manner with the Company, except for the approval of transactions that comply with the policies and the criteria approved by the meeting of shareholders or the Board of Directors. The Board of Directors has authorities, duties and any other responsibilities as required by law and related rules, articles of association, and the resolution of the meeting of shareholders

The Board of Directors’ Meeting

- The meeting has important agendas including the provision of knowledge, and the reporting on the performance of each department within the Company, the consideration of the Company’s quarterly budget, the progress of the Company’s investment projects, as well as the consideration of various important policies regarding the Company’s action plans.
- The Board of Directors must hold at least 1 meeting per quarter along with additional

meetings as appropriate. The agendas are to be determined with a minimum of 7 days notification with sufficient information. In the event that the Chairman deems it urgent for maintaining the Company' s interests, the Company may notify directors less than 7 days in advance.

- In the event where the Company does not have a monthly meeting, the Company will submit a report on the results of operations and documents to notify directors every month, allowing the continuous supervision of management.
- All Company directors will attend at least 75% of all Board of Directors' meetings within a year in person. Moreover, each meeting quorum must constitute of at least half of the number of directors.
- In the event that the Chairman of the Board of Directors is not present at the meeting or is unable to perform such duty, the Deputy Chairman, if present, shall preside over the meeting. If there is no Deputy Chairman or if the Deputy Chairman is absent or unable to perform such duty, the Company's directors attending the meeting shall appoint one of the directors to preside over the meeting.
- The Board of Directors may invite sub-committees (such as the Executive Committee, Audit Committee and Risk Management Committee) , management, related persons, or persons deemed appropriate to attend the meeting on that agenda and request information as needed and as appropriate for the meeting agenda.
- The Company Secretary is responsible for recording meetings and preparing meeting minutes together with supporting documents for the meeting that must be prepared and presents to the Board of Directors before the meeting.
- The Chairman will allocate the meeting time accordingly. During the meeting, opportunities will be given to express viewpoints freely, transparently and fully, by considering the fair interests of shareholders and stakeholders.
- The Company has policies to allow non-executive directors to have meetings among themselves as appropriate. to discuss various problems regarding management that is in the interest without the participation of management. After the meeting, the Managing Director will be reported to know the results of the meeting as well.

In the Board of Directors meeting No. 4/2021, the Board of Directors' meetings for the year 2022 is scheduled as follows:

No.	Items	Date/Month/Year	Time	Place
BOD 1/2022	Board of Directors Meeting No. 1/2022	Thursday, 24 February 2022	15:00	Meeting room 1 ABM
BOD 2/2022	Board of Directors Meeting No. 2/2022	Wednesday, 11 May 2022	15:00	Meeting room 1 ABM
BOD 3/2022	Board of Directors Meeting No. 3/2022	Wednesday, 10 August 2022	15:00	Meeting room 1 ABM
BOD 4/2022	Board of Directors Meeting No. 4/2022	Thursday, 10 November 2022	15:00	Meeting room 1 ABM

Remark: The meeting is subject to appropriate changes as will be notified in advance.

Self-assessment of the Board of Directors

- The Company has policies for the Board of Directors and sub- committees to conduct an annual self- assessment with a criteria set to compare work results.
- The Company assesses the performance of the Board of Directors, both collectively and individually.

Remuneration of Directors and Executives

The Company determines the Board of Directors' remuneration by considering the level of practice within the industry, experience, duties, accountability and responsibility, as well as the Company' s performance with the approval from shareholders.

As for the remuneration for the Managing Director and top executives, the Company considers individual duties, responsibilities, and performance along with the Company' s performance. The remuneration is improved to be appropriate with the same type of industry,

In this regard, the Company arranges for all non- executive directors to assess executive directors yearly using benchmarks pre-agreed with directors on the basis of fairness. The assessment results will be presented to the Board of Directors for consideration, and further sent by the Chairman to the Managing Director

Directors and Executives Development

- The Board of Directors provides opportunities for directors, Audit Committee members, executives, Company Secretary, etc. to receive training on the Company's corporate governance system, held both inside and outside the organization.
- Management will arrange documents and useful information to facilitate the work of the new directors as well as regularly providing advice on the nature of the business and guidelines on the Company's business operations to new directors.
- The Managing Director is required to report on the development and succession plans on a regular basis to ensure the continuity of operations in the event that the Managing Director and top executives are unable to continue with their duties.
- The executive development programs are in place with the Managing Director annually reporting on doings throughout the year, which is to be considered alongside the succession plan

6.2. Code of Business Ethics

To ensure the compliance to good corporate governance policies of business operations and management, it is deemed appropriate for the formulation of a business ethics manual for the Company's directors, executives, and employees. The guidelines are to be followed strictly, honestly, transparently, and in compliance with related laws, rules, and regulations for the benefit and fairness of shareholders, stakeholders, and society as whole.

The Company believes that conducting business with such ethical principles will be a very important factor in making the Company successful, progressive, and accepted by all parties involved.

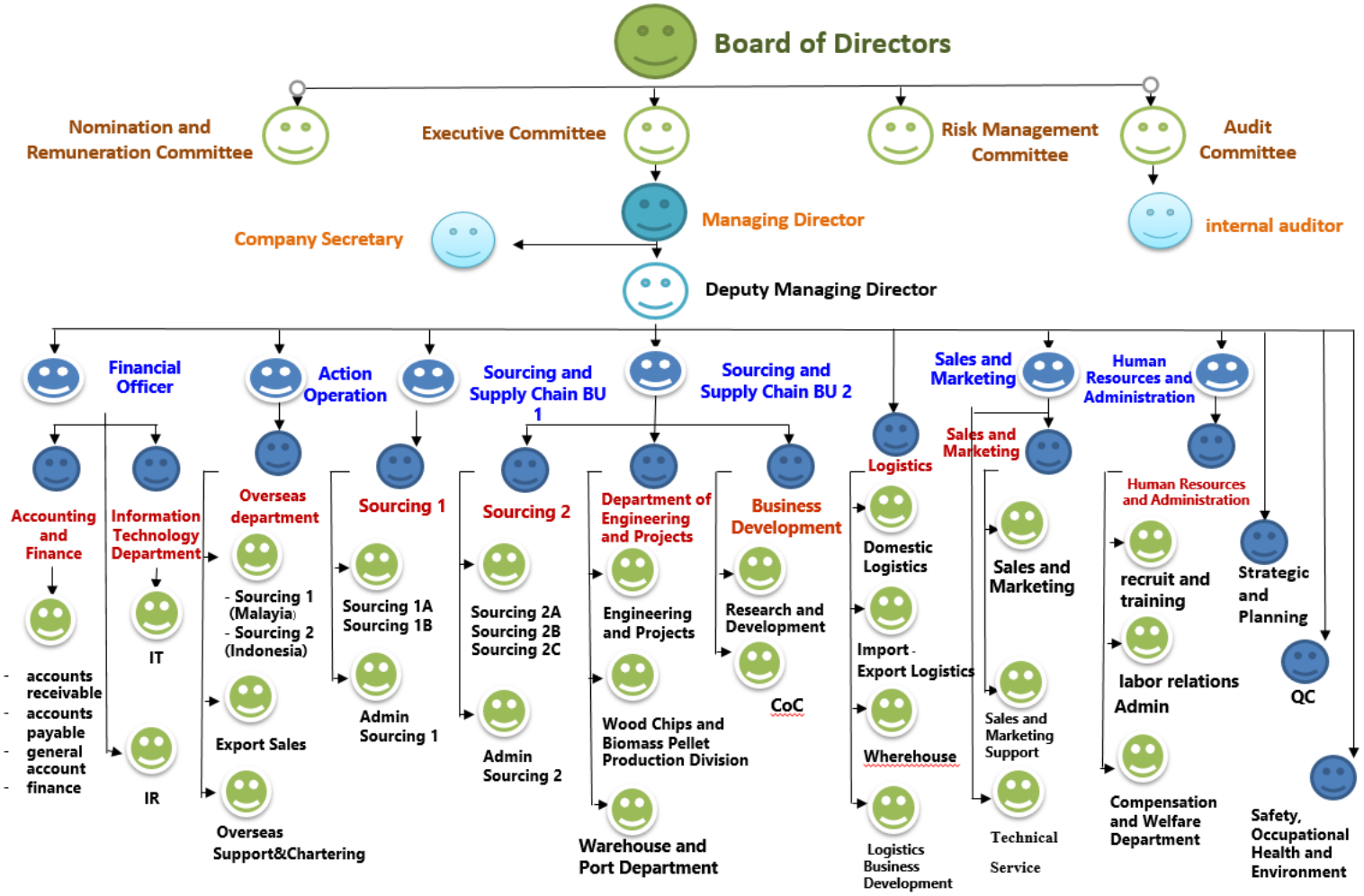
The Company has published the corporate governance policies, business ethics and code of conduct manual, investor ethics, as well as the complaint receival channels through the Company's website.

6.3. Significant Changes and Developments in Policies, Practices in last year.

- None

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

7.1. Corporate Governance Structure



7.2. The Board of Directors Information

The structure of the Board of Directors of the Company consists of the Board of Directors, Audit Committee, Nomination Remuneration Committee, Executive Committee and Risk Management Committee to perform duties and promote good corporate governance.

7.2.1 Composition and appointment of the Board of Directors

In the nomination and appointment of the Company's directors, the Committee determines the structure of the Committee shall consist of directors with various qualifications, including skills, experiences, and specific abilities that are beneficial to the Company. There must be at least one director who is not an executive director with experience in the main business or industry in which the Company operates. The composition and selection, appointment, removal, or retirement of directors of that company is set forth in the Company's Articles of Association, which The key points can be summarized as follows:

1. Board of Directors consists of no less than 5 but not more than 15 directors, elected in the shareholders' meeting. Wherein there are not less than 3 members of the Audit Committee, but not less than half of the total number of directors must have a residence in Thailand. Directors of the Company may or may not be shareholders of the Company.
2. Allow the shareholders' meeting elect directors according to the following principles and methods:
   - Each shareholder has one vote per share.
   - Each shareholder may use all of his or her votes to elect one or more directors. In the event that a shareholder votes for several candidates, he or she cannot divide the different numbers of votes among the candidates.
   - Personnel receiving the highest number of votes in descending order shall be elected as directors up to the number of directors required or should be elected at that time. In the case where the personnel elected in descending order have equal votes and the number of committee members to be elected or to be elected on that occasion, the Chairman of the meeting shall have the casting vote.

Qualifications

1. Directors must be individuals
   - Are legally adults
   - Shall not be declared bankrupt, incapacitated, or disabled.
   - Have never been sentenced to imprisonment by a final judgment for a property offence committed fraudulently.
   - Have not been dismissed or removed from civil service or organizations or government agencies on the charge of corruption
2. Be a qualified expert, visionary, have ethical leadership, a transparent work history and the ability to express independent opinions.

3. Directors must not engage in the business of the same nature and competition with the business of the Company or become partners in an ordinary partnership, being a partner with unlimited liability in a limited partnership, being a director of a limited company, or any other public limited company that operates businesses of the same nature and is in competition with the business of the Company, whether doing it for his benefit or the benefit of others, unless the director has notified the shareholders' meeting before a resolution to appoint that director.
4. Does not have any prohibited characteristics according to the Notification of the Capital Market Supervisory Board. No. TorJor. 28/2551 Re: Permission and offering for the sale of newly issued shares dated 15 December, 2008.
5. Independent directors must have qualifications in accordance with the requirements of the Office of the Securities and Exchange Commission as follows:
   - Independent directors shall hold no more than 1 percent of the total voting shares of the Company, parent company, subsidiaries, associates, major shareholder, or controlling person of the company, including shares held by related persons of that independent director.
   - Independent directors shall not be or used to be a director who takes part in the management, an employee, a consultant who receives a regular salary, or controlling person of the Company, company's subsidiaries, or major shareholders, unless the aforementioned nature has been vacated for not less than 2 years.
   - Independent directors shall not be a person who is related by blood or by legal registration in the form of father, mother, spouse, siblings and children, including the spouses of children of other directors, executives, major shareholders, controlling persons or persons will be nominated to be an executive director or person with controlling power of the Company or its subsidiaries
   - Independent directors shall not have or have been in business relation with the Company, subsidiaries, major shareholders, or controlling persons of the Company in characteristics that may obstruct the exercise of one's independent judgment, including not being or have been a significant shareholder or controlling person of a person having a business relationship with the Company, subsidiaries, major shareholders or authority control of the Company unless the aforementioned nature has been vacated for not less than 2 years.
   - Independent directors shall not be or have been an auditor of the Company, subsidiaries, major shareholders, or who has control over the Company, significant shareholder, or partner of the audit firm, which has the auditor of the Company subsidiaries, major shareholders, or controlling interest unless the aforementioned nature has been vacated for not less than 2 years.
   - Independent directors shall not be or have been a professional provider including serving as a legal advisor or consultant, a financial adviser that has received service fees of more than 2 million Baht per year from the Company, subsidiaries, major shareholders, or authorized persons of the Company and is not

a significant shareholder, a controlling person or a partner of the professional service provider unless the foregoing relationship has been terminated for not less than 2 years.

- Independent directors shall not be a director who has been appointed to represent the Company's directors, major shareholder, or shareholder related to major shareholders.
- Independent directors shall not engage in any business of similar nature to and significantly competing with business of the Company or its subsidiary companies or not be a significant partner in a partnership or an executive director staff employee advisor receiving a regular salary or hold shares exceeding 1 percent of the total number of voting shares of other companies operating a business of similar nature to and significantly competing with business of the Company or its subsidiary companies
- Independent directors shall not have any other characteristics that cause the inability to express independent opinions on the business operation of the Company.

After being appointed as an independent director with the qualifications in accordance with clauses 1 to 9, the independent director may be assigned by the Board of Directors to make decisions on the operation of the Company, parent company, subsidiary company, associated company, subsidiary company of the same level, major shareholder or controlling person of the Company with a decision in the form of a collective decision.

7.2.2 Board of Directors

As at December 31, 2021, the Board of Directors There are 7 directors as follows:

Name	Position	Director Type
1. Mr. Apisit Rujikeatkamjorn	Chairman	Non-executive Director
2. Mrs. Natpapha Kuansataporn	Vice Chairman Executive Board	Director with Signatory Authority Non-executive Director
3. Miss Tiyada Mekpongsatorn	Director Managing Director Nomination and Remuneration Committee Chairman of the Executive Board	Director with Signatory Authority Executive Director
4. Mr. Panom Kuansataporn	Director Nomination and Remuneration Committee	Non-executive Director
5. Ph.D. Sarit Chokchainirand	Director Audit Comittee	Independent Director Non-executive Director

Name	Position	Director Type
6. Mr. Wichai Pornkeratiwat	Director Audit Comittee Chairman of the Nomination and Remuneration Committee	Independent Director Non-executive Director
7. Miss Patrawan Manutsathit	Director Audit Comittee	Independent Director Non-executive Director

Authorized Director of the Company

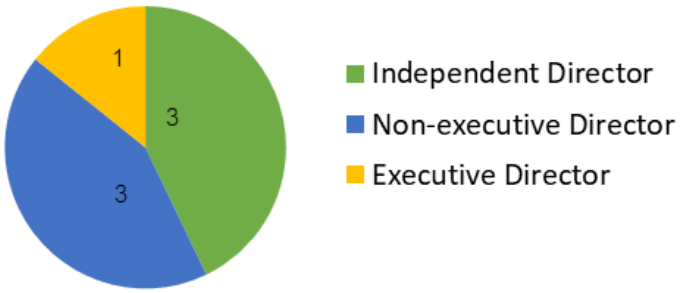
The authorized signatories of the company are Mrs.Natpapha Kuansataporn and Miss Tiyada Mekpongsatorn, together with the company's seal affixed.

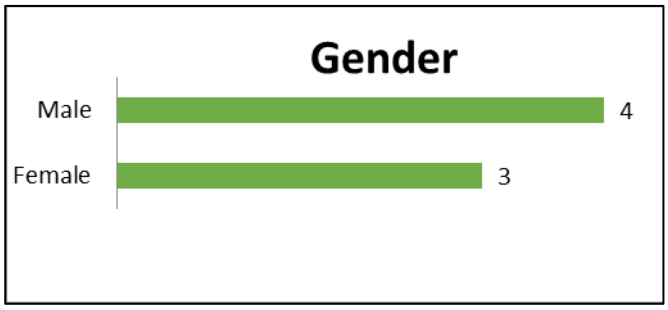
Board Diversification Policy

The Board of Directors is aware of the benefits of the diversity of the Board of Directors and considers them as important factors. One of the efficiency of decision making and the work of the board of directors.

The diversity is not just limited to gender, but also ethnicity, age, education background. Professional experience, skills, knowledge and attitude. Therefore, the recruitment and consideration of the appointment of the directors of the company will be based on knowledge and capability. And use the selection criteria which take into account the benefits of diversity, consisting of

The Proportion of Independent Directors





7.2.3 Roles and Duties of Board of Directors

Scope of duties of the Board of Directors

1. Directors shall perform duties following the law, objectives, and regulations of the Company, as well as the resolutions of the general meeting of shareholders with integrity and caution about company interests, refraining from any action that encourages a conflict of interest with every group of stakeholders

2. Directors have a responsibility to shareholders to operate the business in the best interest of the shareholders as well as ensure disclosure of the information is accurate, complete, transparent, and up to the standard
3. Directors shall establish a vision, mission, ethical conduct manuals, strategies, goals,policy and direction of Operation of the Company
4. Directors shall consider and approve Financial Approval Authority
5. Directors shall supervise, control, and oversee the management to operate effectively following the established policies, maximizing business value while minimizing costs
6. Directors shall consider and approve investments in business expansion as well as joint ventures with other entrepreneurs
7. Directors are responsible for preparing financial reports for auditors to audit and/ or review and propose to the Audit Committee
8. Directors shall appoint the Executive Committee and define the scope of powers and the responsibilities of the position
9. Directors shall determine guidelines for internal control management and comprehensive risk management for effective internal control and risk management
10. Directors shall arrange to review and approve the vision, mission, ethics, and business code of conduct of the Company annually

In this regard, directors or any personnel who have or have not designated a conflict of interest for the company are ineligible to vote on such a matter.

Furthermore, approval must be obtained from the Board of Directors' meeting and the shareholders' meeting with a vote of not less than three-fourths of the total number of votes cast by shareholders attending the meeting and having the right to vote in the following cases:

a) The sale or transfer of the whole or a substantial part of a business of the Company
b) Purchase or acceptance of transfer of other companies or other private entities
c) Any making amendment or termination of contracts with respect to the granting of a lease of the whole or significant part of the business of the Company the assignment of the management of the business of the Company to any other person or the amalgamation of the business with other persons with the purpose of profit and loss sharing
d) Amendment of the Memorandum of association or the regulations
e) The increase and decrease of capital the issuance of debentures the amalgamation or dissolution of the Company

The Company has determined that at least one non-Executive Director must have work experience related to the Company's business.

Roles and Duties of the Chairman

1. The Chairman shall supervise, govern and care for the performance of duties by the Board of Directors and sub-committees to be efficient and achieve the Company's main objectives and goals
2. The Chairman shall be the leader of the Board of Directors of the Company and act as the chairman of the Board of Directors' meetings, shareholder meeting and meetings of non-executive directors
3. The Chairman, together with the Board of Directors of the Company and Company Secretary shall determine the meeting agenda of the Board of Directors by ensuring that important matters are included in the meeting agenda and to ensure that the Company's directors receive accurate, complete, clear, and timely information prior to

the meeting so that the Company's directors can make appropriate decisions

4. At the Board of Directors meetings, the Chairman shall allocate sufficient time for the management to make proposals, and the directors are encouraged to discuss and exchange ideas with full freedom and careful discretion. Taking into account all stakeholders, the meeting's resolutions were summarized and ensure that the decisions of the Board of Directors are taken into account
5. The Chairman shall strengthen relationships between executive directors and non-executive directors and between the Board of Directors and the Management, and support the performance of the Chairman of the Executive Committee according to the Company's policy
6. The Chairman shall support and act as a good role model as per the corporate governance principles and the Company's business ethics, including ensuring that all directors participate in building an ethical corporate culture and excellent corporate governance

Directorship in Other Companies

To comply with good corporate governance principles and recommendations of the Stock Exchange of Thailand, the Board of Directors has therefore set a policy to limit the number of directors to holding positions in no more than 5 companies that are listed on the Stock Exchange of Thailand

Meeting

1. In the meeting of the Board of Directors, at least half (2/3) of the total number of directors must be present to constitute a quorum. The Chairman of the Board will be the Chairman of the Board Meeting. If the Chairman is not present at the meeting or unable to perform duties and if the Vice-Chairman is present, the Vice-Chairman must then act as the Chairman. If there is no Vice-Chairman or the Vice-Chairman is not present at the meeting or unable to perform duties. Then the members present at the meeting shall elect one among themselves to preside over the meeting
2. The decision of the Board of Directors meeting shall be made by a majority of votes. One director has one (1) vote, except for directors who have interests in any matter who are unable to vote on the matter. If the votes are equal, the Chairman of the meeting shall have one more vote as a casting vote
3. In calling a meeting of the Board of Directors, the Chairman or the designated person will send the meeting invitation letter to the directors at least 7days before the meeting date. Except in the case of an urgent need to preserve the Company's rights and benefits, the meeting may be notified by other methods and an earlier meeting date may be set

Committee reports

The Board will be responsible for preparing the Company's financial statements, including the consolidated financial statements for the Company and its subsidiaries, and the financial information presented in the Annual Report. The financial statements will be prepared under the accounting standards generally accepted in Thailand based on appropriate, acceptable, and consistent accounting policies. Discretion and care will be exercised to ensure that the notes to the financial statements disclose adequate vital information.

Knowledge development

The Company encourages the Board of Directors and executives to attend seminars on

courses that are beneficial to their performance. The courses are organized by the Thai Institute of Directors (IOD), which are the Director Certification Program (DCP) or Directors Accreditation Program (DAP) or Audit Committee Program (ACP), or by the relevant supervisory authority on an ongoing basis. The Board of Directors has assigned the Company Secretary to be the coordinator with the Committee to inform the training courses and contribute expertise and experience to continually develop the Company.

Orientation for new directors

The Board of Directors requires that newly appointed directors attend an orientation, by appointing the Corporate Secretary as Operator. The operator prepares company information, a business overview, and the organizational structure's shareholding structure, meeting schedule, and director's manual for new directors to understand their roles, obligations, and responsibilities, policies and guidelines for the Company's corporate governance, as well as develop knowledge and awareness of the Company's business and operations. Risk management, along with clarifying and answering questions, including visiting the Company's operating entities in preparation for the directors' duties.

The stakeholding report

The Board of Directors has established guidelines for reporting stakeholder interests of the Company's directors and executives for transparency and to prevent problems that may cause conflicts of interest, as follows:

- Directors and executives, along with family members who are involved or shareholders in the Company, must be prepared and delivered. Inform the Company about one's stake. Each director and executive is required to prepare a report on their interests at the date of inauguration
- The Board requires a review of the stakeholder report. Annually in November, or within 7 days of the data change
- Directors or executives are in charge of preparing and reporting on the Company's securities shareholdings. If there is a change in securities holdings, it must be reported to the Securities and Exchange Commission (SEC) within 3 days of the change
- The Board assigns the Company Secretary to record the report of conflicts of interests

Review and improvement

Annually, the Board of Directors will review such a charter and will consider suggestions for improvement as it deems appropriate. The Board of Directors is also responsible for ensuring that the Company complies with the Securities and Exchange Act, SET regulations, SEC announcements, or laws pertaining to the Company's operations

7.3. Sub-committees

The Company's sub-committees consist of the Audit Committee, Nomination and Remuneration Committee, Executive Committee, and the Risk Management Committee and perform specific duties to the Board of Directors for consideration or acknowledgment, as the case may be. Sub-committees have the rights and duties as stipulated in the scope of powers, duties, and responsibilities of each sub-committee as follows:

7.3.1 Audit Committee

As of 31 December 2021, the Audit Committee consists of 3 independent directors as follows:

Name	Position
1. Dr. Sarit Chokchainirand	Chairman of the Audit Committee
2. Mr. Wichai Pornkeratiwat	Audit Committee
3. Miss Patrawan Manutsathit	Audit Committee

Dr. Sarit Chokchainirand has knowledge and experience sufficient to review the reliability of the financial statements. Dr. Sarit Chokchainirand has a Ph.D. in Business Administration from Manchester Business School, United Kingdom; a Master's degree in Finance from London Business School, United Kingdom; and a Bachelor's degree in Commerce with a major in Economics and Finance from The University of Melbourne, Australia. Dr. Sarit Chokchainirand is currently holding directorships and executive positions in several companies, with work experience and expertise in finance.

Ms. Patrawan Manutsathit, an Audit Committee member with knowledge and experience in accounting and management, was also present. She holds a Master's degree in Business Administration from London Business School and a Bachelor's degree in Accounting (International Program) from the Faculty of Commerce and Accountancy in the United Kingdom and Thammasat University, with professional experience and competence in finance and accounting. She is currently acting as a director and executive for several organizations.

Glossary of Terms

"Independent Director" means a director who does not participate in management. Independent directors shall not be an employee/employee/adviser receiving a fixed salary/controlling person of the Company, parent company, subsidiary company, associated company, subsidiary of the same level, or juristic person who may have conflicts /major shareholders as per the rules prescribed with the notification of the Capital Market Supervisory Board.

"Act" refers to the Securities and Exchange Act, B.E. 2535 (including its amendments).

"SEC Office" means the The Securities and Exchange Commission.

"SET" refers to the Stock Exchange of Thailand.

"Juristic Person with Potential Conflicts" means a juristic person who is a major shareholder of the company or a juristic person who is 1) a director or executive or 2) a major shareholder or 3) a controlling person of the company or 4) a person who is related by blood, marital or legal register with the person under 1), 2) or 3) acquires shares, has control over, or has any other interest, whether directly or indirectly, significantly.

Target

Assisting the Board of Directors in carrying out their duties by supervising the following (1) Identify that the Company's financial reports are reliable. (2) Ensure that all requirements and applicable laws are met. (3) Conduct an examination the auditor's independence and qualifications.

(4) Examine the performance of the internal audit department, the auditor finally produces reports as required by external regulators.

Authority

The Audit Committee has the authority to take action. or authorized to investigate any important matter within the scope of duties and responsibilities The Audit Committee has the powers as follows: (1) Authorized to appoint independent external advisers to provide advice, opinions, or assistance in operational investigations. in accordance with the law (2) Authorized to request information as needed if it is necessary ask or require for cooperation from employees. (3) Authorized invite Executive Committee members or connected persons to make statements or provide helpful information or to attend a meeting, as well as to invite lawyers, auditors, internal auditors, or external consultants to the Audit Committee meeting.

Composition of the Audit Committee

1. Audit Committee members must be independent directors.
2. The Audit Committee must be appointed by the Board of Directors.
3. The Audit Committee must consist of at least 3 independent directors.
4. At least one member of the Audit Committee must be adequately knowledgeable and experienced in accounting or finance to review the credibility of the financial statements.
5. The Audit Committee can hold a position as the Audit Committee in no more than 5 listed companies.
6. The Board of Directors elects one of the Audit Committee members to be the Chairman of the Audit Committee.
7. The Audit Committee appoints the Company Secretary to be the Audit Committee's secretary to assist the Audit Committee's operations concerning scheduling a meeting, preparing an agenda, submitting documents for the meeting, and recording the meeting minutes.

Qualifications of the Audit Committee

1. Independent directors shall hold no more than 1 percent of the total voting shares of the Company, parent company, subsidiaries, associates, major shareholder, or controlling person of the company, including shares held by related persons of that independent director.
2. Be a director who does not participate in the management of the Company affiliates, associated companies, related companies or major shareholders of the Company.
3. Be a director who is not an employee, officer, or advisor who receives a regular salary from the Company, companies associate, related companies or major shareholder of the Company.
4. Be a director who has no benefits or interests, whether directly or indirectly, in terms of finance and administration of the Company, its subsidiary, associated company, or the major shareholder of the Company.
5. Be a director who has no benefits or interests in the above manner in the period of 2 years before being appointed as an audit committee. Unless the Board of Directors has carefully considered that having had a benefit or interest will not affect the performance of duties, independent opinions can be appointed without such a time interval.

6. Be a director who is not a related person or a close relative of an executive or a major shareholder of the Company.
7. Be a director who is not appointed as a representative to protect the interests of the Company's directors, major shareholders or shareholders who are related to the major shareholders of the Company.
8. Able to perform duties, opinions, or report on performance following the duties assigned by the Board of Directors without being under the control of executives or major shareholders of the Company including related persons or close relatives of such persons.

Independence

1. Able to perform duties, opinions, or report on performance following the duties assigned by the Board of Directors without being under the control of executives or major shareholders of the Company including related persons or close relatives of such persons.
2. In cases where it is deemed to perform duties without independence, for example, the audit committee is under the influence of the Company's directors, executives, and staff members, etc., regardless of their familiarity, concern, or for any reason that affects the performance of the mission, the audit committee follows the needs of those individuals or groups of people until it causes the following events
   - Refrain from performing tasks as assigned.
   - Accept the offer or take any action that should not be done and cause damage to the Company, shareholders, or loss of the benefits that should have been received.
   - Not having integrity in expressing opinions or presenting reports to the Board of Directors or shareholders.
   - Not having coordination, consultation, or cooperation with directors, management departments, or officers of their company.
   - Receive financial assistance from the Company, subsidiaries, associated companies, related companies, or major shareholders, also known as a licensed and regulated financial institution
   - Process transactions between the Audit Committee or related parties with the Company, affiliated companies, associated companies, or major shareholders of the Company about the acquisition or disposal of goods or services that do not comply with the following conditions
     - Acquisition or distribution of goods or services is based on the conduct of normal business and is a general trading term that is determined clearly and publicly.
     - The price of the product or service is comparable to the price of the product or service that is provided to other customers.
   - Conduct transactions that are part of a connected transaction that did not function in line with the Stock Exchange's regulations.
   - Carry out other transactions that do not comply with the regulations of the Stock Exchange of Thailand.

Authority of the Audit Committee

The Board of directors assigns the Audit Committee the power to perform the following:

1. Perform duties within the scope of duties and responsibilities specified in the Audit Committee Charter.

2. Invite the directors, executives, or officers of the company attend the meeting or explain or answer questions relating to Business and operations of the company, subsidiaries, joint ventures and joint venture projects within the scope of duties and responsibility of the Audit Committee.
3. Consult with experts or company advisors (if any) or hire outside consultants or experts if needed at the company's expense.
4. Monitor and investigate as needed the matters, and request company information as needed in order to complete the duties under the responsibility of the audit committee.

Duties, Responsibilities and The Report of The Audit Committee

1. Financial report
   - Ensure that the Company has an effective process for establishing and disclosing information in the Company's financial reports accurately, completely, adequately, reliably, and timely by coordinating with auditors and executives that are responsible for preparing quarterly and annual financial reports.

2. Related transaction and transaction that may have conflicts of interest
   - Consider the disclosure of connected transactions or transactions that may have conflicts of interest to comply with the laws and regulations of the Securities and Exchange Commission to ensure that such items are reasonable and to the utmost benefit of the Company.
   - Accurately consider the disclosure of the Company's information in the event of a connected transaction, or related transaction, or transaction that may cause conflicts of interest.
3. Internal Control
   - Ensure that the Company has appropriate and effective internal control.
   - Consider the audit outcomes and suggestions of the external auditor and Internal Audit Office concerning internal controls and pass on suggestions for action by the management, as well as follow up on the implementation of such suggestions.
4. Internal audit
   - Review to ensure that the Company has effective internal control and internal audit systems as well as the independence of the internal audit unit.
   - Review the activities and structure of the Internal Audit Office and approve its charter.
   - Jointly consider and provide opinions on appointment transfers based on merit or dismissal, as well as determine the remuneration of the internal auditor and ensure that such a unit performs independently.
   - Review the internal audit plan with the internal auditors, particularly the internal control systems and financial management processes.
   - Provide suggestions and remarks about the budget and manpower of Internal Audit Office for the management's approval.
   - Consider the audit plan and the scope of the internal auditors and the Company's auditor, including an internal audit advisor (if any), to have a supportive relationship and not be complicated.

5. Audit
   - Consider selection, proposing the appointment, and proposing the auditor's remuneration to obtain an independent auditor, taking into account reliability and resource sufficiency. The audit workload of the auditing office and the experience of personnel assigned to audit the Company's accounts, including their performance in the past year, should be considered, as well as the removal of the auditor. The Audit Committee will propose such an opinion to the Board of Directors for further approval
   - Examine the auditor's suggested audit scope and processes while taking into account the reasons for the audit plan change (in case there is a change in the audit plan later).
   - Recommend the auditor to review or check necessary transactions and the important auditing between the audit of the Company's accounts and its subsidiaries.
   - Review the auditor's report and make recommendations to management to improve and follow up on the recommendations.
   - Consider the adequacy and efficiency of coordination between the auditors and internal auditors.
   - Acknowledge from the auditor without delay the facts concerning suspicious circumstances that the Managing Director or any person responsible for the Company's operations has committed an offense under Section 281/2, paragraph 2, Section 305, 306, 308, 309, 310, 311, 312 or Section 313of the Act. when the auditor meets and proceeds to investigate without delay, including reporting the results of the preliminary audit to the SEC Office and auditors within30 days from the date of being notified by the auditor.
6. Compliance with the law and related regulations to ensure that the Company compliance with the Act, the regulations of the Stock Exchange of Thailand, or laws related to the Company's business.
7. Audit Committee Report: The Audit Committee is responsible for reporting on the Audit Committee's operations as well as any additional obligations assigned by the Board of Directors. The Audit Committee's report is important to the Board of Directors, shareholders, and investors since the report conveys the independent and honest opinion of the Audit Committee, and the Board of Directors ensures that the management has been carefully managed and taken into account the equal interests of all shareholders;
   - Report to the Board of Directors on various actions that occur regularly so that the Board of Directors is aware of the Audit Committee's activities
     - The report of the Audit Committee meetings specifies the opinion of the Audit Committee in various circumstances
     - Annual event summary report.
     - Reports on opinions on financial reports, internal audits and internal audit processes.
     - Any other opinion that is deemed beneficial for the Board of Directors to acknowledged.
     - Immediately report the findings so that the Board of Directors can find solutions promptly.
     - Conflict of Interest Report.
     - Suspicion or assumption that there may be a fraud, abnormality or any major defects in the internal control system.

- Suspicion about the violation of the Securities and Exchange Law, Stock Exchange requirements, or laws related to the Company's business.
- Any other opinion that is deemed beneficial for the Board of Directors to acknowledged.

➢ Reporting to government agencies: In this case, the Audit Committee has reported to the Board of Directors anything that has a significant impact on the financial position and operating results and has discussed with the Board of Directors and the executives that improvements must be made. At the expiration of the jointly set time, if the Audit Committee finds that there has been unreasonable neglect of such remedial action, one of the Audit Committee or the Audit Committee may report such findings to the Securities and Exchange Commission or the Stock Exchange of Thailand

➢ Reporting to Shareholders and General investors: Report on annual activities that align with the duties and responsibilities assigned by the Board of Directors. The report is signed by the Chairman of the Audit Committee and disclosed in the Company's annual report.

8. Good Corporate Governance

➢ Review to ensure that the Company has a process in place to develop good corporate governance continuously as well as provide development guidelines and recommendations.

➢ Emphasize the importance of good corporate governance by encouraging the Company to implement it as part of the regular agenda of the Board of Directors' meeting and the Company's annual shareholders' meeting.

➢ Under Section 89/14 of the Act, the Chairman of the audit committee must receive a copy of the report on stakeholding from the Company Secretary within 7 working days of the date the Company receives the report.

9. Risk Management: Review to ensure that the Company has a standard systematic risk management process that is appropriate, efficient,and effective, together with the Risk Management Committee, the Risk Management Working Group, and the Management to consider and give opinions on the results and progress reports on the risk management page.

10. Other responsibilities

➢ Perform any other tasks delegated by the Board of Directors and approved by the Audit Committee. As per its duties and responsibilities, as assigned by the Board of Directors, the Audit Committee is accountable to the Board of Directors, while the Board of Directors as a whole retains responsibility for all company activities directed at outsiders

➢ The Audit Committee Charter shall be reviewed once a year to ensure that it is up-to-date and appropriate to the Company's environment.

➢ Perform duties as announced or amended by the Stock Exchange.

Term of office

1. The term of office of the Audit Committee corresponds to the term of office of the Company's director, as stipulated in the Company's Articles of Association.
2. The directors who are retiring by rotation may be reappointed for another term, but they are not automatically reappointed.

3. If any Committee members intend to resign before the due term, they should submit a resignation letter to the Company in advance as well as notify them of such a decision and reasons.
4. If a member of the audit committee becomes vacant because of other causes, in addition to retirement by rotation, the Board of Directors has to appoint a person who is qualified to be a member of the audit committee instead. In order to have the full complement of Audit Committee members as soon as possible, the person replacing the Audit Committee member will serve only for the remainder of the term of the Audit Committee member they replaced.
5. The Audit Committee member vacates the office upon the following:
   - The expiration of term
   - The Audit Committee member lacks qualification
   - Deceased
   - Resignation
   - Removal
   - Being sentenced to imprisonment according to the final judgment or a lawful order to imprisonment except for an offense committed through negligence or a petty offence
   - Incompetent or quasi-competent
   - Being bankrupt

Audit Committee Meeting

1. The Audit Committee shall hold at least 4 meetings a year, and the agenda for each meeting must be clearly defined by submitting supporting documents to the Audit Committee at least 7 days in advance of every meeting. If the Chairman of the Audit Committee deems that there is an urgent need, he/she may notify the Audit Committee less than 7 days in advance.
2. The Chairman of the Audit Committee may hold a meeting of the Audit Committee. In the event of a request from a member of the Audit Committee, internal auditor, or the Board of Directors to consider various issues, they must be discussed together.
3. The Audit Committee should attend every meeting and must have at least half of the Audit Committee's total number of members present. Therefore, it will be deemed that the quorum is complete.
4. If the Audit Committee Chairman is unable to attend the meeting or perform their duties, the members of the Audit Committee who attend the meeting shall elect one of the Audit Committee members to preside over the meeting.
5. Each member of the Audit Committee has one vote. A majority of votes must be cast for the decision to be made. In the event of equal votes, the chairman of the meeting shall have an additional vote as a casting vote.
6. The Audit Committee, which has any stakeholder in the agenda considering that audit committee member, must not participate in giving opinions on that matter.
7. The audit committee's resolution may be made without a meeting, which is considered valid as if the resolution had already been held when it was endorsed by every member of the Audit Committee.
8. The secretary of the Audit Committee has no right to vote.
9. Secretary of the Audit Committee or the person assigned to take the minutes of the meeting and meeting reports.

10. Minutes of every meeting must be delivered to the Audit Committee for consideration at least 7 days in advance of the next meeting date, together with the invitation letter for the Audit Committee meeting, including delivery the minutes of the meeting to the Board of Directors for acknowledgment.
11. The Audit Committee authorized to invite the management committee, manager or other relevant people to give opinions attend to give statements, or useful information or attend a meeting as lawyers, the auditor, internal audit, or external consultant able to attend meetings with the Audit Committee.
12. Arrange a meeting with the Company's auditors without the participation of management at least once a year to discuss and exchange ideas on issues that may be related to the management whether the problems are noticeable.

Operations related to the duties of the Audit Committee

In performing the duties of the Audit Committee, consideration should be given to the performance of duties related to the Audit Committee staff to achieve the objectives of the Audit Committee, such as:

1. The Audit Committee should require an explanation from management about differences in the financial statements between the current year and previous years (this review may be conducted at a meeting of the Board of Directors) and consider, together with the report management, Management's Discussion and Analysis (MD&A) that clarifies the annual report.
2. The Audit Committee should question the auditor about the scope of what was considered. Review and analyze the report explanation of the management department to determine whether the information contained in the report analysis and management description or any other information appearing in the annual report is consistent with the information appearing in the financial statements or not.
3. The Audit Committee should inquire with the management department and auditor report about important financial problems that need to be discussed during the accounting period, whether the management has solved the problem or not, and how they solved it.
4. The Audit Committee and the auditor meeting should be held specifically to discuss the auditor's opinion on matters such as the quality of the accounting and finance staff, the company's internal auditors, including matters that the auditor is most concerned about, and whether there is anything else that has never been mentioned that should be discussed with the Audit Committee.
5. The Audit Committee and the Board of Directors should consider whether the auditors should meet with the Board of Directors as a whole to discuss important issues about financial statements and to respond to an interrogation raised by another director.
6. The Audit Committee ought to request an explanation from the Company's chief financial officer and the auditor regarding changes in accounting standards or regulatory authority rules relating to the business and affecting the Company's financial statements.
7. The Audit Committee should meet with management and auditors to discuss important issues that have been mentioned by lawyers from within and outside the Company to discuss court cases. Any potential liability, rights, claims, or

litigation assessment (claims of assessment) should consider whether or not the aforementioned issues have already manifested themselves in the financial statements.

8. The Audit Committee should review the amount of accrued expenses in the account and define budget figures, particularly in significant contexts that could affect the financial statements.
9. The Audit Committee should review income problems for submission to the Revenue Department, any significant transaction that may encounter difficulties with the Revenue Department, and should inquire about the status of additional information on applicable tariffs.
10. The Audit Committee should consider reviewing the Management Representative Letter that has been given to the auditor, and the inquiry must be clarified about any difficulties in obtaining that letter or certified representation specifically.
11. Perform any other actions as the Audit Committee deemed appropriate

Performance appraisal

The Audit Committee has an annual self-assessment by self- assessment of each sub-committee as a whole for the committee to review the results, problems, and obstacles in operation during the past year in order to improve and increase work efficiency by evaluating the performance of the Board of Directors using the assessment guidelines recommended by the Stock Exchange of Thailand, which have been adapted to suit the Company's business operations.

The topics of self-assessment of each sub-committee as a whole are as follows:

1. Board structure and qualifications
2. Audit Committee Meeting
3. Roles, duties, and responsibilities of the Audit Committee

7.3.2 Nomination and Remuneration Committee

As of 31 December 2021, the Nomination and Remuneration Committee consists of 3 directors as follows:

Name	Position
1. Mr. Wichai Pornkeratiwat	Chairman of the Nomination and Remuneration Committee
2. Mr. Panom Kuansataporn	Member of the Nomination and Remuneration Committee
3. Miss Tiyada Mekpongsatorn	Member of the Nomination and Remuneration Committee

Scope of authorities and duties of the Nomination and Remuneration Committee

The Board of Directors Meeting No. 1/2017 resolved to determine the roles and responsibilities of the Nomination and Remuneration Committee as follows;

Nomination

1. Determine the policies, qualifications, regulations, and procedures for director nominations (including the Company's sub-committees) and executives to submit to the Board of Directors for approval.
2. Select and nominate eligible personnel for the Company's directors, sub-committees, and

executive positions for the Board of Directors to review and/or recommend to the shareholders' meeting for further approval following the relevant regulations and legislation (depending on the circumstances).

3. Regarding the nomination of the Company's directors, the Nomination and Remuneration Committee shall consider at least one area of experience relating to the position (e.g. finance, business administration, marketing, HR, law, management, etc.) as well as the ability to assist the Board of Directors in operating the business, the ability to make rational business decisions, including the ability to think strategically and demonstrate leadership, as well as a high level of professional expertise and integrity, along with other suitable personal qualities.
4. Ensure the board and sub-committees are appropriately sized. The Board of Directors and sub-committees shall consist of individuals who have knowledge, competency, skills, and experience in the various fields required for a business.
5. Disclosure of the policy and details of the recruitment process in the annual report of the Company.
6. Examine and describe the outcomes of developing a succession strategy and ensuring management continuity of executives annually and submit a report to the Board of Directors for approval.
7. Perform any other actions as assigned by the Board of Directors or the policies set by the Board of Directors.

Remuneration consideration

1. Establish policies and criteria for determining remuneration and other benefits for the Board of Directors and executive directors of the company and submit them to the Board of Directors' meeting for approval and/or to the shareholders' meeting for further consideration and approval (as applicable) with clear, transparent, and appropriate practice following good practice, which will be considered by comparison with the same industry, the same level of experience, and scope of duties and responsibilities.
2. Ensure that directors and people with management authority receive appropriate compensation for their duties and responsibilities.
3. Perform any other actions as assigned by the Board of Directors or the policies set by the Board of Directors.

Tenure of the Nomination and Remuneration Committee

1. The Nomination and Remuneration Committee has a term of office of 3 years and are aligned with the term of office of director of the Company.
2. Members of the Nomination and Remuneration Committee who retire by rotation may be re-appointed.
3. In the event that a member of the Nomination and Remuneration Committee completes the term of office or is unable to hold office until the expiration of the term, causing the number of Nomination and Remuneration Committee members to be less than 3, the Board of Directors shall appoint new members of the Nomination and Remuneration Committee immediately or within 3 months from the date that the number of members is incomplete in order to ensure continuity in the performance of the Nomination and Remuneration Committee.

7.3.3 Executive Committee

As of 31 December 2021, the Executive Committee consisted of 3 directors and/or executives as follows:

Name	Position
1. Miss Tiyada Mekpongsatorn	Chairman of the Execlutive Comittee
2. Mr. Pongtham Danwungderm	Vice Chairperson of the Executive Committee
3. Mrs. Natpapha Kuansataporn	Member of the Executive Committee

Remark: Mrs. Apiratee Sakulin was the Secretary of the Executive Committee.

The Composition of the Executive Committee

The Board of Directors appoints the Executive Committee by selecting directors and executives as deemed appropriate to serve as Executive Committee. In addition, the Managing Director will serve as the Chairman of the Executive Committee by position. The Executive Committee consists of executive directors with no less than 3 persons.

The Executive Committee appoints the Secretary of the Executive Committee, who may be the assistant Managing Director or any other person that the Executive Committee deems appropriate to assist the Executive Committee's work in scheduling meetings, preparing agendas, delivering meeting documents, and recording meeting minutes.

Term of Office

An executive director has a term of office for a period of 3 years. An executive director who retires upon the expiration of the term may be re-appointed without renewing the term of office automatically. In addition to retirement upon the expiration of the term of office, an executive director retires from the position upon;

- Deceased
- Resignation
- Lack of qualifications or having prohibited characteristics under the Public Limited Companies Act B.E. 2535 (including amendments)
- The Board of Directors' meeting resolution to retire
- A court order to retire

Voting rights

An executive director has 1 vote. The final resolution of the Executive Committee is upon a majority vote. If the votes are equal, the Chairman of the meeting shall have an additional vote as the casting vote. If any executive director has a stake in the matter under consideration, that executive director must not participate in the consideration on that matter.

Meeting

The Executive Committee meeting must be held at least once a month while special meetings must be held as appropriate. The meeting agenda must be determined and informed to the executive directors in advance with sufficient information;

- Executive Committee's meetings must be attended by the executive directors in person with no less than half of the total number of executive directors in order to constitute a quorum.

- In the event that the Chairman of the Executive Committee is not present at the meeting or unable to perform his duties, the remaining executive directors shall elect one executive director to preside over the meeting.
- The Executive Committee may invite the management or related persons or a person who is deemed appropriate to attend the meeting on that agenda and request information as needed and appropriate for the meeting agenda.
- The Secretary of the Executive Committee serves to record meetings and prepare minutes of the meeting together with supporting documents.

Scope of Authority

- Consider the business plan and annual budget to present to the Board of Directors.
- Determine the Company's investment finance policy and set the investment policy direction in accordance with the Company's policy, as well as approve investment rules and investment proposals according to Company regulations.
- Consider and act on important issues related to the Company's operations.
- Consider and give suggestions for all types of work proposed to the Board of Directors.
- Consider the appointment of directors of associated companies or joint venture companies in proportion to their shareholding or according to the agreement in the contract between the shareholders of the associated companies or the joint venture companies (if any).
- Supervise and monitor the results of the Company's management in accordance with the policy, action plan, and the annual budget that the Board of Directors determines and approves, as well as report to the Board of Directors regularly.
- Consider and screen the matters presented by the Managing Director to the Executive Committee for consideration or approval.
- Approve the recruitment, appointment, removal, and transfer of senior employees at the Deputy Managing Director level or other equivalent positions, as well as approve salary rates, compensation, or other benefits for such persons.
- Approve financial matters and assets of the Company within the scope of the approval authority.
- Assign or advise the Managing Director to consider or perform any matter that the Executive Committee deems appropriate.
- Appoint a working group to consider any matter that the Executive Committee deems appropriate.
- Consider and present matters that the Executive Committee deems appropriate to the Board of Directors for acknowledgment or consideration for approval.
- Consider any other matters or perform any other duties assigned by the Board of Directors
- Supervise and monitor the performance of the Risk Management Committee.

Performance Appraisal

The Executive Committee has an annual self-assessment by self- assessment of each sub-committee as a whole for the committee to review the results, problems, and obstacles in operation during the past year in order to improve and increase work efficiency by evaluating the performance of the Board of Directors using the assessment guidelines recommended by the Stock Exchange of Thailand, which have been adapted to suit the Company's business operations

The topics of self-assessment of each sub-committee as a whole are as follows:

1) Structure and Qualifications of the Executive Committee
2) Executive Committee's Meeting
3) Roles, Duties and Responsibilities of the Executive Committee

7.3.4 Risk Management Committee

As of 31 December 2021, the Risk Management Committee consisted of 6 directors and/or executives as follows:

Name	Position
1. Miss Tiyada Mekpongsatorn	Chairman of the Risk Management Committee
2. Mr. Pongtham Danwungderm	Deputy Chairman of the Risk Management Committee
3. Mrs. Natpapha Kuansataporn	Risk Management Committee
4. Mrs. Apiratee Sakulin	Risk Management Committee
5. Mr. Prutthipol Soisuwan	Risk Management Committee
6. Mr. Chairat Dejpaiboonyot	Risk Management Committee

Remark: Mr. Rattaphong Wongkom was the Secretary of the Risk Management Committee.

Scope of Authority and Duty of the Risk Management Committee

The Board of Directors' meeting No. 1/2017 resolves to define the scope and duties of the Risk Management Committee as follows:

1. Set policies and guidelines for the overall risk management of the Company and assign the management to follow the policies and directions prescribed, as well as determine the management's duty to report the performance results to the Risk Management Committee.
2. Review and improve the Company's risk management system continually to be effective and efficient and require risk management to be assessed and monitored in accordance with established policies and guidelines on a regular basis
3. Arrange an assessment and analysis of important risks in various fields in accordance with the current situation systematically and continuously to ensure that risk assessments cover all stages of business operations, as well as suggest ways to prevent or reduce the risk level to an acceptable level.
4. Report the risks and recommendations that the Risk Management Committee receives from performing duties under the Charter to the Board of Directors regularly. In the event of important matters that may affect the Company significantly, such matters must be reported to the Board of Directors for consideration as soon as possible.
5. Perform other duties as assigned by the Board of Directors.

Term of Office of the Risk Management Committee

1. The Risk Management Committee has a term of office of 3 years from the date of appointment by the Board of Directors, except for the director

   who is a Company director, which will complete the term of office together with the completion of the term of office of the Company director at the annual general meeting of shareholders.
2. The Directors of the Risk Management Committee who retire upon the expiration of the term of office may be re-appointed to the position without renewing the term of office automatically.
3. In addition to retirement upon the term of office, the Directors of the Management Committee retire upon:

- Deceased
- Resignation
- Lack of qualifications or having prohibited characteristics under the Public Limited Companies Act B.E. 2535 (including amendments)
- The Board of Directors' meeting resolution to retire
- A court order to retire

7.4. Company's Executive

Company's Executive

As at December 31,2021, the Company's execuive consisted of 5 members:

Name	Position
1. Miss Tiyada Mekpongsatorn	Managing Director and Action Operation Directors
2. Mr. Pongtham Danwungderm	Deputy Managing Director and Chief Financial Officer (CFO)
3. Mrs. Apiratee Sakulin	Company Secretary and Director of Human Resources and Administration
4. Mr. Prutthipol Soisuwun	Director of Sourcing and Supply Chain BU 2
5. Mr. Chairat Dejpaiboonyot	Assistant Director of Sales and Marketing

Remark : Detail of knowledge skill and experience of each member was shown in Attachment 1

Scope of Authority and Responsibilities of the Managing Director

The Managing Director has the power and duty to manage the business of the company as assigned by the Board of Directors including the following matters or businesses.

1. Prepare and present policies and goals as well as business plans and strategic plans for the company's business to propose to the Executive Committee to consider.
2. Manage the company's policies and goals, including business plans and strategic plans approved by the Board of Directors.
3. Assign the range and / or delegate to other people to perform specific tasks instead in the scope In accordance with the approval authority or regulations or the order that the Board has set.
4. Prepare a report on the company's operations. The Board regularly reviews important issues.
5. Represent the company in contact with outsiders.
6. Perform other duties as assigned by the Executive Committee and / or the Board of Directors.

Managing Director The authority to appoint other persons as the Managing Director deems appropriate. It does not include authority or authorization to approve any item that is itself or a related person, which may have conflicts, equity or benefits in any other way, conflict with the interests of the Company or its subsidiaries or transactions that are not under the ordinary course of business of the Company or its subsidiaries. The approval of such transaction must be proposed to the Board of Directors and / or the shareholders meeting of the company. for consideration and approval in accordance with the company's Articles of Association or related laws.

Authorization authority

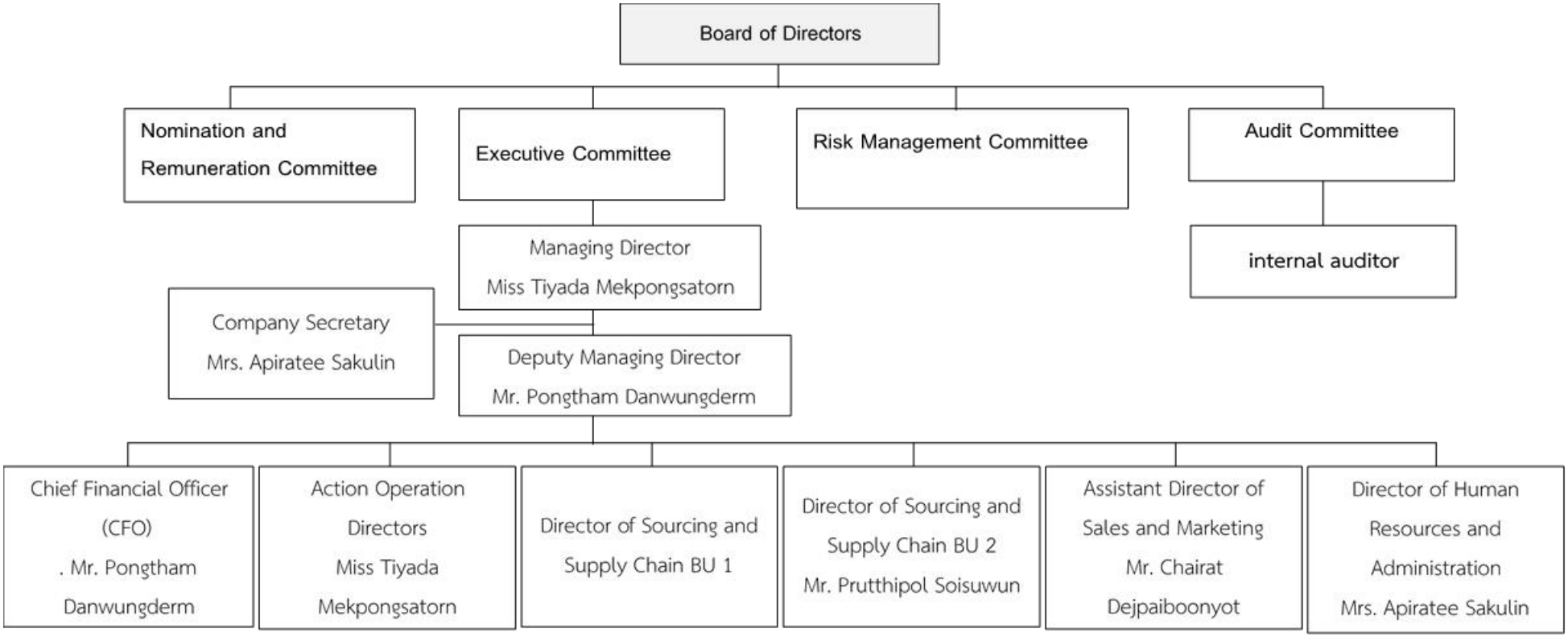
Managing Director and the Executive Committee has authority to approve transactions under the scope of approval authority as specified in the authorization table approved by the Board of Directors of the Company No. 1/2560 held on March 7, 2017, including the approval of the significant transaction as follows ;

Detail		Approval Power		
		The Board of Director	Managing Director	Managing Director
1.	Expend Budget			
	- Additional Budget during the year	Up to 50,000,000 Baht per transaction per project	Not exceeding 5,000,000 Baht per transaction per project	Not more than 50,000,000 Baht per transaction per project
	- Review of investment projects when the invest ment project exceed the approved budget.	Up to 50 of the original budget or 25,000,000 Baht per item per project	Not exceeding 10% of the original budget or 5,000,000 Baht per item per project	Not more than 50% of the original budget or 25,000,000 Baht per item per project
2.	Expenditure budget (Beyond the approved budget)	Up to 50 of the annual budget	Not more than20 percent of the annual budget	Not more than 50% of the annual budget
3.	Loaning from financial institutions per one time	Up to 300,000,000 Baht	Up to 200,000,000 million Baht	Up to 300,000,000 million Baht
4.	Asset sale (Except biomass) per item			
	-Movable assets	Up to 20,000,000 Baht	Up to 5,000,000 Baht	Up to 20,000,000 Baht
	-Property	Up to 30,000,000 Baht	Up to 10,000,000 Baht	Up to 30,000,000 Baht
	-Other assets	Up to 20,000,000 Baht	Up to 5,000,000 Baht	Up to 20,000,000 Baht
5.	Credit line from customer sales	Up to 300,000,000 Baht	Up to 50,000,000 Baht	Up to 300,000,000 Baht

Remark : Directors and executives can approve various operations. According to the amount specified above. However, such Approval must be in accordance with the criteria for entering into significant transactions that are the acquisition or disposal of assets and criteria for entering into connected transactions including rules. This is in accordance with the Securities and Exchange Act. SET regulations or Notification of the SEC Notification of the Capital Market Supervisory Board Or law relating to the business of the company.

Executive

Organization chart as of 31 December 2021



In addition, Organization structure consisted of Board of Directors, Audit Committee, Executive Committee, Nomination and Remuneration Committee and Risk Management Committee also include executive who had meet qualification in Article 68 of Public Limited Companies Act, B.E.2535 and other announcement fromThe Capital Market Supervisory Board (CMSB).

7.5. Employees' Information

Number of Personnel

On 31 December 2021, the Company and subsidiaries had monthly employees (excluding directors and executives of the Company and its subsidiaries) totaling 159 persons1, divided into 67 employees of ABM Company, 45 STPs, 25 PPPs, and 1 ABI, which were divided according to the types of work as follows:

Field of work	Number of Employees per month		
	ABM	STP	PPP
Financial and Information Management	18	-	5
Operation	1	-	-
Sourcing and Supply Chain BU 1	1	-	1
Sourcing and Supply Chain BU 2	12	-	-
Sales and Marketing	10	-	-
Human Resources and Administration	3	-	2
Executive Office	1	-	-
Logistics	8	-	6
Safety, Occupational Health and Environment [2/]	1	-	-
Strategic and Planning	1	-	-
Quality Control	3	-	3
business relationship	8	-	8
Transportation and maintenance	-	42	-
General Purchasing	-	3	-
Total	67	45	25

Remarks: 1. The number of daily employees of ABM and STP was 17 and 4, respectively, and the contract workers of ABM and PPP were 3 and 5, respectively

2. Security Occupational Health and Environment Department according to ABM's organizational structure is governed by the Human Resources and Administrative Department

Employee Remuneration

For the employee remuneration of the year 2020 and 2021, the Company and subsidiaries paid remuneration to employees as follows:

- Year 2020, totaling 61.19 million Baht
- Year 2021, totaling 62.09 million Baht

Such compensation is in the form of salary, bonus, overtime pay, social security payments, provident funds, and others.

Provident Fund

The Company and subsidiaries have established a provident fund under the management of TISCO Asset Management Company Limited with the objective of building morale among employees and motivating employees to work with the Company in the long term. The Company has started to contribute to the provident fund for employees since January 2015.

Other Renumeration

- None –

Policy on employee development

The company has a policy emphasizing on potential and capability development for the employees as our valuable resources, The company support its employees to participate training and courses particularly to improve knowledge of the employees and aims that employees work with capability and good attitude towards the company. The policy included the carer path, job responsibility, recruitment procedure. To encourage the employees on a continuous development, the company provides the annual promotion for the potential employees.

The company support the training courses both internal and external training and orientation according to the annual training plan that relating to their work and their career path, the necessary for the employees in each position and to support the business. The evaluation of the training results in order to improve the training arrangement.

Training	2019	2020	2021
Training hours per years	1,279	1,463	1,472
Training hours per person	6.59	9.37	9.26
Expenses	89,807	131,097	99,000
Expenses per person	462.92	498.47	622 .64

Environmental Care

environmental education and training

The company attaches great importance to its social responsibility for environmental protection. The company operates and controls its business operations without affecting the society and surrounding communities. Pay attention to environmental policy, society and community and encourage all employees to use resources economically by campaigning on energy saving, the use of consumable materials such as the use of recycled paper (Re-used), switching off air conditioner during rest and strictly follow the laws related to environmental protection.

The company also operates under the Forest Stewardship Council (FSC) concept. Sustainable forest management systems are applied to the company's products, such as woodchips, biomass pellet and so on. As a distributor, the company has complied with FSC's requirements from the selection of FSC certified wood sources and the company's business practices to focus on environmental sustainability.

FSC has several types, such as FSCFM (Forest Management Certification), which refers to sustainable forest management standards as defined by the FSC. 10 of the certified wooded area must be reserved in order to protect ecosystems and restore biodiversity to keep the environment sustainable.

FSC CoC (Chain of Custody) complies with the requirements of the organization to identify the wood products that are produced or sold from certified wood starting from the raw material sourcing process, receiving and storing raw materials, quantity control as well as sales and delivery must be clearly sort out clear at all stages to ensure there is no mixing of unapproved materials until the end of process

Applicants must adhere to the FSC rules and criteria to confirm that the plantation does not come from deforestation. It must comply with the FSC's 3-balance policy: economy, community, society and environment.

"It is based on the principle of legality of the country where the forest is located regarding the right to use the land on the forest, the right of indigenous peoples living in the forest and utilization of forest in most effective cost, environmental impact and biodiversity treatment, establishment of a proper forest management plan including the forest management system and the replacement forest plan must be operated".

PEFC (Program for the Endorsement of Forest Certification Scheme) is an international non-profit organization. and aims to promote sustainable forest management It is a tool to promote sustainable forest management. Passed certification and labeling (Label) on wood and wooden products. The same is true for the FSC, based on principles, guidelines, and practices. and evaluation criteria developed by international organizations recognized by countries

CSR in Process

Businesses with Fairness

The company is committed to operating its business with honesty, fairness, ethics, and determination to compete commercially in accordance with the Code of Conduct on Trade, Law and Competition. Equally, it also denies any behavior that obstructs fair competition, such as the pursuit of confidential information by competitors, the receipt and non-commercialization of merchandise in the purchase of goods. The company also respects the intellectual property rights of others. The company has a policy to allow personnel to comply with laws and regulations on intellectual property rights, such as the use of copyrighted computer programs. The company also has a campaign to encourage and empower the personnel of the company at all levels to have a responsibility to society.

Policies and guidelines on occupational health and safety in the workplace

The company is aware of the importance of occupational health and safety in the workplace. Due to occupational health and safety Is a factor that will make the business run continuously and sustainably. In 2018, the company has established a quality policy Occupational Health Safety And the environment of the Asia Biomass Public Company Limited, with the aim to strive to conduct business with quality, safety and environmental management systems in response to the expectations of stakeholders in terms of quality, safety and To work and prevent environmental impacts, so to be a guideline and framework for determining and reviewing operational objectives In terms of quality, safety and environment, the company group has the motto as follows: "Standard quality Eco-friendly Responsible for stakeholders, as follows

1. Quality, safety and environment are the responsibility of every employee as part of the operation.

2. Procurement and production of quality products, quantity delivered according to the agreement with customers
3. Reduce and prevent the risk of injury and illness from work, loss from accidents, fire and property damage
4. Environmental protection and Focus on pollution prevention at the source Reduce greenhouse gas emissions by using resources efficiently and sustainably.
5. Comply with legal requirements and continuously improve the development of quality, safety and environmental management systems. Management at all levels in the Group will be responsible and exemplary in the development and maintenance of the quality, safety and environmental management systems. By supporting sufficient resources for all employees to participate in implementing the policy, including communicating to The stakeholders are aware of the policy and performance management, quality, safety and the environment, with effect from March 29,2018

Accident Statistics	Year 2019	Year 2020	Year 2021
Lost Time Accident	0	0	1
Lost time injury frequency rates (LTIFR) per 200,000 working hours	0	0	0.98
Lost Time Injury Severity Rate (LTISR) per 200,000 working hours	0	0	0.98

Respect for Human Rights

The company supports and respects the protection of human rights by dealing with those involved, whether employees, communities and society around with respect to the value of humanity. Consider equality and equal freedom. Do not violate basic rights and do not discriminate on the basis of race, nationality, religion, language, skin color, sex, age, physical condition or social status. In addition, care should be taken to ensure that the company's business is not involved in human rights abuses such as child labor, sex harassment etc. In addition, the company promotes the monitoring of compliance with human rights requirements. Organize the participation in the forum and the channels of complaints for those who have been damaged by the infringement caused by the business of the company and take appropriate remedies.

In order to respect human rights effectively, the company has built up human rights awareness and awareness of its human rights practices.

Fair Labor Practices

The company recognizes the importance of human resource development and fair labor practices. This will help to increase the value of the business and enhance the company's competitiveness and sustainable growth in the future. The company has set policies and guidelines as follows:

1. Respect the rights of employees based on human rights principles and comply with labor laws.
2. Provide employment process, the fairness of terms of employment, including compensation and considering the merit of the work under the fair evaluation process.
3. Promote human resources development, training, seminars related to the development of knowledge, capability of personnel including good attitude, ethics and teamwork.
4. Provide welfare for employees as required by law, such as social security, etc. , and other legal requirements, such as provident fund and accident

insurance, as well as providing various types of assistance to employees, such as money for funeral.

5. Provide annual health check-ups to all levels of the company. The risk factors are based on the age, gender, and working environment of the individual.

6. Keep employees safe and good workplace. Accident prevention measures must be provided and strengthen for staff security awareness. Provide training and encourage employees to have good hygiene and to keep the workplace hygienic for their safety.

7. Allow employees to express their opinions or complaints about unfair practices or wrong actions in the company and protect employees who report such matters

7.6. Other Important Information

7.6.1 List of Responsible Persons

Company Secretary

The Company has set the qualifications of the Company Secretary by considering many aspects, such as age, educational qualifications, foreign language knowledge, communication ability, interpersonal skills, ability to be an internal and external coordinator, ability to take care of public relations and image of the organization, etc. according to the Securities and Exchange Act B.E. 2535 (including amendments)

The Board of Directors' meeting No. 3/2015 dated 13 July 2015 resolved to appoint Mrs. Apiratee Sakulin as the Company Secretary to comply with section 89/15 and section 89/16 of the Securities and Exchange Act B.E. 2535 (including amendments). The duties and scope of responsibility of the Company Secretary are as follows:

- Prepare and keep director registration, notice of the meeting, and minutes of the meeting of the Board of Directors and shareholders and the Company's annual report.
- Maintain stakeholder reports from directors or executives
- Other actions as Capital Market Supervisory Board announced

In addition, the Company Secretary also has a duty to assist the Board of Directors in organizing Board of Directors' meetings, such as scheduling meetings, preparing meeting agendas, and delivering notice of a meeting of the Board of Directors together with supporting documents, etc., The details of the holder of the Company Secretary position are shown in Attachment 1.

Accounting and Finance Supervisor

The Company assigned Mr. Phongtham Danwungderm, Deputy Managing Director, to have the highest responsibility for the supervision of accounting and finance to ensure reliability and quality in accordance with financial reporting and accounting standards and the guidelines of the Securities and Exchange Commission. The details about the holder of the Company's accounting and finance supervisor position appear in Attachment 1.

Company's Internal Auditor

The Company considered and resolved to appoint Dharmniti Internal Audit Company Limited to be an independent internal auditor of the year 2021. The Company's internal auditors are responsible for auditing operations and assessing the sufficiency and effectiveness of the Company's internal control system to ensure that the Company has an adequate internal control system and meets the objectives set by the Company.

7.6.2 Investor Relations

The Company realizes the importance of accurate, complete, and timely disclosure of information in accordance with the disclosure criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to establish an investor relations unit as a part of providing information communication to investors through various channels such as telephone, email, and an investor relations website, as well as the arrangement of outside activities to present Company information. The Investor Relations Department has established an investor relations code of conduct and information disclosure policy in order to comply with the principles of good corporate governance. However, those who are interested in asking for more information about the Company can contact the Investor Relations Department through the following channels:

1. Asia Biomass Public Company Limited
   273/2 Rama 2 Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150.
2. Email ir@asiabiomass.com
3. Tel. 02-415-0054 Ext. 2226

In this regard, in 2021, the Company had organized activities related to the investor relations unit as follows:

Summary of activities of Investor Relations Unit in 2021

Activity	Number of Times
General Meeting of Shareholders	1
Opportunity Day	1
Inquiries Through the Company's Channels by Investors	12
Inquiries Through the Company's Channels by Press	5

7.6.3 Auditors Remuneration

The Company assigned NPS Siam Audit Company Limited to be the Company's auditor, which has been approved by the Annual General Meeting of Shareholders of the year 2021 to be independent, reliable, and has no relationship with or interest in the Company, its subsidiaries, directors, executives, major shareholders, or related persons. The list of the auditors is as follows:

- Mr. Narong Luktharn
  Certified Public Accountant no. 4700
- Miss Maliwan Phahuwattanakorn
  Certified Public Accountant no. 4701

- Mr. Chaikrit Warakitjakorn
  Certified Public Accountant no. 7236
- Miss Kamontat Jitkarnka
  Certified Public Accountant no. 10356

In 2021 the Company and its subsidiaries the audit fee is as follows:

Name of company paying the audit fees	Audit fee
Asia Biomass Public Company Limited	1,580,000 Baht
Sataporn Thanapat Co.,Ltd	150,000 Baht
Paprapat Co.,Ltd	150,000 Baht
ABM Pellet Co., Ltd	50,000 Baht

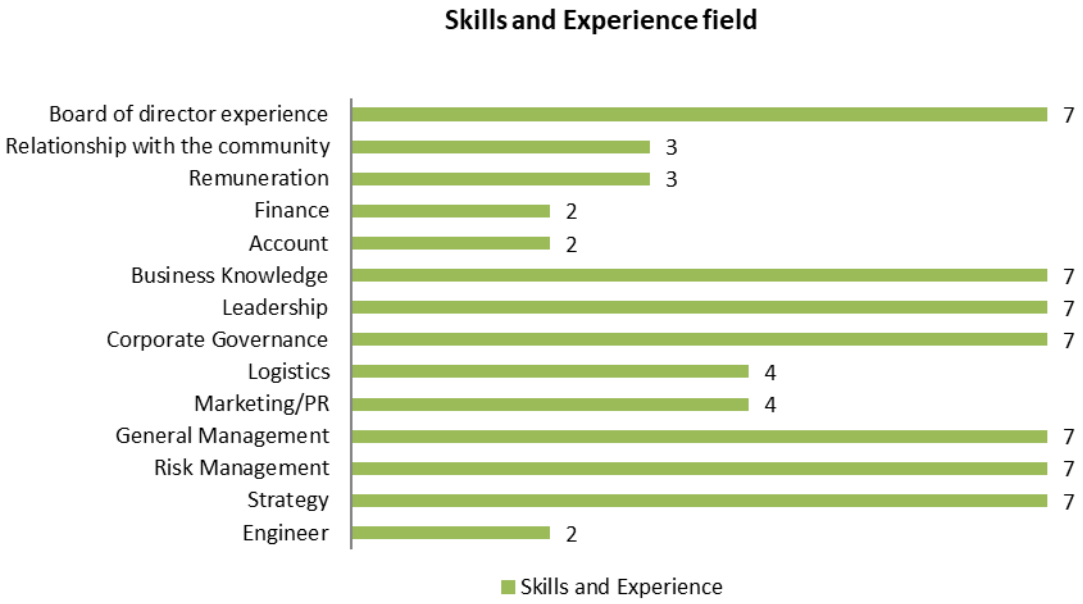
Remark : In Annual General Meeting 2021. The company has approved the remuneration of the company's auditor for the year 2021 in the amount not exceeding 1,580,000 Baht

7.6.4 Non – Audit Fee

- None -

8. Report on Key Performance in Corporate Governance

8.1. Summary of the Board of Directors' Performance in the Previous Year



8.1.1 Nomination of Directors and Top Executives

The nomination of directors and top executives is conducted by the Nomination and Remuneration Committee. When directors complete their term of office or when there is a necessity to appoint additional directors or top executives, the Nomination and Remuneration Committee will consider selecting directors or top executives by using the criteria and methods of recruiting concerning knowledge, ability, and work experience in order to appoint suitable persons in terms of experience, knowledge, and abilities that will benefit the Company as directors or top executives. The persons who will be appointed as directors or top executives must be fully qualified

According to section 68 of the Public Limited Companies Act B.E. 2535 (including amendments) and the announcement of the Securities and Exchange Commission and must not have any prohibited characteristics under the Securities and Exchange Act (including amendments), other laws, and relevant regulations. The selection criteria are as follows

Nomination of the Board of Directors

Qualifications of the Company's Directors

1. Have knowledge, ability and experience in business operations.
2. Have honesty and ethics.
3. Be able to identify and manage the Company' s key risks.
4. Fully devote and dedicate to the responsibilities
5. Have no engagement in other businesses of the same characteristics that compete with the Company's business and have no position as a partner or director in another juristic person with the same characteristics that compete with the Company's business, whether for their benefit or the benefit of others, unless such persons have notified the shareholders' meeting prior to the resolution of appointment.
6. The directors must notify the Company without delay if such directors have an interest in a contract the Company has entered into, whether directly or indirectly, or if such directors have an increase or decrease in shares or debentures in the Company or subsidiaries.
7. All Company directors must have qualifications and must not have any prohibited characteristics as determined by the Public Limited Companies Act, the Securities and Exchange Act, the announcements of government agencies that supervise the Company. In case of independent directors, they must also have qualifications as specified by the Company and the Capital Market Supervisory Board.

Criteria for the Nomination of Company Directors

Qualifications of the Company's Directors

1. The Board of Directors consists of at least 5 members, with at least half (1/2) of the total number of directors required to reside in Thailand, and has qualifications as required by law. The Company's articles of association determine that the shareholders' meeting shall elect directors in accordance with the following rules and procedures:
   1) One shareholder has one vote per share.
   2) Each shareholder may use all of his or her votes to elect one or more directors. In the event that a shareholder votes for several candidates, he or she cannot divide the different numbers of votes among the candidates.
   3) In the case of electing several persons to be directors, the number of persons receiving the highest vote in descending order shall be elected as directors equal to the number of directors to have or to be elected at that time. If the persons elected in descending order have an equal vote which makes the number of directors exceed the number of directors to have or to be elected at that time, the Chairman of the meeting shall have a casting vote.
2. At every annual general meeting of shareholders, one-third of the total number of directors must retire. If the number of directors cannot be divided exactly into 3 parts, the number closest to one-third of the directors must retire. The directors who retired during this term may be re-elected to the positions. In this regard, the directors who must retire in the first and second years after the Company becomes a listed company shall be retired through a drawing lot. After such years, the director who has been in office for the longest period shall be the one who retires.
3. In addition to retirement upon expiration of a term of office, a director shall be retired upon

deceased, resignation, disqualification, having prohibited characteristics by law, a shareholders' meeting resolution to retire, or court order to retire.

4. The shareholders' meeting may pass a resolution to remove any director prior to the expiration of his/her term by a vote of not less than three-fourths (3/4) of the total number of shareholders who attend the meeting, have the right to vote, and hold shares in a total of not less than half (1/2) of the number of shares held by the shareholders who attend the meeting and have the right to vote.
5. In the event that a director position becomes vacant for any reason other than the expiration of the term, the Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act to become a replacement director for the next Board of Directors' meeting unless the remaining term of such director is less than two months. The person who is appointed as a replacement director may hold office for only the remaining term of the director he replaces. However, the Board of Directors' resolution must consist of votes of not less than three-fourths (3/4) of the remaining directors.

Term of Office and Elections Board of Directors

1. At every annual general meeting of shareholders, one-third of the total number of directors must retire. If the number of directors cannot be divided exactly into 3 parts, the number closest to one-third of the directors must retire. The directors who retired during this term may be re-elected to the positions. In this regard, the directors who must retire in the first and second years after the Company becomes a listed company shall be retired through a drawing lot. After such years, the director who has been in office for the longest period shall be the one who retires.
2. In addition to retirement upon expiration of the term of office, a director shall be retired upon:
   - Deceased
   - Resignation
   - Lack of qualifications or having prohibited characteristics under the Public Limited Companies Act or the Securities and Stock Exchange Act.
   - The shareholders' meeting resolution to retire according to item 4.
   - A court order to retire.
3. Any director who wishes to resign from the position must submit a resignation letter to the Company. The resignation will be effective from the date the resignation letter reaches the Company. A company director who resigns under this condition may also inform the Registrar of his resignation.
4. In the vote for any director to retire from the position before his/her expiration of term, the vote must reach the total of not less than three-fourths of the total number of shareholders who attend the meeting, have the right to vote and, hold shares in a total of not less than half of the number of shares held by shareholders attending the meeting and having the right to vote.
5. In the event that a director position becomes vacant for any reason other than the expiration of the term, the Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act to become a replacement director

for the next Board of Directors' meeting unless the remaining term of such director is less than two months. The person who is appointed as a replacement director may hold office for only the remaining term of the director he replaces. However, the Board of Directors' resolution under this condition must consist of votes of not less than three-fourths (3/4) of the remaining directors.

6. Independent directors have a term of office of 3 years, with the retirement upon the term of office of one-third of the total number of directors each term. At the expiration of the term, the directors may be considered and nominated to the general meeting of shareholders to consider electing to be directors of the Company again. However, such independent directors can hold the positions for no more than 3 terms or 9 years, starting from the date they are appointed and the date that the Company is listed on the Thai Stock Exchange.

Self Assessment of the Board of Directors

The Board of Directors arranges an annual self-assessment of the directors' performance. The assessment is divided into 3 main types: 1) the self-assessment form of the Board as a whole, 2) the self-assessment form of each sub-committee as a whole, and 3) the assessment form of each member of the Board and sub-committees individually, for the Board of Directors to review the work problems and obstacles encountered in operation during the past year in order to make corrections and increase the efficiency of work by assessing the performance of the Board of Directors using the assessment guideline recommended by the Stock Exchange of Thailand and which has been adapted to suit the Company's business operations as follows:

1. The self- assessment form for the Board of Directors as a whole has the following topics:
   - Structure and Qualifications of the Board of Directors.
   - The Sub-committees' Meetings Were Conducted on Various Matters Effectively.
   - Roles, Duties, and Responsibilities of the Board of Directors
   - Other Matters
2. Self-assessment form for each sub-committee as a whole has the following topics:
   - Structure and Qualifications of the Board of Directors
   - The Board of Directors' Meetings
   - Roles, Duties, and Responsibilities of the Board of Directors
3. Assessment form for the individual member of Board of Directors and sub-committees has the following topics:
   - Structure and Qualifications of the Board of Directors.
   - The Board of Directors' Meetings
   - Roles, Duties, and Responsibilities of the Board of Directors

The assessment process is as follows:

1. The Company has conducted a performance appraisal on the operation of the Board of Directors as a whole, each sub-committee as a whole, and individual members of the Board of Directors and sub-committees at least once a year.
2. The Company Secretary summarizes and presents the results of the performance appraisal to the Nomination and Remuneration Committee to consider the evaluation results and development guidelines to improve operational efficiency.
3. The Nomination and Remuneration Committee proposes performance results and development guidelines to improve operational efficiency to the Board of Directors.

Nomination of Audit Committee and Independent Director

Qualifications of independent directors are as follows:

1. Holding no more than 1% of the total number of shares with voting rights of the Company, subsidiaries, associated company, a major shareholder, or a person with authority to control the Company, including the shareholding of a related person of that independent director.
2. Not being or having previously been a director who takes part in the management, an employee, a consultant who receives a regular salary, or the person who has the authority to control the Company, parent company, subsidiaries, associated company, subsidiaries of the same level, a major shareholder, or of a person who has the authority to control the Company unless the aforementioned characteristics have been terminated for not less than 2 years prior to the date of submission of an application to the Securities and Exchange Commission. The prohibited characteristics do not include the case where the independent director used to be a government official or consultant of the government sector, which is a major shareholder or the person who has the authority to control the Company.
3. Not being a person who has kinship or relates by legal registration in the form of father, mother, spouse, siblings, and children, as well as spouses of children with executives, a major shareholder, a person who has authority to control the Company or a person who will be nominated as an executive or as a person who has the authority to control the Company or subsidiaries.
4. Not having or having previously had a business relationship with the Company, parent company, subsidiaries, associated company, a major shareholder, or the person who has the authority to control the Company in a manner that may impede the exercise of one's independent judgment as well as not being or having previously been a significant shareholder or a person who has authority to control a person who has a business relationship with the Company, parent company, subsidiaries, associated company, a major shareholder or a person who has the authority to control the company unless the aforementioned status has been terminated for not less than 2 years prior to the date of submission of an application to the Securities and Exchange Commission.
5. Not being or having previously been an auditor of the Company, parent company, subsidiaries, associated companies, a major shareholder, a person who has the authority to control the Company and not being a significant shareholder, a person who has the authority to control the Company, or a partner of the audit firm which has the auditors of the Company, parent company, subsidiaries, associated companies, a major shareholder or a person having the authority to control the Company unless the aforementioned status has been terminated for not less than 2 years prior to the date of submission of an application to the Securities and Exchange Commission.
6. Not being or having been a professional service provider of any kind, including serving as a legal or financial advisor who receives service fees of more than 2 million Baht per year from the Company, the parent company, subsidiaries, associated company, a major shareholder, a person who has the authority to control the Company, and not being a significant shareholder,

a person who has the authority to control the Company, or a partner of such professional service provider unless the aforementioned status has been terminated for not less than 2 years prior to the date of submission of an application to the Securities and Exchange Commission.

7. Not being a director who has been appointed to represent the Company director, major shareholder, or shareholders who are related to major shareholders.
8. Not operating businesses that are in the same condition and are in significant competition with the business of the Company or its subsidiaries and not being a significant partner in the partnership, a director who takes part in the management, an employee, an advisor who receives a regular salary or hold more than 1% of the total number of shares with voting rights in other companies which operate businesses with the same characteristics and significantly compete with the business of the Company or subsidiaries.
9. Not having any other characteristics that cause the inability to express independent opinions regarding the Company's operations.
10. The above qualifications of independent directors are in accordance with the definitions prescribed in the Announcement of the Capital Market Supervisory Board.

Criteria for Selecting the Audit Committee and Independent Directors

Qualifications of the Audit Committee and Independent Directors

1. Appointed by the Board of Directors or the Company shareholders' meeting to be the Audit Committee Member.
2. Be an independent director and must
   - not be a director who is assigned by the Board of Directors to decide on the operation of the Company, the parent company, subsidiaries, associated company, subsidiaries of the same level, major shareholder or a juristic person who may have a conflict; and
   - not be a director of the parent company, a subsidiary, or a subsidiary of the same level that is a listed company.
3. Have duties in the same manner as those specified in the Announcement of Stock Exchange regarding qualifications and scope of work of the Audit Committee.
4. Having sufficient knowledge and experience to be able to perform duties as an audit committee. At least one member of the Audit Committee must have sufficient knowledge and experience in accounting or finance in order to review the reliability of the financial statements. In addition, the Company will consider other qualifications such as experience in business, business-related specialties, ethics, etc

The Audit Committee is appointed by the Board of Directors or the Company's shareholders' meeting by selecting from the Board of Directors who have a qualification regarding independence according to the announcement of the Securities and Exchange Commission and the principles of corporate governance of the Company. At least one member of the Audit Committee must have knowledge of accounting and/or finance in order to perform audits and supervise the operations of the Company as well as oversee financial reports, internal control systems, selection of auditors, and consideration of conflicts of interest.

A member of the Audit Committee who retires upon the expiration of his/her term of office

may be re-appointed to hold the position. In the event that an Audit Committee position becomes vacant for any reason other than the retirement of a member upon the expiration of the term of office, the Board of Directors shall appoint a qualified person to be the Audit Committee member in order for the number of Audit Committee members to be as determined by the Board of Directors. The person who replaces the Audit Committee member will hold office for only the remaining term of the Audit Committee member whom he/she replaces. If the number of Audit Committee members is less than 3, the Board of Directors or the shareholders' meeting shall appoint new Audit Committee members within 3 months from the date that the number of Audit Committee members is less than 3.

Nomination and Remuneration Committee

The Board of Directors will appoint the Nomination and Remuneration Committee by selecting from among qualified directors to perform nomination and remuneration duties. The Nomination and Remuneration Committee will elect one independent director to be the Chairman of the Nomination and Remuneration Committee whose core function is to promote and encourage the performance of the Nomination and Remuneration Committee to be independent. The Nomination and Remuneration Committee consists of at least 3 members.

Nomination of the Board of Directors

The Board of Directors will appoint the Executive Committee by selecting from the directors or executives of the Company who are able to manage tasks related to regular business operations and perform the duties of managing routine tasks that exceed the authority of the Managing Director, screen, and supervise the management in order to present important matters to the Board of Directors. The Executive Committee consists of at least 3 members.

Nomination of the Risk Management Committee

The Board of Directors appoints the Risk Management Committee and Chairman of the Risk Management Committee by selecting from among the directors and/ or management and/ or qualified persons with expertise in risk management or knowledge and expertise in the industry in which the Company operates. The Risk Management Committee consists of at least 3 Risk Management Committee members.

Nomination of Managing Director

The Board of Directors and/or the person assigned by the Board of Directors will consider the appointment the Managing Director by selecting the person who have knowledge, ability, and experience related to the Company's business operations

Directors and Executives Development

The Board of Directors supports directors to attend training courses or participate in seminars that increase knowledge in work practices. To increase the perspective continuously which will help the directors to lead the organization to achieve the goals set by the company

For executives, the company places importance on promoting the development of knowledge and skills of executives in various fields. Whether training for seminars for executives to apply knowledge in the management division

The company supported the training courses to develop knowledge and capability as follow:

Name	Position	Course
Miss Tiyada Mekpongsatorn	Managing Director and Action Operation Directors	➢ PDPA (Personal Data Protection Act) , PROFESSIONAL BUSINESS PARTNERS CO., LTD.
Mr. Pongtham Danwungderm	Deputy Managing Director and Chief Financial Officer (CFO)	➢ PDPA (Personal Data Protection Act) , PROFESSIONAL BUSINESS PARTNERS CO., LTD.
Mrs. Apiratee Sakulin	Company Secretary and Director of Human Resources and Administration	➢ PDPA (Personal Data Protection Act) , PROFESSIONAL BUSINESS PARTNERS CO., LTD. ➢ Training on how to use the 56-1 One Report preparation function - SETLINK

8.1.2 Meeting and Remuneration record of Board of Director

Name	Position	(%)	Board of Directors	Audit Comittee	AGM	Remuneration Committee
1. Mr. Apisit Rujikeatkamjorn	Chairman	100%	4/4	4/4	1/1	-
2. Mrs. Natpapha Kuansataporn	Vice Chairman Executive Board	100%	4/4	4/4	1/1	-
3. Miss Tiyada Mekpongsatorn	Director	100%	4/4	4/4	1/1	2/2
4. Mr. Panom Kuansataporn	Director	100%	4/4	4/4	1/1	2/2
5. Ph.D. Sarit Chokchainirand	Director	100%	4/4	4/4	1/1	-
6. Mr. Wichai Pornkeratiwat	Director	100%	4/4	4/4	1/1	2/2
7. Miss Patrawan Manutsathit	Director	100%	4/4	4/4	1/1	-

Remuenaration for Director and Executive

Nomination and Remuneration Committee had responsibility to nominate, select person as Director and/ or Managing Director, discuss the appropriate remuneration and submit to Board of Director for consideration before assign into Shareholder Meeting' s agenda. The Company set remuneration policy by determine remuneration rate similar to other industries and appropriate to retain Director. Remuneration for Executives comply with company' s policy that rely on executive' s performance

Remuneration for Director: The Company determined clearly and transparency remuenaration policy by determine remuneration rate similar to other industries, appropriate to retain Director and approved by shareholder's meeting.

Remuneration for Executive: comply with company' s policy that rely on executive' s performance.

Remuneration for Director's

At 2021's AGM, shareholders approved remuneration of the board, audit committee, and remuneration committee as follows;

List of Director	Monthly Remuneration (Baht/month)	Meeting Allowance (Baht/time)
Chairman of the board	25,000	25,000
Committee	20,000	20,000
Chairman of the Audit Committee	-	25,000
Audit Committee	-	20,000
Chairman of the Nomination and Remuneration Committee	25,000 Baht/year	-
Member of the Nomination and Remuneration Committee	20,000 Baht/year	-

With the total remuneration for the fiscal year 2021 consisting of Monthly remuneration for directors And meeting allowance the total amount of not more than 5,000,000 Baht (five million Baht only) in the year 2021 Total monetary compensation of the Board of Directors Audit Committee And the Nomination and Remuneration Committee in the form of monthly remuneration, meeting fees, totaling 2,790,000 Baht as follow;

Name	Remuneration (Baht)				
	Year 2021				
	Board of Directors	Audit Comittee	Remuneration Committee	Gratuity	**Total**
1. Mr. Apisit Rujikeatkamjorn	425,000	-	-	-	425,000
2. Mrs. Natpapha Kuansataporn	340,000	-	-	-	340,000
3. Miss Tiyada Mekpongsatorn	340,000	-	20,000	-	360,000

Name	Remuneration (Baht)				
	Year 2021				
	Board of Directors	Audit Comittee	Remuneration Committee	Gratuity	**Total**
4. Mr. Panom Kuansataporn	340,000	-	20,000	-	360,000
5. Ph.D. Sarit Chockchainirand	340,000	100,000	-	-	440,000
6. Mr. Wichai Pornkeratiwat	340,000	80,000	25,000	-	445,000
7. Miss Patrawan Manutsathit	340,000	80,000	-	-	420,000
Total	**2,465,000**	**260,000**	**65,000**	**-**	**2,790,000**

Remark : Subsidiaries had no remuneration payment to Director in 2021.

Remuneration for Executives

In 2020 and 2021, the Company paid management remuneration. The details are as follows;

Remuneration	Year 2020		Year 2021	
	Number	Remuneration (Million Baht)	Number	Remuneration (Million Baht)
Salaries and bonuses	6	9.33	5	8.13
Other compensation such as contributions to the social security fund, money saving fund and phone bills	6	0.66	5	0.56
Total	**6**	**9.99**	**5**	**8.69**

Significant change in headcount over the past 3 years

- None

Major labor disputes in the past 3 years

- None

8.1.3 Supervision of Operations of Subsidiaries and Associated Companies

The Company has the policy to invest in businesses related to the Company's current core business if the Company considers that such businesses will support the current business operation or benefit the Company's business in the long term. In the case of an investment in a subsidiary, the Company will control or determine the management policy as a unit of the Company, which will have an accounting system, internal control system, and management, as well as measures of

approval and disclosure of information about transactions between subsidiaries and persons who may have conflicts of interest, entrance into the acquisition and disposal of assets, increase in capital, additional investment transactions, etc. as well as sending representatives to join as directors and/or executives in proportion to their shareholding or accordance with mutual agreements. However, in the case of investments in associated companies, the Company has restrictions on participation in the management, in which the Company will send representatives to join as directors and/or executives in proportion to their shareholding as appropriate or depending on mutual agreement. The person that the Company sends as an agent must have appropriate qualifications and experience in managing the business of the subsidiaries and associated companies, which will closely monitor the operations of the subsidiaries and associated companies in order to achieve the goals set by the Company. The Board of Directors is in charge of determining the suitability of individuals to serve as directors in subsidiaries and associated companies

8.1.4 Monitoring to Comply with Corporate Governance Policies and Practices.

The Company attaches great importance to the principles of good corporate governance by realizing the responsibility that should be owed to all stakeholders under the framework of business ethics and code of conduct as a guideline for organizational management to ensure that any actions proceed with fairness, build confidence for all stakeholders, and promote real compliance to achieve the goal with the most efficiency.

The Board of Directors adheres to the principle of doing business with sincerity and honesty by establishing a policy on corporate governance in accordance with the guidelines of the Stock Exchange of Thailand ("Stock Exchange"), which consists of the following key principles: rights of shareholders, the equitable treatment of shareholders, roles of stakeholders (i.e. shareholders, executives, employees, customers, trading partners, creditors, competitors, communities, environment, and society), covering fair and equitable treatment, supervision of employees, human rights, transparency, fairness, security, cleanliness of the community and environment.

The Company has monitored in order to comply with the principles of good corporate governance on the following issues:

Auditing Process, Internal control and Data Recording

Internal audit and control of the company is a joint operation process of the directors, executives, and employees to gain confidence in the process or operational process as specified. It will help the organization achieve its objectives and is a tool to prevent fraud in the operation process of every department. The details are as follows:

1. All departments have designed internal controls and create written work procedures or work processes for the management in each department to review and the Board of Directors for approval. It will describe duties and responsibilities clearly. Moreover, Including the

said documents will be kept in a manner that employees can access.

2. Each department will review the operational procedures or work process. When changes have a significant impact on operations to meet with good control practices. The company also monitors the operations of all departments to comply with rules and regulations and identify faults including giving recommendations for the development of an efficient operational system for efficiency and effectiveness in accordance with good corporate governance policy.
3. The Audit Committee is responsible for overseeing the process of the preparation of financial reports, accounts, record keeping. The internal audit department is responsible for monitoring the compliance with the internal control system, including a review of compliance with the anti-corruption policy process. When the inspection found any flaws a report will be submitted to Corporate Governance Committee and the audit committee. The management is responsible for the improvement and ongoing development.
4. The Audit committee is responsible for overseeing the preparation of financial reports, internal control system, and internal audit, compliance with the regulations, related laws and policies pertaining to anti-corruption.

Monitor and review

The company requires directors, executives and employees to understand, comply with the policy and practices described in the anti-corruption policy strictly. All levels of in the company executives are responsible for monitor the operation and it is considered an important mission to ensure that employees under the chain of command are aware, understand and strictly comply with the anti-corruption policy.

Moreover, the Board of Directors set that all involved parties based on duty and responsibilities structure must monitor and review their own operations. If in questions about the operation related to corruption, he or she must report such information to the channels or report the complaints of corruption immediately.

The company has monitored and reviewed the policy and guidelines regularly to ensure that the said policy meet with the good corporate governance policy including various regulations, rules and related laws.

Prevention of Conflicts of Interest

The Board of Directors established a policy on the prevention of conflicts of interest. Any principles of the decision on business activities must be done for the best interests of the Company and shareholders and avoid causing conflicts of interest. The Company requires any person who is involved or has an interest in the item being considered to inform the Company of their relationship or interest in such item and not participate in the consideration, as well as have no authority to approve such transactions.

The Company has disclosed such policy on the Company's website for all stakeholders to acknowledge.

Using Inside Information for Exploitation

Supervision of the Use of Inside Information

The Company attaches great importance to the prevention of the use of the Company's inside information. The Company has the policy to prohibit directors, executives, and employees of the Company from revealing secrets and/ or inside information that

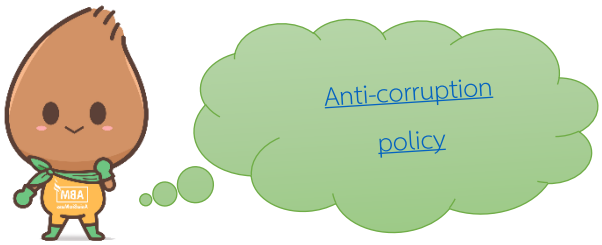
have not been disclosed to the public or seeking benefits for themselves or others, whether directly or indirectly and whether they receive a return or not, as well as trading in the Company's securities using inside information. The Company has established guidelines to prevent the use of inside information as follows:

1. Educating directors and executives of the Company on their duty to report securities holdings of themselves, their spouse, and underage children to the Office of the Securities and Exchange Commission in accordance with section 59 and the penalty provisions under section 275 of the Securities and Exchange Act B.E. 2535 (including amendments), as well as report the acquisition or disposition of securities of themselves, their spouse and underage children to the Office of the Securities and Exchange Commission under section 246 and the penalties provisions under section 298 of the Act Securities and Exchange B.E. 2535 (including amendments)
2. Requiring the directors and executives of the Company, including their spouse and underage children, to conduct and disclose the security holding report and the report in the changes in the Company's securities holdings to the Office of the Securities and Exchange Commission in accordance with section 59 and the penalty provisions under section 275 of the Securities and Exchange Act B.E. 2535 (including amendments) as well as send a copy of the report to the Company on the same day that the report is submitted to the Securities and Exchange Commission.
3. Requiring the directors, executives, and employees of the Company and subsidiaries who acknowledge inside information that affects or may affect the change in securities prices to refrain from trading in the Company's securities during the 30 days prior to the day that the financial statement or such inside information is disclosed to the public and within 24 hours after such information is disclosed to the public. Those who are involved in such information shall not disclose such information to others until such information has been notified to the Stock Exchange of Thailand. If any actions violate the above regulations, the Company will consider such actions as disciplinary offenses according to the articles of association of the Company. The Company will consider the appropriate punishment, ranging from verbal warnings, written warnings, probation, as well as termination of employment

Anti-Corruption

The Board of Directors has established policies and guidelines regarding anti-corruption matters to show the Company's standpoint on anti-corruption, which demonstrates that the Company manages the business on the basis of transparency, ethics, adherence to principles of corporate governance, and compliance with the laws related to anti-corruption, giving bribes to, or accepting bribes from government officials or the private sector.

The Company has set up an organizational structure to divide duties and responsibilities, work processes, and the chain of command in each unit to be clear in order to have a balance of power and appropriate inspection between each other. The Company has disclosed such policy on the Company's website for all stakeholders to acknowledge.



Dissemination of anti-corruption policy

To create understanding for all directors, executives and employees in the company to be informed of the anti-corruption policy and support adherence of anti-corruption measures. The company will proceed as follows:

1. The company will post a notice of anti-corruption policy in a prominent location where everyone in the company can read.
2. The company will publish the anti- corruption policy through the company's communication channels such as the website of the company both internal and external, annual disclosure report (56-1) and annual report.
2. The company will communicate and publicize the anti- corruption policy to trade partners by preparing in various document formats.
3. The company will provide anti-corruption policy training for new and current employee's ongoing basis.

Measures on Confidentiality

To protect the rights of the complainants and informants, the company will conceal names, addresses, or any information that can identify the complainants or informants and keep the information of the complainants and informants confidential. This information will be restricted to those who are responsible for conducting investigations of complaints, and they can access such information.

The recipient of information obtained from the performance of the duties related to the complaint, he or she is responsible for keeping the information of the complaint and the evidentiary documents of the complainant and the informant confidential. Do not disclose information to uninvolved parties, except as required by law.

However, the company will not demote, punish or give negative outcome to those who reject the corruption, even if such action causes the company to lose business opportunities and communicate these measures to relevant parties.

Whistleblowing

The Company has established a whistleblowing channel and complaint channel for all stakeholders via postage, e-mail, and the Company's website with independent Audit Committee to consider such complaints.

1. Postage

Dear Independent Director/Audit Committee
Asia Biomass Public Company Limited
No. 273/2 Rama 2 Road, Samae Dam

2. Email: ac@asiabiomass.com

3. Company Website

http://www.asiabiomass.com/corparate_grovemebt_new/complaints_new/

In 2021, no complaints were found.

Channels for Receiving Reports of Complaints or Corruption

The Board of Directors has assigned the Audit Committee to consider accepting reports of information, complaints and advised about suspicious acts of corruption that occurred in the company directly or indirectly immediately through the complaints channels as specified in this policy. The complainant must give the information to report or the complaint together with the name, address and telephone and sent to the following channels:

- Chairman of the Audit Committee
  Email : ac@asiabiomass.com
- Managing Director
  Email : tiyada@asiabiomass.com
- Deputy Managing Director

Email : pongtham@asiabiomass.com

- Company Secretary

  Email : secretary@asiabiomass.com

- Human Resources and Administration

  Email : hr_manager@asiabiomass.com

- Tel. 02-415-0054 Ext. 2619
- Notify via suggestion box

If the informants or the complainants have a complaint against Company director, senior executives or company secretary, he or she sends the complaint to the Chairman of the Audit Committee. (Independent Director).

The persons who can report information or complaints about corruption are all stakeholders of the company, including shareholders, customers, competitors, creditors, government, community, society, executives and employees of the company. The company will keep the complaint information confidential.

Investigative Procedure and Punishment

The investigative procedures and punishment will be effective to the management and employees. The company's investigation procedures as follows:

1. When receiving a report, the Managing Director, Company Secretary and the Audit Committee will screen and investigate the facts
2. During the fact finding investigation, the Managing Director, Company Secretary and the Audit Committee may assign representatives (executives) inform the progress periodically to the informer(s) or complainer(s).
3. After completed an investigation, it is found that the information or evidence has reasonable grounds to believe that the accused has committed fraud, the company will give the right to the accused to acknowledge the allegation and the right of the accused to prove himself by finding information or additional evidence indicating no involvement in the alleged fraud.
4. If the accused has actually committed corruption, he or she shall be subjected to disciplinary action in accordance with the company regulations and if the act of corruption is illegal under the laws, the offender will be punished according to laws. The decision of the Managing Director shall be final.

If there is a complaint against the member of committee, senior executives or company secretary, the Chairman of the Audit Committee will be responsible for receiving information and checking facts and report to the Board of Director to jointly investigate the facts and impose the punishment in accordance with company regulations.

8.2. Report on the Performance of the Audit Committee

As for the year 2021, on 31 December 2021, the Audit Committee consisted of 3 independent directors and had a total of 4 Audit Committee meetings as follows:

Name	Name	Number of Attendance
1. Dr. Sarit Chokchainirand	Chairman of the Audit Committee (Independent Director)	4/4
2. Mr. Wichai Pornkeratiwat	Audit Committee (Independent Director)	4/4
3. Miss Patrawan Manutsathit	Audit Committee (Independent Director)	4/4

Performance of the Audit Committee

The summary of the key performance of the Audit Committee in 2021 is as follows

- Consider and review the quarterly financial statements, annual financial statements, and consolidated financial statements of the Company and subsidiaries with the auditor and management division.
- Consider and give opinions on connected transactions or items that may have conflicts of interest with the benefits of the Company and subsidiaries before presenting them to the Board of Directors or shareholders as specified.
- Consider and review the sufficiency of the internal control system and risk management of the Company and subsidiaries.
- Consider and review the Company's management in accordance with the principles of good corporate governance
- Consider the selection of auditors and the auditor's audit fee by selecting persons who have the knowledge, abilities, experience, and independence in accordance with the requirements of the Stock Exchange of Thailand or other related agencies, as well as have an understanding of SP Audit Company Limited. The Audit Committee has considered 3 auditors, namelyb; Miss Susan Iamwanitcha, registration No. 4306, and/or Mr. Suchart Panichcharoen, registration No. 4475, and/or Mr. Apichart Boonkerd, certified public accountant No. 4963, and presented to the Board of Directors. The Board of Directors agreed to propose to appoint auditors from SP Audit Company Limited to be the Company's auditors and presented the proposal to the Annual General Meeting of Shareholders for the year 2022 to consider appointing an auditor and approve the audit fee
- Perform duties as assigned by the Board of Directors, in accordance with the Audit Committee Charter

8.3. Summary of the Performance of Other Sub-committees

Nomination and Remuneration Committee

As for the year 2021, on 31 December 2021, the Nomination and Remuneration Committee consisted of 1 independent director and had 2 Audit Committee's meetings as follows:

Name	Position	Number of Attendance
1. Mr. Wichai Pornkeratiwat	Chairman of the Nomination and Remuneration Committee	2/2
2. Mr. Panom Kuansataporn	Member of the Nomination and Remuneration Committee	2/2
3. Miss Tiyada Mekpongsatorn	Member of the Nomination and Remuneration Committee	2/2

Performance of the Nomination and Remuneration Committee

The summary of the key performance of the Nomination and Remuneration Committee in 2021 is as follows:

- Consider qualified persons as the Company's directors to replace 2 directors whose terms have expired to promote and support the good corporate governance policy. The Company has allowed shareholders to nominate persons who are qualified to serve as directors via the Company's website and the SET Portal between 28 October 2021 and 30 December 2021, but none of the shareholders submitted their names to be considered for election as directors. The Board of Directors believed that the two directors should be reinstated for another term, which was presented to the Board of Directors Meeting and the Annual General Meeting of Shareholders for approval.
- Consider the remuneration of directors and sub-committees to propose to the Board of Directors' meeting and the annual general meeting of shareholders for approval.
- Consider the Managing Director's remuneration to propose to the Board of Directors' meeting in consideration of remuneration. Managing Director and the Nomination and Remuneration Committee has considered the appropriateness of duties and responsibilities, assigned responsibility and performance, including the Company's operating results.
- Evaluate the annual performance of the Board of Directors and the Managing Director, which is rated as "good"

Risk Management Committee

As for the year 2021, on 31 December 2021, the Risk Management Committee consisted of 6 directors and/or executives and had a total of 4 Audit Committee meetings as follows:

Name	Position	Number of Attendance
1. Miss Tiyada Mekpongsatorn	Chairman of the Risk Management Committee	4/4
2. Mr. Pongtham Danwungderm	Deputy Chairman of the Risk Management Committee	4/4
3. Mrs. Natpapha Kuansataporn	Risk Management Committee	3/4
4. Mrs. Apiratee Sakulin	Risk Management Committee	4/4
5. Mr. Prutthipol Soisuwan	Risk Management Committee	4/4
6. Mr. Chairat Dejpaiboonyot	Risk Management Committee	4/4

Performance of the Risk Management Committee

The summary of the key performance of the Risk Management Committee in 2021 is as follows:

- Consider reviewing the policy and risk management guidelines for the year 2021
- Consider reviewing the organization's risks for the year 2021 and formulating solutions to prevent the impact of various risks by assigning the responsible people involved to implement them
- Follow up and give advice on the operation of the risk management plan of each unit, including supporting various resources to make sure that the risk management operation is at a controllable and acceptable level

9. Internal Control and Intercompany Transactions

9.1. Internal control

Opinion of the Board of Directors on the Company's Internal Control System

The Company realizes the importance of a good internal control system, which will help to run the business efficiently and effectively. The company has an Audit Committee to perform the duty of reviewing the appropriate internal control system and an internal audit in accordance with the principles of good corporate governance. The Audit Committee meeting to approve transactions related to the internal control system of the Company and its subsidiaries (hereinafter collectively referred to as the "Company"). There will be auditors and internal auditors present at every meeting to present information to the Audit Committee for consideration, acknowledgment, and monitoring of progress and to find a solution to the remarks for the remarks to be resolved in a timely manner.

The Company's Board of Directors has continually emphasized the internal control system by assigning the Audit Committee, consisting of independent directors, to review the assessment of the internal control system by appointing the Dharmniti Internal Audit Co., Ltd. to perform the duties of the Company's internal auditor, reporting directly to the Audit Committee, and by assigning Ms. Somcharee Kaewkhomdee the position of Executive Director and Manager of the Internal Audit Department, which is primarily responsible for the performance of the Company's internal auditors.

In this regard, the Audit Committee has considered the qualifications of Ms. Somcharee Kaewkhomdee and deemed her appropriate to perform such duties due to her independence. Ms. Somcharee Kaewkhomdee has experience in internal auditing for more than 10 years, has attended training courses related to internal audit work, and has passed the internal auditor courses 1 - 2, the risk assessment course, and the theory and practical COSO 2013 course.

In the Board of Directors' meeting No. 4/2021, held on November 10, 2021, the Chairman of the Audit Committee and the 3 Audit Committee members also attended the meeting. The Board of Directors has considered and assessed the adequacy of the current internal control system by asking for information from the management and related agencies, including referring to the internal control system sufficiency assessment report prepared by Dharmniti dated 20 October 2021. Dharmniti has assessed the Company's internal control system in 5 different areas. The results of the assessment can be summarized as follows:

1. Control environment: The Company has a defined organizational structure, corporate ethics, policies, and procedures for operations, knowledge, skills, and capabilities as well as defined duties and

responsibilities, and has adequate and appropriate follow-up procedures.

2. Risk assessment: The Company has established a corporate risk assessment, risk factor identification, and risk analysis, including methods of control to reduce the level of risk. In addition, the Company has communicated to all employees to create understanding and compliance with the policy and guidelines prescribed.
3. Control activities: The Company has established an internal control system at the process level. The internal controls were designed for various processes at an adequate level
4. Information & communication system: The Company has a design general information technology control that are sufficient and appropriate.
5. Monitoring activities: The Company hires internal auditors from external units to assess the adequacy of the internal control system, follow up and report the results to the Audit Committee.

The Board of Directors has the opinion that The Company's internal control system is sufficient and appropriate. The Company has provided sufficient personnel to operate the system effectively, including an internal control system for monitoring and supervising the operations of the subsidiaries, in order to protect the Company's and the subsidiaries' assets from being misused by directors or executives without authority, including transactions with persons who may have conflicts of interest and connected persons sufficiently. For internal control in other topics, the Board of Directors believes that the Company has sufficient internal control as well.

In the past, Dharmniti has conducted an assessment of the sufficiency of the internal control system and monitored the implementation of the recommendations. In the report, Dharmniti has identified various issues that the Company should improve, including giving suggestions for improving the internal control system, in order for the Company to have a good internal control system and sufficient efficiency to support the Company's business operations in the future. The Company is aware of the importance of internal control and has established various measures and policies as well as a continuous rectification and improvement of the operating system according to Dharmniti's recommendations, especially the high and moderate risk remarks.

In this regard, the results of the review of information according to the internal control system sufficiency assessment form of the Office of the Securities and Exchange Commission (SEC) of the year 2021 indicate that the management of Asia Biomass Company Limited (Public Company Limited) gives importance to the internal control system by setting up important internal control measures related to operations and risk management, and monitoring of the management and the Board of Directors adequately.

9.2. Intercompany transactions

Summary of the details of connected transactions between the Company and persons who may have conflicts of interest from 2019 to 2021

The Company and subsidiaries have connected transactions with individuals and juristic persons who may have conflicts of interest, in which the relationship and related transactions can be summarized as follows:

Persons who may have Conflicts of Interest	Relationship
1. Paprapat Company Limited ("PPP") operates a business of procuring and distributing biomass fuel that is exempt from VAT	- PPP is a subsidiary in which the Company holds 99.98% of registered and paid-up capital. - The Company and PPP have 2 mutual directors as follows: 1) Mrs. Natpapha Kuansataporn 2) Ms. Tiyada Mekpongsatorn
2. Sataporn Thanaphat Company Limited ("STP") operates a business of providing transportation services by trucks, which mainly provides services to ABM and PPP	- STP is a subsidiary in which the Company holds 99.99% of registered and paid-up capital - The Company and STP have 1 mutual director as follows: 1) Mrs. Natpapha Kuansataporn
3. ABM Pellets Company Limited ("ABP") operate a business of manufacturing wood chips and biomass briquettes.	- ABP is a subsidiary in which the Company holds 99.99% of registered and paid-up capital - The Company and ABP have 1 mutual director as follows:: 1) Ms. Tiyada Mekpongsatorn
4. PT Asia Biomass Indonesia ("ABI") operates a business of procuring and distributing biomass fuel in Indonesia.	- ABI is a subsidiary in which the Company holds 99.00% of registered and paid-up capital.
5. Asia Biomass Energy SDN. BHD. ("ABE") operates a business of procuring and distributing fuel biomass in Malaysia	- ABE is a subsidiary in which the Company holds 55.00% of registered and paid-up capital. The Company holds shares with another major shareholder as follows; o Mr. Law Hieng Chai holds 45.00 % of the registered and paid-up capital - The Company and ABE have 1 mutual director as follows; 1) Ms. Tiyada Mekpongsatorn

6.	Asia Biomass Resources SDN. BHD. ("ABR") operates a business of procuring and distributing fuel biomass in Malaysia.	- ABR is a subsidiary in which the Company holds 55.00% of registered and paid-up capital. The Company holds shares with 3 other major shareholders as follows: ○ Mr. Law Hieng Chai holds 22.5% of the registered and paid-up capital ○ Mr. Ho Kim Hee holds 11.25 % of the registered and paid-up capital ○ Mr. Lai Che Sieng holds 11.25 % of the registered and paid-up capital - The Company and ABR have 1 mutual director as follows: 1) Ms. Tiyada Mekpongsatorn
7.	Asia Green Energy Public Company Limited ("AGE") operates a business of coal distribution.	- AGE is a related company whose shares are held by persons related to the Company as follows: ○ Mr. Panom Kuansataporn (Director) holds 17.93% of registered and paid-up capital. ○ Mrs. Natpapha Kuansataporn (Director) holds6.57% of registered and paid-up capital. ○ Ms. Thiyada Mekpongsatorn (Director and Managing Director) holds 3.74% of registered and paid-up capital. ○ Ms. Pimyada Kuansataporn, Mr. Nataphat Kuansataporn, Ms. Pimchaya Kuansataporn, Mr. Athiphat Kuansataporn and Mrs. Panita Kuansataporn (son of Mr. Panom and Mrs. Natpapha Kuansataporn who are the directors of the Company) holds 25.56 % of registered and paid-up capital. ○ Mrs. Panida Kuansataporn (Mother of Mr. Panom Kuansataporn, Company Director) holds 0.78% of registered and paid-up capital. ○ Close relatives of Mrs. Natpapha Kuansataporn, the Company's director, hold shares together for a total of 2.70% of the registered and paid-up capital

		○ Mr. Apisit Rujikeatkamjorn (Director) 0.73% of registered and paid-up capital - The Company and AGE have 2 mutual directors as follows: 1) Mr. Panom Kuansataporn 2) Mr. Apisit Rujikeatkamjorn
8.	A.G.E. Transport Company Limited ("AGET") operates a business of providing transportation services by trucks.	- AGET is a company related to the Company, in which AGET is a subsidiary of AGE, with AGE holding 99.00% of the registered and paid-up capital and the Kuansataporn family holding 0.99% of the registered and paid-up capital. - The Company and AGET have 1 mutual director as follows: 1) Mr. Panom Kuansataporn
9.	AGE Terminal Company Limited ("AGETM") operate a business of coal transportation and sorting services and services related to transportation by water or by ship.	- AGETM is related to the Company, in which AGETM is a subsidiary of AGE with AGE holding 100% of the registered and paid-up capital. - The Company and AGETM have 1 mutual director as follows: 1) Mr. Panom Kuansataporn
10.	Multi Energy Trading (2020) Company Limited ("MET") operates consulting services.	- MET is related to the Company, in which MET has shareholders who are related to the Company. - The Company and MET have 1 mutual director as follows: 1) Mr. Panom Kuansataporn
11.	AGE Marine Logistics Company Limited ("AGEM") operates a business of services related to transportation by water or by ship.	- AGEM is related to the Company, in which AGEM is a subsidiary of AGE with AGE holding 100% of AGETM of registered and paid-up capital. - The Company and AGEM have 1 mutual director as follows: 1) Mr. Panom Kuansataporn
12.	K.H. Development Company Limited ("KHD") operates a business of selling and renting out real estate and providing real estate services as well as parking area.	- KHD is related to the Company, in which KHD has shareholders who are related to the Company as follows: ○ Mr. Panom Kuansataporn (Director) holds 51.00% of registered and paid-up capital

		○ Mrs. Natpapha Kuansataporn (Director) holds 7.00% of registered and paid-up capital. ○ Ms. Tiyada Mekpongsatorn (Director and Managing Director) holds 7.00% of registered and paid-up capital ○ Ms. Pimyada Kuansataporn, Mr. Nataphat Kuansataporn, Ms. Pimchaya Kuansataporn, Mr. Athiphat Kuansataporn and Mrs. Panita Kuansataporn (sons of Mr. Panom and Mrs. Natpapha Kuansataporn who are directors of the Company) hold a total of3 5.00% of registered and paid-up capital - The Company and KHD have 3 mutual directors as follows: 1) Mr. Panom Kuansataporn 2) Mrs. Natpapha Kuansataporn 3) Ms. Tiyada Mekpongsatorn
13.	Kokhuad Property Company Limited ("KHP") operates a business of selling and renting out real estate and providing real estate services.	- KHP is related to the Company, in which KHP has shareholders who are related to the Company as follows: ○ Mr. Panom Kuansataporn (Director) holds 99.89% of registered and paid-up capital ○ Ms. Pimchaya Kuansataporn and Mr. Athiphat Kuansataporn) hold 0.11% of the registered and paid-up capital - The Company and KHP have 1 mutual director as follows: 1) Mr. Panom Kuansataporn
14.	ViVi Home Decorative Company Limited ("VVH") operates a business of selling household appliances and home decorations.	- VVH is a juristic person related to the Company, in which Mrs. Potjanee Tangsubkul, sister of Mr. Panom Kuansataporn (Company director), is a director and shareholder, who holds 80.00% of the registered and paid-up capital.
15.	Sathaporn Lamination Company Limited ("STL") operates a wholesale business of wood and wood products	- STL is a juristic person related to the Company, in which Mrs. Nutthaya Kuansataporn and Mr. Pichai Kuansataporn are related to the Company's directors.

16.	D.T.C. Enterprises Public Company Limited ("DTC") operates a business of selling, renting out, and providing vehicle tracking devices through the network.	-	DTC is a juristic person related to the Company, in which Mr. Apisit Rujikeatkamjorn (Company director) is a director and holds 1.50% of the registered and paid-up capital.
17.	Jinsolid SDN. BHD. ("JSD") operates a business related to biomass fuel.	-	JSD is a juristic person related to the Company, in which DHSB holds 60.00% of registered and paid-up capital, and has mutual shareholders with ABE and ABR, which are subsidiaries of the Company.
18.	AJ Biomass SDN. BHD. ("AJB") operates a business related to biomass fuel.	-	AJB is a juristic person related to the Company, in which AJB has mutual major shareholders and directors with ABE and ABR, which are subsidiaries of the Company.
19.	Teck Yien Construction SDN. BHD. ("TYC") operates a business related to construction.	-	TYC is a juristic person related to the Company, in which TYC has mutual shareholders and directors with ABE, which is a subsidiary of the Company.

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
1. Paprapat Company Limited ("PPP")	Selling Goods - The Company sold palm kernel shells to PPP	112.85	-	181.76	- The sale and purchase of palm kernel shells between the Company and PPP were a normal business practice for the Company. The Company trades palm kernel shells with PPP if there is an order that must be delivered but there are no products to deliver. Therefore, they had to sell and purchase products between them in order to deliver the products to customers. The purchase prices were set at a normal price compared with other customers and agreed upon by both parties. The sale and purchase of goods between the Company and PPP were the management of procurement and inventory management for maximum efficiency of the Company as a whole. - The Company provided management services to PPP by charging management fees based on the amount of work, the nature of work, and the number of hours according to the conditions and rates specified in the contract. - The Company rented out the space to PPP at the rental rates, which were determined
	Buying Goods - The Company purchased palm kernel shells from PPP.	267,758.72	367,258.88	340,074.61	
	Management Fee - The Company provided management services to PPP in some overlapping segments for the management of the group to be most effective.	936.00	1,176.00	1,176.00	
	Other Income Profits from disposal of assets.	-	299.99	-	
	Rental Fee - -The Company rented out some spaces to PPP to use as an office, with rental payment terms as agreed in the lease agreement	912.00	983.75	972.00	

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	Trade Account Receivables - caused by the sale of goods with conditions and a billing period according to the agreement.	120.75	-	181.76	according to the cost of the leased space allocated to PPP, which were consistent with the market prices. - The Audit Committee had an opinion that the transactions were reasonable since they were in accordance with the normal business operation of the Company and product management, human resources, and operational areas of the Group, which had set the prices of the products, management fees, and rental rates, considering the cost of the Company and subsidiaries as a basis. - The Audit Committee had an opinion that such transactions were reasonable since they involved liquidity management within the Company Group and the interests were charged based on the financial cost of the Company.
	Other Receivables - caused by management fees and rental fees, with terms and billing periods as agreed in the agreement.	3,471.70	4,775.05	6,889.71	
	Trade Accounts Payables - caused by the purchase of goods with terms and payment period according to the agreement	98,701.00	121,521.80	122,334.95	
2. Sataporn Thanapat Company Limited (“STP”)	Fuel Sales Income - The Company sold fuel to ABM	-	1,832.29	7,133.20	- The Company had a need to provide STP a loan to increase short-term liquidity for STP. The interest was charged based on the financial costs that the Company had taken from financial institutions.

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	Interest Income - The Company received interest income from STP short-term loans for liquidity	1,289.50	512.40	500.45	- The Audit Committee had an opinion that such transactions were reasonable since they involved liquidity management within the Company Group and the interests were charged based on the financial cost of the Company.
	Rental Fee - The Company rented out space to STP for an office and parking area with rental payment terms as agreed in the lease agreement.	712.80	712.80	712.80	- The Company rented out the space to STP. The rental rate was determined by considering the cost of the leased space allocated to STP in accordance with the market price.
	Freight - The Company hired STP for transport, with the freight determined in accordance with the contract of carriage, which had the same standard terms as the contract that the Company had with other external transport service companies	33,733.94	31,062.42	27,832.69	- The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operations of the Company. The rental rate was calculated by considering the cost of the Company's space and in accordance with the market price. - The Company used STP transport service. The Company had the same standards for hiring STP carriers as for hiring other carriers. The wage rate was charged on the same basis as other carrier hire rates.
	Car Rental Fee - The Company rented loaders and water tanks from STP for use in its operations, with rental payment	546.90	392.97	488.40	- The Audit Committee had an opinion that the transaction was reasonable since it was

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	terms as agreed in the lease agreement.				according to the normal business operation of the Company which had the same fee and trade terms as for the transactions with third parties.
	Cost of Fuel, Spare Parts and Consumables	377.14	889.73	58.38	- The Company rented a car from STP with a rental fee according to the market rate.
	- The Company paid for fuel, spare parts, and consumables incurred in the rental of the vehicle from STP as agreed in the lease agreement.				- The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operation of the Company and the rental fee was according to the market price
	Trade Account Receivables	-	456.03	1,613.48	- The cost of fuel, spare parts, and consumables incurred are normal expenses incurred from renting a car, which were the same as when the Company rented a car from any third party.
	- caused by the revenue from the sale of fuel with terms and billing period as agreement.				
	Other Receivables	1,816.50	2,529.30	3,157.20	- The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operation of the Company and had the same trading terms as with third parties.
	- caused by the income from management fees and rental fees, with terms and billing period according to the agreement and from the ABM's acceptance of transfer of employees who have employee benefit liabilities after retirement from STP.				

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	Interest Receivables - caused by short-term loans, with interest payment terms as agreed.	1,289.53	1,801.93	32.85	
	Short-Term Loan - The Company gave STP short-term loans for liquidity management within the Company Group.	14,600.00	14,600.00	4,600.00	
	Trade and Other Payables - caused by the hiring of transport, with terms and payment period according to the agreement.	2,607.05	8,755.22	5,402.94	
	Shipping Costs (PPP) - PPP hired STP for transport, with the freight determined in accordance with the contract of carriage, which had the same standard terms as the contract that PPP had with other external transport companies	730.88	1,454.85	1,973.06	

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	Trade and Other Payables (PPP) - caused by the hiring of transport, with terms and payment period according to the agreement	275.56	851.16	482.74	
3. PT Asia Biomass Indonesia ("ABI")	Buying goods (Goods-in-transit included) - The Company purchased palm kernel shells from ABI, a supplier of palm kernel shells from sellers in Indonesia.	-	-	-	- The Company had a need to purchase palm kernel shells from ABI since ABI was able to supply palm kernel shells from Indonesia at the price and quantity required by the Company by using the expertise of the local staff. The purchase of palm kernel shells from ABI was a normal business operation of the Company with the same price and conditions for the purchase of goods, including advance payment for goods, as the Company did with other distributors of the Company. - The Audit Committee had an opinion that the transaction was reasonable since it was in accordance with the normal business operation of the Company and had prices and trade terms similar to those that the Company had with third parties.
	Advance Payment for Goods - The Purchase of palm kernel shells from ABI required payment of purchase in advance similar to the purchase of palm kernel shells from other sellers.	6,834.65	8,484.53	6,523.03	

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
4. Asia Biomass Energy SDN. BHD. (“ABE”)	Buying Goods - The Company purchased palm kernel shells from ABE, which supplied palm kernel shells from a seller in Malaysia.	44,426.55	-	25,272.16	- The Company had a need to purchase palm kernel shells from ABE as ABE was able to supply palm kernel shells from Malaysia at the price and quantity required by the Company by using the expertise of the local staff. The purchase of palm kernel shells from ABE was a normal business operation for the Company with the same price and conditions for the purchase of goods, including advance payment for goods, as the Company did with other distributors of the Company. - The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operation of the Company and had the same price and trade terms as the Company had with third parties.
	Advance Payment for Goods - The purchase of palm kernel shells from ABE required payment of the purchase in advance, similar to buying palm kernel shells from other sellers.	13,756.47	42,410.26	20,837.76	
	Selling Goods - The Company sold palm kernel shells to ABE.	-	-	145.09	
5. Asia Biomass Resources SDN. BHD. (“ABR”)	Advance Payment for Goods - Purchasing palm kernel shells from ABR required payment of the purchase price in advance, which was similar to buying palm kernel shells from other sellers.	14,246.53	14,246.53	14,246.53	- The Company had a need to purchase palm kernel shells from ABR since ABR was able to supply palm kernel shells from Malaysia at the price and quantity required by the Company by using the expertise of local staff. The purchase of palm kernel shells from ABR was a normal

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
					business operation of the Company with the same price and conditions in the purchase of goods including advance payment for goods as the Company did with other distributors of the Company. - The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operation of the Company and had the same price and trade terms as the Company had with third parties.
6. Asia Green Energy Public Company Limited ("AGE")	<u>Buying Goods</u> - The Company purchased palm kernel shells from AGE, a coal supplier.	-	49,067.91	12,363.70	- STP provided transportation service to AGE at the same rate as other customer transportation services.
	<u>Transportation Service Income</u> - AGE hired ABM for transport, with the freight determined in accordance with a contract of carriage that had the same standard terms as AGE's contract	-	173.78	321.50	- The Company and PPP used AGET carriage service. The Company had the same AGET employment consideration standards as any other carrier employment. The wage rate was charged on the same basis as any other carrier's hired rates.

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	with other external transport companies.				- The Audit Committee had an opinion that the transaction was reasonable because it was according to the normal business operations of STP. The fee and the trade terms were the same as when STP made transactions with third parties.
	Transportation Service Income (STP) - AGE hired ABM for transport, with the freight determined in accordance with a contract of carriage that had the same standard terms as AGE's contract with other external transport companies.	8,829.78	10,657.05	11,390.37	
	Shipping Costs (for the Company and PPP) - The Company and PPP used AGE's freight service, with the freight determined in accordance with the contract of carriage, which had the same standard terms as the contract that the Company had with other outsourced carriers.	-	5,409.19	1,375.04	
	Other Income (STP) - STP earned from car supply and compensation for Damage	-	65.45	18.80	

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	Trade and Other receivables (STP) - caused by the transportation service with conditions and a billing period according to the agreement.	1,409.85	3,275.08	2,054.19	
	Accounts Payable (for the Company and PPP) - caused by the use of transport services with conditions for service charges and payment periods according to general transportation contracts	-	14,221.73	-	
7. A.G.E. Transport Company Limited ("AGET")	Shipping Costs (for the Company and PPP) - The Company and PPP used the transportation service from AGET, with the freight determined in accordance with the contract of carriage which had the same standard conditions as the contract that the Company had	3,984.96	8,609.68	11,097.31	- The Company and PPP used AGET carriage service. The Company had the same employment consideration standards for AGET as any other carrier employment. The wage rate was charged on the same basis as any other carrier's hired rate. - ABM and STP provided transportation service to AGET on a rate of wage basis similar to the rate charged by STP to other carriers.

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	with other outsourced transport companies.				- The Audit Committee had an opinion that the transactions were reasonable, since they were according to the normal business operations of the Company and subsidiaries. The fees and the trade terms were the same as when the Company and subsidiaries made transactions with third parties.
	Service Income (STP)	-	4,449.18	8,196.72	
	- AGET hired ABM and STP for transport, with the freight determined in accordance with a contract of carriage, which had the same standard terms as AGET's had with other outsourced transport companies.				
	Other Income (STP)				
	- ABM and STP had revenue from selling fuel to AGET	-	1,058.88	1,316.32	
	- STP had revenue from selling assets to AGET	22.56	-	99.99	
	Trade and Other receivables (Company and STP)	8.10	2,743.95	2,384.13	
	- caused by the transportation service, with conditions for service charges and payment periods according to general transportation contracts.				

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	Trade and Other Payables (for the Company and PPP) - caused using transportation services with conditions for service charges and payment periods according to general transportation contracts.	943.18	524.53	3,037.37	
8. AGE Terminal Company Limited (“AGETM”)	Service Income (STP) - AGET hired ABM and STP for transport, with the freight determined in accordance with a contract of carriage, which had the same standard terms as AGET's had with other outsourced transport companies.	218.06	447.17	349.66	- The Company provided transportation services to AGET, with the same standard of consideration for the AGET services as any other carriers. The rates were charged on the same basis as other carriers. - The Company used AGET port services, with the same standards for considering the use of AGET service as other service providers. The rates were charged on the same basis as other port operators. - The Audit Committee had an opinion that the transactions were reasonable since they were according to the normal business operations of the Company and subsidiaries. The fees and the
	Service Charge and Rental - The Company used the services and rented spaces from AGET in transportation operations.	-	-	681.80	

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	Trade Account Receivables (STP) - caused by the transportation service, with conditions for service charges and payment periods according to transportation contracts.	-	379.50	195.85	trade terms were the same as when the Company made transactions with third parties.
9. Multi Energy Trading (2020) Company Limited (“MET”)	Fuel Cost (STP) - STPs purchased trucks fuel from "MET".	-	-	-	- STP refueled trucks with the fuel trading price that can be refer to the market price - The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operations of the Company and subsidiaries, the fee and the trade terms were the same as when the Company made transactions with third parties.
10. AGE Marine Logistics Company Limited (“AGEM”)	Shipping Costs (for the Company and PPPs) - The Company and PPP used the transportation service from AGEM, with the freight determined in accordance with the contract of carriage, which had the same standard conditions as the	-	695.09	-	- The Company and PPP used AGEM carriage service. The Company had the same AGEM employment consideration standards as any other carrier employment. The wage rate was charged on the same basis as any other carrier's hired rate. - The Audit Committee had an opinion that the transaction was reasonable since it was

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	contract that the Company had with other outsourced transport companies. Trade Account payables (Company and PPP) - caused by using transportation services with conditions for service charges and payment periods according to general transportation contracts.	178.82	540.00	-	according to the normal business operations of the Company and subsidiaries. The fee and the trade terms were the same as when the Company made transactions with third parties.
11. K.H. Development Company Limited ("KHD")	Office Rental Fee Electricity - The Company rented an office from KHD by signing the first lease agreement on 1 September 2012, which has been renewed continuously, and the rental rate has not changed until now. The current lease agreement, signed on 1 September 2021, had a lease term of 6 years with the rental	1,227.00 601.35	1,227.00 561.12	1,227.00 479.30	- The Company rented an office from KHD to use as the location of its head office, which was a transaction supporting normal business operations with rental rate and conditions in renting and receiving utility services according to the agreement, which was similar to the rent of an office building located in the vicinity of the Company. - The Audit Committee had an opinion that the transaction was reasonable. since it was according to the normal business operations of

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	rate of 250 Baht per square meter, which was a rate that was similar to the rate of office buildings in the same area. In addition to the rental rate, the Company was obliged to pay utility costs to KHD. Such expenses were calculated based on the actual usage at the rate that KHD had to pay to the utility operators.				the Company, and had fee and trade terms that were similar to the rent of an office building in the vicinity of the Company.
	Trade and Other Payables - caused by the accrued office rent that was not due for payment	146.08	147.35	152.82	
12. Kokhuad Property Company Limited ("KHP")	Other Service Charges - The Company hired a document storage service from KHP by signing a service contract on 1 October 2021, with a lease term of 1 year and a service fee of 8.50 Baht per box, which was similar to the market rates.	-	41.31	152.18	- The Company hired a KHD document storage service to use the location as its head office, which was a transaction supporting normal business operations with service rate and conditions of renting and receiving utility services according to the agreement, which was similar to the service rate for document collection in the vicinity of the Company.
	Trade and Other Payables	-	41.31	13.49	

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	- caused by the accrued service fee for collecting documents that was not due for payment				- The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operations of the Company and had prices and trade terms similar to the service rate for document storage in the vicinity of the Company.
13. ViVi Home Decorative Company Limited ("VVH")	Buying Goods - The Company purchased wood shavings from VVH occasionally with the same purchase price and trading conditions as the Company's transactions with third parties	7.60	-	-	- The Company purchased products from VVH, which was a normal business operation of the Company with the same price and conditions as the Company did with other distributors.
14. Sathaporn Lamination Company Limited ("STL")	Buying Goods - The Company purchased particle wood chips from STL with the same purchase price and trading conditions as the Company's did with third parties. Trade and Other Payables	- -	- -	62.18 5.46	- The Company purchased goods from STL, which was the normal course of business of the Company, with the same rate and conditions to purchase goods as the Company did with other distributors. - The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	- caused by overdue goods that were not due for payment				operations of the Company and subsidiaries. The fee and the trade terms were the same as when the Company made transactions with third parties.
15. D.T.C. Enterprises Public Company Limited ("DTC")	<u>GPS Installation and Rental Fees (STP)</u> - The GPS setup and GPS rental fee for STP vehicles.	201.37	193.56	183.08	- STP used vehicle repair services, including installing and renting a GPS device with the same consideration standards of using DTC services as other service.
	<u>Trade Accounts Payable (STP)</u> - caused by the GPS rental fee for the vehicle with conditions and billing period according to the agreement.	15.89	15.89	13.00	- The Audit Committee had an opinion that the transaction was reasonable since it was according to the normal business operations of the Company and subsidiaries. The fee and the trade terms were the same as when the Company made transactions with third parties.
16. Jinsolid SDN. BHD. ("JSD")	<u>Buying Goods</u> - The Company purchased palm shell products from JSD, which was a purchase from Malaysia for exportation and domestic sales. The JSD operated the same	-	-	-	- The Company purchased palm shells from JSD, which was an import from Malaysia before the Company was able to establish ABE and ABR are subsidiaries and trade through ABE and ABR, which was the normal course of business for the Company to enable the Company to procure

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
	biomass fuel distribution business as the Company but was located in Malaysia. The purchase price and trading conditions were the same as the Company's transactions with third parties.				and provide palm shells in Malaysia efficiently, with the same price and conditions according to the agreed contract as the Company made with other foreign distributors of the Company. - The Audit Committee had an opinion that the transaction was reasonable since it was in accordance with the normal business operation of the Company and had the same price and conditions as the Company did with third parties.
	<u>Trade Account Payables</u> - caused by the purchase of palm shells from ABR under the purchase agreement and the value of the goods received which exceeded the advance payment for the products.	-	94.58	105.18	
	<u>Advance Payment for Goods</u> - The advance payment was made by the Company to JSD for goods that the Company had contracted to purchase with JSD before ABE and ABR started operations.	-	-	-	

Persons with Possible Conflicts	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2019	2020	2021	
17. AJ Biomass SDN. BHD. (“AJB”)	Miscellaneous Expenses (ABE) - Cost for equipment used to cover goods - Labor cost for storing goods.	25.85	273.49	-	- Labor costs for storing ABE goods with market priced wages. - The Audit Committee had an opinion that the transaction was reasonable since it was in accordance with the normal business operation of the Company and had the same price and conditions as the Company did with third parties.
	Other Payables (ABE) - caused by miscellaneous expenses, management fee and cost of office supplies.	114.11	-	-	
18. Teck Yien Construction SDN. BHD. (“TYC”)	Miscellaneous Expenses (ABE) - Office phone bill	35.61	32.61	34.25	- Office phone charges based on actual usage. - The Audit Committee had an opinion that the transaction was reasonable because it was in accordance with the normal business operation of the Company and had the same price and conditions as the Company did with third parties
	Other Payables (ABE) - caused using office telephone services	5.75	2.64	-	

Measures for approval intercompany transactions

The company transactions between the company and subsidiaries may have conflict of interest. There may be future conflicts of interest with the company for example major shareholders, directors, executives, controlling persons or the connected persons. The company will comply with the Securities and Exchange Act, regulations, notifications, and orders of the Capital Market Supervisory Board. The stakeholders will not be able to participate in the approval process. In the case where the law requires inter-company transactions to be approved by the Board of Directors, 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. For the transaction that is a commercial agreement with commercial terms in general and the transaction that is a commercial agreement that is not commercial terms in general shall be obliged to the following principles.

(a) Commercial agreement transaction with general commercial conditions

The Board of Directors has approved the principle that the management can approve intercompany transactions with commercial terms and conditions generally between the company and its subsidiaries, with directors, executives or related persons if such an item has a trade agreement in the same way that a normal person would deal with the counterparty in the same situation, the commercial bargaining power is not influenced by being a director, executive or related person (as the case may be).

(b) Commercial agreement transaction that is not with general commercial conditions

Any transaction that is a trade agreement that is not a general commercial condition must be considered and commented by the Audit Committee before being presented to the Board of Directors or the shareholders' meeting (as the case may be) for further consideration and approval to comply with the Securities and Exchange Act Including the regulations, notifications and orders of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with the disclosure requirements of connected transactions.

In case of the Audit Committee is not proficient in the consideration of related transactions, the company will appoint an independent expert or an auditor of the company to give an opinion on such related transactions for the Audit Committee, Board of Directors, or shareholders (as the case may be) to ensure that the transaction is necessary and reasonable. The company will disclose the related transactions in the annual report and the financial statements that have been audited by the auditor.

Policy and Tendency of future intercompany transactions

For future transactions, the Board of Directors must comply with the Securities and Exchange Act, the Articles of Association, announcements, and orders of the Board of Directors regarding the disclosure of information of the company or its subsidiaries in accordance with the accounting standards by the Institute of Certified Accountants and Auditors of Thailand. After listing on the Market for Alternative Investment (MAI), the Company expects to enter inter-company transactions with related companies and/or connected persons in the normal business operation, regular business support and assistance or financial assistance. This can be summarized as follows:

1. Purchasing or selling products between companies in the group and companies that may have conflicts and the business is operated in a normal manner, the price will be set by the Cost Plus Pricing Method, which is to set the selling price from the biomass fuel cost, plus shipping costs, plus selling expenses, plus gross margin. The pricing policy is the same as the sale price to other parties
2. provision or acceptance of freight services between companies within the group and companies that may have conflicts is considered a normal business support. The transportation cost is agreed upon in the contract. The terms and conditions are the same as the company has entered into with other shipping companies.
3. Building space contract from companies that may have conflicts, the space and service charges should be more or less the same as the rental rates in the vicinity.
4. Rental or rental of assets used in the business between the company and its subsidiaries and people who may have conflicts is normal business support. By setting rent prices, it takes into account the cost of acquiring property and the suitability of the rental price in the market. There will be a lease contract and the clear and fair conditions comparable to the industry
5. The provision or acceptance of services between companies within the group and companies that may have conflicts is considered a normal business support. Terms and conditions of trade or other agreements must be similar to the company received or paid to third parties, as the case may be. If there are transactions between each other, the company will strictly implement the measures or procedures for approving connected transactions as mentioned above

If there are transactions between each other, the company will strictly implement the measures for approval intercompany transactions as mentioned above

ASIA BIOMASS PUBLIC COMPANY LIMITED

PART 3 Financial Statements

Asia Biomass Public Company Limited and its Subsidiaries

Financial statements for the year ended
31 December 2021
and
Independent Auditor's Report

Independent Auditor's Report

To the shareholders of Asia Biomass Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Asia Biomass Public Company Limited and its subsidiaries (the Group), and of Asia Biomass Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, and 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 our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Asia Biomass Public Company Limited and its subsidiaries and of Asia Biomass Public Company Limited, respectively, as at 31 December 2021, and their financial performance and their 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* paragraph of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants* issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Key Audit Matters	Audit Responses
Revenues recognition from export sales Export sales are recognized when the Company has transferred control over the goods to the customers. In 2021, export sales amounted to Baht 651.13 million and Baht 651.13 million (accounting for 34.13 percent and 45.53 percent of total revenues), in the consolidated and separate financial statements, respectively. Due to the condition of sale and term of transferring the control to customer are different, therefore, the revenues recognition from export sales under different condition terms may affect to the accuracy and completeness of revenues recognition in the proper period. Accounting polices and details of revenues from sales were disclosed in Notes 5 and 35 to the financial statements, respectively.	Key audit procedures included: • Understand the process of accounting records, revenue recognition and related matters to apply substantive procedures; • Assess and test revenue recognition system, accounts receivable and settlement by examining the related supporting documents of recording from export sales. • Perform substantive testing as follows: - Examine the sale contract, condition of sale and terms of delivery of goods or the term of shipment (Incoterm), delivery of goods evidence, payment evidence and verify documents related to accounting records; - Test cut-off of revenues by selecting transactions prior to and post balance at the ending date to verify to ensure that the Company recognized export sales in the proper period; - Review the adequacy of disclosures in notes to the financial statements.
Allowance for expected credit loss As at 31 December 2021, the Goup/Company had trade accounts receivables and advance payment for goods of Baht 249.48 million and 263.75 million for 24 precent and 35 precent of total assets, the allowance for expected credit loss amounting to Baht 4.42 million and 40.78 million in the consolidated and separate financial statements, respectively. These amounts were significant on the financial statements. The Group/Company considered the allowance for expected credit loss of trade accounts receivables and advance payment for goods, by using credit loss method and individual assessment as follows : • Consideration on collective assessment basis requires the judgment of the Group/the Company's management to estimate the	Key audit procedures included: • Perform substantive testing as follows: - Examine the evidence supporting management's consideration (including aging analysis reports and historical loss rates) to assess the appropriateness of considering process and key assumptions and information that management of the Group/Company used in considering the allowance for expected credit loss; - Examine the identified indicators of impairment for consideration of allowance for expected credit loss; - Assessment the appropriate of recoverable amount of receivable with indications of impairment;

Key Audit Matters	Audit Responses
allowance for expected credit loss. The Company considered to set the allowance for expected credit losses on collective assessment by using simplified approach. • Consideration on individual assessment basis, the Group/Company considered based on financial position, the payment histories and the ability to make payments in the future of each individual customer. Due to the significant and the extent of judgement and estimates as mentioned above, I addressed the value of accounts receivables and advance payment for goods, and the adequaey of the allowance for expected credit loss of trade accounts receivables and advance payment for goods. Accounting polices and details the trade receivables and advance payment for goods and the allowance for expected credit loss were disclosed in Notes 5, 8 and 10 to the financial statements, respectively.	- Test the calculation of the allowance for expected credit loss and consider the adequacy.
The assessment of value of deferred tax assets As at 31 December 2021, the Company had deferred tax assets of Baht 26.50 million in the separate financial statements (most of the deferred tax assets represented temporary differences of cumulative tax losses carried forward not exceeding five accounting years amounting to Baht 14.62 million, the allowance for expected credit loss of trade accounts receivables and advance payment for goods amounting to Baht 8.16 million and allowance for impairment of investments in subsidiaries amounting to Baht 2.36 million). Deferred tax assets are recognized when it is highly probable that the Company taxable profit will be sufficient to allow utilization of the deferred tax assets in the future. Determining whether there will be	Key audit procedures included: • Perform substantive testing as follows: - Assessing and inquiring the management in relation to his judgement and assumptions applied in the Company's projections of future taxable profits; - Assessing a reasonableness of projections of future taxable profits based on my understanding obtain from audit including considering how they are consistent with the Company's business plan used in preparing projections of future taxable profits and industry forecasts; - Testing the calculation of projections of future taxable profits based on the Company's assumptions;

Key Audit Matters	Audit Responses
sufficient future taxable profit available to utilise such temporary differences requires the significant management's judgment with respect to prepare business plans and projections of future taxable profits based on approved business plans. Therefore, there is a risk in value of deferred tax assets. Accounting policies and details of deferred tax asset were disclosed in Notes 5.12 and 17 to the financial statements, respectively.	- Assessing whether the future taxable profit is utilized sufficiently from such temporary differences and disclosure in notes to the financial statements.

Emphasis of Matters

I draw attention to note 37 to the financial statements, which explained the outcome of the lawsuit that the Court of First Instance has already ruled and the Court of Appeal upheld the judgement of the Court of First Instance that is currently in the process of Dika. However, the opinion of Company's management and legal advisors are likely that the debt obligations are still highly uncertain and be unable to estimate the contingent liabilities. The Company has not recorded provision for contingent liabilities in the financial statements. My opinion is not modified in respect of these matters.

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 there in, I am required to communicate the matter to those charged with governance and request further appropriate corrections.

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 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 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, related safeguards.

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

(Maliwan Phahuwattanakorn)
Certified Public Accountant
Registration Number 4701

NPS Siam Audit Limited
Bangkok
24 February 2022

Asia Biomass Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2021

		Consolidated financial statements		Separate financial statements	
Assets	*Note*	2021	2020	2021	2020
		(in Baht)			
Current assets					
Cash and cash equivalents	*7*	25,428,623	51,229,805	13,485,121	25,463,001
Trade accounts receivables	*6, 8*	215,118,902	201,711,495	189,309,301	141,475,074
Other current receivables	*6, 9*	10,081,258	6,886,569	17,140,314	13,324,726
Advance payment for goods	*6, 10*	17,826,916	4,340,773	21,539,386	34,075,950
Short-term loans	*6*	-	-	4,600,000	14,600,000
Inventories	*11*	238,625,036	202,017,172	29,947,301	25,033,453
Other current assets		4,233,162	4,265,594	70,247	144,500
Non-current assets classified as held for sale		100,000	100,000	-	-
Total current assets		**511,413,897**	**470,551,408**	**276,091,670**	**254,116,704**
Non-current assets					
Investments in subsidiaries	*12*	-	-	5,999,570	5,999,570
Non-current advance payment for goods	*10*	12,116,000	11,389,040	12,116,000	11,389,040
Property, plant and equipment	*4, 14, 19, 23, 36*	438,350,121	316,178,890	414,965,829	289,912,529
Right-of-use assets	*15*	29,413,317	29,798,110	8,542,296	4,515,801
Other intangible assets	*16*	213,953	672,863	203,390	647,828
Deferred tax assets	*17*	-	23,730,390	410,235	31,293,667
Bank deposit pledged as collateral	*19, 23*	40,100,000	40,000,000	40,100,000	40,000,000
Other non-current assets	*18*	741,346	672,842	740,000	671,501
Total non-current assets		**520,934,737**	**422,442,135**	**483,077,320**	**384,429,936**
Total assets		**1,032,348,634**	**892,993,543**	**759,168,990**	**638,546,640**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2021

		Consolidated financial statements		Separate financial statements	
Liabilities and equity	*Note*	2021	2020	2021	2020
		(in Baht)			
Current liabilities					
Short-term borrowings from financial institutions	*19*	495,153,642	436,348,335	179,443,467	142,757,311
Trade accounts payables	*6, 20*	31,468,273	67,619,738	144,562,038	167,709,700
Other current payables	*6, 21*	17,470,101	14,432,778	11,897,989	10,461,444
Current portion of long-term liabilities	*23*	20,652,000	20,652,000	20,652,000	20,652,000
Current portion of leases liabilities	*24*	7,156,800	6,786,078	2,256,552	1,578,022
Corporate income tax payable		3,092,607	572,454	-	-
Derivatives liabilities	*22*	1,736,101	4,923,283	1,743,478	3,075,262
Total current liabilities		**576,729,524**	**551,334,666**	**360,555,524**	**346,233,739**
Non-current liabilities					
Long-term borrowings	*23*	67,554,000	88,206,000	67,554,000	88,206,000
Lease liabilities	*24*	16,927,110	19,232,499	5,359,644	2,903,215
Deferred tax liabilities	*17*	7,296,967	-	-	-
Non-current provisions for employee benefits	*25*	6,203,206	4,662,282	3,398,800	2,390,728
Total non-current liabilities		**97,981,283**	**112,100,781**	**76,312,444**	**93,499,943**
Total liabilities		**674,710,807**	**663,435,447**	**436,867,968**	**439,733,682**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2021

		Consolidated financial statements		Separate financial statements	
Liabilities and equity	*Note*	2021	2020	2021	2020
		(in Baht)			
Equity					
Share capital					
Authorized share capital	*26*	150,000,000	150,000,000	150,000,000	150,000,000
Issued and paid-up share capital	*26*	150,000,000	150,000,000	150,000,000	150,000,000
Share premium	*27*	90,507,012	90,507,012	90,507,012	90,507,012
Others surpluses		2,482,778	2,482,778	-	-
Retained earnings (deficits)					
Appropriated					
Legal reserve	*27*	6,100,000	6,100,000	6,100,000	6,100,000
Unappropriated retained earnings (deficits)		30,161,334	3,365,115	(27,104,001)	(44,926,532)
Other components of equity	*27*	94,165,203	(13,151,815)	102,798,011	(2,867,522)
Equity attributable to owners		**373,416,327**	**239,303,090**	**322,301,022**	**198,812,958**
Non-controlling interests	*13*	(15,778,500)	(9,744,994)	-	-
Total Equity		**357,637,827**	**229,558,096**	**322,301,022**	**198,812,958**
Total liabilities and equity		**1,032,348,634**	**892,993,543**	**759,168,990**	**638,546,640**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of compre ensi e income

or t e year ended 31 December 2021

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
		(in Baht)			
e enues					
Revenues from sales of goods	6	1,889,104,755	1,535,057,049	1,495,897,117	1,174,494,078
Revenues from rendering of services	6	18,717,865	13,314,334	-	-
Other income	6,	20,158,036	14,805,672	16,830,483	16,126,008
Total re enues		**1,927,980,656**	**1,563,177,055**	**1,512,727,600**	**1,190,620,086**
E enses					
Cost of sales of goods	6,11	1,580,977,892	1,256,689,877	1,237,599,077	931,043,567
Cost of rendering of services	6	15,482,511	10,235,308	-	-
Distribution costs	6,	215,253,091	194,231,307	189,240,327	175,886,308
Administrative expenses	6, 0	75,976,050	70,337,119	54,544,333	52,130,309
Other (profit) losses		(204,482)	1,338,881	(197,106)	(509,140)
Total e penses		**1,887,485,062**	**1,532,832,492**	**1,481,186,631**	**1,158,551,044**
Profit from operatin acti ities		**40,495,594**	**30,344,563**	**31,540,969**	**32,069,042**
inance income	6	120,183	672,563	609,746	1,177,632
inance costs		13,286,910	11,881,118	7,444,006	6,676,961
Impairment loss on investments in subsidiaries	1	-	-	-	2,496,456
xpected credit loss of receivables (reversal)	,10,	(3,446,183)	(3,935,194)	2,417,130	9,458,782
Profit before income ta e penses		**30,775,050**	**23,071,202**	**22,289,579**	**14,614,475**
Tax expense	1	8,588,447	5,967,474	4,467,048	2,543,870
Profit for t e year		**22,186,603**	**17,103,728**	**17,822,531**	**12,070,605**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of compre ensi e income

or t e year ended 31 December 2021

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
		(in Baht)			
t er compre ensi e income loss					
tems t at will be reclassified subsequently to profit or loss					
xchange differences on translating financial statements		227,595	(450,490)	-	-
Loss on cash flow hedges	*17,22*	1,643,819	(671,111)	1,643,819	(671,111)
Income tax relating to items that will be reclassified subsequently to profit or loss	*17*	(328,764)	134,222	(328,764)	134,222
Total items t at will be reclassified subsequently to loss - net of ta		**1,542,650**	**987,379**	**1,315,055**	**536,889**
tems t at will not be reclassified subsequently to profit or loss					
ain on revaluation of land	*4,14*	130,438,098	-	130,438,098	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	*4,17*	(26,087,620)	-	(26,087,620)	-
Total items t at will not be reclassified subsequently to loss - net of ta		**104,350,478**	**-**	**104,350,478**	**-**
Compre ensi e loss for t e year- net of ta		**105,893,128**	**987,379**	**105,665,533**	**536,889**
Total compre ensi e income for t e year		**128,079,731**	**16,116,349**	**123,488,064**	**11,533,716**
Profit loss attributable to -					
Owners of the Company		26,796,219	18,616,743	17,822,531	12,070,605
Non - controlling interests		(4,609,616)	(1,513,015)	-	-
Profit for t e year		**22,186,603**	**17,103,728**	**17,822,531**	**12,070,605**
Total compre ensi e income loss attributable to -					
Owners of the parent		134,113,237	18,152,687	123,488,064	11,533,716
Non - controlling interests		(6,033,506)	(2,036,338)	-	-
Total compre ensi e income for t e year		**128,079,731**	**16,116,349**	**123,488,064**	**11,533,716**
Earnin s per s are					
Basic	*34*	**0.09**	**0 06**	**0.06**	**0 04**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of c an es in equity

or t e year ended 31 December 2021

							Consolidated financial statements						
							Other components of equity						
				Retained earnings (deficits)			Other comprehensive income (loss)						
	Note	Issued and paid-up share capital	Share premium	Others surpluses	Legal reserve	Unappropriated	Exchange differences on translating financial statements	Loss on cash flow hedges	Revaluation surplus of land	Total	Equity attributable to owners	Non-controlling interests	Total equity
							(in Baht)						
or t e year ended ece ber													
Balance at 1 anuary 2020		**150,000,000**	**90,507,012**	**2,482,778**	**6,100,000**	**15,251,628**	**10,357,126**	**2,330,633**	**-**	**12,687,759**	**221,150,403**	**7,708,656**	**213,441,747**
C an e in equity -													
Compre ensi e income for t e year													
Profit (loss)		-	-	-	-	18,616,743	-	-	-	-	18,616,743	(1,513,015)	17,103,728
Other comprehensive incom (loss)		-	-	-	-	-	72,833	(536,889)	-	(464,056)	(464,056)	(523,323)	(987,379)
Total compre ensi e income loss for t e year		**-**	**-**	**-**	**-**	**18,616,743**	**72,833**	**536,889**	**-**	**464,056**	**18,152,687**	**2,036,338**	**16,116,349**
Balance at 31 December 2020		**150,000,000**	**90,507,012**	**2,482,778**	**6,100,000**	**3,365,115**	**10,284,293**	**2,867,522**	**-**	**13,151,815**	**239,303,090**	**9,744,994**	**229,558,096**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of c an es in equity

or t e year ended 31 December 2021

							Consolidated financial statements						
							Other components of equity						
				Retained earnings (deficits)			Other comprehensive income (loss)						
	Note	Issued and paid-up share capital	Share premium	Others surpluses	Legal reserve	Unappropriated	Exchange differences on translating financial statements	Loss on cash flow hedges	Revaluation surplus of land	Total	Equity attributable to owners	Non-controlling interests	Total equity
							(in Baht)						
or t e year ended ece ber													
Balance at 1 anuary 2021		**150,000,000**	**90,507,012**	**2,482,778**	**6,100,000**	**3,365,115**	**10,284,293**	**2,867,522**	**-**	**13,151,815**	**239,303,090**	**9,744,994**	**229,558,096**
C an e in equity -													
Compre ensi e income for t e year													
Profit (loss)		-	-	-	-	26,796,219	-	-	-	-	26,796,219	(4,609,616)	22,186,603
Other comprehensive income (loss)		-	-	-	-	-	1,651,485	1,315,055	104,350,478	107,317,018	107,317,018	(1,423,890)	105,893,128
Total compre ensi e income loss													
for t e year		**-**	**-**	**-**	**-**	**26,796,219**	**1,651,485**	**1,315,055**	**104,350,478**	**107,317,018**	**134,113,237**	**6,033,506**	**128,079,731**
Balance at 31 December 2021		**150,000,000**	**90,507,012**	**2,482,778**	**6,100,000**	**30,161,334**	**8,632,808**	**1,552,467**	**104,350,478**	**94,165,203**	**373,416,327**	**15,778,500**	**357,637,827**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of c an es in equity

or t e year ended 31 December 2021

		Separate financial statements							
				Retained earnings (deficits)		Other components of equity Other comprehensive income (loss)			
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Loss on cash flow hedges	Losses on remeasurements of defined benefit plans	Total	Total equity
					(in Baht)				
or t e year ended ece ber									
Balance at 1 anuary 2020		**150,000,000**	**90,507,012**	**6,100,000**	**56,997,137**	**2,330,633**		**2,330,633**	**187,279,242**
C an e in equity -									
Compre ensi e income for t e year									
Profit		-	-	-	12,070,605	-	-	-	12,070,605
Other comprehensive loss		-	-	-	-	(536,889)	-	(536,889)	(536,889)
Total compre ensi e income loss for t e year		**-**	**-**	**-**	**12,070,605**	**536,889**	**-**	**536,889**	**11,533,716**
Balance at 31 December 2020		**150,000,000**	**90,507,012**	**6,100,000**	**44,926,532**	**2,867,522**	**-**	**2,867,522**	**198,812,958**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of c an es in equity

or t e year ended 31 December 2021

		Separate financial statements							
				Retained earnings (deficits)		Other components of equity Other comprehensive income (loss)			
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Loss on cash flow hedges	Losses on remeasurements of defined benefit plans	Total	Total equity
					(in Baht)				
or t e year ended ece ber									
Balance at 1 anuary 2021		**150,000,000**	**90,507,012**	**6,100,000**	**44,926,532**	**2,867,522**	**-**	**2,867,522**	**198,812,958**
C an e in equity -									
Compre ensi e income for t e year									
Profit		-	-	-	17,822,531	-	-	-	**17,822,531**
Other comprehensive income		-	-	-	-	1,315,055	104,350,478	105,665,533	105,665,533
Total compre ensi e income for t e year		**-**	**-**	**-**	**17,822,531**	**1,315,055**	**104,350,478**	**105,665,533**	**123,488,064**
Balance at 31 December 2021		**150,000,000**	**90,507,012**	**6,100,000**	**27,104,001**	**1,552,467**	**104,350,478**	**102,798,011**	**322,301,022**

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of cas flows

or t e year ended 31 December 2021

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
			(in Baht)		
Cas lo s ro o eratin acti ities					
Profit for the year		22,186,603	17,103,728	17,822,531	12,070,605
d t ent to re on i e ro it to a h re ei t (a ent)					
xpected credit loss of receivables (reversal)		(3,316,566)	(6,108,206)	2,373,156	7,285,772
Impairment losses on investment in subsidiary		-	-	-	2,496,456
Other (profit) loss		(204,482)	1,338,881	(197,106)	(509,140)
Depreciation		17,063,819	17,126,865	12,699,963	12,085,345
Depreciation of right-of-use assets		4,601,431	4,898,062	1,840,772	1,603,513
Amortisation of intangible assets		453,084	578,652	438,597	561,967
Loss on inventories devaluation		989,323	297,188	650,000	100,000
Loss on write-off of damaged inventories due to fire		335,716	511,335	335,716	511,335
Ad ust loss (excess) of inventories from the stock report		9,282,697	6,813,669	(260,693)	(225,564)
mployee benefits expense		1,602,204	1,527,601	1,008,072	1,096,874
Unrealised (gains) loss on exchange		(1,344,358)	(9,545)	504,849	17,273
ain on disposal and written off of equipments		(132,230)	(349,984)	(144,691)	(94,406)
Ad ust the right-of-use on land lease contract		-	(452,619)	-	(271,571)
Interest income		(120,183)	(672,563)	(609,746)	(1,177,632)
inance costs		13,286,910	11,881,118	7,444,006	6,676,961
Income tax expense		8,588,447	5,967,474	4,467,048	2,543,870
		73,272,415	60,451,656	48,372,474	44,771,658
han e in o eratin a et and ia i itie					
Trade accounts receivables		(10,144,343)	(49,213,384)	(46,247,324)	(33,388,105)
Other current receivables		(3,034,363)	1,954,801	(5,511,595)	162,246
Advance payment for goods		(14,234,621)	1,218,168	7,774,524	(30,867,043)
Inventories		(47,215,600)	(56,132,206)	(5,638,872)	(8,276,771)
Other current assets		32,432	10,536,347	74,254	6,527,227
Other non-current assets		(68,504)	2,930,430	(68,500)	560,547
Trade accounts payables		(36,140,867)	54,626,171	(23,137,060)	62,136,037
Other current payables		4,597,531	(6,997,153)	1,295,452	(5,817,402)
Other current liabilities		-	(781,078)	-	(719,877)
Payment of provision employee benefits		(61,280)	(1,478,228)	-	(1,051,975)
Net cash generated from (used in) operating activities		(32,997,200)	17,115,524	(23,086,647)	34,036,542

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

Asia Biomass Public Company Limited and its Subsidiaries

Statements of cas flows

or t e year ended 31 December 2021

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
		(in Baht)			
Taxes paid		(1,616,981)	(4,753,809)	(73,074)	(33,339)
et cas from used in operatin acti ities		**34,614,181**	**12,361,715**	**23,159,721**	**34,003,203**
Cas lo s ro in estin acti ities					
Interest received		120,182	672,562	2,378,830	665,232
Proceeds from short-term loans to subsidiaries		-	-	10,000,000	-
Proceeds from sale of equipment		1,068,183	1,291,608	227,683	451,608
Acquisition of property, plant and equipment		(7,977,892)	(68,013,344)	(7,392,316)	(63,342,289)
Acquisition of right-of-use assets		-	(172,500)	-	(103,500)
Acquisition of other intangible assets		-	(4,500)	-	(4,500)
Increased of bank deposit pledged as collateral		(100,000)	-	(100,000)	-
et cas form used in in estin acti ities		**6,889,527**	**66,226,174**	**5,114,197**	**62,333,449**
Cas lo s ro inancin acti ities					
Interest paid		(14,847,117)	(11,588,395)	(7,302,914)	(6,751,968)
Proceeds from short-term loans from financial institutions		859,017,034	664,295,254	359,028,744	239,695,667
Payment of short-term loans from financial institutions		(800,211,727)	(582,776,372)	(322,342,588)	(204,030,307)
Proceeds from long-term borrowings		-	30,000,000	-	30,000,000
Repayment of long-term borrowings		(20,652,000)	(14,928,000)	(20,652,000)	(14,928,000)
Repayment of lease liabilities		(7,801,935)	(6,878,034)	(2,732,309)	(1,518,661)
et cas from financin acti ities		**15,504,255**	**78,124,453**	**5,998,933**	**42,466,731**
Net increased (decreased) in cash and cash equivalents before effects of exchange rates		(25,999,453)	24,259,994	(12,046,591)	14,136,485
ffects of exchange rates changes on cash and cash equivalents		69,896	(2,230)	68,711	(2,230)
ffects of translating financial statements		128,375	(477,343)	-	-
et increased decreased in cas and cas equi alents		**25,801,182**	**23,780,421**	**11,977,880**	**14,134,255**
Cash and cash equivalents at 1 anuary	*7*	51,229,805	27,449,384	25,463,001	11,328,746
Cas and cas equi alents at 31 December	*7*	**25,428,623**	**51,229,805**	**13,485,121**	**25,463,001**
on-cas transactions					
Acquisition right-of-use assets under lease liabilities	*24*	5,867,267	19,897,961	5,867,267	1,740,268

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

Asia Biomass Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

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2	Basis of preparation of financial statements
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5	Significant accounting policies
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These notes form an integral part of the financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on 24 February 2022.

1 General information

Asia Biomass Public Company Limited ("the Company") is incorporated in Thailand and has its registered head office at No. 273/2 Rama II Road, Samae Dam Sub-District, Bang Khun Thian District, Bangkok and has 3 branches as follows:

Branch 1 122 Moo 1, Tambol Bang Nam Chuet, Amphur Mueang Samut Sakhon, Samut Sakhon Province.

Branch 2 155/1 Moo 14, Tambol Bangpakong, Amphur Bangpakong, Chachoensao Province.

Branch 3 113/1 Moo 3, Kanjanavithi Road, Tambol Bangkung, Amphur Mueang Surat Thani, Surat Thani Province.

The Company was listed on the Market for Alternative Investment (MAI) as at 27 February 2018.

The Company's major shareholders who hold 10% or higher than of total paid-up share capital during the year were as follows:

	(% of total paid – up share capital)
Kuansataporn family	64.10

The principal activities of the Group are trading of biomass, manufacturing wood chip and biomass pellet, and transportation.

Details of the Company's subsidiaries as at 31 December 2021 and 2020 are given in note 12 to the financial statements.

2 Basis of preparation of financial statements

2.1 Statement of compliance

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

2.2 New financial reporting standards

2.2.1 Financial reporting standards become effective in the current period

The Company has initially applied new and revised TFRS that are effective for annual periods beginning on or after 1 January 2021. The above application has no material impact on the financial statements.

2.2.2 Thai Financial Reporting Standards (TFRS) that have been issued but are not yet effective

The Federation of Accounting Professions has revised TFRSs which are effective for annual accounting periods beginning on or after 1 January 2022 and have not been adopted in the preparation of these financial statements because they are not yet effective. The Group/Company has assessed the potential initial impact on the financial statements of these revised TFRSs and expected that there will be no material impact on the financial statements in the period of initial application.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement bases
Defined benefit liability	Present value of non-current provisions for defined benefit as explained in note 25

2.4 Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group/Company's functional currency. All financial information has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.

2.5 Use of estimates and judgments

The preparation of interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

2.5.1 Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements is included in the following notes:

Notes 12 14 and 15	Calculated the recoverable amount of investments and assets.

2.5.2 Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognized in the financial statements is included in the following notes:

5.11, 15 and 24	Determining the incremental borrowing rate to measure lease liabilities.
12, 14, 15	Impairment test: key assumptions underlying recoverable amounts.
17	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.
25	Measurement of defined benefit obligations: key actuarial assumptions.

8 and 38	Measurement of expected credit loss of receivables in relation to key assumptions to determine the probability of potential failure to make payments.

Significant accounting judgments and estimates are summarized as follows:

Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognized assets or liabilities, the management is required to make judgment on whether the Group's/Company's significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

Expected credit loss on receivables

Expected credit loss on receivable are intended to adjust the value of receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses for each outstanding debtor. The allowances for expected credit loss are determined through a combination of specific reviews, collection experience, analysis of debtor aging, and taking into account changes in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for expected credit loss and adjustments to the allowances for expected credit loss may therefore be required in the future.

Allowance for impairment of investments

The Company treats investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

Allowance for impairment of assets

The Group/Company determines assets as impaired when there is any indication of impairment and a significant decline in the fair value of those assets. The Group/Company estimates recoverable amount of assets basing on the management's judgment.

Cost of building and equipments and depreciation

In calculating of depreciation of cost of building and equipments, the management estimates useful lives and salvage values when unused of such that assets and reviews estimated useful lives and salvage values it there are any changes.

Litigation

The Group/Company has contingent liabilities as a result of litigation. The management has used judgment to assess the outcome of the litigation and believes that no loss will be incurred, therefore, no contingent liabilities are recorded as at the end of reporting period. However, actual results may differ from the estimates.

2.5.3 Measurement of fair values

'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/Company 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/Company uses market observable 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 (unadjusted) inactive markets (Stock Exchange) for identical assets or liabilities that the Group/Company can access at the measurement date.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs are unobservable inputs for the asset or liability.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group/ Company measures assets and long positions at a bid price and liabilities and short 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/Company determines that the fair value of a financial instrument 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 recognized in profit or loss immediately. However, for the fair value categorized as level 3, such difference is deferred and will be recognized in profit or loss on an appropriate basis over the life of the financial instrument until the fair value is transferred or the transaction is closed out.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 22	Derivatives liabilities
Note 38	Financial instruments

2.6 ***Significant financial information of the Company and foreign subsidiaries***

As shown in the financial statements as at 31 December 2021 and 2020, the Group/Company had current liabilities exceeding than current assets in the amount of Baht 65 million and Baht 81 million, respectively in consolidated financial statements, and of Baht 84 million and Baht 92 million, respectively in separate financial statements. The three foreign subsidiaries have no major revenues from the operating business. Certain subsidiaries have ceased their operations and the Company has provided financial support to such subsidiaries. In addition, the auditors of three foreign subsidiaries provided unqualified opinions but they reported material uncertainty in relation to a going concern to the above subsidiaries

- As at 31 December 2021, those subsidiaries had deficit in the amount of Baht 17.81 million, Baht 25.70 million and Baht 15.97 million, respectively, current liabilities exceeding current assets in the amount of Baht 8.19 million, Baht 22.48 million and Baht 11.84 million , respectively and had deficit of equity in the amount of Baht 8.21 million, Baht 21.16 million and Baht 11.82 million, respectively,

- As at 31 December 2020, those subsidiaries had deficit in the amount of Baht 13.67 million, Baht 14.67 million and Baht 14.75 million, respectively, current liabilities exceeding current assets in the amount of Baht 4.05 million, Baht 11.49 million and Baht 10.63 million, respectively and had deficit of equity in the amount of Baht 4.06 million, Baht 10.13 million and Baht 10.60 million, respectively.

3 Coronavirus disease 2019 Pandemic ("COVID-19")

The Coronavirus disease 2019 pandemic is currently still in impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group/ Company operates. The Group/Company's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgment in respect of various issues as the situation has evolved.

4 Changes in accounting policies

The Company's executive management meeting held on 8 April 2021 approved the change in the Company's measurement model of land from cost model to revaluation model in order to reflect the actual value of land.

The Company recorded the value of land at the appraised values by an independent valuer at the fair value according to the appraisal report dated 10, 11 and March 17, 2021, which was appraised based on the Market Approach method, resulting in an increase in the revaluation surplus of land (shown in other components of equity) in the amount of Baht 130,438,098 in the consolidated and separate financial statements, which were summarized as follows:

	Consolidated and separate financial statements		
	Carrying value	Appraised values	Different
		(in Baht)	
Land	180,684,127	311,122,225	130,438,098

The revaluation of land resulted a surplus from revaluation of land (shown in other components of equity) as follows:

	Consolidated and separate financial statements		
	Balance at 1 January 2021	Increase	Balance at 31 December 2021
		(in Baht)	
Land	-	130,438,098	130,438,098
Revaluation surplus of land	-	130,438,098	130,438,098
Deferred tax liabilities	-	26,088,620	26,088,620
Income tax expense	-	26,088,620	26,088,620

5 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except the changes in accounting policies as described in Note 4: the revaluation of land.

5.1 Basis of consolidation

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

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated

5.2 Foreign currencies

Foreign currency transactions

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

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date, foreign currency translation gains or losses are recognized as income or expense operation during the year.

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

Foreign exchange differences arising on translation are recognized in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the end of the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions and using the weighted average method (the average rates during the year).

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment, except to extent that the translation difference is allocated to non-controlling interest.

*5.3 **Financial instruments***

5.3.1 Recognition and initial measurement

Trade receivable and trade payables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group /the Company becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognized at fair value.

5.3.2 Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value to other comprehensive income (FVOCI); or fair value to 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.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group/Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group/Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment;

"Principal" is defined as the fair value of the financial asset on initial recognition.

"Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group/Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group/Company consider:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

5.3.3 Derecognition

Financial assets

The Group/Company derecognises a financial asset when the contractual rights to 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/Company 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/Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group/Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group/Company 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 recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

5.3.4 Offsetting

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

5.3.5 Derivatives

Derivatives are recognized at fair value and remeasured at fair value at each reporting date. The gains or losses an remeasurement to fair value are recognized immediately in profit or loss.

5.4 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash on hand, saving deposits, current deposits and highly liquid short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. In addition, bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

5.5 Trade and other current receivables

Receivables are recognized when the Group/Company has an unconditional right to receive consideration.

Trade account receivable is measured at transaction price less allowance for expected credit

5.6 Inventories

Inventories are stated at the lower of cost and net realizable value.

Costs of goods are calculated using the weighted average method. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, includes an appropriate share of production overheads.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance is made for all deteriorated, damaged, obsolete and slow moving inventories.

5.7 Non-current assets classified as held for sale

Non-current assets classified as held for sale are stated at book value or net fair value, whichever is the lower.

5.8 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 Company's right to receive payments is established.

If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method.

Gains or losses on disposal of the investments are recognised in profit or loss.

5.9 Property, plant and equipment

Recognition and measurement

Owned assets

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 the cost of materials and direct labor, any other costs, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs of qualifying assets.

Land is stated at revaluation amount.

The revaluation of land is recorded at fair value that is valued by an independent valuer. The Company provides an independent valuer to revalue land every 3-5 years. However, if there is any factor which may materially effect to the asset value, the Company will revise the appraisal value for that year.

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

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

Subsequent costs

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

Depreciation

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

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

Land improvements	5 - 20	years
Building and building improvements	5 - 20	years
Machinery and equipment	5 - 20	years
Furniture, fixture and office equipment	3 - 5	years
Vehicles	5 - 10	years

The Group/Company no depreciation is provided on freehold land and assets under construction.

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

5.10 Intangible assets

Intangible assets that are acquired by the Group/Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is calculated over the cost of the asset less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.
The estimated useful lives for the current and comparative periods are as follows:

Software licenses	5 - 10	years

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

5.11 Leases

At inception of a contract, the Group/Company 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 that contains a lease component, the Group /the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group/Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group/Company recognizes 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 recognized 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 lease payments made at or before the commencement date, 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/Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group/Company 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 the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's/the Company's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable amount under purchase, extension or termination option if the Group/Company is reasonably certain to exercise option. Variable lease

payments that do not depend on index or a rate are recognized as expenses in the accounting period in which they are incurred.

The Group/Company 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 amortized cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. 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.

5.12 Impairment of financial assets

The Group/Company recognizes allowances for expected credit losses (ECLs) on financial assets measured at amortized cost (including cash and cash equivalents, trade receivables and other receivables, debt investments and contract assets).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group/Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or

- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables, lease receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group/Company recognizes 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.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group/Company is exposed to credit risk.

The Group/Company assumes that the credit risk on a financial asset has increased significantly, significant deterioration in financial instrument's 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/Company.

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

- the debtor is unlikely to pay its credit obligations to the Group/Company in full, without recourse by the Group/Company to actions such as realizing security (if any is held); or

- the financial asset is more than 365 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognized as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Credit-impaired financial assets

At each reporting date, the Group/Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 365 days past due, probable the debtor will enter bankruptcy, etc.

Write-off

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

5.13 Impairment of non-financial assets

The carrying amounts of non-financial assets of the Group/Company's assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For 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 recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset 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.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed. Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

5.14 Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at cost less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognized in profit or loss over the period of the borrowings on an effective interest basis.

5.15 Trade and other current payables

Trade and other current payables are stated at cost.

5.16 Employee benefits

a) Short-term employee benefits

Short-term employee benefit obligations, which include salaries, wages, bonuses, and contributions to the social security fund, are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group/Company 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.

b) Post-employment benefits

The Group/Company records post-employment benefits through a defined contribution plan (under the Provident Fund Act B.E. 2530 (1987)) and a defined benefit plan (obligations for retired employees under the Thai Labor Protection Act B.E. 2541 (1998)).

- *Defined contribution plan*

  Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

- *Defined benefit plan*

  The Group's/the Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. Such benefits are discounted to determine its present value using the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's/the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed by an independent actuary using the Projected Unit Credit Method.

The Group/Company recognized immediately all actuarial gains or losses arising from defined benefit plans are recognized in other comprehensive income.

c) Other long-term employee benefits

The Group's/the Company'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 recognized in profit or loss in the period in which they arise.

d) Termination benefits

Termination benefits are expensed at the earlier of when the Group/Company can no longer withdraw the offer of those benefits and when the Group/Company recognized costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of reporting period, then they are discounted.

5.17 Provisions

A provision is recognized if, as a result of past event, the Group/Company has a present legal or constructive obligation that can be estimate reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

5.18 Revenue

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

Sale of goods and rendering of services

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

Contract balances

Contract assets are recognized when the Group/Company recognizes the revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group/Company is entitled to, less allowance for expected credit losses. A contract assets are classified as trade accounts receivables when the Group/Company has an unconditional right to receive consideration.

Contract liabilities are the obligation to transfer goods or services to the customer. The contract liabilities are recognized when the Group/Company receives or has an unconditional right to receive non-refundable consideration from the customer before the Goup/Company recognizes the related revenue.

Revenue from investment

Revenue from investments comprises of rental income and interest income from bank deposits.

Interest income

Interest income is recognized in profit or loss on an accrual basic.

Other income

Other income is recognized on an accrual basis.

5.19 Finance costs

Finance costs comprise interest expense on borrowings and unwinding of discount on provisions and contingent consideration.

Interest expense is recognized using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortized cost of the financial liability.

5.20 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax is recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes.

Deferred tax is not recognized for the following temporary differences : 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 to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred taxes assets and liabilities must reflect the tax consequences that occur from the manner in which the Group/Company is expected to benefit from the asset or settlement of liabilities along carrying value at the end of the reporting period.

In determining the amount of current and deferred tax, the Group/Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group/Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This

assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group/Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Group/Company. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

5.21 Basic earnings (losses) per share

The Group/Company presents basic earnings (losses) per share which is calculated by dividing the profit (loss) of ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

5.22 Business 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.

6 Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa.

Relationships with related parties were as follows:

Name of related parties	Country of incorporation/ nationality	Nature of relationships
Subsidiaries		
1. Sathaporn Tanapat Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding
2. Paprapat Co., Ltd.	Thailand	Subsidiary, 99.98% shareholding
3. ABM Pellets Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding
4. PT Asia Biomass Indonesia	Indonesia	Subsidiary, 99.00% shareholding
5. Asia Biomass Energy SDN. BHD.	Malaysia	Subsidiary, 55.00% shareholding
6. Asia Biomass Resources SDN. BHD.	Malaysia	Subsidiary, 55.00% shareholding
Related companies		
7. Asia Green Energy Public Co., Ltd.	Thailand	Common director and shareholder
8. A.G.E. Terminal Co., Ltd.	Thailand	Common director and shareholder
9. A.G.E. Transport Co., Ltd.	Thailand	Common director and shareholder

Name of related parties	Country of incorporation/ nationality	Nature of relationships
10. K.H. Development Co., Ltd.	Thailand	Common director and shareholder
11. AGE Marine Logistics Co., Ltd.	Thailand	Common director and shareholder
12. Kok Huad Property Co., Ltd.	Thailand	Common director and shareholder
13. Pornpreecha Co., Ltd.	Thailand	Common director and shareholder
14. Nadee Asset Co., Ltd.	Thailand	Common director and shareholder
15. D.T.C. Enterprise Co., Ltd.	Thailand	Common director
16. Sathaporn Lamination Co., Ltd.	Thailand	Director and shareholder of related company relating to the Company's director and shareholder
17. Jinsolid SDN. BHD.	Malaysia	Common director and shareholder of subsidiary
18. AJ Biomass SDN. BHD.	Malaysia	Common director and shareholder of subsidiary
19. 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/Company (whether executive of otherwise)

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenues from sales of goods	Comparable to market price
Revenues from sales of oil	Comparable to market price
Revenues from services	Actual cost of goods plus margin
Interest income	Rate as mutually agreed with reference interest rates quoted by financial institutions
Other income	Contract price or negotiable price
Purchase of goods/raw materials	Actual cost of goods and raw materials plus margin
Cost of services	Contract price or negotiable price
Distribution costs	Contract price or negotiable price
Administrative expenses	Contract price or negotiable price
Director's remunerations represent meeting allowance, salary, bonus and other	The amounts approved by the Company's directors and shareholders

Significant transactions with related parties for the years ended 31 December were summarized as follows:

	Consolidated financial statements		Separate financial statement	
	2021	2020	2021	2020
			(in Baht)	
Subsidiaries				
Revenues from sales of goods	-	-	326,842	1,832,294
Revenues from sales of oil	-	-	7,133,199	-
Interest income	-	-	500,452	512,400
Other income	-	-	2,860,800	3,172,546
Cost of sale	-	-	371,215,863	373,562,743
Distribution costs	-	-	22,442,883	25,494,493
Administrative expenses	-	-	67,500	546,768
Other related parties				
Revenues from sales of goods	-	-	-	-
Revenues from rendering of services	18,459,283	12,789,588	-	-
Revenues from sale of oil	1,316,318	769,540	1,316,318	-
Other income	1,798,970	3,039,898	1,798,970	3,039,898
Cost of sale	16,822,126	56,065,222	14,510,621	54,627,653
Cost of services	221,899	193,563	-	-
Distribution costs	8,768,203	7,942,792	7,600,476	6,329,554
Administrative expenses	1,758,484	1,936,738	1,808,248	1,826,108
Directors and key management personnel				
Key management personnel compensation				
Short-term employee benefits	12,378,318	15,183,518	11,165,883	15,183,518
Post-employment benefits	319,017	328,081	319,017	328,081
Total directors and key management personnel compensation	**12,697,335**	**15,511,599**	**11,484,900**	**15,511,599**

Balances with related parties as at 31 December were as follows:

Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
			(in Baht)	
Subsidiaries				
Asia Biomass Energy SDN.BHD.	-	-	416,412	250,379
Paprapat Co., Ltd.	-	-	181,756	-
Sathaporn Tanapat Co., Ltd.	-	-	1,613,480	456,032
Other related parties				
Asia Green Energy Public Co., Ltd.	2,054,188	3,275,397	-	70,309
A.G.E. Terminal Co., Ltd.	195,852	379,503	-	-
A.G.E. Transport Co., Ltd.	2,384,132	2,743,946	385,613	2,171,078
Total	4,634,172	6,398,846	2,597,261	2,947,798
Less Allowance for expected credit losses	(91,961)	-	(416,412)	(250,379)
Net	**4,542,211**	**6,398,846**	**2,180,849**	**2,697,419**

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
			(in Baht)	
For the year ended 31 December				
Expected credit loss	**91,961**	**-**	**166,033**	**250,379**

Other current receivables - related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
			(in Baht)	
Subsidiaries				
Accrued interest income				
Sathaporn Tanapat Co., Ltd.	-	-	32,852	1,801,934
Other receivables				
Sathaporn Tanapat Co., Ltd.	-	-	3,157,200	2,529,300
Paprapat Co., Ltd.	-	-	6,889,713	4,775,053
Other related parties				
Other receivables				
Directors and key management personnel	94,925	-	-	-
Total	**94,925**	**-**	**10,079,765**	**9,106,287**

Advance payment for goods - related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
			(in Baht)	
Subsidiaries				
PT Asia Biomass Indonesia (1)	-	-	6,523,028	8,484,534
Asia Biomass Resources SDN. BHD. (1)	-	-	14,246,532	14,246,532
Asia Biomass Energy SDN. BHD. (2)	-	-	20,837,757	42,410,258
	-	-	41,607,317	65,141,324
Less Allowance for expected credit losses	-	-	(36,784,560)	(32,731,066)
Net	**-**	**-**	**4,822,757**	**32,410,258**
For the year ended 31 December				
Expected credit losses	**-**	**-**	**4,053,494**	**11,649,882**

(1) Recording allowance for expected credit losses in full in 2021 and 2020.

(2) Recording allowance for expected credit losses in 2021 and 2020 in the amount of Baht 16.02 million and Baht 10 million, repectively.

Short term loans - related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Subsidiary				
Sathaporn Tanapat Co., Ltd.	-	-	4,600,000	14,600,000
Total	**-**	**-**	**4,600,000**	**14,600,000**

Movements of short - term loans to related parties during the year ended 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
At 1 January	-	-	14,600,000	14,600,000
Deductions	-	-	(10,000,000)	-
Balance at 31 December	**-**	**-**	**4,600,000**	**14,600,000**

Investments in subsidiaries were detailed in Note 12 to the financial statements.

Trade accounts payables - related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Subsidiaries				
Sathaporn Tanapat Co., Ltd.	-	-	5,402,941	8,362,244
Paprapat Co., Ltd.	-	-	122,334,946	121,521,798
Other related parties				
Jinsolid SDN. BHD.	105,179	94,577	105,179	94,577
AGE Marine Logistics Co., Ltd.	-	540,000	-	540,000
Asia Green Energy Public Co., Ltd.	-	14,221,736	-	14,221,736
A.G.E. Transport Co., Ltd.	2,518,578	254,071	1,936,123	213,404
Sathaporn Lamination Co., Ltd.	5,460	-	5,460	-
Total	**2,629,217**	**15,110,384**	**129,784,649**	**144,953,759**

Other current payables – related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Other current payables				
Subsidiary				
Sathaporn Tanapat Co., Ltd.	-	-	-	392,972
Other related parties				
K.H. Development Co., Ltd.	152,819	147,350	152,819	147,350
D.T.C. Enterprise Co., Ltd.	13,000	15,890	-	-
Kokhuad Property Co., Ltd.	13,490	41,310	9,036	27,489
Accrued expenses				
Other related parties				
A.G.E. Transport Co., Ltd.	518,791	270,464	454,932	228,028
Total	**698,100**	**475,014**	**616,787**	**795,839**

Non-current provisions for employee benefit - related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Key management personnel	**1,264,171**	**945,154**	**1,264,171**	**945,154**

Directors' remunerations

The Ordinary General Meeting of Shareholders held on 28 April 2021 and 23 June 2020 approved and determined the remuneration of the Company's directors and sub-committee members for 2021 and 2020 in the amount not exceeding of Baht 5 million. Please also see note 39 to the financial statements.

Guarantee and commitment

As at 31 December 2021 and 2020, the Company had contingent liabilities for guaranteed bank credit facilities of a subsidiary (Paprapat Co., Ltd.) amounting to Baht 440 million and Baht 440 million, respectively.

As at 31 December 2021, the Company issued the letter of financial support to 3 foreign subsidiaries (Asia Biomass Resources SDN. BHD., Asia Biomass Energy SDN. BHD. and PT Asia Biomass Indonesia)

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Cash	102,084	159,871	73,000	75,000
Cheque on hand	4,711,141	4,462,466	4,711,142	4,457,466
Cash at banks – current accounts	16,380,052	41,813,502	7,674,782	19,657,677
Cash at banks – savings accounts	4,235,346	4,793,966	1,026,197	1,272,858
Total	**25,428,623**	**51,229,805**	**13,485,121**	**25,463,001**

8 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Trade notes receivable - other parties	7,137,401	9,943,242	5,887,308	9,281,882
Trade accounts receivable				
Related parties	4,634,172	6,398,846	2,597,261	2,947,798
Other parties	204,470,099	189,830,261	182,075,915	132,158,500
	209,104,271	196,229,107	184,673,176	135,106,298
Total	216,241,672	206,172,349	190,560,484	144,388,180
Less Allowance for expected credit losses	(1,122,770)	(4,460,854)	(1,251,183)	(2,913,106)
Net	**215,118,902**	**201,711,495**	**189,309,301**	**141,475,074**
For the year ended 31 December				
Reversal expected credit loss	**(3,338,084)**	**(3,076,437)**	**(1,661,923)**	**(2,324,110)**

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Trade notes receivable	7,137,401	9,943,242	5,887,308	9,281,882
Trade accounts receivable				
Within credit term	160,844,541	97,015,377	140,011,380	70,821,863
Overdue :-				
1 months – 3 months	48,243,986	93,686,347	44,391,976	60,353,414
3 months – 6 months	15,744	1,078,082	-	1,029,468
6 months – 12 months	-	121,215	-	121,215
More than 12 months	-	4,328,086	269,820	2,780,338
Total overdue	48,259,730	99,213,730	44,661,796	64,284,435
	209,104,271	196,229,107	184,673,176	135,106,298
Total	216,241,672	206,172,349	190,560,484	144,388,180
Less Allowance for expected credit losses	(1,122,770)	(4,460,854)	(1,251,183)	(2,913,106)
Net	**215,118,902**	**201,711,495**	**189,309,301**	**141,475,074**

The normal credit term granted by the Group/Company ranges from 3 days to 180 days.

9 Other current receivables

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Related parties	-	-	10,079,765	9,106,287
Directors and key management personnel	94,925	-	-	-
Other parties	9,986,333	6,886,569	7,060,549	4,218,439
Net	**10,081,258**	**6,886,569**	**17,140,314**	**13,324,726**
Other current receivables-other parties				
Other receivables	22,196	79,009	1,134	24,227
Prepaid expenses	3,341,353	2,882,182	1,416,890	1,165,752
Advance payable	51,145	68,255	44,334	34,114
Withholding tax	1,240,708	1,081,049	349,901	276,826
Prepaid VAT	4,670,220	2,095,963	4,587,579	2,037,409
Revenue department receivable	660,711	680,111	660,711	680,111
Total	**9,986,333**	**6,886,569**	**7,060,549**	**4,218,439**

10 Advance payment for goods

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Related parties	-	-	41,607,317	65,141,324
Other parties	33,241,896	19,007,275	31,578,444	15,818,962
Total	33,241,896	19,007,275	73,185,761	80,960,286
Less Allowance for expected credit losses	(3,298,980)	(3,277,462)	(39,530,375)	(35,495,296)
Net	**29,942,916**	**15,729,813**	**33,655,386**	**45,464,990**
Classify:-				
Current	17,826,916	4,340,773	21,539,386	34,075,950
Non-Current (as disclosed in note 36)	12,116,000	11,389,040	12,116,000	11,389,040
Net	**29,942,916**	**15,729,813**	**33,655,386**	**45,464,990**
For the year ended 31 December				
Expected credit loss (reversal)	**21,518**	**(3,031,769)**	**4,035,079**	**9,609,882**

11 Inventories

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Finished goods	208,283,715	152,884,048	26,976,284	24,853,954
Raw material	1,490,662	149,285	1,490,662	149,285
Spare parts and supplies	2,367,185	1,258,034	1,714,321	235,414
Goods in transit	28,134,477	48,387,485	626,034	4,800
Total	240,276,039	202,678,852	30,807,301	25,243,453
Less allowance devaluation of inventories	(1,651,003)	(661,680)	(860,000)	(210,000)
Net	**238,625,036**	**202,017,172**	**29,947,301**	**25,033,453**
For the year ended 31 December				
Loss on inventories devaluation (reversal)	**989,323**	**297,188**	**650,000**	**100,000**

As at 31 December 2021 and 2020, inventories of the Group/Company of Baht 238.63 million and Baht 202.02 million, respectively, in the consolidated financial statement, and Baht 29.95 million and Baht 25.03 million, in the separate financial statement statements, respectively were expected to utilize within one year.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Cost of inventories recognized as an expense in cost of sales	1,570,370,156	1,249,067,685	1,236,874,054	930,657,796
Adjust loss (excess) of inventories from the stock report	9,282,697	6,813,669	(260,693)	(225,564)
Loss on write-off of damaged inventories due to fire	335,716	511,335	335,716	511,335
Loss on write-down to net realizable value	989,323	297,188	650,000	100,000
Total	**1,580,977,892**	**1,256,689,877**	**1,237,599,077**	**931,043,567**

12 Investments in subsidiaries

Movements during the year ended 31 December were as follows:

	Separate financial statements	
	2021	2020
	(in Baht)	
Cost method :-		
At 1 January	20,293,356	20,293,356
No change during the period	-	-
At 31 December	20,293,356	20,293,356
Less allowance devaluation of investments	(14,293,786)	(14,293,786)
Net	**5,999,570**	**5,999,570**
For the year ended 31 December		
Impairment losses on investments	**-**	**2,496,456**

Investments in subsidiaries as at 31 December 2021 and 2020 and dividend income for the year ended 31 December 2021 and 2020 were as follows:

							Separate financial statements					
	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost, net	
			2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
			(%)				*(in Baht)*					
Subsidiaries												
Sathaporn Tanapat Co., Ltd.	Transportation	Thailand	99.99	99.99	4,000,000	4,000,000	3,999,800	3,999,800	-	-	3,999,800	3,999,800
Paprapat Co., Ltd.	Trading of biomass	Thailand	99.98	99.98	1,000,000	1,000,000	999,800	999,800	-	-	999,800	999,800
ABM Pellets Co., Ltd. (*)	Manufacturing wood chip and Biomass pellet	Thailand	99.99	99.99	1,000,000	1,000,000	999,970	999,970	-	-	999,970	999,970
PT Asia Biomass Indonesia	Trading of biomass	Indonesia	99.00	99.00	300,000 *(in* USD currencies)	300,000 *(in* USD currencies)	9,512,108	9,512,108	(9,512,108)	(9,512,108)	-	-
Asia Biomass Energy SDN. BHD.	Trading of biomass	Malaysia	55.00	55.00	500,000 *(in* MYR currencies)	500,000 *(in* MYR currencies)	2,496,456	2,496,456	(2,496,456)	(2,496,456)	-	-
Asia Biomass Resources SDN.BHD.	Trading of biomass	Malaysia	55.00	55.00	500,000 *(in* MYR currencies)	500,000 *(in* MYR currencies)	2,285,222	2,285,222	(2,285,222)	(2,285,222)	-	-
Total							**20,293,356**	**20,293,356**	**(14,293,786)**	**(14,293,786)**	**5,999,570**	**5,999,570**

* Not commercial operation yet and immateriality operating performance.

** In 2021, the said subsidiaries have no major revenues from their business operations due to going concern issue.

In 2021 and 2020, the Company had no dividend receiving from subsidiaries.

13 Non-controlling interests

The following table summarizes the information relating to each of the Group's subsidiaries that has a material non-controlling interest (before any intra-group eliminations).

	31 December 2021		
	Asia Biomass Energy SDN. BHD.	Asia Biomass Resources SDN. BHD.	Total
		(in million Baht)	
Non-controlling interest percentage	45%	45%	
Current assets	7.18	2.72	9.90
Non-current assets	1.32	0.02	1.34
Current liabilities	(29.66)	(14.56)	(44.22)
Net assets	**(21.16)**	**(11.82)**	**(32.98)**
Carrying amount of non-controlling interest	(9.52)	(5.32)	(14.84)
Revenue	25.59	-	25.59
Loss	(9.86)	(0.38)	(10.24)
Other comprehensive income	-	-	-
Total comprehensive income (loss)	**(9.86)**	**(0.38)**	**(10.24)**
Loss allocated to non-controlling interest	(4.44)	(0.17)	(4.61)
Other comprehensive income (loss) allocated to non-controlling interest	(4.44)	(0.17)	(4.61)
Cash flows from operating activities	(0.48)	(2.34)	(2.82)
Cash flows from investing activities	-	-	-
Cash flows from financing activities (dividends to non-controlling interest: nil)	-	-	-
Net decrease in cash and cash equivalents	**(0.48)**	**(2.34)**	**(2.82)**

	31 December 2020		
	Asia Biomass Energy SDN. BHD.	Asia Biomass Resources SDN. BHD.	Total
		(in million Baht)	
Non-controlling interest percentage	45%	45%	
Current assets	34.03	2.92	36.95
Non-current assets	1.36	0.03	1.39
Current liabilities	(45.52)	(13.55)	(59.07)
Net assets	**(10.13)**	**(10.60)**	**(20.73)**
Carrying amount of non-controlling interest	(4.56)	(4.77)	(9.93)
Revenue	0.11	0.24	0.35
Profit (loss)	(3.41)	0.11	(3.30)
Other comprehensive income	-	-	-
Total comprehensive income	**(3.41)**	**0.11**	**(3.30)**
Profit (loss) allocated to non-controlling interest	(1.53)	0.05	(1.48)
Other comprehensive income allocated to non-controlling interest	(1.53)	0.05	(1.48)

	31 December 2020		
	Asia Biomass Energy SDN. BHD.	Asia Biomass Resources SDN. BHD.	Total
		(in million Baht)	
Cash flows from operating activities	1.20	1.93	3.13
Cash flows from investing activities	-	-	-
Cash flows from financing activities (dividends to non-controlling interest: nil)	-	-	-
Net increase in cash and cash equivalents	**1.20**	**1.93**	**3.13**

14 Property, plant and equipment

	Consolidated financial statements							
	Land and improvement	Building structure and improvement	Machinery and equipment	Furniture fixture and office equipment	Vehicles	Assets under construction	Assets under financial leases	Total
				(in Baht)				
Cost								
At 1 January 2020	185,833,009	70,349,850	15,710,045	13,597,818	91,798,950	7,951,072	14,634,289	399,875,033
Additions	44,206,410	401,186	613,004	647,010	1,014,020	21,131,714	-	68,013,344
Disposal and write-off	(32,010)	(175,600)	(857,058)	(1,146,754)	(7,716,932)	-	-	(9,928,354)
Transfers	283,281	127,508	9,793,534	9,095	16,979,464	(12,558,593)	(14,634,289)	-
Currency translation differences	-	-	36,445	(230)	11,106	-	-	47,321
At 31 December 2020 and 1 January 2021	**230,290,690**	**70,702,944**	**25,295,970**	**13,106,939**	**102,086,608**	**16,524,193**	**-**	**458,007,344**
Additions	-	45,540	1,193,150	834,892	301,083	5,603,227	-	7,977,892
Disposal and write-off	-	(86,325)	(618,207)	(972,967)	(5,784,386)	-	-	(7,461,885)
Transfers	1,881,000	5,052,012	11,193,054	-	115,406	(18,241,472)	-	-
Revaluation on land increases during the year	130,438,098	-	-	-	-	-	-	130,438,098
Classified from right-of-use assets	-	-	-	-	2,775,701	-	-	2,775,701
Currency translation differences	-	-	185,777	13,293	27,986	-	-	227,056
At 31 December 2021	**362,609,788**	**75,714,171**	**37,249,744**	**12,982,157**	**99,522,398**	**3,885,948**	**-**	**591,964,206**

	Consolidated financial statements							
	Land and improvement	Building structure and improvement	Machinery and equipment	Furniture fixture and office equipment	Vehicles	Assets under construction	Assets under financial leases	Total
				(in Baht)				
Accumulated depreciation								
At 1 January 2020	7,633,346	27,928,998	9,644,435	11,408,796	71,619,293	-	5,447,294	133,682,162
Depreciation charge for the year	2,926,670	4,774,907	2,995,386	551,661	5,878,241	-	-	17,126,865
Disposal and write-off	(9,852)	(32,545)	(674,967)	(1,136,852)	(7,147,192)	-	-	(9,001,408)
Transfers	-	-	-	-	5,447,294	-	(5,447,294)	-
Currency translation differences	-	-	11,355	(190)	9,670	-	-	20,835
At 31 December 2020 and 1 January 2021	**10,550,164**	**32,671,360**	**11,976,209**	**10,823,415**	**75,807,306**	**-**	**-**	**141,828,454**
Depreciation charge for the year	3,218,979	5,068,595	3,929,449	791,494	4,055,302	-	-	17,063,819
Disposal and write-off	-	(50,042)	(581,602)	(971,348)	(4,928,781)	-	-	(6,531,773)
Classified from right-of-use assets	-	-	-	-	1,125,072	-	-	1,125,072
Currency translation differences	-	-	83,605	16,922	27,986	-	-	128,513
At 31 December 2021	**13,769,143**	**37,689,913**	**15,407,661**	**10,660,483**	**76,086,885**	**-**	**-**	**153,614,085**
Net book value								
At 31 December 2020	**219,740,526**	**38,031,584**	**13,319,761**	**2,283,524**	**26,279,302**	**16,524,193**	**-**	**316,178,890**
At 31 December 2021	**348,840,645**	**38,024,258**	**21,842,083**	**2,321,674**	**23,435,513**	**3,885,948**	**-**	**438,350,121**

	Separated financial statements						
	Land and improvement	Building structure and improvement	Machinery and equipment	Furniture fixture and office equipment	Vehicles	Assets under construction	Total
Cost							
At 1 January 2020	185,833,009	68,898,011	13,920,602	12,053,605	28,250,311	7,951,072	316,906,610
Additions	44,206,410	401,186	515,634	604,065	16,000	17,598,994	63,342,289
Disposal and write-off	(32,010)	(154,200)	(857,058)	(1,033,067)	(4,044,182)	-	(6,120,517)
Transfers	283,281	127,508	8,162,321	-	498,400	(9,071,510)	-
At 31 December 2020 and 1 January 2021	**230,290,690**	**69,272,505**	**21,741,499**	**11,624,603**	**24,720,529**	**16,478,556**	**374,128,382**
Additions	-	45,540	1,072,936	734,384	6,000	5,533,456	7,392,316
Disposal and write-off	-	(86,325)	(618,207)	(933,055)	(90,000)	-	(1,727,587)
Revaluation on land increases during the year	130,438,098	-	-	-	-	-	130,438,098
Transfers	1,881,000	5,052,012	11,193,054	-	-	(18,126,066)	-
At 31 December 2021	**362,609,788**	**74,283,732**	**33,389,282**	**11,425,932**	**24,636,529**	**3,885,946**	**510,231,209**
Accumulated depreciation							
At 1 January 2020	7,633,346	26,873,758	9,023,624	10,201,449	24,161,646	-	77,893,823
Depreciation charge for the year	2,926,670	4,733,300	2,675,066	766,961	983,348	-	12,085,345
Disposal and write-off	(9,852)	(11,146)	(674,967)	(1,023,176)	(4,044,174)	-	(5,763,315)
At 31 December 2020 and 1 January 2021	**10,550,164**	**31,595,912**	**11,023,723**	**9,945,234**	**21,100,820**	**-**	**84,215,853**
Depreciation charge for the year	3,218,979	5,026,989	3,321,063	709,137	423,795	-	12,699,963
Disposal and write-off	-	(50,042)	(581,602)	(931,443)	(87,349)	-	(1,650,436)
At 31 December 2021	**13,769,143**	**36,572,859**	**13,763,184**	**9,722,928**	**21,437,266**	**-**	**95,265,380**
Net book value							
At 31 December 2020	**219,740,526**	**37,676,593**	**10,717,776**	**1,679,369**	**3,619,709**	**16,478,556**	**289,912,529**
At 31 December 2021	**348,840,645**	**37,710,873**	**19,626,098**	**1,703,004**	**3,199,263**	**3,885,946**	**414,965,829**

The gross amount of the Group/Company's fully depreciated building and equipment that was still in use as at 31 December 2021 in the amount of Baht 74.69 million and Baht 40.39 million in consolidated and separate financial statements, respectively.

Guarantee

As at 31 December 2021, the Company's land with structure and machinery with a net book value of Baht 229.79 million were mortgaged as collateral for loans from financial institutions and please see notes 19 and 23 to the financial statements.

Depreciation was included in

	Consolidated financial statements		**Separate financial statements**	
	2021	2020	2021	2020
	(in Baht)			
Cost of sales of goods	11,445,639	11,038,785	10,923,521	11,129,271
Cost of rendering of services	3,537,208	4,816,583	-	-
Administrative expenses	2,080,972	1,271,497	1,776,442	956,074
Total	**17,063,819**	**17,126,865**	**12,699,963**	**12,085,345**

During year 2021, the Company had asset under construction in the amount of Baht 3.89 million in consolidated and separate financial statements. Most are warehouse at Rayong province with a total budget of Baht 18.30 million, accumulated actual cost at 31 December 2021 amounted to Baht 3.01 million and obligation at 31 December 2021 amounted to Baht 15.29 million.

15 Right-of-use assets

	Consolidated financial statements			
	Land	Buildings	Vehicle	Total
	(in Baht)			
At cost				
At 1 January 2020	7,264,989	3,717,912	12,190,617	23,173,518
Additions	-	-	20,070,461	20,070,461
Adjustments	(4,169,814)	-	-	(4,169,814)
At 31 December 2020 and 1 January 2021	**3,095,175**	**3,717,912**	**32,261,078**	**39,074,165**
Additions	-	-	5,867,267	5,867,267
Classified as property, plant and equipment	-	-	(2,775,701)	(2,775,701)
Write-off	-	-	(1,490,903)	(1,490,903)
At 31 December 2021	**3,095,175**	**3,717,912**	**33,861,741**	**40,674,828**
Accumulated depreciation				
At 1 January 2020	1,778,747	2,348,153	2,622,756	6,749,656
Depreciation charge for the year	836,472	1,369,759	2,691,831	4,898,062
Adjustments	(2,371,663)	-	-	(2,371,663)
At 31 December 2020 and 1 January 2021	**243,556**	**3,717,912**	**5,314,587**	**9,276,055**

	Consolidated financial statements			
	Land	Buildings	Vehicle	Total
		(in Baht)		
At cost				
Depreciation charge for the year	974,225	-	3,627,206	4,601,431
Classified as property, plant and equipment	-	-	(1,125,072)	(1,125,072)
Write-off	-	-	(1,490,903)	(1,490,903)
At 31 December 2021	**1,217,781**	**3,717,912**	**6,325,818**	**11,261,511**
Net book value				
At 31 December 2020	**2,851,619**	**-**	**26,946,491**	**29,798,110**
At 31 December 2021	**1,877,394**	**-**	**27,535,923**	**29,413,317**

	Separate financial statements		
	Land	Vehicle	Total
		(in Baht)	
At cost			
At 1 January 2020	4,358,993	4,059,888	8,418,881
Additions	-	1,843,768	1,843,768
Adjustments	(2,501,888)	-	(2,501,888)
At 31 December 2020 and 1 January 2021	**1,857,105**	**5,903,656**	**7,760,761**
Additions	-	5,867,267	5,867,267
Write-off	-	(1,490,903)	(1,490,903)
At 31 December 2021	**1,857,105**	**10,280,020**	**12,137,125**
Accumulated depreciation			
At 1 January 2020	1,067,248	1,997,198	3,064,446
Depreciation charge for the year	501,884	1,101,629	1,603,513
Adjustments	(1,422,999)	-	(1,422,999)
At 31 December 2020 and 1 January 2021	**146,133**	**3,098,827**	**3,244,960**
Depreciation charge for the year	584,535	1,256,237	1,840,772
Write-off	-	(1,490,903)	(1,490,903)
At 31 December 2021	**730,668**	**2,864,161**	**3,594,829**
Net book value			
At 31 December 2020	**1,710,972**	**2,804,829**	**4,515,801**
At 31 December 2021	**1,126,437**	**7,415,859**	**8,542,296**

Depreciation for the year 2021 was included in:

	Consolidated financial statements		**Separate financial statements**	
	2021	2020	2021	2020
		(in Baht)		
Cost of sales	974,226	836,472	584,535	501,884
Cost of rendering of service	2,370,968	1,590,201	-	-
Administrative expenses	1,256,237	2,471,389	1,256,237	1,101,629
Total	**4,601,431**	**4,898,062**	**1,840,772**	**1,603,513**

16 Other intangible assets

	Consolidated financial statements	Separate financial statements
	Computer Software	
	(in Baht)	
Cost		
At 1 January 2020	4,941,260	4,791,659
Additions	4,500	4,500
Write-off	(4,500)	(4,500)
Currency translation difference	(709)	-
At 31 December 2020 and 1 January 2021	**4,940,551**	**4,791,659**
Write-off	(249,330)	(249,330)
Currency translation difference	7,168	-
At 31 December 2020	**4,698,389**	**4,542,329**
Accumulated amortization		
At 1 January 2020	3,694,281	3,586,363
Amortization charge for the year	578,652	561,967
Write-off	(4,499)	(4,499)
Currency translation difference	(746)	-
At 31 December 2020 and 1 January 2021	**4,267,688**	**4,143,831**
Amortization charge for the year	453,084	438,597
Write-off	(243,489)	(243,489)
Currency translation difference	7,153	-
At 31 December 2021	**4,484,436**	**4,338,939**
Net book value		
At 31 December 2020	**672,863**	**647,828**
At 31 December 2021	**213,953**	**203,390**

Amortization charge for the year was included in:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Cost of sales	2,928	5,776	2,928	5,776
Administrative expenses	450,156	572,876	435,669	556,191
Total	**453,084**	**578,652**	**438,597**	**561,967**

17 Deferred tax

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Deferred tax assets	18,790,653	23,730,390	26,497,855	31,293,667
Deferred tax liabilities	(26,087,620)	-	(26,087,620)	-
Net	**(7,296,967)**	**23,730,390**	**410,235**	**31,293,667**

Movements of deferred tax during the year ended 31 December were as follows:

For the year ended 31 December 2021

		Consolidated financial statements		
		(Charged) / Credited to		
	At 1 January 2021	Profit (loss)	Other comprehensive income (loss)	**At 31 December 2021**
			(in Baht)	
Deferred tax assets				
Tax rate of 20%				
Trade account receivables	893,683	(634,410)	-	259,273
Advance payment for goods	552,846	1,164,597	-	1,717,443
Guarantees of inventories	150,000	-	-	150,000
Unrealized (Gains) loss from forward exchange contracts	267,777	(308,673)	-	(40,896)
Loss from hedging of derivatives	716,880	-	(328,764)	388,116
Inventories	132,336	39,664	-	172,000
Long-term operating lease	19,884	(6,017)	-	13,867
Lease liabilities	242,374	24,959	-	267,333
Non-current provisions for employee benefits	955,926	279,579	-	1,235,505
Cumulative losses brought forward not more than 5 accounting periods	19,792,946	(5,171,823)	-	14,621,123
Total	**23,724,652**	**(4,612,124)**	**(328,764)**	**18,783,764**
Tax rate of 22% (as from the 3rd quarter of 2020)				
Difference of accounting depreciation and taxable depreciation	1,064	176	-	1,240
Non-current provisions for employee benefits	4,674	975	-	5,649
Total	**5,738**	**1,151**	**-**	**6,889**
Total	**23,730,390**	**(4,610,973)**	**(328,764)**	**18,790,653**
Deferred tax liabilities				
Tax rate of 20%				
Revaluation surplus of land	-	-	(26,087,620)	(26,087,620)
Total deferred tax liabilities	**-**	**-**	**(26,087,620)**	(26,087,620)
Net	**23,730,390**	**(4,610,973)**	**(26,416,384)**	**(7,296,967)**

		Separate financial statements		
		(Charged) / Credited to		
	At 1 January 2021	Profit (loss)	Other comprehensive income (loss)	**At 31 December 2021**
			(in Baht)	
Deferred tax assets				
Tax rate of 20%				
Trade account receivables	582,621	(332,385)	-	250,236
Advance payment for goods	7,099,059	807,016	-	7,906,075
Guarantees of inventories	150,000	-	-	150,000
Inventories	42,000	130,000	-	172,000
Investment in subsidiaries	2,359,466	-	-	2,359,466
Long-term operating lease	15,307	(4,807)	-	10,500
Unrealized gains from forward exchange contracts	(101,828)	62,407	-	(39,421)
Loss from hedging of derivatives	716,880	-	(328,764)	388,116
Lease liabilities	875	(875)	-	-
Non-current provisions for employee benefits	636,341	43,419	-	679,760
Cumulative losses brought forward not more than 5 accounting periods	19,792,946	(5,171,823)	-	14,621,123
Total	**31,293,667**	**(4,467,048)**	**(328,764)**	**6,497,855**
Deferred tax liabilities				
Tax rate of 20%				
Revaluation surplus of land	-	-	(26,087,620)	(26,087,620)
Total deferred tax liabilities	**-**	**-**	**(26,087,620)**	**(26,087,620)**
Net	**31,293,667**	**(4,467,048)**	**(26,416,384)**	**410,235**

For the year ended 31 December 2020

		Consolidated financial statements		
		(Charged) / Credited to		
	At 1 January 2020	Profit (loss)	Other comprehensive income (loss)	**At 31 December 2020**
			(in Baht)	
Deferred tax assets				
Tax rate of 20%				
Trade account receivables	1,507,457	(613,774)	-	893,683
Advance payment for goods	960,846	(408,000)	-	552,846
Guarantees of inventories	150,000		-	150,000
Unrealized loss from forward exchange contracts	-	267,777	-	267,777
Loss from hedging of derivatives	582,658		134,222	716,880
Inventories	60,336	72,000	-	132,336
Long-term operating lease	31,500	(11,616)	-	19,884
Lease liabilities	258,697	(16,323)	-	242,374
Non-current provisions for employee benefits	720,654	235,273	-	955,927

		Consolidated financial statements		
		(Charged) / Credited to		
	At 1 January 2020	Profit (loss)	Other comprehensive income (loss)	**At 31 December 2020**
			(in Baht)	
Cumulative losses brought forward not more than 5 accounting periods	23,869,776	(4,076,831)	-	19,792,945
Total	**28,141,924**	**(4,551,494)**	**134,222**	**23,724,652**
Tax rate of 24%				
Inventories	15,075	(15,075)	-	-
Total	**15,075**	**(15,075)**	**-**	**-**
Tax rate of 22% (as from the 3rd quarter of 2020)				
Difference of accounting depreciation and taxable depreciation	3,539	(2,475)	-	1,064
Non-current provisions for employee benefits	5,944	(1,270)	-	4,674
Total	**9,483**	**(3,745)**	**-**	**5,738**
Total	**28,166,482**	**(4,570,314)**	**134,222**	**23,730,390**

		Separate financial statements		
		(Charged) / Credited to		
	At 1 January 2020	Profit (loss)	Other comprehensive income (loss)	**At 31 December 2020**
			(in Baht)	
Deferred tax assets				
Tax rate of 20%				
Trade account receivables	1,047,444	(464,823)	-	582,621
Advance payment for goods	5,177,083	1,921,976	-	7,099,059
Guarantees of inventories	150,000	-	-	150,000
Inventories	22,000	20,000	-	42,000
Investment in subsidiaries	2,359,466	-	-	2,359,466
Long-term operating lease	18,900	(3,593)	-	15,307
Unrealized gains from forward exchange contracts	-	(101,828)	-	(101,828)
Loss from hedging of derivatives	582,658	-	134,222	716,880
Lease liabilities	9,134	(8,259)	-	875
Non-current provisions for employee benefits	466,854	169,487	-	636,341
Cumulative losses brought forward not more than 5 accounting periods	23,869,776	(4,076,830)	-	19,792,946
Total	**33,703,315**	**(2,543,870)**	**134,222**	**31,293,667**

Income tax expense of the Company and subsidiaries for the year ended 31 December 2021 and 2020 were calculated from the accounting profit (loss), adjusted with some other revenues and expenses which are exempted from income tax or being disallowable expenses in tax computation purposes.

- The Company and subsidiaries established under Thai law, income taxes were calculated at the rate of 20 percent.

- The subsidiaries established under Malaysia law, income taxes were calculated at the rates of 24 percent.

- The subsidiary established under Indonesia law, income taxes were calculated at the following rates:
  - 25 percent from the 1st quarter of 2020 to 2nd quarter of 2020
  - 22 percent from the 3rd quarter of 2020 to 2021

Income tax expenses for the year ended 31 December were summarized as follows:

	Consolidated financial statements		**Separate financial statements**	
	2021	2020	2021	2020
	(in Baht)			
Current tax expense				
Tax expenses	3,977,472	1,397,160	-	-
Deferred tax expenses				
Deferred tax expense concern deductible temporary difference with initial recognized and reversed	4,610,975	4,570,314	4,467,048	2,543,870
Tax expense represented in statements of comprehensive income	**8,588,447**	**5,967,474**	**4,467,048**	**2,543,870**

Reconciliation of effective tax rate

	Separate financial statements			
	2021		2020	
	Rate (%)	*(in million Baht)*	*Rate* (%)	*(in million Baht)*
Profit before income tax expenses	20	22.29	20	14.61
Income tax using the Thai Corporation tax rate		4.46		2.92
Expenses not deductible for tax purposes		1.34		2.62
Income not subject to tax		-		(0.16)
Increased taxable expenses		(0.12)		(1.31)
Loss carry forward		(5.68)		(4.07)
Temporary difference initially perceived and reversed		4.47		2.54
Income tax expense (income)		**4.47**		**2.54**

18 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Deposit	741,346	672,842	740,000	671,501
Total	**741,346**	**672,842**	**740,000**	**671,501**

19 Short-term borrowings from financial institutions

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Trust receipts	245,043,642	244,948,335	44,343,467	37,357,311
Promissory notes	250,110,000	191,400,000	135,100,000	105,400,000
Total	**495,153,642**	**436,348,335**	**179,443,467**	**142,757,311**

Movements of short-term loans from financial institutions for the year ended 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
At 1 January	436,348,335	354,829,453	142,757,311	107,091,951
Additions	859,017,034	664,295,254	359,028,744	239,695,667
Deductions	(800,211,727)	(582,776,372)	(322,342,588)	(204,030,307)
At 31 December	**495,153,642**	**436,348,335**	**179,443,467**	**142,757,311**

Short-term loans from financial institutions have bank deposits and the land with structure of the Company and the land with structure of three related companies are pledged/mortgaged as collateral, including the Company's directors as the co-guarantors the loans of the Company and subsidiaries.

As at 31 December 2021, the Group/Company had unutilized facilities totalling Baht 1,312 million and USD 4 million and Baht 943 million and USD 2 million, respectively.

20 Trade accounts payables

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Related parties	2,629,217	15,110,384	129,784,649	144,953,759
Other parties	28,839,056	52,509,354	14,777,389	22,755,941
Total	**31,468,273**	**67,619,738**	**144,562,038**	**167,709,700**

21 Other current payables

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Related parties	698,100	475,014	616,787	795,839
Other parties	16,772,001	13,957,764	11,281,202	9,665,605
Total	**17,470,101**	**14,432,778**	**11,897,989**	**10,461,444**
Other current payables				
- other parties				
Other payables	2,765,910	2,664,422	2,143,107	2,150,113
Accrued expenses	12,993,228	10,652,408	8,286,040	6,978,764
Advance income	130,980	79,032	125,195	73,246
Withholding tax payable	622,089	379,997	467,066	281,577
Pending sales tax	259,794	181,905	259,794	181,905
Total	**16,772,001**	**13,957,764**	**11,281,202**	**9,665,605**

22 Derivatives liabilities

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Liabilities under forward exchange contracts	(204,483)	1,338,881	(197,106)	(509,140)
Liabilities under interest rate swap contracts	1,940,584	3,584,402	1,940,584	3,584,402
Total	**1,736,101**	**4,923,283**	**1,743,478**	**3,075,262**

Forward exchange contracts

The Group/Company hedged with credit line for buying and selling forward foreign currency representing the forward contracts with 4 financial institutions in total credit limit of USD 4.67 million and Baht 715 million.

The Group/Company entered into several forward exchange contracts with a period of 6 months per each.

The outstanding of selling contracts that the bank selling forward foreign currency of the Company as at 31 December 2021 balanced to USD 600,000

The outstanding of buying contracts that the bank buying forward foreign currency of the Company as at 31 December 2021 balanced to USD 318,740

Fair value of forward exchange contracts and unrealized profit (loss) from hedging as at 31 December 2021 were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Selling contracts that the bank selling forward foreign currency				
Contractual balance	20,255,200	15,528,849	20,255,200	15,528,849
Fair value at the end of year	20,058,094	15,019,709	20,058,094	15,019,709
Unrealized gain from hedging	**197,106**	**509,140**	**197,106**	**509,140**
Buying contracts that the bank buying forward foreign currency				
Contractual balance	10,648,065	59,076,533	-	-
Fair value at the end of year	10,655,442	57,228,512	-	-
Unrealized gain (loss) from hedging	**7,377**	**(1,848,021)**	**-**	**-**
Total unrealized gain(loss) from hedging	**204,483**	**(1,338,881)**	**197,106**	**509,140**

Unrealized gains (losses) from hedging were shown in the statements of financial position under the heading of derivatives assets/liabilities and were included in the account "other profits (losses)" in the statements of comprehensive income for the year ended 31 December 2021 in the amount of Baht 204,482 and Baht 197,106 in the consolidated and separate financial statements, respectively, and for the year ended 31 December 2020 in the amount of Baht (1,338,881) and Baht 509,140 in the consolidated and separate financial statements, respectively.

Interest rate swap contracts

On 29 November 2019, the Company entered into an interest rate swap (IRS) contracts to be fixed rate at 4.10% per annum effective from 29 November 2019 to 30 April 2026 (end of the loan agreement).

Fair value of interest rate swaps contracts and unrealized gain (losses) from hedging as at 31 December 2021 were as follows:

	Consolidated and separate Financial statements	
	2021	**2020**
	(in Baht)	
Contractual balance	3,584,403	2,913,291
Fair value at the end of year	1,940,584	3,584,402
Unrealized loss from hedging	**1,643,819**	**(671,111)**

Unrealized gains (losses) from hedging were shown in the statements of financial position under the heading of derivatives liabilities and were included in the account " gains (losses) from hedging of derivatives" in the statements of comprehensive income for the year ended 31 December 2021 in the amount of Baht 1,643,819 in the consolidated and separate financial statements. respectively. and for the year ended 31 December 2020 in the amount of Baht (671,111) in the consolidated and separate financial statements.

23 Long-term loans

	Consolidated and separate financial statements	
	2021	2020
	(in Baht)	
Loans from domestic financial institutions	88,206,000	108,858,000
Less Current portion of long-term loans	(20,652,000)	(20,652,000)
Net	**67,554,000**	**88,206,000**

Movement of long-term loans for the year ended 31 December was as follows:

	Consolidated and separate financial statements	
	2021	2020
	(in Baht)	
At 1 January	108,858,000	93,786,000
Addition during the year	-	30,000,000
Deduction during the year	(20,652,000)	(14,928,000)
At 31 December	**88,206,000**	**108,858,000**

On 11 February 2019, 22 October 2019 and 26 November 2019, the Company entered into a loan agreement and amendment agreement with a domestic financial institution in credit line of Baht 97 million with condition as follows:

- Repayment of principal is made in total 78 monthly installments, the first installment being paid on the last day of the 2nd month from the date of the first drawdown (on 29 November 2019) and the following installments will be paid on the last day of each month in the amount of Baht 1,244,000 per month and the final installment will be pay all remaining principal and interest under the agreement.
- Interest shall be payable from the first month onwards at the rate of THBFIX 6 M plus 1.82% per annum.

Subsequently on 29 November 2019, the Company entered into an interest rate swap (IRS) contracts to be fixed rate at 4.10% per annum effective from 29 November 2019 to 30 April 2026 (end of the loan agreement).

Long-term loans have bank deposits, the land with structure and machinery of the Company which are pledged/mortgaged as collateral.

Under the above loan agreements contains certain restrictive conditions such as an event that indicate default payments, financial ratio under the agreement and assumes all liabilities that are financed by the bank are considered to be immediately due. In addition, the agreement contains certain financial ratio. Subsequently, on 14 October 2020, the parties entered into an amendment agreement to determine the financial ratio as debt to equity ratio not more than 3 : 1 and not lower than 0 based on quarterly consolidated financial statements and DSCR ratio not less than 1.2 times based on annually consolidated financial statements, which was effective from 14 October 2020 onwards that was as follows:

	Agreement	At 31 December 2021 Consolidated financial statements
Debt to equity	Not more than 3 : 1 and not lower than 0	1.89
DSCR	Not less than 1.2 times	1.63

24 Lease liabilities

	Consolidated financial statements					
	2021			2020		
	Future value of the minimum lease payment	Interest	Present value of the minimum lease payment	Future value of the minimum lease payment	Interest	Present value of the minimum lease payment
	(in Baht)					
Within one year	7,969,528	812,728	7,156,800	7,548,175	762,097	6,786,078
After one year but within five years	17,932,718	1,005,608	16,927,110	20,305,909	1,073,409	19,232,499
Total	**25,902,246**	**1,818,336**	**24,083,910**	**27,854,084**	**1,835,506**	**26,018,577**

	Separate financial statements					
	2021			2020		
	Future value of the minimum lease payment	Interest	Present value of the minimum lease payment	Future value of the minimum lease payment	Interest	Present value of the minimum lease payment
	(in Baht)					
Within one year	2,594,068	337,516	2,256,552	1,701,440	123,418	1,578,022
After one year but within five years	5,887,965	528,321	5,359,644	3,024,125	120,910	2,903,215
Total	**8,482,033**	**865,837**	**7,616,196**	**4,725,565**	**244,328**	**4,481,237**

As at 31 December 2021, lease liabilities of Baht 24.08 million in consolidated financial statements represented the liabilities under rental of land for 2 agreements and vehicle lease agreements for 20 agreements with the period of agreement covered for 3-5 years, requiring monthly payable, and lease liabilities of Baht 7.62 million in separated financial statements represented the liabilities under rental of land for 2 agreement and vehicle lease agreements for 10 agreements with the period of agreement covered for 3-5 years, requiring monthly payable.

As at 31 December 2020, lease liabilities of Baht 26.02 million in consolidated financial statements represented the liabilities under rental of land for 2 agreements and vehicle lease agreements for 15 agreements with the period of agreement covered for 3-5 years, requiring monthly payable, and lease liabilities of Baht 4.48 million in separated financial statements represented the liabilities under rental of land for 1 agreement and vehicle lease agreements for 7 agreements with the period of agreement covered for 3-5 years, requiring monthly payable.

25 Non-current provisions for employee benefits

Non-current provisions for employee benefits in the statements of financial position as at 31 December:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Post-employment benefits				
Legal severance payments plan	6,203,206	4,662,282	3,398,800	2,390,728
Total	**6,203,206**	**4,662,282**	**3,398,800**	**2,390,728**

Movements in present value of non-current provisions for employee benefits for the year ended 31 December were as follows:

	Consolidated Financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Non – current provisions for employee benefit at 1 January	4,662,282	4,613,315	2,390,728	2,345,829
Recognized in profit or loss				
Current service costs	1,524,652	1,469,078	967,900	1,068,688
Interest costs	77,552	58,523	40,172	28,186
	1,602,204	1,527,601	1,008,072	1,096,874
Recognized in other comprehensive income				
Currency translation differences	-	(406)	-	-
Others				
Benefits paid	(61,280)	(1,478,228)	-	(1,051,975)
Non - current provisions for employee benefit at 31 December	**6,203,206**	**4,662,282**	**3,398,800**	**2,390,728**

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

Non-current provisions for employee benefit

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(%)			
Discount rate	1.46-7.60	1.46-7.60	1.68	1.68
Future salary growth	5.00-7.00	5.00-7.00	5.00	5.00
Retirement (year)	60	60	60	60
Staff turnover rate	0-55.00*	0-55.00*	0-29.00*	0-29.00*
Mortality rate	TMO2017**	TMO2017**	TMO2017**	TMO2017**
Disability rate	5% of TMO2017**	5% of TMO2017**	5% of TMO2017**	5% of TMO2017**

*upon the length of service

**Based on TMO 2017: Male and Female Thai Mortality Ordinary Tables of 2017

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the employee benefit obligation by the amounts shown below.

Impacts to non-current provisions for employee benefits for the year ended 31 December were as follows

	Consolidated financial statements		**Separate financial statements**	
	2021	2020	2021	2020
	(in million Baht)			
Impact to non-current provisions for employee benefits				
Discount rate				
Increased 1.0%	(0.84)	(0.65)	(0.51)	(0.38)
Decreased 1.0%	1.01	0.78	0.60	0.45
Salary increase rate				
Increased 1.0%	1.13	0.83	0.68	0.48
Decreased 1.0%	(0.95)	(0.70)	(0.57)	(0.41)
Staff turnover rate				
Increased 1.0%	(0.92)	(0.71)	(0.57)	(0.42)
Decreased 1.0%	0.48	0.39	0.28	0.22
Mortality rate				
Increased 1 year	0.04	0.03	0.02	0.02
Decreased 1 year	(0.04)	(0.03)	(0.02)	(0.02)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Amounts of non-current provisions for employee benefits for the current and previous four years were as follows

	Non-current provisions for employee benefits		Experience adjustments	
	Consolidated financial statements	Separated financial statements	Consolidated financial statements	Separated financial statements
	(in million Baht)			
Year 2021	6.20	3.40	-	-
Year 2020	4.66	2.39	-	-
Year 2019	4.61	2.35	0.72	0.52
Year 2018	2.26	1.77	(1.20)	(0.81)
Year 2017	3.22	2.18	(2.45)	(0.22)

26 Share capital

	Par value (in Baht)	2021 Number	2021 Amount	2020 Number	2020 Amount
		(in share/in Baht)			
Authorized share capital					
At 1 January					
-Ordinary shares	*0.50*	300,000,000	150,000,000	300,000,000	150,000,000
At 31 December					
-Ordinary shares	***0.50***	**300,000,000**	**150,000,000**	**300,000,000**	**150,000,000**
Issued and paid-up share capital					
At 1 January					
- Ordinary shares	*0.50*	300,000,000	150,000,000	300,000,000	150,000,000
At 31 December					
-Ordinary shares	***0.50***	**300,000,000**	**150,000,000**	**300,000,000**	**150,000,000**

- Ordinary shareholders entitled to receive dividends as the declaration and had voting rights of one vote per share at the Company's shareholder meeting.

27 Share premium and reserve

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.

Reserves comprise

Appropriations of profit and/or retained earnings

Legal reserve

In compliance with the Public Company Act, B.E. 2535 (1992) section 116, the Company is required to set aside a reserve ("legal reserve") at least 5% of net profit less deficits (if any) until meet 10% of authorized share capital. Such legal reserve is not allowed to pay for dividend.

Other components of equity

Exchange differences on translating financial statements

Exchange differences on translating financial statements within equity comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations and debt conversion on hedges of a net investment in the Company.

Cash flow hedges

The cash flow hedges account in equity comprises the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

Movement in reserves

Movement in reserves capital is presented in the statements of changes in equity.

28 Other income

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Gains on exchange rate	7,745,120	5,385,291	5,744,933	4,494,700
Building rental income	-	-	1,624,800	1,624,800
Management fee	-	-	1,176,000	1,176,000
Transportation service	1,874,439	2,946,944	1,874,439	2,946,944
Litigation compensation	-	3,140,693	-	3,140,693
Bad debts recovered	4,739,543	-	3,279,451	-
Reversal of long outstanding creditors	-	801,460	-	801,460
Others	5,798,934	2,531,284	3,130,860	1,941,411
Total	**20,158,036**	**14,805,672**	**16,830,483**	**16,126,008**

29 Distribution costs

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Personnel	7,047,079	6,811,434	5,509,326	5,947,269
Freight out and customs clearance	182,077,022	168,724,083	170,161,446	157,061,819
Commission	18,801,581	11,086,158	6,277,999	5,216,327
Sales promotion	274,391	939,525	274,391	937,465
Others	7,053,018	6,670,107	7,017,165	6,723,428
Total	**215,253,091**	**194,231,307**	**189,240,327**	**175,886,308**

30 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Personnel	43,818,242	42,145,119	30,737,888	30,448,408
Depreciation and amortization	3,787,365	4,138,994	3,468,348	2,613,895
Professional fees	2,438,415	2,516,183	1,580,000	1,580,000
Other fees and membership fees	524,894	531,888	510,759	513,784
Office and other rental	1,811,188	2,026,535	1,614,500	1,818,027
Meeting allowance	2,790,000	2,770,000	2,790,000	2,770,000
Transportation	2,726,580	2,581,463	2,611,099	2,462,120
Others	18,079,366	13,626,937	11,231,739	9,924,075
Total	**75,976,050**	**70,337,119**	**54,544,333**	**52,130,309**

31 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Employees :	*(in Baht)*			
Salaries and wages	43,835,863	33,514,185	24,932,408	15,780,419
Defined contribution plan	565,676	534,418	382,255	372,598
Welfare and others	18,116,970	22,039,343	10,148,298	15,076,916
Director and key management **:**				
Director and key management remunerations	12,697,335	15,511,599	11,484,900	15,511,599
Total	**75,215,844**	**71,599,545**	**46,947,861**	**46,741,532**

Partial employee benefit expenses were included in cost of sale.

Defined contribution plan

The Company set up a provident fund for the employees on the voluntary basis for membership of the fund. Contribution are made monthly by the employee at the rates from 2% - 15% of their basic salary and the Company at the rates from 2% of the employee's basic salaries. This provident fund is registered with the Ministry of Finance as juristic entities and is managed by a license Fund Manager with effective from on 1 January 2015 onwards.

32 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Increase in change of finished goods, raw material, supplies and goods in transit	(37,597,187)	(48,807,202)	(5,563,848)	(7,991,000)
Purchase of goods for sale	1,444,602,388	1,126,598,038	1,165,683,290	880,921,568
Transportation and customs clearance expense	281,723,335	195,381,295	203,024,021	173,511,151
Oil fuel	10,086,213	10,167,033	3,322,979	2,560,008
Director and key management remunerations	12,697,335	15,511,599	11,484,900	15,511,599
Personnel	62,518,509	56,087,946	35,462,961	31,229,933
Depreciation and amortization	22,118,334	22,603,579	14,979,332	14,250,826
Other (profit) loss	(204,482)	1,338,881	(197,106)	(509,140)
Others	91,540,617	153,951,323	52,990,102	49,066,099
Total	**1,887,485,062**	**1,532,832,492**	**1,481,186,631**	**1,158,551,044**

33 Finance costs

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in Baht)			
Interest expenses-financial institutions	12,483,557	11,171,236	7,284,141	6,491,421
Interest expenses-non related companies	803,353	709,882	159,865	185,540
Total	**13,286,910**	**11,881,118**	**7,444,006**	**6,676,961**

34 Basic earnings (losses) per share

The calculation of basic earnings per share for the year ended 31 December 2021 and 2020 was based on the profit for the year attributable to ordinary shareholders of the Company by the number of ordinary shares issuing during the year as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the year attributable to ordinary shareholders of the Company (basic) (in Baht)	26,796,219	18,616,743	17,822,531	12,070,606
Number of ordinary shares issuing during the year (share)	300,000,000	300,000,000	300,000,000	300,000,000
Basic earnings per share (in Baht)	**0.09**	**0.06**	**0.06**	**0.04**

35 Business segment information

The Group has two reportable segments detailed as below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and managed separately because they require different technology and marketing strategies for each of the strategic divisions, the chief operating decision maker reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Business segments

- Segment 1 Sales of goods
- Segment 2 Rendering of service

Geographic segments

The Group/Company has domestic and foreign geographic segments from export by presenting information on the basis of geographical segments for revenue from sale of goods that is significant value.

Information about reportable segments:

	Sales		Services		Total reportable segment	
	2021	2020	2021	2020	2021	2020
			(in million Baht)			
For the year 31 December						
Local revenues	1,238	1,014	19	13	1,257	1,027
Export revenues	651	521	-	-	651	521
Total	1,889	1,535	19	13	1,908	1,548
Cost of sales and services	(1,581)	(1,257)	(15)	(10)	(1,596)	(1,267)
Gross profit by segments	308	278	4	3	312	281
Non-allocation expenses					(288)	(264)
Gain (loss) from operations					24	17
Other incomes					20	18
Finance costs					(13)	(12)
Tax expense (income)					(9)	(6)
Profit (loss) for the year					**22**	**17**
Property, plant and equipment at 31 December	**418**	**294**	**20**	**22**	**438**	**316**

Major customers

In 2021, revenues from two customers of the Group's segment 1 and 2 represent approximately Baht 651 million and Baht 11 million, respectively of the Group's total revenues.

In 2020, revenues from one customers of the Group's segment 1 and 2 represent approximately Baht 399 million and Baht 11 million, respectively of the Group's total revenues.

36 Commitments with non - related parties

	31 December 2021	
	Consolidated financial statements	**Separate financial statements**
	(in million Baht)	
Capital commitments		
Contract that have not been recognized		
Project of warehouse at Rayong province	15.29	15.29
Other commitments		
Bank guarantees	3.82	3.82
Total	**19.11**	**19.11**

On 28 August 2018, the Company entered into the purchase of Acacia Species agreement with the Southern Forest Industry Organization in the amount of Baht 24.23 million. The payment is to be made at the rate 50% in the 1st to 4th year of February every year in proportion to the amount specified in the agreement and another 50% will be paid full amount in the 5th year when the Acacia Species are removed from the forest in 2022. On 30 May 2019, the both parties entered into a memorandum of the supplementary to extend the delivery period from the original delivery term of 2022 to the species planted in 2018 will be delivered in 2023, and species planted in 2019 will be delivered in 2024. As at 31 December 2021, the Company made the payment in the amount of Baht 12.12 million.

37 Lawsuits and litigation

As at 31 December 2021, the Company had significant lawsuits and litigations as follows:

- In year 2018, the Company sued the business partner to pay the debt under the contract with the claim amount of Baht 1.01 million. Subsequently, the parties counterclaimed to pay the damages and the penalty in the amount of Baht 2.14 million. In December 2019, the case had been judge by the Court of First Instance ordering the parties to pay back deposits in the amount of Baht 0.80 million with interest and the Company has to pay the difference of the goods not be delivered in the amount of Baht 1.91 million with interest. On 4 June 2020, the Court of Appeal had a verdict standing by the judgment of the Court of First Instance and revised only counting period of time of interest. Subsequently, on 20 December 2021, the Court has issued and order authorizing and receive the plaintiff's Deka. Currently, it has been in the process of pending the judgment of the Supreme Court. However, the Company's management and legal advisors provided their opinion that the case is likely that the debt obligations are still highly uncertain and also unable to estimate the contingent liabilities.

38 Financial instruments

The major financial instruments of the Group/Company comprise cash and cash equivalents, trade and other receivables, other financial assets, trade payables and other payables, long-term borrowings and lease liabilities which the Group/Company has risks related to the aforementioned financial instruments and has a risk management policy as follows:

Financial risk management policy

Financial risk management policy

Risk management is integral to the whole business of the Group/Company which the Group/ Company has a system of controls in order to create an acceptable balance between the cost of risks occurring and the cost of managing the risks to ensure that there is a balance between risk and control over risk. The management continually monitors the Group/Company risk management process to ensure that there is a balance between risk and control over the risks.

Capital management

The Group/Company aim to manage a strong capital structure in order to make high availability and flexibility in business growth compared to competitors, including diversified sources of funds, flexible financing capabilities and an affordable cost level.

Credit risk

The Group/Company is exposed to credit risk primarily with respect to trade and other receivables and other financial instruments. The maximum amount that the Group/Company may incur on credit is the carrying amount as shown in the statement of financial position, except for derivatives.

Trade and other receivables

The Group/Company manage the risk by applying appropriate credit control policies and procedures, therefore, it is not expected that any significant financial losses will occur. In addition, the Group/Company has regularly monitors the outstanding of trade receivables and delivery of goods to major customers is guaranteed by the bank. Moreover, the credit limit provides by the Group/Company is not concentrated because the Group/Company have a diverse and large number of customers.

The Group/Company consider the impairment of loss at the end of the reporting period by categorized into customer groups with similar types of credit risk and calculate the expected credit losses from the aging of the debt outstanding from the due date for that particular group. The calculations of the expected credit loss are considering the reasonable and supportable information available at the reporting date relative with historical events, current conditions and forecast of future economic conditions. In general, the Group/Company wills write-off trade and other receivables in accordance with the Group/Company policy on appropriate consideration.

Interest rate risk

Interest rate risk is the risk arising from future changes in market interest rates which affects the operation and cash flow of the Group/Company because interest on certain fixed income securities and borrowings has a floating rate. The Group/Company is exposed to interest rate risk in relation to deposits at banks, other financial assets, long term loan and lease liabilities. Most of the Group/Company's financial assets and liabilities have interest rates that fluctuate according to the market rate or a fixed interest rate close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and financial liabilities (certain items presented as derivatives as described in note 22 to the financial statements) can be classified by interest rate type and for fixed-rate's of financial assets and liabilities, it can be classified by maturity dates or the date of the new interest rate setting (if the date of the new interest rate is set first).

Credit risk

Credit risk is the risk that the customer or counterparty is unable to make payment to the Group and the Company on the agreed terms at maturity.

The management set up credit policies to control such credit risk on a regular basis by analyzing the financial position of all customers that requesting a certain amount of credit limit. At the end of the reporting period, there were no significant credit risks.

Foreign currency risk

The Group/Company is exposed to foreign currency risk relating to purchases of goods and machinery in foreign currencies, the Group/Company has entered into forward foreign exchange contracts which are not more than one year to hedge

As at 31 December 2021 and 2020, the Group's exposure to foreign currency risk from foreign currency trade receivables and trade payable with foreign currency USD are as follows;

	Consolidated financial statement		**Separate financial statements**	
	2021	2020	2021	2020
	(in million Baht)			
Asset				
Bank deposit	0.80	0.62	0.68	0.61
Trade receivables-Other company	37.09	22.07	37.51	22.32
Liability				
Trade payable	4.96	26.31	0.11	3.09
Net	**32.93**	**(3.62)**	**38.08**	**19.84**

39 Event after the reporting period

The Board of Directors Meeting held on 24 February 2022 approved and determined the remunerations of the Company's directors and sub-committee members for the year 2022 as same as year 2021.

ASIA BIOMASS PUBLIC COMPANY LIMITED

PART 4 Information Certification

Information Certification

The Company has reviewed this Form 56-1 One report / Annual Report 2021 disclosure document with caution and certified that the information disclosed herewith is complete, accurate and truthful to the best of its knowledge. The Company believes that it has not omitted any material information that needs to be disclosed. Moreover, the Company also certifies that:

(1) The Financial Statement and other financial details that are summarized in this Form 56-1 One report / Annual Report 2021 represent complete and accurate information regarding the financial performance and the cash flow of the Company and its subsidiaries.

(2) The Company maintains an effective disclosure system that should assure it discloses true and complete information on the Company and its subsidiaries as required for ensuring compliance.

(3) The Company maintains an effective internal control system and for ensuring compliance. The Company has communicated the internal control assessment as of December 31, 2021 to the external auditor and the Audit Committee; this assessment included any default, change or misconduct which may affect the reporting of the Company's and its subsidiaries' financial statements.

Therefore, as evidence that these documents have been certified by the Company, the Company has authorized Miss Tiyada Mekpongsatorn to initial all pages. If any page is without Miss Tiyada Mekpongsatorn initials, the Company does not certify that the information given is the true copy.

Name	Surname	Position	Signature
1. Miss Tiyada	Mekpongsatorn	Managing Director	
2. Mr. Pongtham	Danwungderm	Deputy Managing Director	
3. Mrs. Natpapha	Kuansataporn	Director	

Attorney

Name	Surname	Position	Signature
1. Miss Tiyada	Mekpongsatorn	Managing Director	

ASIA BIOMASS PUBLIC COMPANY LIMITED

Appendix

Attachment 1 Details of Directors, Executives, Persons with Controlling Authority, Person Assigned for Greatest Responsibility in Accounting and Finance, Persons Assigned to be Directly Responsible for Supervising Accounting and Company Secretary.

Profile of Directors and Executives on 31 December 2021

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
Mr. Apisit Rujikestkamjorn Chairman of the Board of Directors	76	Educational Qualifications - Master of Engineering, Civil Engineering, Lamar University, Texas, USA. - Bachelor of Engineering, Civil Engineering, Khon Kaen University Training	5.00	None	2017 – present	Chairman	Global House (Cambodia) Company Limited	Distribution of construction materials and home decoration accessories.
					2017 – present	Chairman	Lao Agrotech Public Company Limited	Palm oil industry, selling products
					2015 – 2019	Chairman	OPG Tech Company Limited	from palm oil Selling
					2015 – present	Chairman	D.T.C. Enterprise Company Limited	vehicle tracking equipment through the network of
					2015 – 2019	Director	Global House International Company Limited	holding company activities
					2014 – present	Chairman of the Board of	Asia Green Energy Public Company Limited	Import-distribute Coal

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		- Director Certification Program (DCP) Class 166/2012 - Director course Program (DAP) Class 27/2004 - Audit Committee Program (ACP) Class 22/2008 - The Role of Chairman(RCP) Class 26/2011 - Finance for Non-Finance Director(FN) Class 24/2005			2014 – present	Directors/ Independent Director Chairman	Asia Biomass Public Company Limited	Biomass
					2011 – Present	Chairman	Sea Oil Plc.	Oil and Petrochemical Distributor
					2011 – 2019	Chairman	Eco Lighting Plc.	Electricital Equipment Distributor
					2008 – Present	Chairman	Siam Global House Plc.	Construction Material and By-product Distributor
					2014 – 2015	Vice Chairman / Independent Director	Asia Green Energy Plc.	Import-Distribute Coal

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
Mrs. Natpapha Kuansataporn Vice Chairman of the Board of Directors/ Authorized Director to sign on behalf of the Company Executive Director	58	Educational Qualifications - Bachelor's degree in Accounting, Krirk University Training - Director Accreditation Program (DAP) Class 119/2015	4.99	Wife of Mr. Panom Kuansataporn	2015 – Present 2012 – Present 2012 – Present 2009 – Present 2006 – Present 1990 – Present 2013 – Present 2018 – Present	Vice Chairman of the Board of Directors / Executive Director Director Director Director Director Director Director Director	Asia Biomass Plc. Asia Biomass Plc. K.H. Development Co., Ltd. Paprapat Co., Ltd. Pornpreecha Co., Ltd. Sathaporn Thanaphat Co., Ltd. Nataphat Pattana Co., Ltd. Gems Logistics Co., Ltd. 888	Biomass Fuel Distributor Biomass Fuel Distributor Real Estate Rental, Real Estate Services, Parking Service Biomass Fuel Distributor Buying and Selling Non-owned Property for Residence Transportation (Land Cargo) Trading and Renting in Real Estate and Parking Service. Buying, Selling, and Renting Cargo Ships Both Inside and Outside the Country.

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
Miss Tiyada Mekpongsatorn Director/ Authorized Director to sign on behalf of the Company Managing Director/ Executive Chairman/ Member of Nomination and Remuneration Committee	35	Educational Qualifications - Master of Logistics Management, University of Sydney, Australia. - Bachelor of Business, University of Technology, Australia. Training - Director Accreditation Program (DAP) Class 119/2015 - Future Entrepreneurs Forum(FEF) Class 4/2015	3.36	Daughter of Mr. Panom Kuansataporn	2019 – Present 2015 – Present 2015 – Present 2014 – Present 2014 – Present 2013 – Present 2013 – Present	Director The Chairman of Executive Committee Managing Director/ Director Managing Director/ Director Director Managing Director/ Director Director	ABM Pellets Co., Ltd. Asia Biomass Plc. Asia Biomass Resources SDN. BHD. Asia Biomass Energy SDN. BHD. Sinmahachai Pattana Co., Ltd. PT. Asia Biomass Indonesia Nathaphat Pattana Co., Ltd. Asia Biomass Plc.	Wood Chips and Biomass Briquettes Production Biomass Fuel Distributor Biomass Fuel Distributor Biomass Fuel Distributor Trading in Real Estate Biomass Fuel Distributor Trading and Renting in Real Estate and Parking Service

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		- TLCA Executive Development Program (EDP) 2013 - Boiler Technology Course, Mahanakorn University of Technology - Talent Management Strategy 2014, TC Progress			2012 – Present 2012 – Present 2009 – Present 2007 – Present 2007 – Present	Managing Director Director Director Director Director	K.H. Development Co., Ltd. Paprapat Co., Ltd. Pornpreecha Co., Ltd. Asia Biomass Plc.	Biomass Fuel Distributor Real Estate Rental, Real Estate Services, Parking Service Biomass Fuel Distributor Buying and Selling Non-owned Property for Residence Biomass Fuel Distributor
Mr. Panom Kuansataporn Director/ Member of Nomination and	70	Educational Qualifications - Master's degree Public Administration, Bangkok Thonburi University	19.51	Spouse of Mrs. Natpapha Kuansataporn	2017 – Present 2017 – Present 2017 – Present	Director Director Director	Nadee Asset Co., Ltd. Kok Huat Property Co., Ltd. Sathaporn Asset Co., Ltd.	Real Estate, Land, and Buildings Rental Real Estate, Land, and Buildings Rental

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
Remuneration Committee		- Bachelor's degree Public Administration, Bangkok Thonburi University Training - Director Accreditation Program (DAP) Couse 68/2008 - Senior Executive Program, Course 13, Capital Market Academy (CMA) - Senior Executive Program in Energy Science (CDC), Class 8/2016		and father of Ms. Tiyada Kuansataporn	2017 – Present 2016 – Present 2015 – Present 2015 – Present 2014 – Present	Chairman of the Board of Directors, Managing Director, and Chairman of Executive Committee Director / Managing Director Director Chairman of the Board of Directors/ Managing	AGE Marine Logistics Co., Ltd. AGE Global Trade Co., Ltd. Asia Biomass Plc. Pian Green Power Co., Ltd. A Engineering Consultant Co., Ltd.	Real Estate, Land, and Buildings Rental Goods Transportation Importing, Sizing, and Selling Coal Biomass Fuel Distributor Power Plant and Electricity Generation and Distribution Power plant and Electricity Generation and Distribution

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
					2013 – Present	Director / Chairman of Executive Committee	Nathaphat Pattana Co., Ltd.	Trading and Renting in Real estate and Parking Service.
					2012 – Present	Chairman of the Board of Directors/	K.H. Development Co., Ltd.	Real Estate Rental, Real Estate Services, Parking Service
					2010 – Present	Director / Chairman of Executive Committee	AGE Terminal Co., Ltd.	Unloading and Sorting Coal and Boat Docking Services (all types of water transportation)
					2008 – Present	Director Director Director / Chairman of Executive Committee	Asia Green Energy PCL.	Coal Imports and Exports Product Transportation Services Commercial Building Development
					2008 – Present		A.G.E. Transport Co., Ltd.	Particleboard Manufacturing

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
						/ Managing		Trading in Real Estate
					2004 – Present	Director	Dao Siri Villa Co., Ltd.	Trading in Real Estate
								Trading in Real Estate
						Director /		Building Rental
					1999 – 2019	Chairman of	Asia Panel Co., Ltd.	Agricultural Gardening
					1995 – Present	Executive	Kasikum Rimthalae Co., Ltd.	Trading in Real Estate
						Committee	Petchdaporn Co., Ltd.	Power plant and Electricity
					1994 – Present	/ Managing	Phanom Namchai Farm Co.,	Generation and Distribution
					1991 – Present	Director	Ltd.	Trading in Real Estate
					1991 – Present	Director/	Mankhong Thanasap Co.,	Utilities Providing and Service
					1991 – Present	Managing	Ltd.	Electric Power, Steam and Heat
					1990 – 2016	Director	Mahapol Karnkaset Co., Ltd.	Manufacturing, Selling and
						Director	Sinmahachai Pattana Co.,	Service
							Ltd.	Electric Power, Steam and Heat
							Kamphaeng Phet Solar	Manufacturing, Selling and
					1996 – Present	Director	Power Co., Ltd.	Service
					2019 – Present	Director		
							Pornpreecha Co., Ltd.	

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
					2020 – Present	Director	At Energy Solution Co., Ltd.	
						Director		
					2020 – Present	Director	At Energy One Co., Ltd.	Coal Distributor
						Director		
						Director		
					2014 – 2019	Director	At Holdings Vietnam Co., Ltd.	Fuel Distributor
						Director		
						Director		
						Director	Grand Power Co., Ltd. (2019)	
					2014 – 2019	Director		
						Chairman of the Board of Directors/ Managing Director / Chairman of Executive Committee	Multi Energy Trading Co., Ltd. (2020)	

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
						Chairman of the Board of Directors/ Managing Director / Chairman of Executive Committee		
Mr. Sarit Chockchainiran Independent Director/ Chairman of the Audit Committee	45	Educational Qualifications - Ph.D. in Business Administration, Manchester Business School, UK. - Master's degree in Finance, London Business School, UK.	None	None	2019 – Present	Director	Sathorn Prime Properties Co., Ltd.	Investing, Developing and/or Managing Land, Residence, Commercial Buildings, and Structures
					2019 – Present	Director	Sathorn Prime Holdings One Co., Ltd.	Investing, Developing and/or Managing Land, Residence, Commercial Buildings, and Structures
					2019 – Present	Director	Sathorn Prime Holdings Two Co., Ltd.	Investing, Developing and/or Managing Land, Residence,

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		- Bachelor's degree in Commerce, The University of Melbourne, Australia						Commercial Buildings, and Structures
								Real Estate
					2016 – Present	Director		Biomass Fuel
					2015 – Present	Independent Director / Chairman of the Audit Committee	Choengmon Real Estate Co., Ltd.	Distributor
		Training						
		- Director Certification Program (DCP) Class 230/2016					Asia Biomass Plc.	Real Estate
					2015 – Present			Real Estate
					2015 – Present			Developing Real Estate for Sale.
		- Director Accreditation Program (DAP) Class 118/2015			2015 – Present	Director	NYE Aree Co., Ltd.	Developing Real Estate for Sale.
						Director	N.Y.E. Khao Yai Co., Ltd.	Real Estate
					2015 – Present	Director	NV Sawasdee Co., Ltd.	
								Real Estate
					2014 – Present	Director	NV Sangthong Co., Ltd.	Consultant
								Consultant
					2013 – 2019	Director	NYE Development Co., Ltd.	Real Estate
					2011 – Present		NYE Estate Co., Ltd.	Invest in Related Companies
					2005 – Present	Director	PYI Capital Co., Ltd.	Holding company

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
					2013 – Present 2014 – Present 2014 – Present	Managing Director Managing Director Director Director Director	EFFINITY CO., LTD. Nye Estate Co., Ltd. Koon Capital Partners Co., Ltd. NV Taweesuk Co., Ltd.	
Mr. Wichai Pornkeeratiwat Independent Director/ Audit Committee/ Chairman of the Nomination and Remuneration Committee	69	<u>Educational Qualifications</u> - Master's degree in Public and Private Management, National Institute of Development Administration - Bachelor of Engineering Electrical	None	None	2015 – Present 2014 – Present 2014 – Present	Director / Audit Committee Independent Director / Member of the Audit Committee	Thai Future Energy Holding Co., Ltd. Asia Biomass PCL Kiatthana Transport PCL.	Other Financial Intermediaries Which Are Not Classified Biomass Fuel Distributor Providing Transportation Services for Hazardous Materials, Petrochemicals and Other Special Products.

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		Engineering, Khon Kaen University <u>Training</u> - Director Course Certification Program (DCP) Class 111/2008 - Asean Executive Program (AEP) , GE Management Development Institute - Senior Executive Program (SEP), Graduate Institute of Business Administration				Director / Audit Committee		

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		Sasin of Chulalongkorn University - NIDA-Wharton Executive Leadership Program, The Wharton School, University of Pennsylvania, USA.						
Ms. Patrawan Manutsathit Independent Director/ The Audit Committee	38	Educational Qualifications - Master's degree, Master of Business Administration, London Business School, UK. - Bachelor's degree, BBA (International	None	None	2017 – Present 2016 – Present 2013 – 2016 2010 – 2013	Director Group Finance Manager	CMP Property Co., Ltd. Air Asia Group Phatra Capital PCL	Owned and Non-Owned Real Estate Rental and Operation Airline Business Holding Company Financial Advisor

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		Program), Thammasat University Training - Director Accreditation Program (DAP) Class 140/2017 - Chartered Financial Analyst Course, CFA Institute				Assistant Vice President Associate	Industry Corporate Finance Limited	
Mr. Phongtham Danwungderm Deputy Managing Director/ *Executive Committee /*	36	Educational Qualifications - Master in Finance, London Business School, UK. - Bachelor's degree, BBA (International	2.37	Son-in-law of Mr. Panom Kuansataporn	2018 – Present 2018 – Present 2018 – Present	Director Chief Financial Officer (CFO)	ABM Pellets Co., Ltd. Asia Biomass PCL Thai Tomodachi Co., Ltd.	Wood Chips and Biomass Briquettes Production Biomass Fuel Distributor

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
Chief Financial Officer (CFO)		Program), Thammasat University <u>Training</u> - Orientation Course - CFO Focus on Financial Reporting Class 7			2017 – Present 2013 – 2017 2011 – 2012 2013 – 2011 2007 – 2010	Director Deputy Managing Director/ Executive Director Director of Research division and Investment Services Director of Research division Manager of Securities	Asia Biomass PCL Capital Nomura Securities Public Company Limited KGI Securities PCL Trinity Securities Co., Ltd. PTT Chemical PCL	Cosmetic and Supplement Manufacturing and Distributing Biomass Fuel Distributor Capital and Securities Capital and Securities Capital and Securities Petrochemical and Refining Industries

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
						Analysis Division Financier		
Mr. Chairat Dejpaiboonyot Assistant Director of Sales and Marketing	35	Educational Qualifications - Bachelor of Political Science, Ramkhamhaeng University Training - The Observation of Successful Factory in Energy Conservation Project , The Federation of Thai Industries	0.02	Son of Mrs. Natpapha Kuansataporn's younger brother	2017 – Present	Assistant Director of Sales and Marketing Department	Asia Biomass PCL	Biomass Fuel Distributor
					2016	Acting Assistant Manager of Sales and Marketing Department	Asia Biomass PCL	Biomass Fuel Distributor
					2015 – 2016	Assistant Manager of Sales and Marketing Department	Asia Biomass PCL	Biomass Fuel Distributor
					2013 – 2015	Assistant Manager of Sales and Marketing Department	Asia Biomass PCL	Biomass Fuel Distributor
					2012 – 2013	Assistant Manager of Sales and Marketing	Asia Biomass PCL	Biomass Fuel Distributor
					2012	Sales and Marketing	Asia Biomass PCL	Biomass Fuel Distributor
					2011 – 2012		Asia Biomass PCL	Biomass Fuel

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		- Reduction of Supply Chain and Logistics Costs, Department of Industrial Promotion Logistics Division - Boiler Technology Course, Mahanakorn University of Technology - Academic Seminar: Thai Energy in the Global Energy Trend, Federation of Thai Industries				Manager of Sales Coordination Department Assistant Manager of Sales Coordination Department Head of Sales Coordination Department Sales coordinator		Distributor

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
Mr. Prutthipol Soisuwan *Director of Sourcing and Supply Chain BU 2*	40	<u>Educational Qualifications</u> - Master of Business Administration, Kasetsart University - Bachelor of Science (Forestry) in Forest Resource Management, Kasetsart University <u>Training</u> - Forest Stewardship Council (FSC) Class 1	None	None	2017 – Present 2015 – 2016 2013 – 2015 2011 – 2013	Director of Procurement and Supply Chain (BU2) Biomass Fuel Purchasing Manager 2 Wood By-product Manager Contract Farming Manager	Asia Biomass PCL Asia Biomass PCL Siam Forestry Co., Ltd. Siam Forestry Co., Ltd.	Biomass Fuel Distributor Biomass Fuel Distributor Forestry and Other Forestry Activities Forestry and Other Forestry Activities

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		- PEFC Chain of Custody Auditor Course - Safety Committee Course (CDC) Trucking Operators to Raise Safety Standards Course - Academic Seminar: Thai Energy in the Global Energy Trend, Federation of Thai Industries - Forest Management /Chain of Custody FSC organized by Bureau Veritas Thailand Co., Ltd.						

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		- Forest Management /Chain of Custody FSC organized by Bureau Veritas Thailand Co., Ltd.						
Mrs. Apiratee Sakulin Director of Human Resources and Administration/ Company Secretary	49	Educational Qualifications - Master's degree in General Management, Ramkhamhaeng University - Bachelor's degree in Secretarial, Faculty of Business Administration, University of the Thai	0.02	None	2019 – Present 2017 – 2019 2015 – Present 2008 – 2015	Director of Human Resources and Administration Assistant Director of Human Resources and	Asia Biomass PCL Asia Biomass PCL Asia Biomass PCL Asia Green Energy Plc.	Biomass Fuel Distributor Biomass Fuel Distributor Biomass Fuel Distributor Import-Distribute Coal

Name-Surname / Position	Age (years)	Educational / Training background	Shareholding proportion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		Chamber of Commerce Training - Company Secretary Training Course 1/2018 Advances for Corporate Secretaries				Administration Company Secretary Secretary to the Managing Director		

Duties and Responsibilities of Company Secretary

1. Prepare and store director registration, notices of meetings, minutes of a meeting of the Board of Directors and shareholders, and the Company's annual report.
2. Maintain stakeholder reports of directors or executives.
3. Other actions as announced by the Capital Market Supervisory Board.
4. In addition, the Company Secretary also has a duty to assist the Board of Directors to organize board meetings such as scheduling meetings, preparing the meeting agenda
   and delivering the notice of the Board of Directors' meeting together with meeting documents, etc.

Information on holding positions of executives and controlling persons in subsidiaries, associated companies and related companies

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiyada Mekpongsatorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pornkerativat	Miss Patrawan Manutsathit	Mr. Pongtham Danwungderm	Mr. Prutthipol Soisuwun	Mr. Chairat Dejpaiboonyot	Mrs. Apiratee Sakulin
Asia Biomass Plc.	X	/ //	/ //	/	/	/	/	//			
Paprapat Co., Ltd.		/	/								
Sathaporn Thanaphat Co., Ltd.		/									
ABM Pellets Co., Ltd.			/					/		/	
PT. Asia Biomass Indonesia			/								
Asia Biomass Energy SDN. BHD			/								
Asia Biomass Resources SDN. BHD.			/								
Asia Green Energy PCL.	X			/ //							
A.G.E. Transport Co., Ltd.				/							
AGE Terminal Co., Ltd.				/ //							
AGE Trade Co., Ltd.				/ //							
AGE Global Trade Co., Ltd.				/							
AGE Marine Logistics Co., Ltd.				/							
Pornpreecha Co., Ltd.		/	/								

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiyada Mekpongsatorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pornkeratiwat	Miss Patrawan Manutsathit	Mr. Pongtham Danwungderm	Mr. Prutthipol Soisuwun	Mr. Chairat Dejpaiboonyot	Mrs. Apiratee Sakulin
K.H. Development Co., Ltd.		/	/	/							
Gems Logistics Co., Ltd. 888		/									
Nathaphat Pattana Co., Ltd.			/	/							
Sinmahachai Pattana Co., Ltd.			/	/							
Kasikum Rimthalae Co., Ltd.				/							
Phanom Namchai Farm Co., Ltd.				/							
Mankhong Thanasap Co., Ltd.				/							
Petchdaporn Co., Ltd.				/							
Dao Siri Villa Co., Ltd.				/							
CHARTERLINK CO., LTD.				X //							
A ENGINEERING CONSULTANT Co., Ltd.				X //							
MAHAPHOL AGRICULTURE Co., Ltd.				/							
NADEE ASSET Co., Ltd.				/							
SINSAPSATHAPORN Co., Ltd.				/							
Siam Global House Plc.	X										
Sea Oil Plc.	X										

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiyada Mekpongsatorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pornkeratiwat	Miss Patrawan Manutsathit	Mr. Pongtham Danwungderm	Mr. Prutthipol Soisuwun	Mr. Chairat Dejpaiboonyot	Mrs. Apiratee Sakulin
Eco Lighting Plc.	X										
D.T.C. Enterprise Company Limited	X										
Global House (Cambodia) Company Limited	X										
Lao Agrotech Public Company Limited	X										
EFFINITY CO., LTD.					/						
PYI Capital Co., Ltd.					/						
NYE ESTATE Co., Ltd.					/						
NYE Development Co., Ltd.					/						
NYE. Aree Co., Ltd.					/						
NYE. Khao Yai Co., Ltd.					/						
NV Sawasdee Co., Ltd.					/						
CHOENGMON REAL ESTATE Co., Ltd.					/						
Koon Capital Partners Co., Ltd.					/						
Sathorn Prime Properties Co., Ltd.					/						
Sathorn Prime Holdings One Co., Ltd.					/						
Sathorn Prime Holdings Two Co., Ltd.					/						

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiyada Mekpongsatorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pornkeratiwat	Miss Patrawan Manutsathit	Mr. Pongtham Danwungderm	Mr. Prutthipol Soisuwun	Mr. Chairat Dejpaiboonyot	Mrs. Apiratee Sakulin
NV TAWEESUK Co., Ltd.					/						
KIATTANA TRANSPORT Plc.						/					
A T E Co., Ltd.						/					
CMP PROPERTY Co., Ltd.							/				
Thai Tomodachi Co., Ltd.								/			

Remark : / = Directors X = Chairman of the Board // = Executive Committee

Changes of Asset Possession of the Executive Committee in the Company for the 2021 Period

	Name	Number of shares (shares)			Note
		As of 31 December 2020	As of 31 December 2021	Increase (decrease) During the year (shares))	
Board of Directors					
1	Mr. Apisit Rujikestkamjorn	15,000,099	15,000,099	-	No trading transaction of ABM shares in 2021
	Spouse and children under legal age	-	-	-	-
2	Mrs. Natpapha Kuansataporn	14,970,198	14,970,198	-	No trading transaction of ABM shares in 2021
	Spouse (Mr. Panom Kuansataporn)	58,529,805	58,529,805	-	No trading transaction of ABM shares in 2021
	Children under legal age	19,395,000	19,395,000	-	No trading transaction of ABM shares in 2021
3	Miss Tiyada Mekpongsatorn	10,102,674	10,102,674	-	No trading transaction of ABM shares in 2021
	Spouse and children under legal age	-	-	-	No trading transaction of ABM shares in 2021
4	Mr. Panom Kuansataporn	58,529,805	58,529,805	-	No trading transaction of ABM shares in 2021
	Spouse (Mrs. Natpapha Kuansataporn)	14,970,198	14,970,198	-	No trading transaction of ABM shares in 2021
	Children under legal age	19,395,000	19,395,000	-	No trading transaction of ABM shares in 2021
5	Dr. Sarit Chokchainirand	-	-	-	No ABM share held
	Spouse and children under legal age	-	-	-	-
6	Mr. Wichai Pornkeratiwat	-	-	-	No ABM share held
	Spouse and children under legal age	-	-	-	-
7	Miss Patrawan Manutsathit	-	-	-	No ABM share held
	Spouse and children under legal age	-	-	-	-

Company's management					
8	Mr. Pongtham Danwungderm	7,131,801	7,131,801	-	No trading transaction of ABM shares in 2021
	Spouse (Miss. Panita Kuansataporn)	10,102,674	10,102,674	-	No trading transaction of ABM shares in 2021
	Children under legal age	-	-	-	-
9	Mrs. Apiratee Sakulin	74,901	74,901	-	No trading transaction of ABM shares in 2021
	Spouse and children under legal age	-	-	-	-
11	Mr. Prutthipol Soisuwun	-	-	-	No ABM share held
	Spouse and children under legal age	-	-	-	-
12	Mr. Chairat Dejpaiboonyot	59,802	59,802	-	No trading transaction of ABM shares in 2021
	Spouse and children under legal age	-	-	-	-

Attachment 2 Details of the directors of the subsidiary

Name	Sataporn Thanapat Co., Ltd.	Paprapa Co.,Ltd.	ABM Pellets Co.,Ltd.	PT. Asia Biomass Indonesia	Asia Biomass Energy SDN. BHD.	Asia Biomass Resources SDN. BHD.
Mrs. Natpapha Kuansataporn	/	/				
Miss Tiyada Mekpongsatorn		/	/	/	/	/
Miss Pimyada Kuansataporn		/				
Mrs. Panida Kuansataporn	/					
Miss Buakhaw Chuenkul				/	/	/
Mr. Pongtham Danwungderm			/		/	/
Mrs. Apiratee Sakulin						/
Mr. Chairat Dejpaiboonyot			/			
Mr. Law Hieng Chai					/	/
Mr. Ho Kim Hee						/
Mr. Lai Che Sieng						/

Remark : / = Directors X = Chairman of the Board // = Executive Committee

Details of directors and persons with controlling power in subsidiaries

Name		
1. Mrs. Natpapha	Kuansataporn	C D S
2. Mrs. Panida	Kuansataporn	D S

Name		
1. Miss Tiyada	Mekpongsatorn	D S
2. Mr. Pongtham	Danwungderm	D S
3. Mr. Chairat	Dejpaiboonyot	D

Name		
1. Mrs. Natpapha	Kuansataporn	C D S
2. Miss Pimyada	Kuansataporn	D S
3. Miss Tiyada	Mekpongsatorn	D S

Name		
1. Miss Tiyada	Mekpongsatorn	C D S
2. Miss Buakhaw	Chuenkul	D S

Name		
1 Miss Tiyada	Mekpongsatorn	C D S
2. Mr. Pongtham	Danwungderm	D
3. Miss Buakhaw	Chuenkul	D S
4. Mr. Law Hieng Chai		D S

Name		
1. Miss Tiyada	Mekpongsatorn	C D S
2. Mrs. Apiratee	Sakulin	D
3. Miss Buakhaw	Chuenkul	D S
4. Mr. Pongtham	Danwungderm	D
5. Mr. Law Hieng Chai		D S
6. Mr. Ho Kim Hee		D
7. Mr. Lai Che Sieng		D

Remark :

C = Chairman of the Directors D = Directors M = Managing Director

G = Chairman of the Executive X = Executive Committee S = Authorized director to bind the company

Attachment 3 Details on the Head of Internal Audit and the Head of the Company's Compliance Department

Biography: Ms. Somcharee Kaewkhomdee

Name - Surname	Age (Years)	Educational / Training Background	Work Experience in the Past 5 Years		
			Duration	Position	Name of organization / Company / Business Type
Ms. Somcharee Kaewkhomdee **Certified Professional Internal Audit of Thailand (CPIAT)**		Educational Background • Bachelor's degree, Faculty of Humanities and Social Sciences, Major in Accounting, Burapha University (Accounting Graduate) Training Background • Internal Auditor Course, Class 1-2 • Risk Assessment Course • COSO 2013 Course, Theory and Practice • Maintainance and Improvement of the Quality of the Internal Audit Work Unit Project • Self-Assessment by Anti-Corruption Measures • Guidelines for Corruption Investigation • International Standards for the Professional Practice of Internal Auditing • Exam Preparation Course for CIA Part II, Federation of Accounting Professions • Internal Audit Training Program to Prepare to be International Certified Internal Auditor (Pre CIA), Chulalongkorn University Asian Confederation of Institutes of Internal Auditors Conference 2018 (Malaysia)	2006 – 2008 2009 – 2010 2011 – 2016 June 2016 - Present	• Internal Auditor • Senior Internal Auditor • Assistant Manager • Executive Director and Manager of Internal Audit Department	• Internal Audit Department/Dharmniti Audit Co., Ltd. Account Audit and Internal Audit Services • Dharmniti Internal Audit Co., Ltd. Internal Audit Services

Attachment 4 Operating asset and detail of asset appraisal

Operating asset

The detail of operating asset was disclosed in section 1.2.4 Operating asset

Asset appraisal

The Company hired Pornsiam Consultant and Services Co., Ltd. for asset appraisal by using market approach. The Company recognized appraisal price in financial statements as follow;

Detail				
Asset	Appraisal price (million Baht)	Appraiser	Purpose	Appraisal date
Land 3 plots area 70-4-43.4 rai	311.12	Pornsiam Consultant and Services Co., Ltd.	To know market value	8-9 March 2021

Attachment 5 Policy and practice of corporate governance

The Company disclosed a Code of Conduct and a Corporate Governance Policy on the Company's website under section "Corporate Governance"

Company's website

http://www.asiabiomass.com/

Corporate Governance

http://www.asiabiomass.com/corparate_grovemebt_new/

Corporate Governance Policy

http://www.asiabiomass.com/media/CorporateGovernance.pdf

Code of Conduct

http://www.asiabiomass.com/pdf/Code-of-Conduct.pdf

Attachment 6 Audit Committee Report

Committee report

Audit Committee Report

Dear Shareholders of Asia Biomass Public Company Limited

The Audit Committee of Asia Biomass Public Company Limited consists of 3 independent directors who are experts in finance, accounting, management, and have all the qualifications as determined in the Audit Committee Charter with the following names:

1. Dr. Sarit Chockchainirand Chairman of the Audit Committee and Independent Director
2. Mr. Wichai Pornkeratiwat Audit Committee and Independent Director
3. Ms. Patrawan Manutsathit Audit Committee and Independent Director

Company Secretary performs as the Secretary of the Audit Committee

The Audit Committee performs their duties in accordance with the Audit Committee Charter which is assigned by the Board of Directors and the regulations of the Stock Exchange of Thailand. In the fiscal year 2021, the Audit Committee held a total of 4 meetings to consider various matters with Risk Management Committee, Dharmniti Internal Audit Company Limited, and the auditors in related matters and has reported the meeting results to the Board of Directors every time. The summary of the key points of the objective are as follows:

Financial Report

The Audit Committee has reviewed the quarterly financial statements, annual financial statements, and consolidated financial statements of the Company and subsidiaries with the auditor and management. The auditor has given the approval to certify the financial statements with no conditions. The Audit Committee questioned and considered with the auditors on key audit matters(KAMs), including auditing standards and changes in financial reporting standards, disclosure of information in the financial statements that is sufficient, timely, and useful to users of the financial statements, along with giving advice and useful comments to ensure that the Company's financial statements are accurate and reliable in accordance with the financial reporting standards.

Connected Transactions or Transactions that may have Conflicts of Interest

The Audit Committee has considered and commented on the connected transaction or items that may have conflicts of interest of the Company and subsidiaries before presenting them to the Board of Directors or shareholders, as specified by the principles of accuracy, caution, reasonableness, and transparency by considering the benefits of the Company and stakeholders, including adequate disclosure of information in accordance with the good corporate governance policy and the regulations of the Stock Exchange of Thailand.

Internal Control and Risk Management

The Audit Committee has reviewed the sufficiency of the internal control system of Dharmniti Internal Audit Company Limited, the risk management of the Company and subsidiaries by considering the operation, property care, prevention of mistakes and corruption, and compliance with laws, rules, and regulations by considering the report from internal auditors and significant auditors, the revision of the important issues according to the audit report, and acknowledged the management of major risks of the organization by meeting with the Risk Management Committee, in which the Audit Committee has given an opinion on the sufficiency assessment, the efficiency of the internal control system and the Company's risk management

Corporate Governance

The Audit Committee has reviewed the Company to make sure that the operations are in accordance with the principles of good corporate governance in order for the operations to be transparent and fair and to build trust and credibility for stakeholders by adhering to anti-corruption policies and measures.

Auditor Selection and Remuneration Determination

The Audit Committee has selected and considered the audit fees of the auditors from SP Audit Company Limited by considering the qualifications of the 3 auditors, namely Ms. Susan Iamwanitcha, registration number 4306 and/or Mr. Suchart Pa. Nichacharoen, registration number 4475 and/or Mr. Apichart Boonkerd, certified public accountant No. 4963. The stated 3 auditors have no relationship or stake in the Company, subsidiaries, directors, executives, or major shareholders or persons who are related to such persons. In the event that the aforementioned auditors are unable to perform their duties, SP Audit Company Limited shall procure another certified public accountant of the office to audit the accounts and give opinions on the financial statements of the Company as a substitute of the auditor. The Board of Directors believes that SP Audit Company Limited is knowledgeable and competent, have experience and independence in accordance with the requirements of the Stock Exchange of Thailand or other related agencies, and has an understanding of the Company's business, therefore, SP Audit Company Limited is proposed to the Board of Directors. The Board of Directors agreed to appoint auditors from SP Audit Company Limited to perform as the Company's auditors, and presented them to

the Annual General Meeting of Shareholders of the year 2022 for consideration for appointment as auditors and approval of the audit fee.

Auditor Selection and Remuneration Determination

The Audit Committee has selected and considered the audit fees of the auditors from SP Audit Company Limited by considering the qualifications of the 3 auditors, namely Ms. Susan Iamwanitcha, registration number 4306 and/or Mr. Suchart Pa. Nichacharoen, registration number 4475 and/or Mr. Apichart Boonkerd, certified public accountant No. 4963. The stated 3 auditors have no relationship or stake in the Company, subsidiaries, directors, executives, or major shareholders or persons who are related to such persons. In the event that the aforementioned auditors are unable to perform their duties, SP Audit Company Limited shall procure another certified public accountant of the office to audit the accounts and give opinions on the financial statements of the Company as a substitute of the auditor. The Board of Directors believes that SP Audit Company Limited is knowledgeable and competent, have experience and independence in accordance with the requirements of the Stock Exchange of Thailand or other related agencies, and has an understanding of the Company's business, therefore, SP Audit Company Limited is proposed to the Board of Directors. The Board of Directors agreed to appoint auditors from SP Audit Company Limited to perform as the Company's auditors, and presented them to the Annual General Meeting of Shareholders of the year 2022 for consideration for appointment as auditors and approval of the audit fee.

Dr. Sarit Chockchainirand
Chairman of the Audit Committee and Independent Director

Report of the Nomination and Remuneration Committee

Dear Shareholders

Asia Biomass Public Company Limited has appointed the Nomination and Remuneration Committee which consists of 3 directors, of which the Chairman of the Nomination and Remuneration Committee is an independent director and does not perform duties in other sub-committees. The current Nomination and Remuneration Committee consists of

1. Mr. Wichai	Pornkiratiwat	Chairman of the Nomination and Remuneration Committee
2. Mr. Panom	Kuansataporn	Nomination and Remuneration Committee
3. Ms. Tiyada	Mekpongsatorn	Members of Nomination and Remuneration Committee

In 2021, the Nomination and Remuneration Committee has performed duties as assigned by the Board of Directors. There were a total of 2 meetings, In the first meeting, 2 of the Nomination and Remuneration Committee members attended the meeting since the meeting was about the consideration of the Managing Director's remuneration, in which Ms. Tiyada had to leave the meeting room for the remaining Nomination and Remuneration Committee to consider. In the second meeting, 2 of the Nomination and Remuneration Committee members attended the meeting, for which the Chairman of the Nomination and Remuneration Committee had to leave the meeting room because he was a director who retired by expiration of the term of office for information for consideration in various matters within the responsibility of the Nomination and Remuneration Committee. The results of the Board of Directors' meetings have been regularly reported. The summary of the important work performed in 2021 can be summarized as follows:

1) Consider qualified persons as the Company's directors to replace 2 directors who retired by expiration of the term of office in order to promote and support the good corporate governance policy, the Company gives shareholders the opportunity to nominate a qualified person to serve as director via the Company's website and notify via the SET's electronic system (SET Portal) between 28 October 2021 - 30 December 2021. However, none of the shareholders submitted the names to be considered for election as directors. The Board of Directors deems appropriate that the two directors should be reinstated for another term. The directors were proposed to the Board of Directors meeting and the Annual General Meeting of Shareholders for approval. The Nomination and Remuneration Committee considered the qualifications of the directors who retired by expiration of the term of office and concluded that the 3 directors still had all the qualifications in accordance with the specified rules, performed their duties with care, and had the intention to perform duties consistently and willingly as well as provided suggestions and opinions that were beneficial to the business operations of the Company and shareholders.

2) Consider the remuneration of directors and sub-committees to propose to the Board of Directors' meeting and the annual general meeting of shareholders for approval.

3) Consider the Managing Director's remuneration to propose to the Board of Directors' meeting in consideration of remuneration. The Managing Director and the Nomination and Remuneration Committee have considered the appropriateness of duties and responsibilities, assigned and the performance, as well as the Company's operating results.

4) Evaluation of the annual performance of the Board of Directors and the Managing Director shows the result at a "good" level.

In 2021, the Nomination and Remuneration Committee has completely performed the duties assigned by the Board of Directors with caution, prudence, dedication, and independence for the overall benefit of the Company and shareholders appropriately.

Mr. Wichai Pornkiratiwat

Chairman of the Nomination and Remuneration Committee

Attachment 7 Charter

Charter of the Board of Directors

http://www.asiabiomass.com/media/CharterofBoardofDirectors62.pdf

Charter of the Audit Committee

http://www.asiabiomass.com/media/CharterofAuditCommittee62.pdf

Charter of Nomination and Remuneration Committee

http://www.asiabiomass.com/media/CharterofNominationandRemunerationCommittee.pdf

Charter of Executive Committee

http://www.asiabiomass.com/media/CharterofExecutiveCommittee62.pdf

Charter of Risk Management Committee

http://www.asiabiomass.com/media/CharterofRiskManagementCommittee.pdf