



ENERGIZING A GREENER FUTURE

Annual Report 2022

Asia Biomass Public Company Limited



สมาคมส่งเสริมลงทุนไทย THAI INVESTORS ASSOCIATION

ABM got an excellent level (100 out of 100 points) from the project of assessment of the quality of organizing the Annual General Meeting (AGM) 2022 of Shareholders by the Thai Investor Association with The Securities and Exchange Commission



ABM got very good score (4 Stars) for the assessment of Corporate Governance Report of Thai Listed Companies in 2022 by Thai Institute of Directors (IOD)



ABM got CSR-DIW Continuous Awards 2022 Certification
from the Ministry of Industry



ABM got certified Green Industry Level 2 at the Bang Nam Chuet branch by the Ministry of Industry on February 7, 2022



ABM got certified Green Industry Level 3 at the Bang Kung branch by the Ministry of Industry on February 22, 2022

Vision

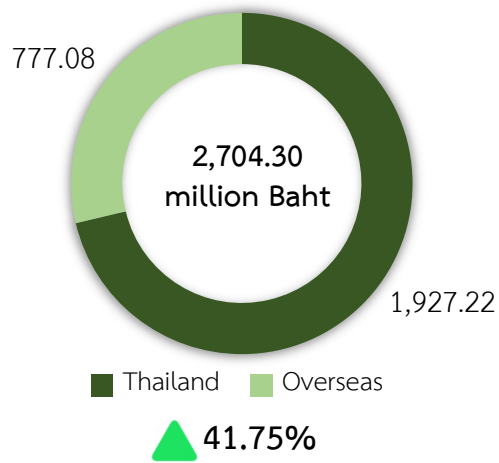
“To be a leader in biomass and related goods procurement and development in ASEAN by 2025, with solutions that meet customers' needs in various industries and be ready to focus and drive the business to grow sustainably based on the new economy (BCG Economy).”

Mission

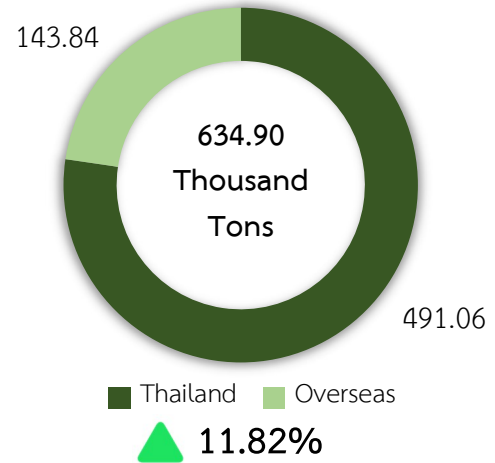
“Response promptly to customers' needs with various biomass fuels, focuses on quality and quantity of biomass fuel are delivered to customers continuously and regularly, with a logistics system that satisfied, including excellent after-sales service and considering the interests of the Company's stakeholders”

Financial highlights in 2022

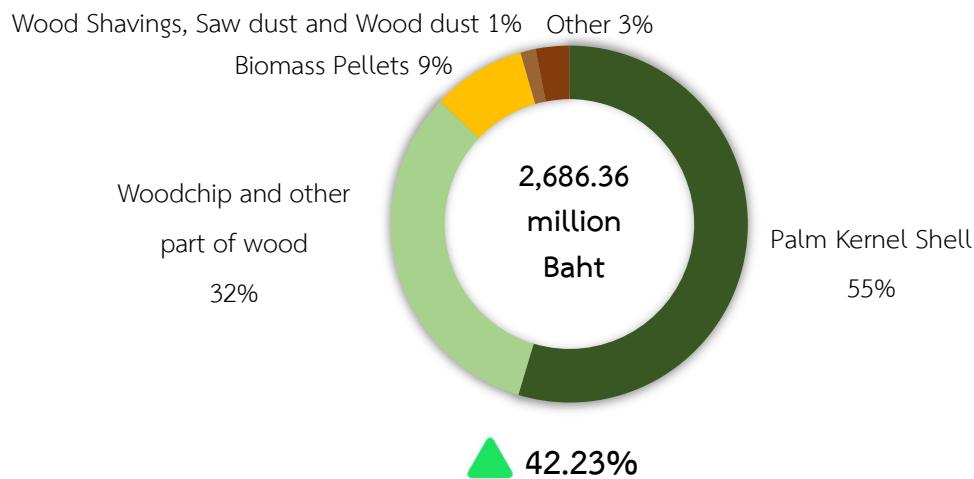
Revenue from sales goods and rendering services



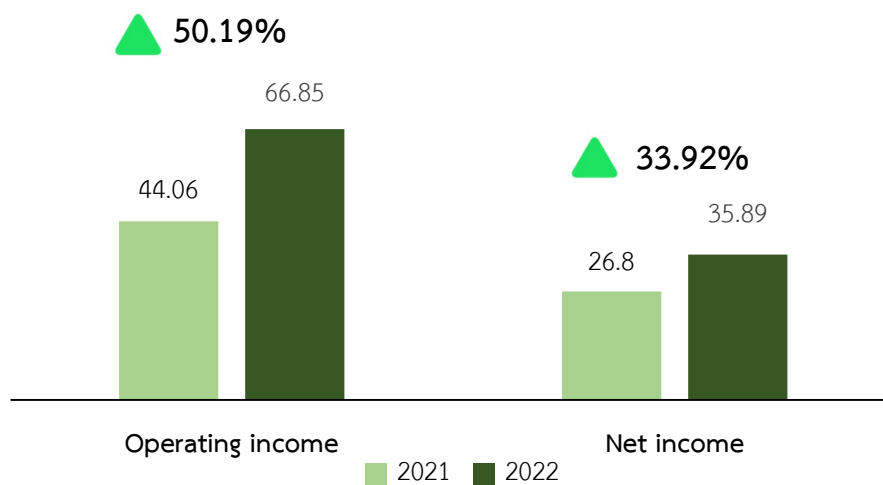
Sales Volume



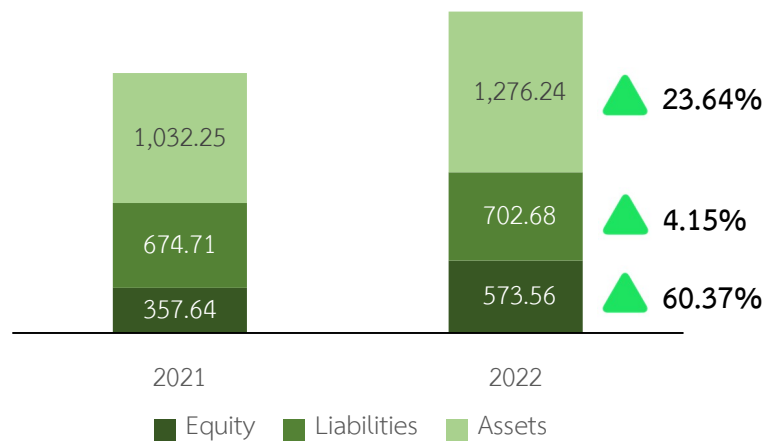
Sales Portion



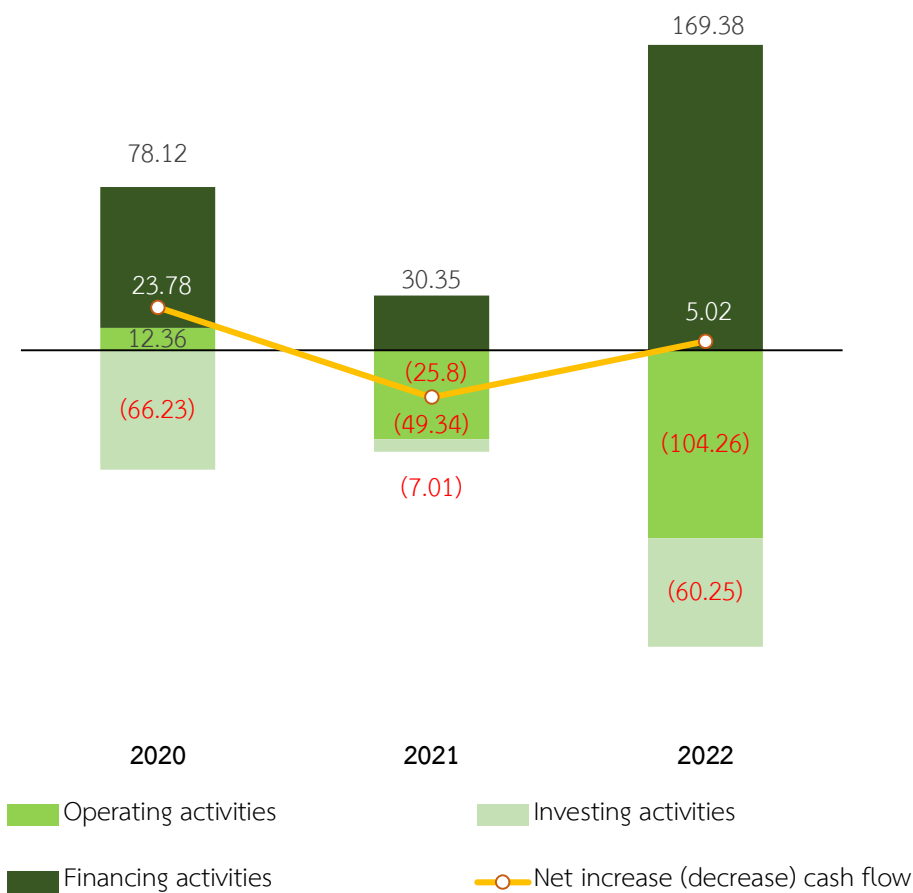
Financial performance



Financial Position (million Baht)



Cash Flow (million Baht)



Net cash flow  5.02 million Baht

Message From Chairman and Managing Director

The year 2022 is another year of recovery from the COVID-19 pandemic, with a trend toward returning to normalcy. For the business of Asia Biomass Public Company Limited or “ABM” which is in the environmental conservation movement, this will become an additional condition for the international trade structure. In recent years, powerful countries have pursued strong environmental policies, which may impact the international trade structure and require changes. For example, the United States and Europe have enacted laws to control imports that focus on low-carbon footprint products. China has implemented measures to control greenhouse gas emissions in the industrial sector and encourages the reduction of energy consumption from fossil fuels, and the use of clean or renewable energy sources. The use of biomass energy is also increasing, as it releases biogenic CO₂ and promotes carbon cycling through plant absorption during photosynthesis. Therefore, Thailand should prepare for changes in its export structure that take into account environmental factors.

In terms of good corporate governance, ABM has an Executive Committee who are experts in various fields to consider, control, oversee, and be responsible for various aspects of the business within the scope assigned by the Board of Directors, including the establishment of Audit Committee, Risk Management Committee, and Corporate Governance Committee to enhance the efficiency of the Company's management in accordance with the principles of good corporate governance as prescribed by the Stock Exchange of Thailand. The Company is committed to conducting its business sustainably and responsibly, while taking into account the social and environmental responsibilities, under the principles of corporate governance and professional management. The Company is ready to adapt to rapid changes in the business environment.



Mr. Apisit Rujikestkamjorn
Chairman of the Board

The key to overcoming this crisis is to expand the business by distributing new products and expanding distribution channels for biomass products, both within and outside the energy industry, to find opportunities for the Company's growth. This involves building on existing infrastructure, experience, and knowledge within the organization and implementing solutions quickly to adapt to the situation. This also includes efficient logistics management and the adoption of information technology to control budgets and expenses, reduce redundancy in operations, and increase efficiency in customer service to improve the Company's performance, even during times of crisis. Developing the organization also involves strengthening human resources by increasing their capabilities, recruiting new personnel with specific expertise to join the team, and efficiently planning risk management. Additionally, the Company remains committed to taking care of the surrounding community by conducting operations that consider its responsibility to society and the environment continuously. Emphasis is placed on projects that create value for both the Company and the community, such as promoting career creation, such as planting kratom trees in communities in the southern region to export products for the production of antibiotics in foreign countries.

Another important aspect is expanding the business based on being a Supply Chain Facilitator, by investing in infrastructure and developing production and service processes to have potential and efficiency on the basis of social responsibility to support business growth with partners throughout the supply chain. There has been an expansion of the business in the wood chip factory and biomass pellet production factory, connecting and expanding the Integrated Management System with partners to enhance product and service responsiveness to customer needs.

There has been an implementation of sustainable forest management standards, including the Program for the Endorsement of Forest Certification System (PEFC). The key principles of forest management include caring for the people in the area where trees are planted and working responsibly, managing the forest area with a management plan, and monitoring and addressing issues. In addition to caring for people, the natural environment, such as animals and surrounding areas, must also be taken care of, ensuring that new trees will always be available in the future, and forest areas will continue to exist. This management system has been promoted by the Company to encourage farmers to use it, thus improving Thai agriculture and products to compete in the international market.



Miss Tiyada Mekpongsatorn
Managing Director

The Company has achieved ISO 9001:2015 quality certification, ISO 14001:2015 environmental certification, and workplace safety and environmental certification. The business expansion strategy includes adding a group of high-value biomaterial products to meet customer needs and expand the customer base.

Finally, on behalf of the Board of Directors of Asia Biomass Public Company Limited, the Company would like to express its sincere gratitude to our shareholders, investors, business partners, financial institutions, government agencies, and private sectors, as well as all its customers who have continuously trusted and supported the Company. Most importantly, the Company would like to thank its executives and employees for their dedication, hard work, honesty, diligence, and perseverance, which have been the driving force behind the development and progress of the Company and have resulted in sustainable returns for our shareholders and stakeholders.



Mr. Apisit Rujikestkamjorn
Chairman of the Board



Miss Tiyada Mekpongsatorn
Managing Director

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บริษัท เอเชีย ไบโอบีโอส จำกัด (มหาชน)

Structure and SECTION 1 Operations of the Group



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 Long term goals and strategies taking into account the creation of sustainability for all stakeholders Together with the executives in the Board of Directors Meeting No. 4/2022 on November 10, 2022, with a resolution to maintain the vision and mission of the company as before.

Strategic direction of the company

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.

“ ABM Core Values ”

I AM ABM

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

Key Changes and Development

Authority to Control the Company in the Previous Year

Shareholders’ details are in the topic of shareholders, [page 37](#)

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 38 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 2022, 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.



ABM Group Timeline



- 1st Export Eucalyptus woodchip to Taiwan.
- Started operation at Taphong warehouse, Rayong
- Received CSR-DIW Continuous 2022
- Established new subsidiaries (PKSI, PKSA)
- Received a score of 100 out of 100 in the 2022 Annual General Meeting of Shareholders from jointed program of Thai Investor Association and The Securities and Exchange Commission.

2021

- Operated new wood chip mill at Bang Kung warehouse, Surat Thani

2019



- Received FSC-CoC

2009-2015



- Established STP

1984

2022



- Operated new wood pellet factory at Bang Nam Chuet warehouse, Samut Sakhon
- 1st sale of Tapioca product
- Received CSR-DIW Award 2021
- Received PEFC ST 2002:2013 and PEFC ST 2001:2018 2nd
- Received a score of 100 out of 100 in the 2021 Annual General Meeting of Shareholders from jointed program of Thai Investor Association and The Securities and Exchange Commission.

2020



- ABM changed status into public company limited and listed company in Market for Alternative Investment (MAI)
- ABM Received ISO 9001:2015 and 14001:2015

2016

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



1990

- Founded as Thai Joss Powder Co.,Ltd

Money Usage from Fund Raising

On 21-28 November 2022, the Company raised funds by right offering 100 million of ordinary shares to existing shareholder with ratio of 3 existing ordinary shares per 1 new ordinary share that company offered in the price of 1.80 Baht per share, totaling 180 million Baht. In addition, the Company disposed warrants of 50 million units (ABM-W1) with a ratio of 2 new ordinary shares per 1 unit of warrant. The holder could exercise at the price of 1.80 Baht per share, totaling 90 million Baht. The purpose of Fund Raising could be summarized as follows:

Purpose of Fund Raising	Estimated usage (Million Baht)	Description
Right offering		
1. Repayment loan from financial institution	90.00	ABM had plan to settle both short-term and long-term loan to financial institution.
2. Expand new warehouse	50.00	ABM had plan to expand new warehouse for supporting operation in the future.
3. Investment in new machine	40.00	ABM had plan to invest in machine and infrastructure that necessary for business operation.
Warrants (ABM-W1)		
1. Working capital	50.00	ABM had plan to use fund as working capital for business operation.
2. Reserved fund	40.00	ABM had plan to use fund as reserved for potential business that provided yield and improved business performance.

Promised Obligations of the Company

- None -

General Information

Company Information (on 31 December 2022)

Thai Company Name	บริษัท เอเชีย ไบโอบีโอส จำกัด (มหาชน)
English Company Name	Asia Biomass Public Company Limited
Securities Initial	ABM
Head Office Location	No. 273/2 Rama2 Road, Samae Dam Sub-district, Bang Khun Thian District Bangkok.
Nature of Business Operation	Biomass Fuel Distributor
Company Registration Number	0107560000061
Registered capital	225,000,000.00 Baht
Paid-up capital	200,000,000.00 Baht
The number of shares sold	Ordinary share 400,000,000 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 Extention 2619 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	Miss Susan Eiamvanicha CPA No. 4306 Mr. Suchart Panitcharoen CPA No. 4475 Mr. Apichat Boongird CPA No. 4963 SP Audit Company Limited NO. 503/31 K.S.L. Tower , Sri Ayutthaya Road, Thung Phaya Thai Subdistrict, Ratchathewi District, Bangkok 10400 Telephone :02 642 6174 Fax :02 642 6253
Legal advisor	KANSIRI & PARTNER CO., LTD. No. 88/8 Moo 10 Khok Kham Subdistrict, Mueang District, Samut Sakhon Province 74000

1.2. Nature of Business Operation

Business Overview and Revenue Structure Classified by Business Type

Revenue Structure

The Company and subsidiaries are mainly engaged in the procurement and distribution of biomass fuel. The procurement and distribution of biomass fuel are carried out by the Company and subsidiaries which are PPP, PKS1 and PKSA 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.

Revenue structure categorized by Type of Business	Operated by	2020		2021		2022	
		Million Baht	%	Million Baht	Million Baht	%	Million Baht
Revenue from product sales		1,535.06	98.24	1,889.10	97.97	2,686.83	98.94
- Domestic	ABM PPP PKS1 and PKSA	1,013.58	64.87	1,237.97	64.20	1,909.75	70.32
- Overseas	ABM	521.48	33.37	651.13	33.77	777.08	28.62
Revenue from transportation services ^{1/}	STP	13.31	0.86	18.72	0.97	17.47	0.64
Other incomes ^{2/}	ABM and subsidiaries	14.14	0.90	20.48	1.06	11.39	0.42
Total		1,562.51	100.00	1,928.30	100.00	2,715.69	100.00

Remark:

1/ 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.

2/ 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 2020 and 2022.

Revenue structure categorized by Type of Business	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic sales	1,013.58	66.03	1,237.97	65.53	1,909.75	71.08
- Palm Kernel Shell	809.29	52.72	967.36	51.21	1,468.19	54.65
- Woodchip and other parts of wood	84.84	5.53	120.49	6.38	148.41	5.53
- Biomass Pellets	45.86	2.99	90.38	4.78	222.83	8.29
- Wood Shavings, Sawdust and Wood dust	70.84	4.61	53.93	2.85	37.19	1.38
- Other products	2.75	0.18	5.81	0.31	33.13	1.23
Overseas sales	521.48	33.97	651.13	34.47	777.08	28.92
- Palm Kernel Shell	88.28	5.75	-	-	-	-
- Woodchip and other parts of wood	399.16	26.00	604.43	32.00	723.38	26.92
- Biomass Pellets	34.04	2.22	-	-	5.29	0.20
- Other products	-	-	46.70	2.47	48.41	1.80
Total	1,535.06	100.00	1,889.10	100.00	2,686.83	100.00

Characteristics of Products and Services

Biomass fuel business

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"). ที่ The distribution to customers will be done through ABM PPP PKSI and PKSA

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



Group 2 : Woodchip and Others



Wood chip

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

Group 4: Biomass Pellet



Wood 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 its subsidiaries also distribute other biomass fuels as alternatives. And respond to customer needs, such as rice husks, palm fiber, palm bunches, rhizomes, etc. RDF waste, which is a product that the company can procure from suppliers who distribute biomass fuel to the company, such as sawmills and wood processing plants And sell to customers who are suppliers of the company, including wooden furniture factories. In addition, the company procures and distributes products other than biomass fuel, such as cassava, cassava chips, and cassava starch. Lumber products Eucalyptus wood chips, RDF waste, which is a product that the company considers to be potential. and is in the source where the company is

already looking for products In addition, there is a market to support both old and new 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

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 overseas want to purchase biomass fuel from a supplier that is certified by the standards. Therefore, the Company has advantages in selling products to overseas 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

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

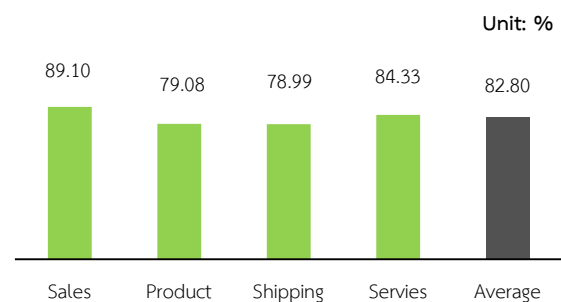
During 2022, the customer satisfaction survey receives the average satisfaction level is 82.80%, sales are 89.10%, products are 79.08%, delivery is 78.99% and services are 84.33%.

Business Strategy

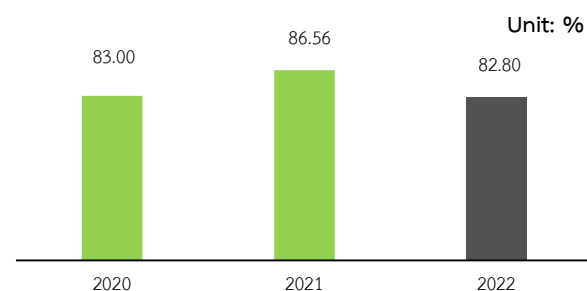
For the Company to maintain the status of the country's leading biomass fuel supply organization and focus on regional growth. The Company has implemented a strategy that conforms with the vision and mission set by the Company by striving to create value from products and services to create sustainable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

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.

Customers' Satisfaction in 2022



Customers' satisfaction 2020 - 2022



During 2020 - 2022, the Company has continuously developed customer satisfaction in every aspect to meet customer satisfaction.

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 The Company had business plan to expand new wood pellet plant for increase value for wood shaving, saw dust and wood scrap which are raw material for wood pellet. In addition, The Company had plan to produce wood pellet under FSC and PEFC standard for supporting both domestic and oversea customers.
 - 1.2 In 2022, The Company started operation at Tapong warehouse, Rayong Province (Area 17 Rai) to support biomass distribution around 100,000 Tons per year in the area of Eastern Economic Corridor (EEC) and support industry growth in Thailand 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 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 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.
 - 2.2 In 2022, the Company increased Eucalyptus woodchips export channel to customer in Replubic of China (Taiwan) of 65,189 Tons also exported wood pellet 944 Tons to customer in Japan by vessel.
 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 partnered with AT Energy Solution Co. ,Ltd. in one- stop services for customers who interested to use biomass fuel by AT Energy Solutions is boiler installer and maintenance services provider and ABM is supplier for delivery biomass fuel as material to boiler.
 - 3.2 The Company are researching the possibility of developing new product to compete against other companies. In addition, the Company had developed new wood chip product that high heating value but lower use when compare with current wood chip product.
 - 3.3 The Company will develop after service solutions to customer such as clear up industrial waste that save the environment, Inspection boiler accordance with law and regulation, giving advice by professional about using biomass with efficiency to customer etc.

Characteristics and Target of Customers

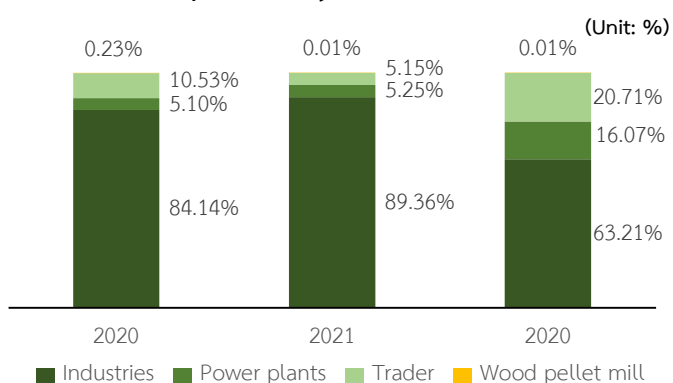
At this time, the Company and its subsidiaries distribute biomass fuel to domestic and international customers. The proportion of distribution to domestic and international customers divide as follows:

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 houses is a group that uses biomass fuel to produce electricity in power houses.
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 Wood Pellet and woodchip manufacturers, etc.

Revenue portion by domestic customers



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 customer 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.

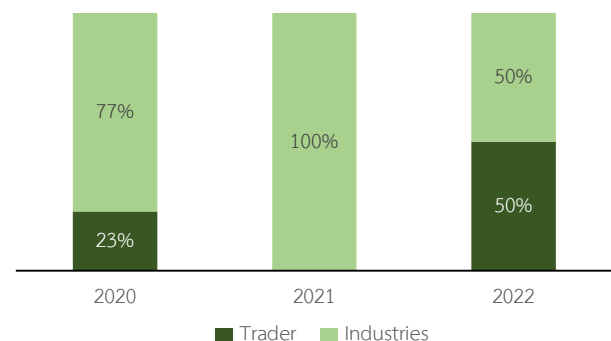
In addition to industrial customers, power houses customers are also considered as customers who have consistent and continuous usage of biomass fuel in their production

Overseas Customers

Overseas Target Customers as follows:

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

Revenue portion by overseas customers



The Company is trying to develop relationships with customers who use biomass (End-User) to increase the proportion of these customers groups. In 2022, the revenue portion of End-User customers and trader are equal. 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 China,

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

Conditions 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: January - November 2022

(Fiscal Year)

Alternative Energy	2020	2021	2022	Target 2037
A.Electricity^{1/2/}(MW)				
1. Solar Energy ^{3/}	2,979.24	3,015.29	3,134.84	12,139.00
2. Solar Powered Buoys	-	45.00	45.00	2,725.00
3. Biomass ^{3/}	3,517.38	3,646.47	3,725.46	5,790.00
4. Wind Energy	1,506.73	1,545.33	1,545.32	2,989.00
5. Biogas ^{4/}	557.24	635.39	651.99	1,565.00
6. Municiple Solid Waste	333.68	388.52	371.09	900.00
7. Industrial Waste	-	-	34.43	75.00
8. Small Hydro Power ^{5/}	190.39	191.75	191.75	308.00
9. Large Hydro Power ^{6/}	2,919.66	2,918.40	2,918.40	2,920.00
10. Other Alternative Energy (Geothermal Power)	0.30	0.30	0.30	-
Total Electricity (MW)	12,004.62	12,386.45	12,618.59	29,411.00
Total Electricity (ktoe)	2,903.00	3,903.00	3,029.36	7,298.00
B. Heat (ktoe)				
Heat (ktoe)	10.57	10.90	10.02	100.00
1. Solar Energy ^{7/}	5,902.97	4,395.42	4,417.99	23,000.00
2. Biomass	687.40	687.84	630.00	1,283.00
3. Biogas	116.00	143.66	110.00	495.00
4. MSW	-	-	-	2,023.00
Total Heat (ktoe)	6,716.94	5,237.82	5,168.01	26,901.00
Biofuels (ktoe)	2,376.83	2,130.97	1,719.46	4,085.00

Alternative Energy	2020	2021	2022	Target 2037
Alternative Energy Consumption (ktoe)	11,996.77	10,458.79	9,916.82	38,284.00
Final Energy Consumption (ktoe)	77,340.00	72,160.90	76,637.02	126,284.00
Percentage of Alternative Energy Consumption (%)	15.51	14.49	12.94	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.

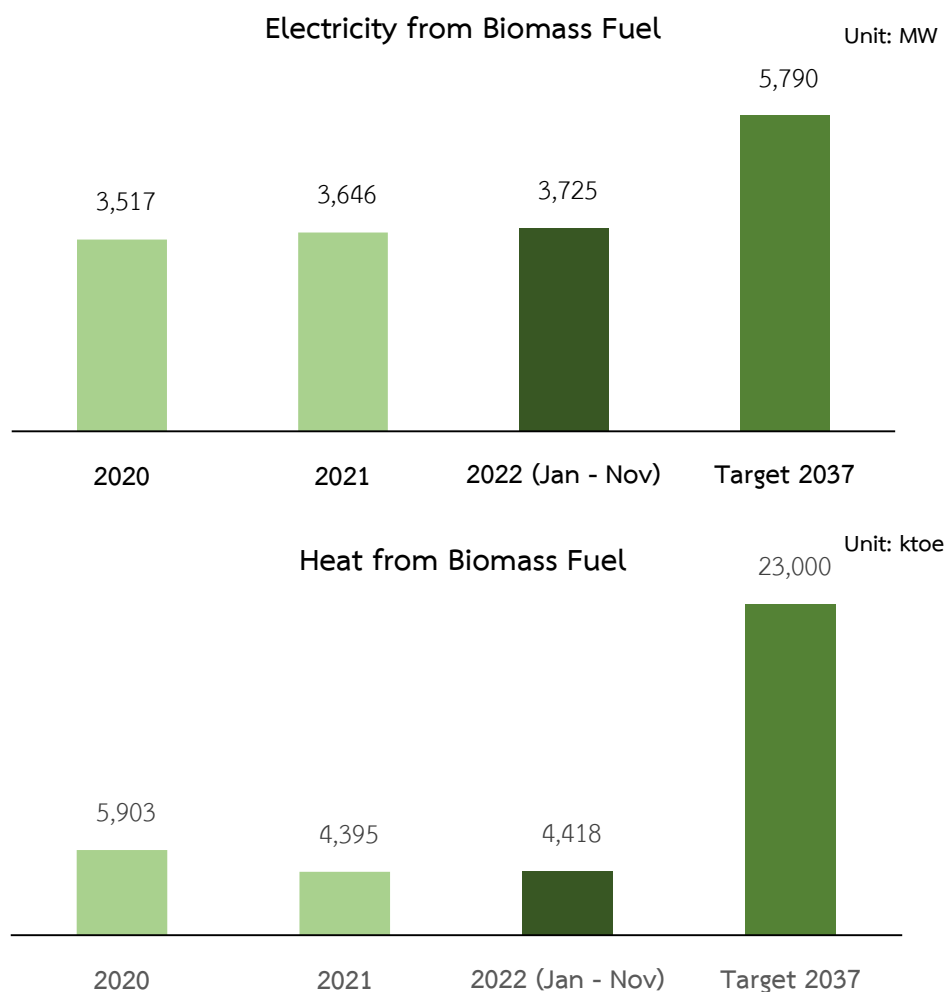
6/ The existing installed capacity.

7/ Based on M2 installed from solar collector

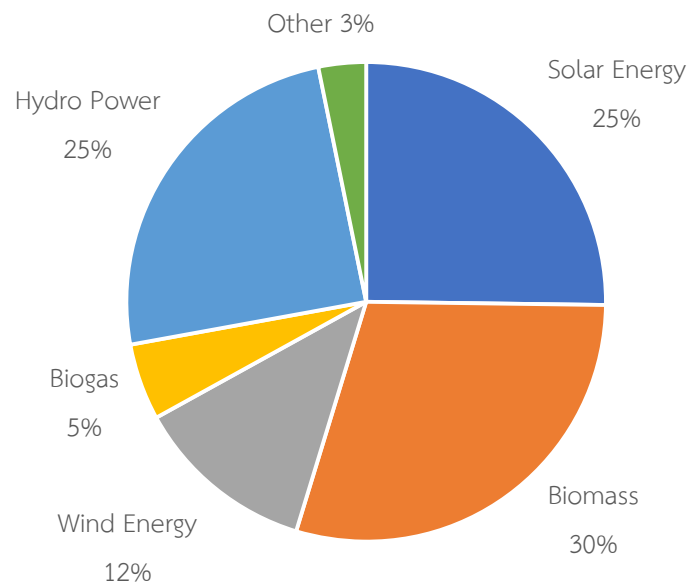
As of 30 November 2022

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 generation from renewable energy (Jan-Nov 2022)



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 considered an important point that allows the company to expand its distribution to foreign markets.
4. Provide biomass fuel by volume and time that the customers want, 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

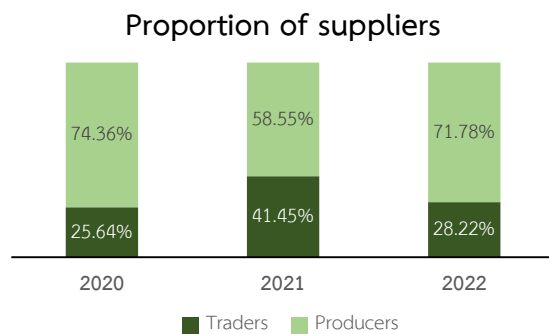
1.2.3. Product and Service Procurement

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 2020 to 2022 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. However, the quantity of palm kernel shells in Thailand was insufficient for the demand, so the palm kernel shells were imported from Indonesia and Malaysia. which are the world's number 1 and 2 producers of oil palm respectively. The theoretical quantity of palm kernel shells using biomass to oil palm production ratio is 0.04. Therefore, the quantity of palm kernel shells imported from these 2 countries cannot be determined.

For other wood waste biomass, 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.

Domestic sourcing of palm kernel shells

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 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 purchased palm kernel shell from Malaysia and Indonesia 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 to sell to customers. The Company can be divided biomass fuel procurement into 2 types:

1. Direct procurement to crude palm oil extraction plants in Indonesia and Malaysia
2. Procurement through palm shell traders 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 2020 to 2022. 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.

Sourcing palm shells in Indonesia and Malaysia to meet customers' needs in Thailand and overseas. Currently, the procurement proportion for import to sell in Thailand is similar to purchasing for sale to foreign customers. However, the Company expects that the purchasing proportion for export to

foreign customers will increase due to the increasing international demand from the number of biomass powerhouses increasing. The Company and its subsidiaries have the authority to bring palm kernel shells from Indonesia and Malaysia to Thailand from the Department of Agriculture.

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.

Wood 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.

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 2020 until 31 December 2022, as follows:

Year	2020	2021	2022
No.of cars	48	34	35

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 3 warehouses in the country that are owned by the Company and leased 1 location as follows:

Warehouse	Area (Sq.m.)	Capacity ^{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. Tapong warehouse, Rayong	12,500	20,000	Company

Warehouse	Area (Sq.m.)	Capacity ^{1/} (Tons)	Ownership
4. Bang Pakong warehouse, Chachoengsao	8,800	25,000	Lease

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

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

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.

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 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

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 as follows:

1. Provide closed warehousing systems for wood shavings, sawdust, wood dust and biomass pellets and the tarps covering on the stacks for the products stored in the roofless area
2. Plant a big tree and install dust-proof net around the warehouse area of the Company and its subsidiaries
3. Use a tarp between the ship and the dock during loading and unloading to prevent the products from falling into the water and covering all transport trucks with tarps before moving out of the pickup point
4. Regularly scoop the pile of products back and forth to reduce the temperature of the products
5. Turn on the water spray at the entrance-exit door of the warehouse
6. Spray water, vacuum, cover the product piles with tarps and sweeping the warehouse area regularly
7. Use bio-fermented water (EM) to adjust the water condition used within the Company and subsidiary's areas.
8. Implement a wastewater treatment system and recycle the treated water to use in the activities of the Company and its subsidiaries.
9. Check air quality, noise, and water once a year
10. Provide warehouse to prevent the diffusion of small products
11. Implement transport control measures to prevents items from falling on the roadway

12. Implement a measure to determine the speed of cars running in the warehouse not more than 20 km/hour
13. Implement measures to control noise caused by trucks entering the warehouse
14. Implement a waste management control in the warehouse

The Company has certified ISO 14001:2015 (Environment management) from SGS Company

Limited, Green Industries Level 2 and Level 3 award at Bang Nam Chuet and Bang Kung warehouse which from Ministry of Industry (Thailand) respectively. Both certificates and awards proved the Company's effort for Safety, Health and Environment management. The Company encourages staffs and stakeholders had mind of Safety, Health and Environment preservation that result to sustainability growth both the Company, subsidiaries and communities.

1.2.4 Operating assets

On 31 December 2022, 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 2022	31 December 2021		
Land and land improvements	359.55	348.84	Company	The Company has taken land and land improvement that totaling net book value 222.09 million Baht, for guaranteed credit facilities from financial institution.
Building and building improvement	36.33	38.02	Company	The Company has taken building and building improvement that totaling net book value 12.16 million Baht, for guaranteed credit facilities from financial institution.
Machinery and Equipment	19.33	21.84	Company	The Company has taken the machinery and that totaling net book value 6.27 million Baht, for guaranteed credit facilities from financial institution.
Tools and furniture fixture	3.91	2.32	Company	N/A
Vehicles	20.26	23.45	Company	N/A
Asset under construction and installation	16.59	3.89	Company	N/A

Assets	Net Book Value		Ownership	Obligation
	31	31		
	December 2022	December 2021		
Right-of-use				
- Land	0.90	1.88	Lease	N/A
- Vehicles	33.65	27.54		
Intangible assets	0.20	0.20	Company	N/A
Total	490.72	467.98		

Land

Location	Bang Nam Chuet, Mueng Samut Sakhon, Samut Sakhon
Area (Rai-Ngan-Wa)	18-0-66.8
Purpose	To locate warehouse and truck maintenance service.
Ownership	Company
Obligation	N/A

Location	Bang Kung, Mueng Surat Thani, Surat Thani
Area (Rai-Ngan-Wa)	35-2-23
Purpose	To locate warehouse and expand the area to support business in future.
Ownership	Company
Obligation	To guarantee credit facilities from financial institutions

Location	Taphong, Mueng Rayong, Rayong
Area (Rai-Ngan-Wa)	17-1-53.6
Purpose	To locate warehouse and expand the area to support business in future.
Ownership	Company
Obligation	To guarantee credit facilities from financial institutions

Location	Bang Pakong, Bang Pakong, Chachoengsao
Area (Rai-Ngan-Wa)	3-0-0
Purpose	To locate warehouse and store biomass products.
Ownership	Lease
Obligation	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
Tapong warehouse	Tapong, Mueng Rayong, Rayong	Company	For guaranteed credit facilities from financial institution	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

As of 31 December 2022, the Company had investment in subsidiaries with cost method totaling 60.3 million Baht as follow;

Company name	Investment by Cost Method (Million Baht)	Shareholding	Paid-up Capital (Million Baht)	Investment Type	Business Type
Sathaporn Tanapat Co., Ltd. ("STP")	4.00	99.99	4.00	Direct Subsidiary	Land transportation provider
Paprapat Co., Ltd. ("PPP")	1.00	99.98	1.00	Direct Subsidiary	Biomass fuel trading (exempt from VAT)
Alpha G Venture Co., Ltd. ("AGV")	31.00	99.99	31.00	Direct Subsidiary	Investing in other businesses
PKS Intertrade Co., Ltd. ("PKSI")	5.00	99.99 (Indirect hold through AGV)	5.00	Indirect subsidiary	Biomass fuel trading
PKS Agri trade Co., Ltd. ("PKSA")	5.00	99.99 (Indirect hold through AGV)	5.00	Indirect subsidiary	Biomass fuel trading (exempt from VAT)

Company name	Investment by Cost Method (Million Baht)	Shareholding	Paid-up Capital (Million Baht)	Investment Type	Business Type
PT Asia Biomass Indonesia (“ABI”)	9.51	99.00	USD 300,000	Direct Subsidiary	Biomass fuel trader in Indonesia
Asia Biomass Energy SDN. BHD. (“ABE”)	2.50	55.00	MYR 500,000	Direct Subsidiary	Biomass fuel trading in Malaysia
Asia Biomass Resources SDN. BHD. (“ABR”)	2.29	55.00	MYR 500,000	Direct Subsidiary	Biomass fuel trading in Malaysia
รวม	60.30				

*Formerly named ABM pellets Co., Ltd., registered the name change with the Ministry of Commerce to "Alpha G Venture Company Limited" on December 6, 2022

Investment in associate

As of 31 December 2022, the Company had investment in associate with Equity method totaling 1.8 million Baht as follow;

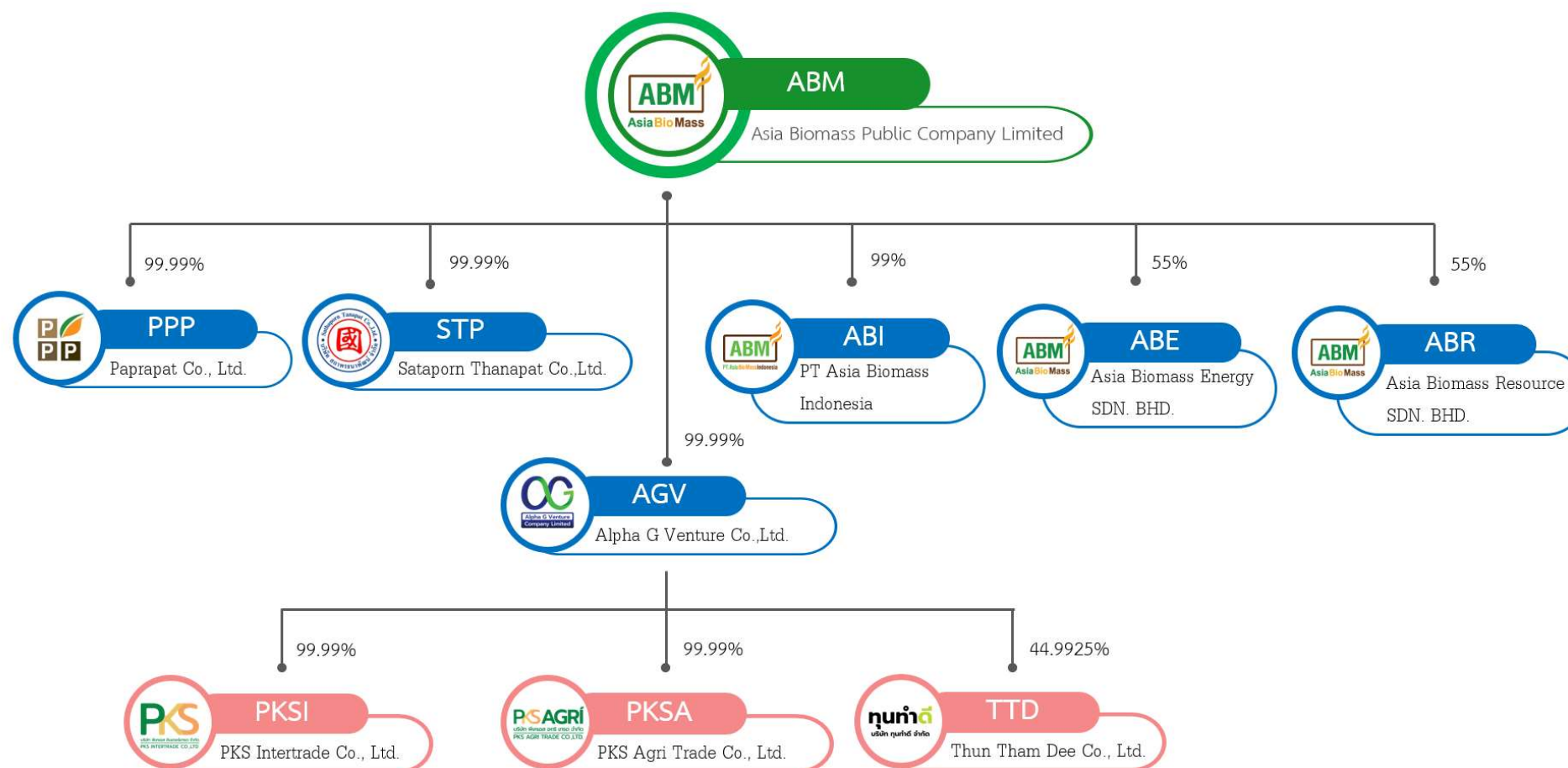
Company name	Investment by Cost Method (Million Baht)	Shareholding	Paid-up Capital (Million Baht)	Investment Type	Business Type
1. Thun Tham Dee Co., Ltd. (“TTD”)	1.80	44.9925 (Indirect hold through AGV)	4.0	Indirect associate	Consignment property
Total	1.80				

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).

1.3. Shareholding structure



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

Direct and indirect subsidiaries

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%
Alpha G Venture Co., Ltd. (Former name: ABM Pellets Co.,Ltd)	273/2 Rama2 Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok	Investing in other businesses	3,100,000	99.99%
PKS Intertrade Co., Ltd.	689 Bang Khun Thian-Chai Talay Road, Samae Dam Sub- district, Bang Khun Thian District, Bangkok	Biomass fuel trading	50,000	99.99% (Indirect hold through AGV)
PKS Agri trade Co., Ltd.	689 Bang Khun Thian-Chai Talay Road, Samae Dam Sub- district, Bang Khun Thian District, Bangkok	Wholesale of other agricultural raw materials	50,000	99.99% (Indirect hold through AGV)
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%

Subsidiaries	Location	Type of Business	Total Paid-up Shares	ABM Shareholding (%)
Asia Biomass Energy SDN. BHD. (ABE)	Wisma Destiny, Sublot 47, Parent Lots 3485 & 3064, Parkcity Commerce Square, Jalan Tun 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, Jalan Tun Ahmad Zaidi, 97000 Bintulu, Sarawak, Malaysia	Sourcing biomass fuel in Malaysia	500,000	55%

Associated company

Subsidiaries	Location	Type of Business	Total Paid-up Shares	ABM Shareholding (%)
Thun Tham Dee THAM DEE Co., Ltd.	273/2 Rama2 Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok	Consignment property	40,000	44.9925% (Indirect hold through AGV)

Relationship with the Business Group of the Major Shareholders

- None -

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	238,275,607	59.569
2.	Mr. Apisit Rujikeatkamjorn ^{/1}	20,000,132	5.000
3.	THAI NVDR CO.,LTD. ^{/2}	8,920,978	2.230
4.	Mr. Kitichai Datpaiboonoyot	7,653,466	1.913
5.	Miss Sudee Unnawat	6,126,233	1.532
6.	Mr. Pongsuthat Saevee	5,443,466	1.361
7.	Miss Panisara Prachaleesakul	2,600,000	0.650
8.	Mr.Surapoj Suwanpanich	1,715,700	0.429
9.	Mr. Thanawat Santhitimetha	1,290,000	0.323
10.	Mr. Arnakorn Sitalratsamee	1,156,000	0.289
Total top 10 shareholders		293,181,582	73.295
Other minor shareholders		106,818,418	26.705
Total		400,000,000	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	78,039,740.00	32.752
2.	Mr. Atipat	Kuansataporn	26,206,666.00	10.998
3.	Mr. Nataphat	Kuansataporn	25,860,000.00	10.853
4.	Mrs. Nataphat	Kuansataporn	19,960,264.00	8.377
5.	Mrs. Panida	Kuansataporn	18,258,669.00	7.663
6.	Miss Pimyada	Kuansataporn	13,470,232.00	5.653
7.	Miss Panita	Kuansataporn	13,470,232.00	5.653
8.	Miss Tiya	Mekpongsatorn	13,470,232.00	5.653
9.	Miss Pimchaya	Kuansataporn	13,470,232.00	5.653
10.	Mr. Pongtham	Danwungderm	12,687,412.00	5.325
11.	Mr. Panus	Kuansataporn	3,306,928.00	1.388
12.	Mr. Vinai	Kuansataporn	75,000.00	0.031
Total			238,275,607	100.00

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 2022, the Company has a registered capital of 225 million baht as a paid-up capital of 200 million baht, divided into 400,000,000 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	9,591,178	2.40
Individual person	390,406,822	97.60
Foreign shareholders		
Juristic person	0	0
Individual person	2,000	0
Total	400,000,000	100.00

1.5. Others Securities Issuance

Warrant to purchase ordinary share of Asia Biomass Public Company Limited No.1 (ABM-W1)

On 26 October 2022, the Extraordinary General Meeting of Shareholders No.1/2022 resolved to approve the allocation of ordinary shares in the amount of not more than 100,000,000 shares, with par value of 0.5 Baht to offer the existing shareholders of the Company in proportion to their shareholding in the ratio of 3 existing ordinary shares to 1 new ordinary shares at the offering price of 1.80 Baht per share. In addition, it was resolved to approve the issuance and allocation of warrants to purchase ordinary shares of Asia Biomass Public Company

Limited No.1 (ABM-W1) in the amount not exceeding 50,000,000 units to the existing shareholders of the company who are allocated in proportion to their subscription in the ratio of 2 newly issued ordinary shares per 1 unit of ABM-W1 warrant with free of charge, and exercise price of 1.80 Baht per share. On 23 December 2022, the Company issued warrants in the amount of 49,999,917 units.

Topic	Detail
Issuer	Asia Biomass Public Company Limited
Type of warrants	Identify holder and can be transferred
Term of warrants	2 years from the issuing and offering date of ABM-W1
Exercise ratio	2 units of warrant has a right to purchase 1 ordinary share, except to change in accordance with the adjustment of rights.
Exercise price	Baht 1.80 per share, except to change in accordance with the adjustment of rights.
Exercise period	Every 6 months after issuing of ABM-W1 and the exercise date will be made on: <ul style="list-style-type: none"> - 22 June 2023 - 22 December 2023 - 22 June 2024 - 22 December 2024
Number of shares reserved for exercising warrants	50,000,000 shares with par value of Baht 0.50
Number of warrants that have not been exercised	49,999,917 units

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 Bang Nam Chuet warehouse, Bang Pakong warehouse, Bang Kung warehouse and Rayong warehouse. 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 compiled 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 Sakon 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.

2.2.1.10. Risk of expanding the business

The Company had a strategy plan to expand to new potential business by establishing new subsidiaries and/or investing in other companies. However, there are risk factors and uncertainty in operation and management that effect to company's performance. The company had measure to monitor operating result and hiring talented person for making business operate consistency and meet the company's goal.

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 currency 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 Holder 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

2.2.5.1. 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 Goals

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:



Sustainable Management Targets in Short and Long-Term



Economic Dimension

Corporate Governance

To set a target for the Corporate Governance Rating (CGR) to reach the "Excellent" level by 2025 to create and maintain good business performance, financial stability, and sustainability

Cyber Crime Prevention

To prevent and find solutions to cybercrime within The Company to achieve zero accidents by 2025

Corporate Corruption Prevention

To prevent and find solutions to corporate corruption within The Company to achieve zero accidents by 2025



Environmental Dimension

Water Management

To reduce water usage to 1 cubic meter per person per year

Environmental Dimension**Electricity Consumption**

To reduce electricity consumption by 3-5% per year

Green Industry

To have 100% of The Company warehouses be certified as a green industry by 2025

Reduce waste.

The waste classification procedures for all warehouses of the company are as follows:

Waste is divided into 4 categories

1. Hazardous waste (red bucket)
2. Recycling garbage (yellow trash can)
3. General wet waste (green trash can)
4. General garbage (blue trash can)

Greenhouse gas reduction

By 2023, the company has participated in greenhouse gas reduction plans and activities.

**Social Dimension****Employee Training**

To have employees at all levels receive an average of at least 18 hours of training per year by 2025

Occupational Health and Safety

- To achieve zero accidents resulting in work stoppage by 2025
- To achieve zero accidents resulting from disasters by 2026

Community Involvement and Employment Creation

To involve in and create employment opportunities for local communities with a target of more than 80% participation

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 2022, the Company has no disputes, complaints, or environmental issues with the communities around the factories.

3.2. Stakeholder in Business Value Chain

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 and related stakeholders, including logging teams, agricultural workers, local transport, etc.
2. Procurement of primary materials 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: 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; 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 maintenance 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. Tapong Warehouse, located at Tapong 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)

Oversea 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

Analysis of stakeholders within the Business Value Chain

Stakeholders are the key factors for driving sustainable business performance. In 2022, The Company, therefore, collected feedback on stakeholder expectations and their responses, as follows:

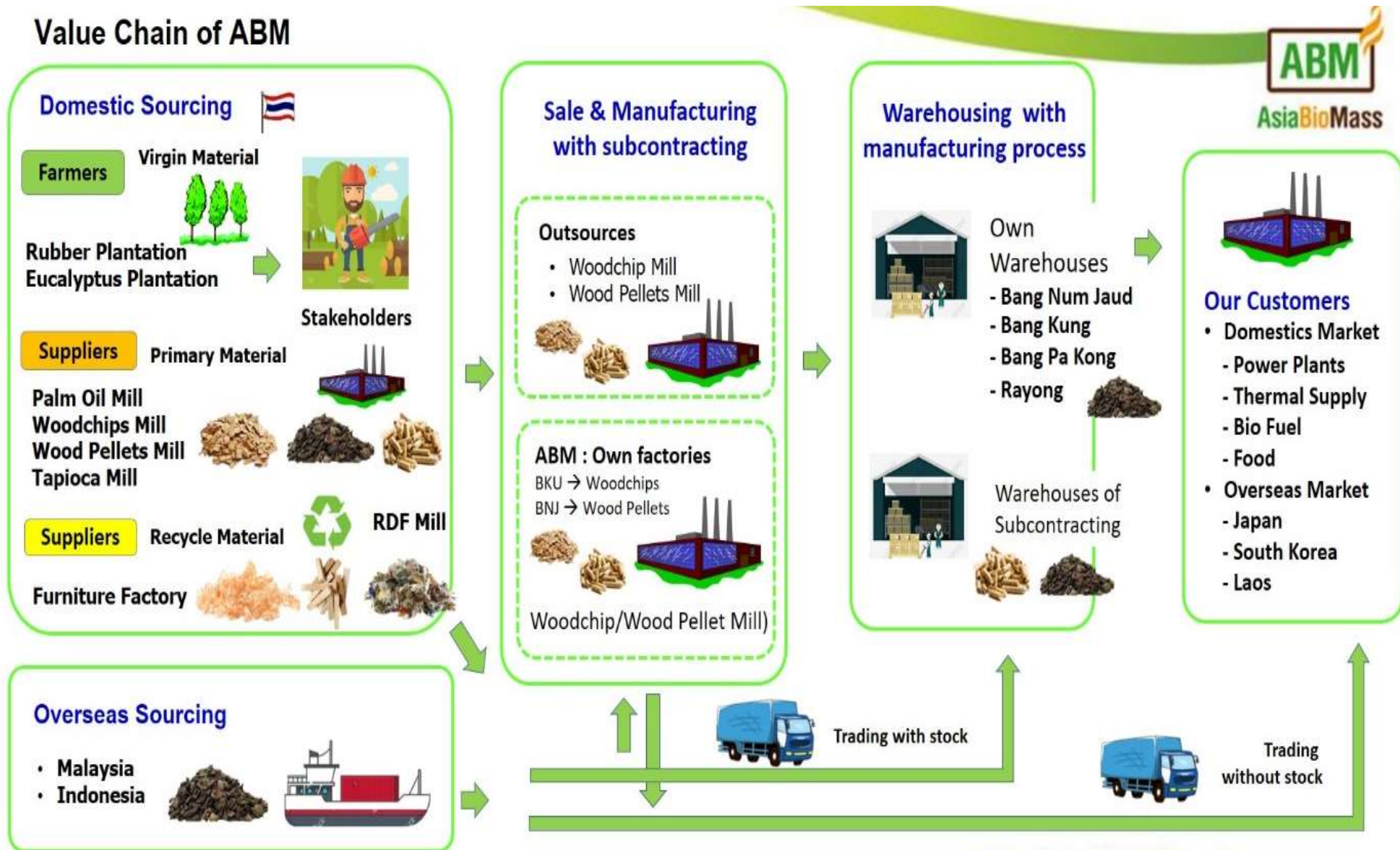
Stakeholder Group	Communication Activities	Expectations and Key Issues	Response to Stakeholder Expectations
Shareholders and Investors	<ul style="list-style-type: none"> Communication through The Company website, IR Email, mails, and phone calls Annual shareholder meetings 	<ul style="list-style-type: none"> Good performance and growth in The Company Good corporate governance 	<ul style="list-style-type: none"> Develop short and medium-term strategic plans for The Company Establish good corporate governance policies
Employees	<ul style="list-style-type: none"> Suggestion box for feedback Employee Welfare Committee Communication through various channels Monthly meetings 	<ul style="list-style-type: none"> Remuneration Welfare Employee training Career growth Participation in organizational activities Occupational health and safety 	<ul style="list-style-type: none"> Annual salary review and adjustment Fair bonuses Provident Fund Training both internally and externally Creating a Skills Matrix Employee engagement activities Standardized safety management

Stakeholder Group	Communication Activities	Expectations and Key Issues	Response to Stakeholder Expectations
Community	<ul style="list-style-type: none"> Community relations agency Local area visit Communication through The Company website, Facebook, email, and letter 	<ul style="list-style-type: none"> Avoid causing inconvenience to the community, such as dust, odor, and noise pollution Provide support for activities Ensure safety and occupational health, such as fire prevention 	<ul style="list-style-type: none"> Develop measures to prevent negative impacts on the community Conduct joint activities with the community Provide disaster prevention measures
Society	<ul style="list-style-type: none"> Community relations agency Local area visit Communication through The Company website, Facebook, email, and letter 	<ul style="list-style-type: none"> Provide support for activities Provision of information on biomass energy 	<ul style="list-style-type: none"> Conduct joint activities with the community Creation of media to disseminate knowledge through social media
Customers and Consumers	<ul style="list-style-type: none"> Communication through The Company website, LINE Official Account, email, mail, and phone call 	<ul style="list-style-type: none"> Quality products and on-time delivery Consistent purchasing and selling agreements Quality after-sales service Reasonable prices 	<ul style="list-style-type: none"> Controlling the quality of products and on-time delivery Long-term purchasing and selling agreements Follow-up and warranty coverage services Selling products at market prices
Competitors	<ul style="list-style-type: none"> Communication through The Company website 	<ul style="list-style-type: none"> Confidentiality maintenance 	Preparation of MOU agreements
Business Partners	<ul style="list-style-type: none"> Communication through The Company website, email, mail, and phone call 	<ul style="list-style-type: none"> Fair purchasing and selling agreements Mutual return on investment 	<ul style="list-style-type: none"> Preparation of agreements mutually accepted by both parties

Stakeholder Group	Communication Activities	Expectations and Key Issues	Response to Stakeholder Expectations
Local Authorities and Government Agencies	<ul style="list-style-type: none"> Communication through The Company website, email, mail, phone call, and in-person meetings 	<ul style="list-style-type: none"> Compliance with regulations and rules 	<ul style="list-style-type: none"> Strict compliance with business-related regulations and rules
Media	<ul style="list-style-type: none"> Communication through The Company website, email, mail, phone call, and in-person meetings 	<ul style="list-style-type: none"> Provision of reliable information 	<ul style="list-style-type: none"> Provision of factual information

Stakeholders in the Business Value Chain Analysis

Value Chain of ABM



3.3. Sustainability Management in the Environment

3.3.1. Environmental Policies and Practices

The Company Group places great importance on its social responsibility to care for the environment by implementing and controlling an environmental management system (ISO14001) to ensure that its business operations do not adversely affect the surrounding communities. The Company also emphasizes the importance of policies for environmental care, society, and community, and encourages all employees to use resources efficiently and comply with relevant laws related to environmental conservation strictly.

In addition, The Company has been certified for sustainable forest management standards, which is a standard of the Forest Stewardship Council, an organization founded to promote responsible forest management practices worldwide. The certification involves various organizations, such as forest conservation groups, wood product manufacturers and traders, and certifiers of wood and wood products, to ensure that the products sold are made from wood sourced sustainably according to internationally accepted principles. The wood is not sourced from illegal logging or forest destruction and is instead sourced from sustainably managed forests to ensure that resources are sufficient for production while preserving the environment. The Company follows a balanced policy in three areas, namely economic, social, and environmental, which is a strong, transparent, legal standard that does not adversely affect communities, society, and the environment. This is an international requirement that The Company must comply with and is consistent with its sustainable development policy.

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 figures in the 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 “Standard Quality, Environmentally Friendly, and Responsibility towards Stakeholders”. It has determined the policy stating that the environment is the responsibility of every employee as it is a part of the operations. 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, and 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 through campaigns to use electricity and water responsibly, purchase energy-saving electrical equipment, and use treated water for spraying, cleaning, and watering plants. As for actions to reduce greenhouse gas emissions, The Company is in the process of studying information and formulating policies, targets, and guidelines. The operating results will be disclosed further.

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

Energy Management

The Company Group has efficient energy management. Several energy management measures have been established as follows:

- Electric Lighting System: Use energy-saving LED bulbs; use light from solar cells; and install additional transparent panels for natural light on the side of the warehouse building.
- Electrical Power Driving System: Select high-efficiency motors, IE 2 and IE 3, to save energy.
- Air Conditioning System: Select energy-saving electrical appliances with the label No. 5 such as refrigerators and air conditioners. Also, there is regular air conditioning maintenance, including an energy-saving campaign in every unit to turn off the lights, air conditioners, and electrical appliances every time idle or no one is around.

- Compressed Air System: Use high-efficiency screw air compressors to save energy in the production process.

Electric usage in the Company

Average usage per revenue

(Unit: kWh)

Year	Electric usage	Revenue (Baht)	%
2021	1,285,872	520,620,115.30	0.0025%
2022	2,648,541	695,086,809.57	0.0038%

Remark : Increase in electric usage in 2022 is from investing in new machines and warehouses.

Water Management

The Company Group has chosen to use equipment that saves water with measures and campaigns defined to save water, turn off the water after each use, regularly maintain tools and equipment in the water use system, and not cause wastage and leakage in vain. Wells are dug to collect rainwater and treated water to be used for environmental activities and to water the plants in the warehouse area

Water usage in the Company

Average usage per sales Ton

(Unit: m³)

Year	Water usage	Sales Ton	%
2021	3,038	151,660.02	0.020%
2022	3,663	197,159.08	0.019%

Remark : Increase in water usage in 2022 is from investing in new machines and warehouses

Greenhouse Gas Management

The Company Group places importance on management to reduce greenhouse gas problems. It is found that the business activities with the highest amount of greenhouse gas emissions are the electricity use in the production process and the fuel

consumption in the cargo transportation activity. The Company, therefore, has measures and maintenance plans for machinery and vehicles to work efficiently and reduce greenhouse gas emissions. The Company chooses to use environmentally friendly products, such as Green Label or NON-CFC, in its business operations. It also promotes planting rubber trees with villagers in the area and makes an agreement to hire the Forest Industry Organization of the southern region to plant fast-growing trees for 3,029 rai, including planting trees around the warehouse area of 7 rai, which is another way to help absorb carbon dioxide in the atmosphere and mitigate the greenhouse gas problems.

Sustainable Forest Management

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

- The Company demonstrates that the raw materials of its products come from legal means and well-managed sources.
- Valuable forest areas are used without risks and with the proper method.
- The Company believes that it is important to have and use the forests in an appropriate manner.
- The forests will be transferred to future offspring in perfect condition.
- 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.

The Company has operated according to environmental objectives in line with the environmental policy. There are projects to conserve the environment of The Company and surrounding communities by planting 250 trees, creating a green area, selecting environmentally friendly products, and using cost-effective office supplies such as re-used papers to help reduce global warming problems and greenhouse gas emissions.

The Company Group has determined and selected energy-saving electrical appliances with the label No. 5, such as refrigerators, air conditioners, LED lights, and solar cell spotlights, including using IE2 and IE3 high-efficiency energy-saving motors. The Company Group also has a campaign plan to save energy in every unit by turning off water, lights, air conditioners, and various electrical appliances every time idle or no one is around.



Sustainable Forest Management Standards and International fuel certification standards



Generate income from output (wood) and standardized service.



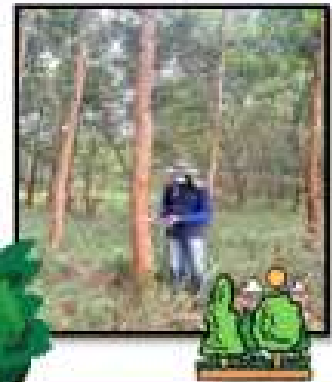
Chain of custody (CoC) can be traced back is legitimate.



The implementation process is aware of and considers greenhouse gas emissions in accordance with international fuel certification standards.



Monitor the increase of acacia trees (Acacia spp.) in the forest plantations.



Conserve forest areas and reduce encroachment on natural forest areas.



Promoting safety in logging.



3.4. Sustainability Management in the Society

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

Statistics of human rights violation complaints	2020	2021	2022
Complaint statistics	0	0	0

[Human Rights Policy](#)



The Company is aware of its responsibility towards the community and society. The Company, therefore, has the policy to help and develop society by supporting the public sector for surrounding and nearby communities, such as using The Company's fire water trucks to help spray water to prevent dust caused by road construction which is an activity of government agencies, donating computers to schools, supporting religious activities, and supporting activities for students and the elderly as well as activities to promote participation in the community and social development on a regular basis. Additionally, The

Company's recruitment will give priority to those who are domiciled in the nearby area in order to create employment opportunities for the local people and support people in the nearby area which will bring revenue and business prosperity into the community. The Company also promotes participation and development of the community and society continuously through the corporate social responsibility project (CSR-DIW Continuous) so that the community can be self-reliant in a sustainable manner.



The Company has an annual plan for safety, occupational health, and working environment with activities to promote occupational health and safety of employees such as fire training and fire drills.



The Company Group is aware of the health and safety of employees, surrounding communities, and all involved parties. The Company has established a management system for safety, occupational health, and working environment according to the standards of the Thailand Institute of Occupational Safety and Health (Public Organization) and ISO14001 by setting policies for quality, safety, occupational health, and environment as a framework for its operation. The handbook of safety, occupational health, and working environment has been prepared for employees, including contractors and outsiders who come to work within The Company's area, to have the safest work. The Company also sets procedures for operations in the event of an emergency, including training for

employees to quickly and efficiently act, mitigate violence, and reduce the impact of emergency situations that may affect personnel, assets, communities and the environment. This includes making a recovery plan to reduce the impact after the situation as well as preparing an emergency and preventive plan in the event of a coronavirus epidemic to cope with the COVID-19 epidemic in the past year.

“Promoting Good Health and Earning Extra Revenue from Kratom Tree” Project



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 2022

In 2022, the Company has participated in activities with the community as follows:

“Promoting Good Health and Earning Extra Revenue from Kratom Tree” Project

As for the results of the corporate social responsibility project, there are communities around the factory participating in the project of planting kratom trees for 20 households. When kratom trees grow enough, the local people can use kratom leaves as herbs to treat and prevent disease. It can also generate revenue for households in the community according to the amount of planting. If the household expands the planting area, this as a side job may become a main career to generate well income as kratom leaves can be sold to community enterprises

or industrial factories to be processed into various products for sale domestically and internationally. Currently, it has been highly popular and received support and promotion from the private and government sectors in educating the cultivation of seedlings, planting, and harvesting quality produce as well as market connections. Kratom is a new economic crop to uplift life, generate revenue, and create careers for people in the community who are interested in sustainable improvement.



“Cleaning Roads for Bang Nam Chuet Sub-District” Activity

The Company has cleaned the road in the construction area of the alley next to the Christ Church Ruamjai, Bang Nam Chuet Sub-District, for convenient transportation for the people of the Bang Nam Chuet community.



“Joining Together to Help the Community” Activity

The Company joins in helping the community by donating money to help and purchase materials to build toilets for those suffering from social problems. As Pak Nam community together with Surat Thani Municipality organizes the “Community X-Ray: Door Knocking, Home Visit, Heart Visit” activity under the Geographic Positioning System (GPS) project for the elderly and disabled pension recipients, leading to the discovery of a person with social problems in the Pak Nam community, namely Mr. Prasarn Sangthong,

67 years old, living at 55, Moo 5, Surat-Pak Nam Road, Bang Kung Sub-District, Mueang Surat Thani District, Surat Thani. He is an elderly man with movement disabilities, living alone on some individual’s land in a wooden hut with the unstable condition, no bathroom, and insufficient cost of living. Asia Biomass Public Company Limited together with Surat Thani Municipality, then, gives money to help build a bathroom to Mr. Prasarn Sungthong for a hygienic and better quality of life, in which The Company has given money to help and purchase materials and equipment to build the bathroom.



For students of Baan Santisuk School, Asia Biomass Public Company Limited donates 6 computers, sports equipment, and school equipment for Baan Santisuk School, Bang Kung Sub-District, Mueang Surat Thani District, Surat Thani, to provide the students with skills and practices as well as promote learning to their full potential.



The occasion of "Buddhist Lent Day" is one of the important days in Buddhism. To conserve and maintain Buddhism to continue, Asia Biomass Public Company Limited organizes an activity for executives and employees to make merit by offering dry food to monks at The Company on Friday, July 8, 2022, and offering candles and light bulbs at Wat Yai Chom Prasat, Tha Chin Sub-District, Mueang Samut Sakhon District, Samut Sakhon, on Thursday, July 14, 2022. Such activities are organized to preserve local cultural traditions and religious activities of "Buddhist Lent Day" to continue, willingly pass on good things, and give a good feeling with quality.



The Company sponsors football uniforms and drinking water for Taphong Sub-District Administration Organization in football matches.



The Company dredges a drainage ditch to help the Klang Taphong community from flooding.



The Company and the public join together to make a big merit of the year, the Krathin Samakkhi, at Wat Sam Makan, Phra Nakhon Si Ayutthaya, including bringing food to the almshouse for people who join to make merit.



The Company continues the 2022 Loi Krathong tradition together with people in the Taphong community, Rayong, and supports prizes in the egg spoon game.





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, 2022.

Economic overview

Overall in 2022, the Thai economy expanded by 2.6% private sector consumption and total investment increased by 5.5%, 6.3% and 2.3%, respectively. The average inflation rate was 6.1% and the current account deficit was 3.4% 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 to ensure that the business operation is in accordance with the policy.

The factors may affect future performance such as Raw material prices increase; However, although the company has measures to manage risks that affect the company's operations systematically according to the guidelines specified in Part 1 Business Operations and Performance, Topic 2. Risk Management However, there is a possibility that the implementation of the established risk management measures may not be effective enough to reduce the risk to an acceptable level. and resulted in the operating results not as expected. due to uncontrollable external factors such as outbreaks or macroeconomic problems.

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 2021 and 2022 was 567.79 and 634.90 thousand tons respectively. 2022's sales volume was increased comparing to those in 2021's due to the increased in domestic sales volume but a slight decrease in export sales due to delaying orders in the first half of the year from the relatively high price competition.

Sales Volume	Year ended December 31						% change 2021- 2020	%change 2022- 2021
	2020		2021		2022			
	Thousand ton	%	Thousand ton	%	Thousand ton	%		
- Domestic	381.99	72.65	418.93	73.78	491.06	77.34	9.67	17.22
- Oversea	143.82	27.35	148.86	26.22	143.84	22.66	3.50	(3.37)
Total	525.81	100.00	567.79	100.00	634.90	100.00	7.98	11.82

Domestic sales volume

The main products of the company in 2022 was Palm Kernel Shell, Wood Chips and Wood pellets respectively, from the increase 17.22% of sales volume of Palm Kernel Shells due to greater market demand.

Oversea sales volume

The main products for exported of the company in 2022 was Wood Chips and other wood products, and Tapioca starch, respectively. The Oversea sales volume decreased by 3.37% from the sales volume of wood chips and tapioca starch for exports due to price competition.

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 2020 – 2022 as follow

Selling Price	Year ended December 31		
	2020	2021	2022
	Baht	Baht	Baht
Average Selling Price	2,916.76	3,340.48	3,937.86

The average product price increased by 18% 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 and wood pellets.

Financial Performance

Income Statement	Year ended December 31						% change 2021-2020	%change 2022-2021
	2020		2021		2022			
	MB	%	MB	%	MB	%		
Revenues								
Revenue from sales and services	1,548.37	99.10	1,907.82	98.95	2,704.30	99.58	23.21	41.75
Other incomes	14.14	0.90	20.28	1.05	11.39	0.42	43.42	(43.84)
Total Revenues	1,562.51	100.00	1,928.10	100.00	2,715.69	100.00	23.40	40.85
Expenses								
Cost of sales and services	(1,266.93)	(81.08)	(1,596.46)	(82.80)	(2,329.07)	(85.76)	26.01	45.89
Distribution costs	(194.23)	(12.43)	(215.25)	(11.16)	(216.45)	(7.97)	10.82	0.56
Administrative expenses	(66.40)	(4.25)	(72.33)	(3.75)	(103.29)	(3.80)	8.93	42.80
Total Expenses	(1,527.56)	(97.76)	(1,884.04)	(97.71)	(2,648.81)	(97.54)	23.34	40.59
Share profit (loss) of associates	-	-	-	-	(0.03)	0.00	-	-
Profit before interest and tax	34.95	2.24	44.06	2.28	66.85	2.46	26.07	51.72
Financial costs	(11.88)	(0.76)	(13.29)	(0.69)	(19.96)	(0.73)	11.87	50.19
Profit before income tax	23.07	1.48	30.77	1.60	46.89	1.73	33.38	52.39
Income tax revenues	(5.97)	(0.39)	(8.59)	(0.44)	(11.94)	(0.44)	43.89	39.00
Net Profit	17.10	1.09	22.18	1.15	34.95	1.29	29.71	57.57
Net Profit attributable to equity holders	18.62	1.19	26.80	1.39	35.89	1.32	43.93	33.92

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, which directly sourcing Palm Kernel Shells produced in Indonesia and Malaysia 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 efficient.

The company's total revenues for the year 2021 and 2022 amounted to 1,928.10 million Baht and 2,715.69 million Baht, respectively. In 2022, the company had an increase in revenue of 787.59 million Baht or an increase of 40.85% 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 2020 - 2022 can be summarized as follows:

Revenue structure	Year ended December 31						%	%
	2020		2021		2022		change	change
	MB	%	MB	%	MB	%	2021- 2020	2022- 2021
Revenue from sales of goods and services								
1. Revenue from sales	1,535.06	98.24	1,889.10	97.98	2,686.83	98.94	23.06	42.23
2. Revenue from transportation services	13.31	0.86	18.72	0.97	17.47	0.64	40.65	(6.68)
Total Revenue from sales of goods and services	1,548.37	99.10	1,907.82	98.95	2,704.30	99.58	23.21	41.75
Other Income ^{1/}	14.14	0.90	20.28	1.05	11.39	0.42	43.42	(43.84)
Total Income	1,562.51	100.00	1,928.10	100.00	2,715.69	100.00	23.40	40.85

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.

(1) Revenue from sales

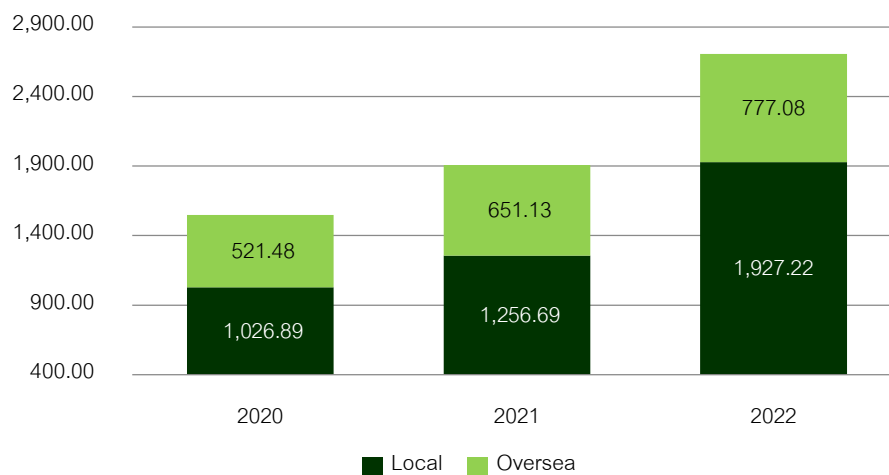
Revenue from sales, most of them are from biomass fuel products. The company's revenue from sales of biomass fuels was 1,889.10 million Baht and 2,686.83 million Baht in the years 2021 and 2022 respectively. The revenue from sales of the year 2022 increased from the year 2021 was 797.73 million Baht, equivalent to 42.23% 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 60% - 70% of total sales. Proportion of domestic and foreign sales for the year 2020-2022 can be shown in the following diagram.

Table showing the distribution of products by geographical area. Based on customer location in 2020 - 2022

Revenue from sales and service by geographical area	Year ended December 31						%	%
	2020		2021		2022		change	change
	MB	%	MB	%	MB	%	2021-2020	2022-2021
Thailand	1,026.89	66.32	1,256.69	65.87	1,927.22	71.27	22.38	53.36
Overseas								
— Countries in Asia	521.48	33.68	651.13	34.13	777.08	28.73	24.86	19.34
Total revenue from sales of goods and services	1,548.37	100.00	1,907.82	100.00	2,704.30	100.00	23.21	41.75

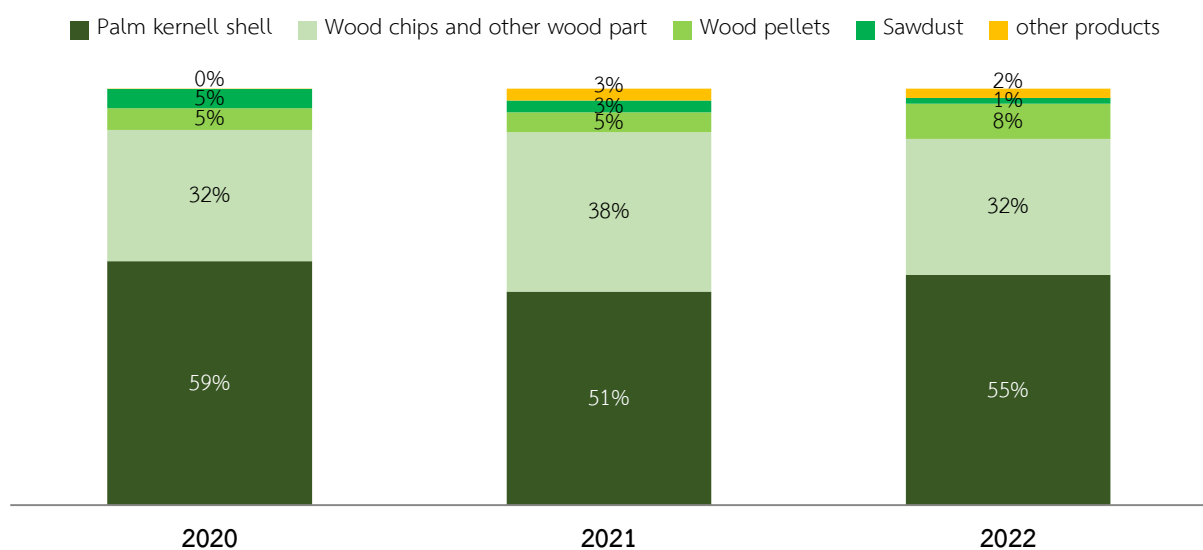
Diagram showing the distribution of products by geographical area
the destination of the products shipped in the year 2020 – 2022



In the year 2022, the company has revenue from shipping to overseas amounting to 777.08 million Baht increased from 2021 by 125.95 million Baht accounted for 19.34%. In addition, the main exported products of the company in 2022 were wood chips and other agricultural products, respectively.

In the year 2020 – 2022, 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 2020 – 2022



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 2021, wood chip products and other parts of wood, especially wood chips, increasing from 32% in 2021 to 38%, growing from the export volume of wood chips. While portion of Palm Kernel Shells products decline from 59% to 51% of total revenue, due to other product's portion increase. However, the sales volume of Palm Kernel Shell still increases but has a wider range of products causing the proportion to decrease. .

In 2022, wood chip products and other parts of wood, especially wood chips, decreasing from 38% in 2021 to 32%, and the export volume of wood chips. While portion of Palm Kernel Shells products decline from 55% to 51% of total revenue.

(2) 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 decreased from 2021 at 18.72 million Baht to 17.47 million Baht in the year 2022 or decreased by 6.5% from the number of transportation service within ABM group.

(3) Other incomes

Other incomes of the company in the year 2021 and 2022 were 20.28 million Baht and 11.39 million Baht, respectively. Other incomes consisted of the gained from exchange rate and financial derivatives total was 7.95 million Baht while in the year 2021, the company had gain from exchange rate and financial derivatives total was 8.26 million, respectively.

Cost of goods sold and services and gross profit

(1) Cost of goods sold and services and gross profit

The cost of sales of the company in 2021 and 2022 was 1,580.98 million Baht and 2,315.08 million Baht, respectively. The cost of goods sold in 2022 increased by 797.73 million Baht or 42.23% in line with revenue from sales. While gross profit margin in 2021 and 2022 were 16.32% and 13.84% respectively. The company's gross profit margin decreased from the previous year. Because in 2022, the cost of raw materials is higher. And focusing on Direct sales, causing the cost of importing freight to increase.

(2) Cost of services and gross profit

The cost of transportation services were 15.48 million Baht and 13.99 million Baht in 2021 and 2022, respectively. Decrease by 9.61% in line with the increase in the volume of transportation services. While the gross profit margin accounted for 17.28% and 19.91% respectively decrease as a result higher maintenance expense.

Distribution costs and administrative expenses**(1) Distribution costs**

Distribution costs in 2021 and 2022 were at 215.25 million Baht and 216.45 million Baht respectively. Distribution costs increase compared with 2021 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 2021 and 2022 were 72.33 and 103.29 million Baht increase by 42.80% compared with 2021 because of number of employees in executive level in line with the strategic plan.

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 13.29 million Baht and 19.96 million Baht in 2021 and 2022 respectively, accounted for 0.69% and 0.73% of the total revenue respectively. The financial cost slightly decreased due to better cash flow liquidity.

Corporate Income Tax

In 2021 and 2022, the company had income tax expense 8.59 million Baht and 11.94 million Baht, respectively, resulting from profit from operation.

Net profit

As a result, in 2022, the net profit attributable to equity holders of the company was 35.89 million Baht increased when compared with 2021, which has net profit at 26.80 million Baht.

Financial Position Analysis

Asset

Financial statement	As of 31 December						% change	% change
	2020		2021		2022		2021-	2022-
	MB	%	MB	%	MB	%	2020	2021
Assets								
<i>Current Assets</i>								
Cash and cash equivalents	51.23	5.74	25.43	2.46	30.45	2.39	(50.36)	19.74
Trade and other accounts receivable – related parties	6.40	0.72	4.64	0.45	6.24	0.49	(27.50)	34.48
Trade and other accounts receivable- other	202.20	22.64	224.80	21.78	375.67	29.44	11.18	67.11
Loan to related party	-	-	-	-	11.25	0.88	(100.00)	100.00
Inventories	202.02	22.62	238.62	23.11	291.77	22.86	18.12	22.27
Advance payment for purchase of inventories	15.73	1.76	29.94	2.90	15.29	1.20	90.34	(48.93)
Other current assets	4.36	0.49	0.10	0.01	2.31	0.18	(97.71)	(2,210)
Total current assets	481.94	53.97	523.53	50.71	732.98	57.43	8.63	40.01
<i>Non-current Assets</i>								
Deposits at financial institutions under pledge	40.00	4.48	40.10	3.88	50	3.92	0.25	24.69
Investment in associated	-	-	-	1.17	1.77	0.14	(100.00)	100.00
Property, plant and equipment and Rights of use	345.98	38.74	467.76	45.31	490.52	38.43	35.20	4.86
Computer software	0.67	0.08	0.21	0.02	0.21	0.02	(68.66)	-
Deferred tax assets	23.73	2.66	-	-	-	-	(100.00)	-
Other non-current assets	0.67	0.07	0.74	0.08	0.76	0.06	10.45	3.24
Total non-current assets	411.05	46.03	508.81	49.29	543.26	42.57	23.78	6.77
Total assets	892.99	100.00	1,032.35	100.00	1,276.24	100.00	15.61	23.62

The total assets of the company as of 31 December 2021 and 2022 amounted to 1,032.25 million Baht and 1,276.24 million Baht, respectively. The company's main assets are trade and other receivables, inventory, and property, plant and equipment. As of 31 December 2022, the company's total assets increased by 243.89 million Baht or 23.62% mainly due to the increase in trade and other receivables and inventories which are major assets of the company.

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

(1) Trade and other receivables

Trade and other receivables of the company at the end of 2021 and 2022 amounted to 229.44 million Baht and 381.91 million Baht, respectively, equivalent to 22.23% and 29.93% of total assets of the company, with other accounts receivable less than 2% of total assets. The remaining is trade receivables.

- Trade accounts receivable-non related parties

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 follows:

Trade and other receivables-non related parties	As of 31 December						% change 2021-2020	% change 2022-2021
	2020		2021		2022			
	MB	%	MB	%	MB	%		
Notes receivable	9.94	5.17	7.14	3.17	2.13	0.57	(28.17)	(70.17)
Trade accounts receivable								
Classified by aging of								
receivables								
Current	83.34	43.35	157.89	72.54	189.93	50.85	89.45	20.29
Overdue within 3 months	91.12	47.39	46.58	20.72	165.82	44.14	(48.88)	255.99
Over 3 to 6 months	1.08	0.56	-	-	1.60	0.43	(100.00)	100.00
Over 6 to 12 months	0.03	0.02	-	-	-	-	(100.00)	-
Over 12 months	4.32	2.25	-	-	0.06	0.02	(100.00)	100.00
Total trade accounts receivable-non related parties	189.83	98.74	211.61	94.13	359.54	95.72	11.47	69.91
<u>Less</u> Allowance for doubtful accounts	(4.46)	(2.32)	(1.03)	(0.46)	(0.35)	(0.09)	(76.91)	(66.02)
Trade accounts receivable-non related parties net	185.37	96.42	210.58	93.67	359.19	95.61	13.60	70.57
Other receivables	6.89	3.58	14.22	6.33	16.48	4.39	106.39	15.89
Total trade and other receivables-non related parties	192.26	100.00	224.80	100.00	375.67	100.00	16.92	67.11

As at the end of 2022, the company's trade receivables were 359.19 million Baht increased to 148.61 million Baht from 210.58 million Baht at the end of 2021 or an increase of 70.57%, mainly due to more sale volume near the end of the year so most of the receivables are not yet overdue or overdue less than 3 months as shown in table below

At the end of 2022, the company's allowance for doubtful accounts decreased to 0.35 million Baht from 1.03 million Baht at the end of 2021. 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:

The company has policy to set 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.

- **Other receivables-non related parties**

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 2022, the company had other receivables at 16.48 million Baht, an increase of 2.26 million Baht from the previous year. Other accounts receivable of the company are less than 1% of total assets.

(2) Inventories

At the end of 2021 and 2022, the company had net inventories (net allowance for decline in value of inventories) of 238.62 million Baht and 291.77 million Baht or at 23.11% and 22.86% of total assets, respectively. In 2022, the inventories increased by 53.15 million Baht or 22.27%. 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.

(3) 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 2021 and 2022, the company had advance payment for goods amounting to 29.94 million Baht and 15.29 million Baht, or 2.90% and 1.20% 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.

(4) 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 2021 and 2022, the company's property, plant and equipment (net) and Right of Use were 467.76 million Baht and 490.52 million Baht or 45.31% and 38.43% of total assets, respectively. In 2022, the company's property, plant and equipment consisted of land and land improvement about 359.55 million Baht, building structure and improvement about 36.33 million Baht, machinery and equipment about 19.34 million Baht, furniture fixtures and office equipment about 3.90 million Baht, vehicles about 20.26 million Baht, fixed assets under installation about 16.59 million Baht, Right of Use-property about 0.90 million Baht, and Right of Use- vehicles about 33.65 million Baht,

In 2022, the company's property, plant and equipment (net) increased by 22.76 million Baht by compared with 2021 due to invest for starting the Rayong warehouse and purchase trucks for transportation business.

Liabilities

Financial statements	As of 31 December						% change 2021-2020	% change 2022-2021
	2020		2021		2022			
	MB	%	MB	%	MB	%		
<u>Liabilities and Shareholders' Equity</u>								
<i>Current Liabilities</i>								
short-term loans from financial institutions	436.35	48.86	495.15	47.96	503.5	39.45	13.48	1.69
Trade and other accounts payable – Related parties	15.58	1.74	3.33	0.32	5.25	0.41	(78.63)	57.66
Trade and other accounts payable- Others	66.47	7.44	45.61	4.42	66.15	5.18	(31.38)	45.03
Current portion of finance lease liabilities	6.79	0.76	7.16	0.69	8.88	0.70	5.45	24.02
Long-term loans	20.65	2.31	20.65	2.00	20.65	1.62	-	-
Income tax payable	0.57	0.07	3.09	0.30	5.15	0.40	442.11	66.67
Accrued expenses and other current liabilities	4.92	0.56	1.74	0.18	-	-	(64.63)	(100.00)
Total current liabilities	551.33	61.74	576.73	55.87	609.58	47.76	4.61	5.70
<i>Non-current Liabilities</i>								
Long-term loans	88.21	9.88	67.55	6.54	56.9	4.46	(23.42)	(15.77)
Finance lease liabilities	19.23	2.15	16.93	1.64	18.00	1.41	(11.98)	6.32
Deferred Tax Liabilities	-	-	7.30	0.71	11.91	0.93	100.00	63.15
Liability for post-employment benefits	4.66	0.52	6.20	0.60	6.29	0.49	33.05	1.45
Total non-current liabilities	112.10	12.55	97.98	9.49	93.1	7.29	(12.59)	(4.98)
Total liabilities	663.43	74.29	674.71	65.36	702.68	55.06	1.70	4.15

The company's total liabilities as of 31 December 2021 and 2022 amounted to 674.71 million Baht and 702.68 million Baht respectively increase by 27.97 million Baht, 4.15%. The Company's main liabilities were short-term loans from financial institutions, trade and other payables and long-term loans.

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

(1) 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 2021 and 2022, the company had short-term loans from financial institutions amounting to 495.15 million Baht and 503.50 million Baht respectively or 47.96% and 39.45% of total liabilities and shareholders' equity, respectively.

(2) Trade and other payables – other

Accounts payable and other payables of the company by the end of 2021 and 2022 was 45.61 million Baht and 66.15 million Baht respectively or 4.42% and 5.18% of total liabilities and shareholders' equity respectively.

Trade and other payables – other	As of 31 December						% change 2021-2020	% change 2022-2021
	2020		2021		2022			
	MB	%	MB	%	MB	%		
Trade accounts payable	52.51	79.00	28.84	63.23	31.73	47.97	(45.08)	10.02
Other payables	13.96	21.00	16.77	36.77	34.42	52.03	21.07	105.25
Total	66.47	100.00	45.61	100.00	66.15	100.00	(31.38)	45.03

- Trade payables

The company had trade accounts payable amounting to 28.84 million Baht and 31.73 million Baht at the end of 2021 and 2022, 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 2021, 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.

- 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.

(3) Long-term loans

Long-term loans in 2022 decrease 10.65 million Baht from 2021 due to normal repayment and an additional loan of 10 million baht for the Rayong project but an additional loan of 10 million baht for the Rayong project.

(4) 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 2021 and 2022, the company has financial lease liabilities amounting to 24.09 million Baht and 26.88 million Baht, respectively or 2.33% and 2.11% of total liabilities and shareholders' equity, respectively

Shareholders' Equity

Financial statements	As of 31 December						% change 2021-2020	% change 2022-2021
	2020		2021		2022			
	MB	%	MB	%	MB	%		
Shareholders' Equity								
Issued and paid-up share capital	150.00	16.80	150.00	14.53	200	15.67	-	33.33
Share premium	90.51	10.14	90.51	8.77	219.15	17.17	-	142.13
Surplus on business combination under common control	2.48	0.28	2.48	0.24	2.48	0.19	-	-
Retained earnings								
Appropriated for legal reserve	6.10	0.68	6.10	0.59	6.10	0.48	-	-
Unappropriated	3.36	0.38	30.16	2.92	66.05	5.18	797.62	119.00
Other components of shareholders' equity	(13.15)	(1.48)	94.17	9.12	97.56	7.64	(816.12)	3.60
Equity attributable to equity holders of the Parent	239.30	26.80	373.42	36.17	591.34	46.33	56.05	58.36
Non-controlling interest	(9.74)	(1.09)	(15.78)	(1.53)	(17.78)	(1.39)	62.01	12.67
Total Shareholders' Equity	229.56	25.71	357.64	34.64	573.36	44.93	55.79	60.32
Total Shareholders' Equity and liabilities	892.99	100.00	1,032.35	100.00	1,276.24	100.00	15.61	23.62

Shareholders' Equity (Excluding non-controlling interest) at the end of 2021 and 2022 amounting to 591.34 million Baht and 373.42 million Baht or 36.17% and 46.33% of total liabilities and shareholders' equity, respectively. At the end of 2022, Shareholders' Equity increased due to capital increase and has net profit.

Liquidity analysis

Cash Flow (Unit: million Baht)	As of 31 December		
	2020	2021	2022
Net cash provided by (used in) operating activities	12.36	(49.34)	(104.26)
Net cash used in investing activities	(66.23)	(7.01)	(60.25)
Net cash provided by financing activities	78.12	30.35	169.38
Impact of exchange rate on Cash and cash equivalents	(0.00)	0.07	0.02
Impact of the translation of the financial statements	(0.47)	0.13	0.13
Net increased (decreased) in Cash and cash equivalents	23.78	(25.8)	5.02
Cash and cash equivalents at beginning of the period	27.45	51.23	25.43
Cash and cash equivalents at end of the period	51.23	25.43	30.45

Net cash provided by (used in) operating activities

In 2021, cash flow used in operating activities of 49.34 million Baht even though the company had profit for the year 2022 amounting 30.77 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.

In 2022, cash flow used in operating activities of Baht 104.26 million even though the company had profit for the year 2022 amounting Baht 46.89 million, decrease in Advance payment for good Baht 33.66 million and decrease in trade and other payables Baht 23.38 million but increase in trade receivables and other receivable Baht 167.71 million and significantly increase in inventory amounting to Baht 52.21 million.

Net cash used in investing activities

In 2021, the company has cash flow used for investing activities of 7.01 million Baht, due to additional machine and equipment for the biomass pellet plant and wood grinding in Bang Nam Chued warehouse.

In 2022, the company has cash flow used for investing activities of 60.25 million Baht, due to increase in loans to related parties to start a new business and the cost of starting the Rayong stockpile, such as making a concrete yard and fence.

Net cash provided by financing activities

In 2021, the company had cash flow from financing activities of 30.35 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

In 2022, the company had cash flow from financing activities of 169.38 million Baht from capital increase for strategic investing.

Financial Ratios

Financial Ratios		As of 31 December		
		2020	2021	2022
<u>LIQUIDITY RATIO</u>				
Current ratio	(Times)	0.87	0.91	1.20
Quick Ratio	(Times)	0.47	0.44	0.68
Cash flows ratio	(Times)	0.02	(0.09)	(0.18)
Accounts receivable turnover	(Times)	7.68	9.15	9.32
Average collection period	(days)	46.90	39.33	38.65
Inventory turnover	(Times)	6.27	7.25	8.78
Inventory days	(days)	57.40	49.68	40.99
Accounts payable turnover	(Times)	30.88	48.75	77.42
Accounts payable days	(days)	11.66	7.38	4.65
Cash Cycle	(days)	92.65	81.62	74.99
<u>PROFITABILITY RATIO</u>				

Financial Ratios		As of 31 December		
		2020	2021	2022
<u>PROFITABILITY RATIO</u>				
Accounts payable days	(%)	18.18	16.32	13.88
Operating profit margin	(%)	1.97	1.97	1.97
Other profit margin	(%)	0.90	1.05	0.42
Profitability Ratio	(%)	0.59	2.07	1.88
Net profit margin	(%)	1.19	1.39	1.32
Return on equity	(%)	69.48	8.75	7.44
<u>EFFICIENCY RATIO</u>				
Return on assets	(%)	3.91	4.58	5.79
Return on fixed assets	(%)	10.10	10.83	13.95
Assets turnover	(Times)	1.73	1.98	2.34
<u>FINANCIAL POLICY RATIO</u>				
Debt to equity ratio	(Times)	2.89	1.89	1.23
Interest coverage ration ^{1/}	(Times)	2.94	3.32	3.35
cash basis	(Times)	1.04	(2.11)	(0.96)
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 50-60% 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 2021 and 2022, the company's liquidity ratio was 0.91 times and 1.20 times, respectively increased due to raise up capital so the company cash flow. As well as the lesser of quick ratio from 0.44 times to 0.68 times in year 2022.

The company had average collection period at 40 days and 39 days in 2021 and 2022 respectively, shorter due to sales increased while trade accounts receivable and other receivables are paid within credit term.

Inventory days were at 50 days and 41 days in 2021 and 2022 respectively due to sale increase.

In term of account payable days of the company was at 7 days and 5 days in 2021 and 2022 respectively. Since most of the small creditors had short-term credit. In this regard, the cash cycle in the year 2021 and 2022 has the cash cycle at 82 days and 75 days respectively.

Profitability Ratios

In 2021 and 2022 the company had a gross margin for sales of goods and services 16.32% and 13.88% respectively, decrease due to increase in cost effect from market competitor.

Efficiency Ratios

In 2021 and 2022, Total asset turnover was at 1.98 and 3.24 respectively, the better in total asset turnover due to increase in revenue in 2022.

Financial Policy Ratios

Debt to equity ratio of the company in 2021 and 2022 was at 1.89 times and 1.23 times respectively. Due to increase capital during year.

The company is committed to building the organization to grow along with the management of balance in 3 dimensions: Environment - Social - Governance (ESG) under the key sustainability strategy. both in terms of sustainability in environmental dimensions, social dimensions, and economic dimensions. by focusing on energy management and utility systems for maximum efficiency reduce the loss during transportation

Create business value together with society (Social Enterprise: SE) by applying innovation and expertise of the organization. and use existing resources worthily according to the Circular Economy (CE) principle, along with creating a circular income to return to the community, society, improving the quality of life, including solving environmental problems. Leading to a low-carbon and sustainable society Including giving importance to building relationships and participation with many sectors.

5

General and Other Important Information



5.1. General information of the company

Company Information (on December 31, 2022)

Thai Company Name	บริษัท เอเชีย ไบโอบีโอส จำกัด (มหาชน)	
English Company Name	Asia Biomass Public Company Limited	
Securities Initial	ABM	
Company Registration Number	0107560000061	
Nature of Business Operation	Biomass Fuel Distributor	
Head Office Location	No. 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 7400 (2) No. 155/1, Moo 14, Bang Pakong, Bang Pakong, Chachoengsao 24130 (3) No. 113/1, Moo 3, Bang Kung, Mueang Surat Thani, Surat Thani 84000 (4) No. 152/5 Moo 16 Taphong Sub-district, Mueang District, Rayong 21000	
Head Office Phone	02 415 0054	
Head Office Fax	02 894 0066	
Website	www.asiabiomass.com	
Registered Capital	450,000,000 ordinary shares 0.50 baht per share, total 225,000,000 baht	
Paid-up Capital	400,000,000 ordinary shares 0.50 baht per share, total 200,000,000 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	MISS Susan Eiamvanicha CPA No. 4306 MR. Suchart Panitcharoen CPA No. 4475 MR. Apichat Boongird CPA No. 4963 SP Audit Company Limited NO. 503/31 K.S.L. Tower , Sri Ayutthaya Road, Thung Phaya Thai Subdistrict, Ratchathewi District, Bangkok 10400 Telephone : 02 642 6174 Fax :02 642 6253	

Frequently contacted financial institutions	Kasikorn Bank Public Company Limited Krung Thai Bank Public Company Limited Siam Commercial Bank Public Company Limited
Legal advisor	KANSIRI & PARTNER CO., LTD. No. 88/8 Moo 10 Khok Kham Subdistrict, Mueang District, Samut Sakhon Province 74000

5.2. Other Important Information

- None -

5.4. Secondary Market

- None -

5.3. Legal Disputes

As of 31 December 2022, 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.

5.5. Financial Institutions that frequently contacted (Debt Instruments only)

- N/A



บริษัท เอเชีย ไบโอบีโอส จำกัด (มหาชน)

SECTION 2

Corporate Governance



6

Corporate Governance Policy

6.1. Overview of Corporate Governance Policies and Practices

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.

In 2017, there was a resolution approved by the Board of Directors' meeting to determine the good corporate governance policy according to the guidelines of the Stock Exchange of Thailand ("SET"), and announced corporate governance policy on March 7, 2017, as a guideline for operations and adherence to The Company's

employees at all levels. In 2022, the Board of Directors has supervises and complies with the good corporate governance policy as follows:

Section 1 : Rights of Shareholders

1.1. 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.

1.2. Procedures on the Date of the Meeting of Shareholders

1.2.1. The Company gives shareholders an opportunity to raise their questions to the chairmen of sub-committees regarding related subjects.

1.2.2. The Company arranges for agendas with multiple items to be voted on separately, such as the agenda for the appointment of directors.

1.2.3. 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.

1.2.4. 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.

1.2.5. 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.

1.2.6. 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.

1.3. Preparation of Minutes and Disclosure of the Meeting of Shareholders Resolutions

1.3.1. 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.

1.3.2. 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

Section 2 : Equitable Treatment of Shareholders

2.1. 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.

2.2. Protection of Minority Shareholders' Rights

2.2.1. 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.

2.2.2. 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.

2.2.3. 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.

2.2.4. 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.

2.3. Insider Trading Prevention

2.3.1. 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.

2.3.2. 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.

2.3.3. 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.

2.4. 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.

Section 3: Roles of Stakeholders

3.1. 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:

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.

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.

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.

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:

- 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.

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.

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.

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.

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.

Section 4: Disclosure of Information and Transparency

4.1. Information Disclosure

- The 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.

- The 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.

4.2. 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:

1. The Company's vision and mission
2. The Company's characteristics of business operation
3. The list of the Board of Directors and executives
4. The current and previous years' financial statements, as well as financial status and performance reports
5. 56-1 One Report and annual reports available for download
6. Information or other documents presented to analysts, fund managers, and the media by the Company
7. Shareholding structure of both direct and indirect ownerships
8. Group structure including subsidiaries, associates and joint ventures
9. Major shareholders, both direct and indirect ownerships, of at least 5 % of the total shares sold with voting rights

10. Direct and indirect shareholdings of the Company's directors, major Shareholders, and top executives

11. Invitation to the general and extraordinary general meeting of shareholders

12. The Company's good corporate governance policy

13. Risk management policy including methods for managing various risks

14. 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:

1. Asia Biomass Public Company Limited
273/2 Rama 2 Road, Samae Dam, Bang Khun Thian,
Bangkok 10150
2. Email ir@asiabiomass.com

3. Phone 02-415-0054 ext. 2206

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

5.1. 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)

5.2 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.

5.3 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 arranges for a controlling system of operations, financial reports, and compliance to laws, regulations, and policies. The Board of Directors will appoint independent persons or agencies to be responsible for the system, inspect the system at least once a year, and report on findings in the annual report.
- 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.

5.4 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.

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.

- 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.

5.5 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.

5.6 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

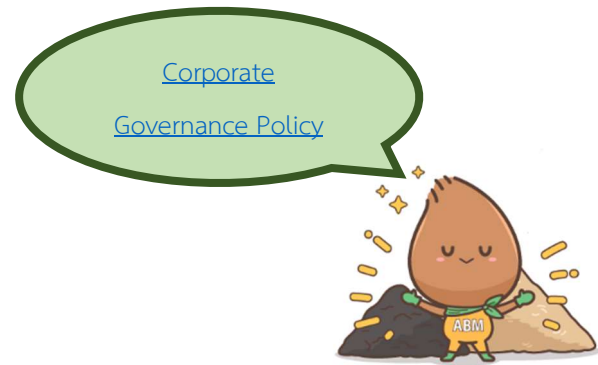
5.7 Directors and Executives Development

- 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



In the Board of Directors meeting No. 4/2022, the Board of Directors' meetings for the year 2023 is scheduled as follows:

No.	Items	Day/Month/Year	Time	Place
BOD 1/2566	Board of Directors Meeting No. 1/2022	Friday, 24 February 2023	15.00 น.	Meeting room 1 ABM
BOD 2/2566	Board of Directors Meeting No. 2/2022	Friday, 11 May 2023	15.00 น.	Meeting room 1 ABM
BOD 3/2566	Board of Directors Meeting No. 3/2022	Friday, 11 August 2023	15.00 น.	Meeting room 1 ABM
BOD 4/2566	Board of Directors Meeting No. 4/2022	Tuesday, 14 November 2023	15.00 น.	Meeting room 1 ABM

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

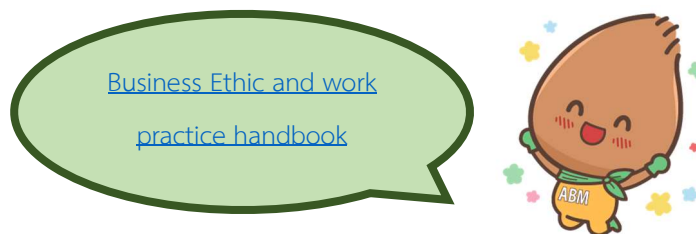
6.2. Business Ethics

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.

In the year 2022, the company has not violated any corporate ethics and code of conduct.



6.3. Significant changes and developments in Policies, Practices, and the Corporate Governance in the previous year

The Company still believes and adheres to corporate governance policy and guidelines as in the past. However, to increase efficiency and be in line with the current situation, The Company has prepared, improved, and reviewed the following matters:

- Organization Chart
- Labor Practice Policy
- Human Rights Policy
- Information Technology Security Policy
- Charter of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee

In this regard, The Company has disclosed them on The Company website and used them for further practice.

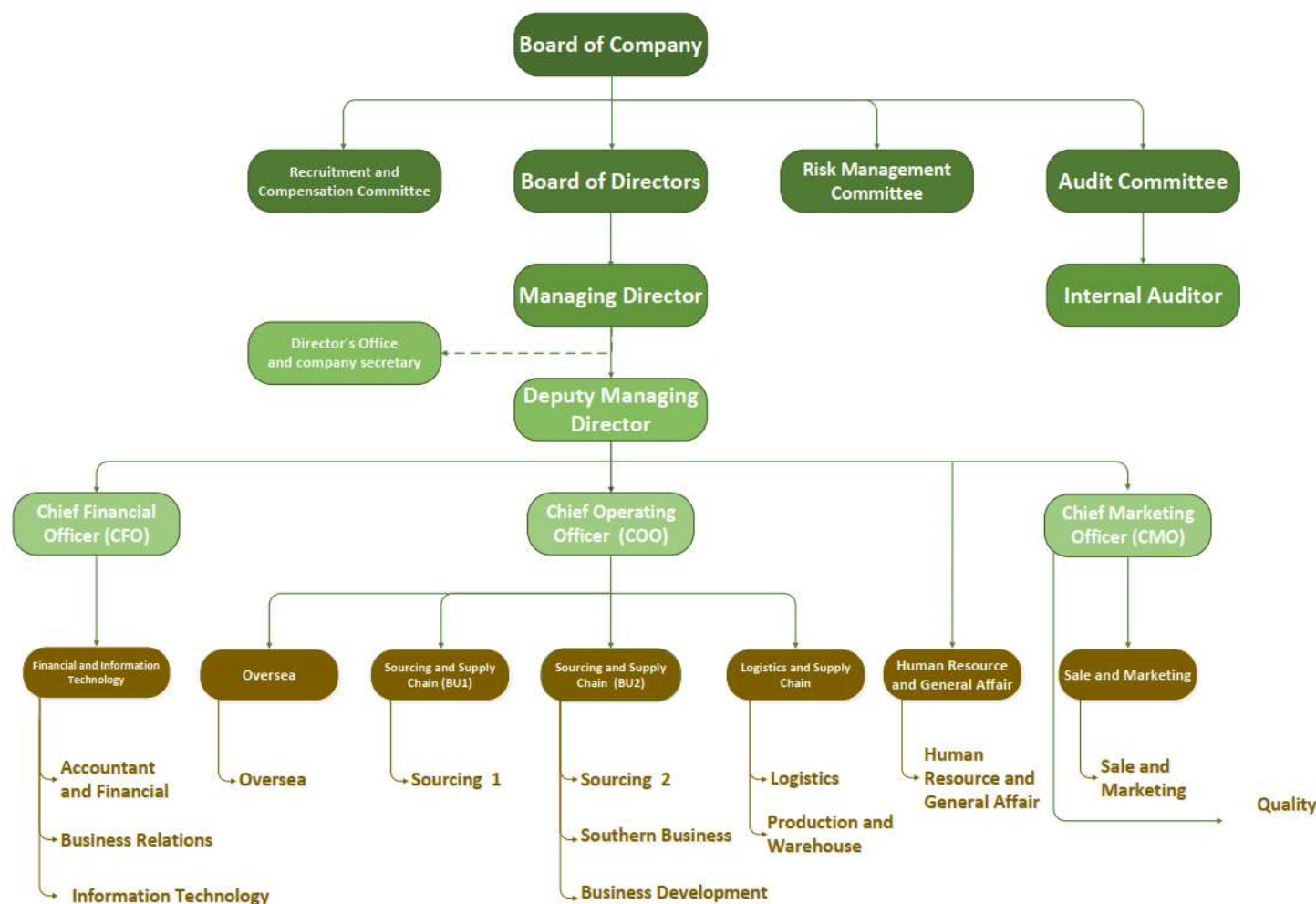


7

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



7.1. Corporate Governance Structure



7.2. Board of Directors



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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.

Board of Directors

As at December 31, 2022, the Board of Directors There are 7 directors as follows:

Name	Position	Director Type
1. Mr. Apisit Rujikestkamjorn	Chairman of the Board	Non-executive Director
2. Mrs. Natpapha Kuansataporn	Vice Chairman of the Board Executive Board	Director with Signatory Authority Non-executive Director
3. Miss Tiya 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 Executive Board	Non-executive Director
5. Ph.D. Sarit Chokchainirand	Director Chairman of the Audit Committee	Independent Director Non-executive Director
6. Mr. Wichai Pornkeratiwat	Director Audit Committee Chairman of the Nomination and Remuneration Committee	Independent Director Non-executive Director
7. Miss Pinmanee Makmontana	Director Audit Committee	Independent Director Non-executive Director

Remark : The Board of Directors is composed of female directors 42.86%

The Board of Directors consists of non-executive directors 85.71%

The Board of Directors consists of independent directors 42.86%

Authorized Director of the Company

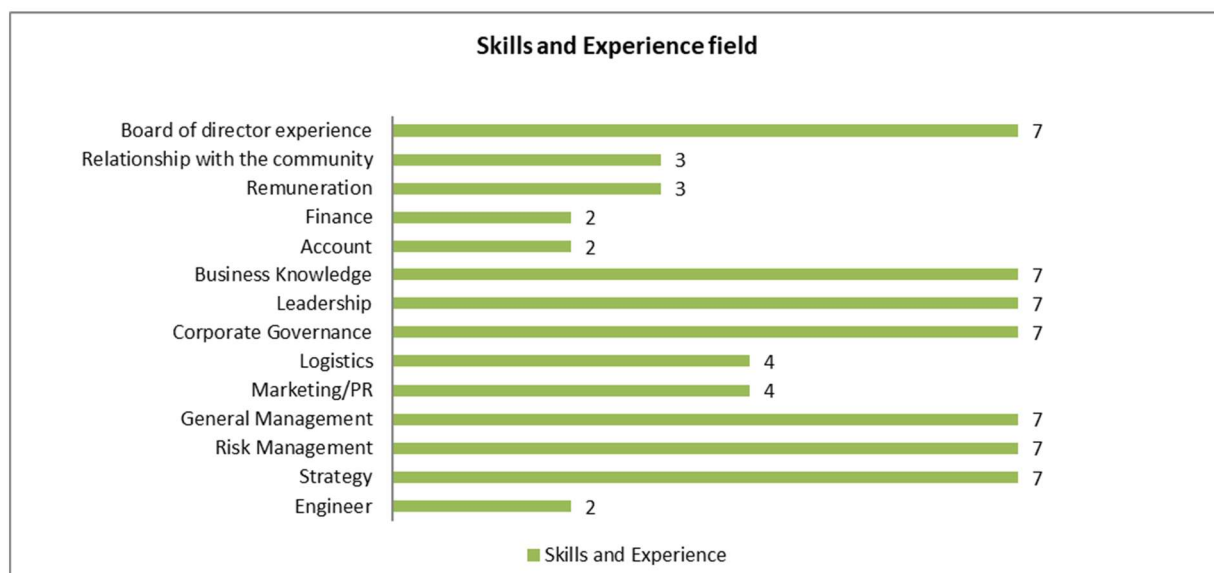
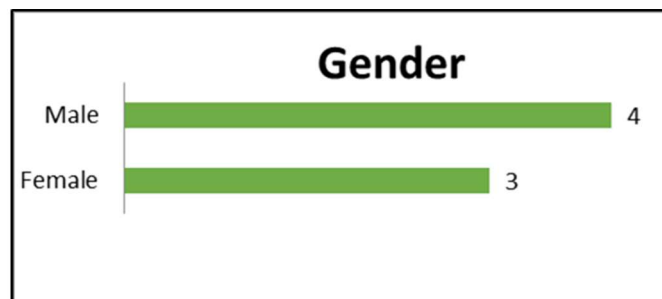
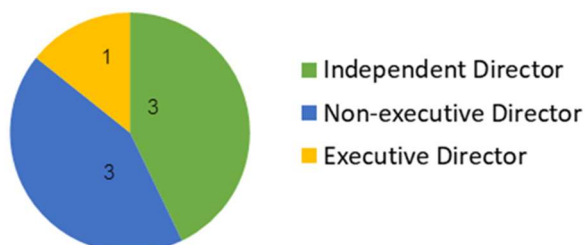
The authorized signatories of the company are Mrs.Natpapha Kuansataporn and Miss Tiya Mekpongsatorn, together with the company's seal affixed.

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



Board of Directors Charter

The Board of Directors consists of highly qualified individuals with knowledge, expertise, and experience from various professions in the fields of engineering, management, and other beneficial areas for The Company's operations. They possess independence in decision-making for the maximum benefit of The Company and its shareholders. The Board of Directors participates in determining The Company's vision, mission, values, objectives, policies, business plans, long-term strategies, and annual budgets. The Executive Committee is responsible for presenting proposals, while the Board

of Directors provides comments and deliberates with the Executive Committee to achieve mutual agreement. Additionally, the Board of Directors oversees the efficient implementation of the business plans and budgets, ensuring adequate internal control systems, financial reporting, and regular performance monitoring

Objectives

The Board of Directors is a group of individuals who have been entrusted by the shareholders and appointed by the shareholders' meeting to oversee

and control the management and administration of The Company in accordance with the policies assigned and relevant laws, regulations, and bylaws related to The Company's business operations.

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:
 - 2.1. Each shareholder has one vote per share.
 - 2.2. 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.
 - 2.3. 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:

- 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) 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.
- 3) 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.
- 4) 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.
- 5) 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.

- 6) 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.
- 7) 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.
- 8) 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.
- 9) 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.

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 7 days 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.

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:
 - 1) Structure and Qualifications of the Board of Directors.
 - 2) The Sub-committees' Meetings Were Conducted on Various Matters Effectively.
 - 3) Roles, Duties, and Responsibilities of the Board of Directors

4) Other Matters

2. Self-assessment form for each sub-committee as a whole has the following topics:
 - 1) Structure and Qualifications of the Board of Directors.
 - 2) The Sub-committee's Meetings
 - 3) 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:
 - 1) Structure and Qualifications of the Board of Directors.
 - 2) The Board of Directors' Meetings
 - 3) Roles, Duties, and Responsibilities of the Board of Directors

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

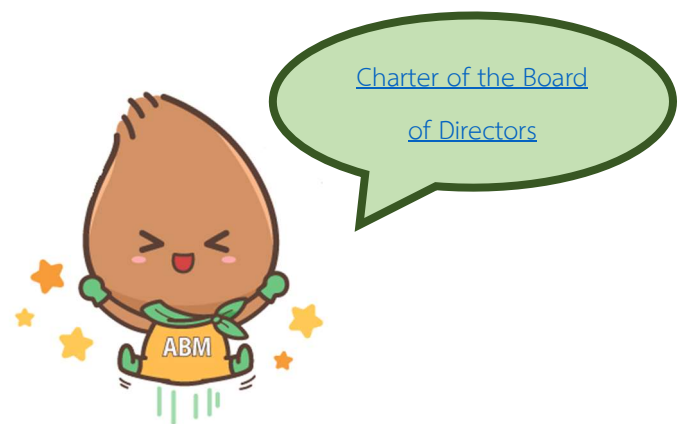
The Board of Directors has established guidelines for reporting stakeholder interests of the Company's directors and executives for transparency and to prevent problems that may cause conflicts of interest, as follows:

- 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. Subcommittees

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:

Audit Committee

As of 31 December 2022, 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 Pinmanee Makmntana	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.

Furthermore, Ms. Pinmanee Mekmananda, a director of the Audit Committee experienced and knowledgeable in the field of accounting and management, holds a Master's degree in Business Administration from the National Institute of Development Administration, and a Bachelor's degree in Accounting from the Faculty of Commerce and Accountancy, Chulalongkorn University. She currently serves as a member of the Audit Committee and

executive in multiple companies, leveraging her extensive expertise and experience in finance and accounting.

1. 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

2. 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.

3. 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.

4. Composition of the Audit Committee

- 4.1. Audit Committee members must be independent directors.
- 4.2. The Audit Committee must be appointed by the Board of Directors.
- 4.3. The Audit Committee must consist of at least 3 independent directors.
- 4.4. 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.
- 4.5. The Audit Committee can hold a position as the Audit Committee in no more than 5 listed companies.
- 4.6. The Board of Directors elects one of the Audit Committee members to be the Chairman of the Audit Committee.
- 4.7. 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.

5. 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.

6. 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.

7. 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.

8. Duties, Responsibilities and The Report of The Audit Committee

8.1. 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.

8.2. Connected 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.

8.3. 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.

8.4. 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.

8.5. 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 313 of 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 within 30 days from the date of being notified by the auditor.

8.6 Compliance with the law and related regulations

Ensure that the Company compliance with the Act, the regulations of the Stock Exchange of Thailand, or laws related to the Company's business.

8.6. Compliance with the law and related regulations

Ensure that the Company compliance with the Act, the regulations of the Stock Exchange of Thailand, or laws related to the Company's business.

8.7. 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.

1. 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.

2. Reporting to government

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.

3. 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.

8.8. 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.

8.9. 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.

8.10. 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.

9. Term of office

9.1. 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.

9.2. The directors who are retiring by rotation may be reappointed for another term, but they are not automatically reappointed.

9.3. 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.

9.4. 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 replace.

9.5. 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 offense
- Incompetent or quasi-competent
- Being bankrupt

10. Audit Committee Meeting

10.1. 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.

10.2. 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.

10.3. 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.

10.4. 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.

10.5. 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.

10.6. The Audit Committee, which has any stakeholder in the agenda considering that audit committee member, must not participate in giving opinions on that matter.

10.7. 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.

10.8. The secretary of the Audit Committee has no right to vote.

10.9. Secretary of the Audit Committee or the person assigned to take the minutes of the meeting and meeting reports.

10.10. 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.

10.11. 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.

10.12. 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



Nomination and Remuneration Committee

As of 31 December 2022, 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 Tiya 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).

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.

3. 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.
4. Disclosure of the policy and details of the recruitment process in the annual report of the Company.
5. 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.
6. 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.

[Charter of Nomination and
Remuneration Committee](#)



Executive Committee

As of 31 December 2022, the Executive Committee consisted of 4 directors and/or executives as follows:

Name	Position
1. Miss Tiya Mekpongsatorn	Chairman of the Executive Committee
2. Mr. Pongtham Danwungderm	Vice Chairperson of the Executive Committee
3. Mrs. Natpapha Kuansataporn	Member of the Executive Committee
4. Mr. Panom Kuansataporn	Member of the Executive Committee

Remark: Mrs. Apiratee Skulin 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

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.
- 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.

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.
- 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



Risk Management Committee

As of 31 December 2022, the Risk Management Committee consisted of 6 directors and/or executives as follows:

Name	Position
1. Miss Tiya 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 Dejpaiboonoyot	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 Executives



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Company's Executives

As at December 31, 2022, the Company's executive consisted of 5 members:

Name		Position
1. Miss Tiya	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	Dejpaiboonoyot	Assistant Director of Sales and Marketing

Remark : Details of knowledge, expertise, skills and experience of executives are in Attachment 1.

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. 4/2022 held including the approval of the significant transaction as follows ;

Detail		Approval Power		
		The Board of Director	Managing Director	Executive Committee
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 investment 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 than 20 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.

In addition, the company and its subsidiaries pay brokerage fees both for the purchase and sale of the company's products for outsourced consultants, suppliers, or customers to the company by the supply and sales department of the company. A broker must be present for each transaction combined with cost of goods. It must be at the target cost level and profit after expenses to propose to the Managing Director of the Company for

approval. The person and / or juristic person who is paying the commission must have full identity. All outgoing remuneration packages will be collected for submission to the Audit Committee on a quarterly basis in order to ensure that the company's fees are paid correctly, the company's and its subsidiaries' There is no payment to persons who may have conflict of interest in the list of connected persons and juristic persons.

Scope of Authorities, Duties, and Responsibilities of the Managing Director

The Managing Director has the authority and responsibility to manage the operations of The Company as assigned by the Board of Directors, including the following matters and activities:

1. Prepare and propose policies, targets, as well as business plans and strategies for The Company's operations in order to present them to the Board of Directors for consideration.
2. Manage The Company's operations in accordance with the policies, and objectives, as well as the business plans and strategic plans approved by the Board of Directors.
3. Delegate authority and/or assign specific tasks to other individuals is possible, within the scope of the approval authority criteria, regulations, or directives set forth by the Board of Directors.
4. Prepare a report on The Company's operations and regularly present it to the Board of Directors on important matters.
5. Represent The Company in communicating with external parties.
6. Perform other duties as assigned by the Executive Committee and/or the Board of Directors.

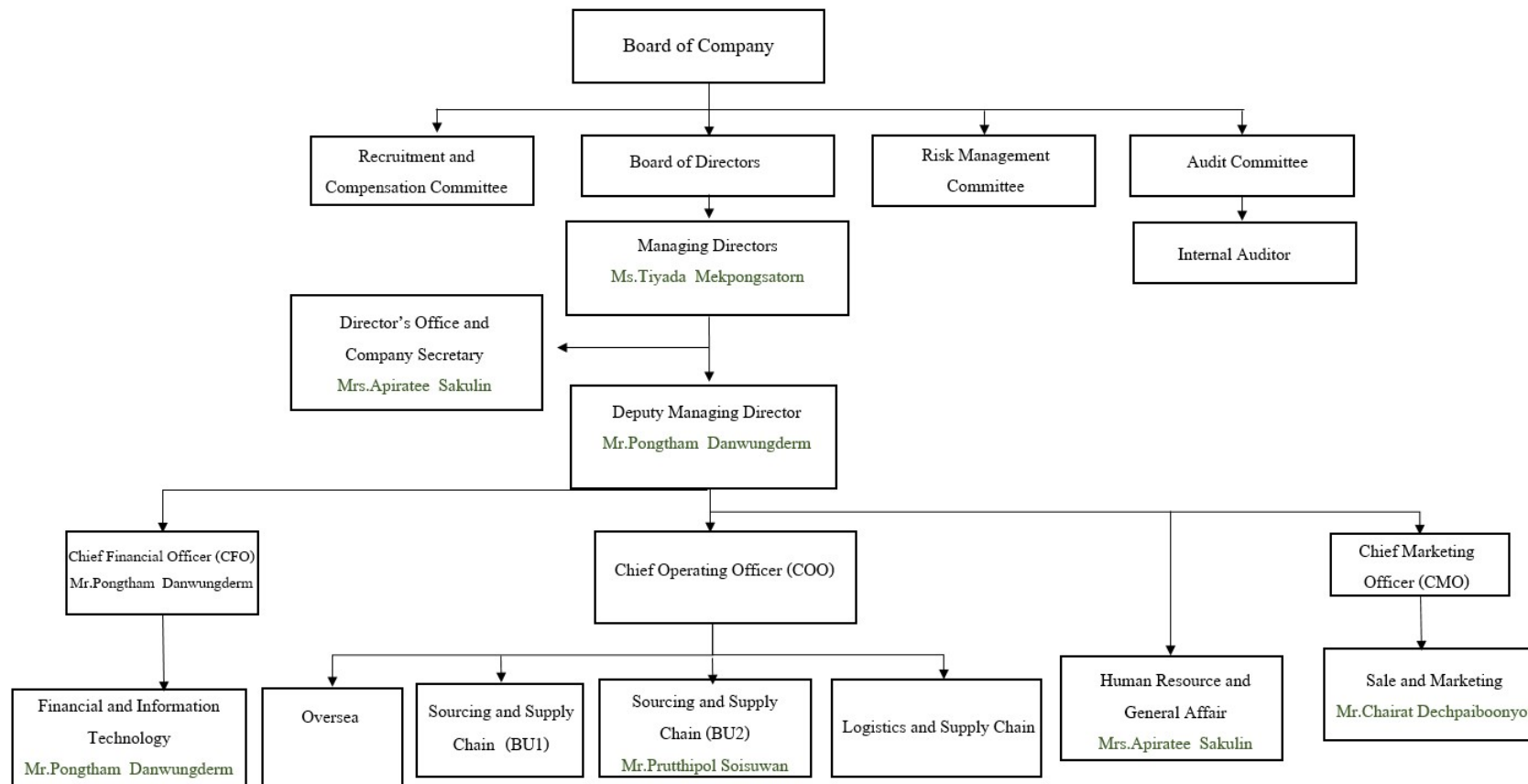
In this regard, the authority of the Managing Director, as well as the delegation of authority to other persons deemed appropriate by the Managing Director, does not include the authority or delegation of authority to approve any transactions that may result in conflicts of interest, loss, or benefits to oneself or related parties, which may conflict with The Company's or subsidiary's interests or transactions that are not part of The Company's or subsidiary's normal business operations. Such transactions must be proposed to the Board of Directors' meeting and/or the shareholders' meeting of The Company for consideration and approval in accordance with The Company's articles of association or relevant laws and regulations.

Preparation for Succession Plan

The Company recognizes the importance of maintaining the organization's efficiency and continuity in carrying out its operations without any disruptions. Therefore, the succession plan has been established to ensure that the organization has qualified personnel who can support the continuous operation of the organization. The succession plan is designed to identify and prepare executives who have the potential to succeed in key positions in the management and business operations of the organization in a sustainable and continuous manner.

Company's management

As of December 31, 2022, the organizational structure of the company is as follows:



The internal management structure of The Company consists of the Board of Directors, Audit Committee, Executive Committee, Nomination and Remuneration Committee, and Risk Management Committee, including executives who have qualifications specified in Section 68 of the Public Limited Companies Act B.E. 2535, and related notifications of the Capital Market Supervisory Board.

7.5. Employees

Number of Personnel

On 31 December 2022, the Company and subsidiaries had monthly employees (excluding directors and executives of the Company and its subsidiaries) totaling 163 persons, divided into 67 employees of ABM Company, 46 STPs and 50 PPPs 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	46	50

Remarks : 1. The number of daily employees of ABM 18 ,STP 2 and PPP 3, respectively, and the contract workers of ABM and PPP were 1 ,0 and 6, 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 , 2021 and 2022, the Company and subsidiaries paid remuneration to employees as follows:

- Year 2020, totaling 61.19 million baht.
- Year 2021, totaling 62.09 million baht.
- Year 2022, totaling 77.61 million baht.

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

Employee remuneration ABM Year 2022

= 46.83 million baht.

split into Female employees 24.06 million baht.

split into Male employees 22.77 million baht.

Assessment Criteria

Those who can get an assessment must be permanent employees that have a start date of July 4, 2022. The grading criteria for the assessment are as follows:

Score	Grade
91-100	A
80-90	B+
65-79	B
50-64	C
1-49	D

Employee Turnover Rate

In 2022, The Company had 19 employees resign out of a total of 96 employees, resulting in a turnover rate of 19.79%.

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.

Participation in the Fund

Monthly ABM Employee as of December 2022

= 67 Persons

Participate in the Fund = 54 Persons

at 81%

Other Remuneration

-None-

Employee Welfare

In addition to the remuneration of salaries, bonuses, and retirement savings provided by The Company, additional benefits are also offered to employees, including:

1. Annual Employee Health Checkup
2. Assistance Benefits, including:
 - Funeral allowance for employees' family members
 - Visiting the sick/Childbirth
 - Travel allowance
 - Retirement compensation
 - Marriage benefits
3. Health and Accident Insurance Benefits
4. Social Security Fund Benefits
5. Compensation Fund Benefits
6. Reserve Fund Benefits
7. Uniform Benefits
8. Transportation/Accommodation Allowances and Meal Allowances
9. Travel Insurance Benefits
10. Leave Benefits
 - Sick leave
 - Personal leave
 - Maternity leave
 - Leave for training or knowledge and skill development
 - Leave for sterilization
 - Military Service leave
 - Religious leave
 - Funeral leave
12. Annual Vacation and Holiday Benefits
13. Other Activity Benefits

Employee Relations Activities

The Company organizes activities on Mother's Day, where employees are invited to express their love for their mothers through the "Love Mom, Protect the World" campaign. The employees are asked to plant trees with their mothers and submit photos for a competition, and The Company provides rewards for employees who participate in the activity.



The Company has a policy of organizing an annual outing in 2022 to raise awareness of the importance of efficient teamwork and create a positive attitude among employees. The outing will take place on December 23-24, 2022, at Mida Resort, Kanchanaburi.



Employee Satisfaction Survey

employee satisfaction level	2020	2021	2022
Employee satisfaction	85%	87%	90%

Personnel Development Policy

The Company prioritizes its personnel which are considered important resources. The Company, therefore, 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.

Employee Training	2020	2021	2022
Training Hours Per Year	1,463	1,472	1,696
Training Hours Per Person	9.37	9.26	9.12
Training Expenses	131,097	99,000	120,000
Training Expenses Per Person	943.14	622.64	645.16

Environmental Conservation

Providing Knowledge and Training to Employees on Environmental Issues

The Company emphasizes its responsibility to society in caring for the environment by implementing policies for environmental care and promoting awareness among employees. The Company advocates resource conservation, energy saving, and waste reduction, such as reusing paper, turning off electrical equipment during breaks, and complying with relevant environmental laws to minimize business impact on the surrounding community. The Company also provides training to employees on environmental issues to ensure that they have a comprehensive understanding.

There are several types of Forest Stewardship Council (FSC) standards, such as the FSC Forest Management Certification (FSC FM), which requires a minimum of 10% conservation of the certified forest management area. This is to protect the integrity of the ecosystem and to maintain biodiversity, thus ensuring sustainable development for the future.

The Company operates under the FSC concept of forest stewardship for sustainable forest management, using FSC-certified products such as wood chips and compressed biomass. The Company complies with FSC requirements as a supplier, starting from the selection of FSC-certified sources, and considers sustainable environmental practices a priority in its business operations.

The FSC CoC (Chain of Custody) standard for managing the traceability of products is a requirement for organizations to demonstrate that their wood products are produced or sold from certified forests. This includes processes such as sourcing, receiving, and storing raw materials, controlling quantities, as well as sales and delivery. Clear separation or identification of materials that are not certified must be maintained at every stage to ensure that there is no mixing of materials until the end of the production process.

The certification process requires compliance with FSC regulations and assessment criteria to confirm that the forest in question did not originate from natural forest destruction, and must adhere to FSC policies on the 3 principles of economic, social, and environmental balance.

The PEFC (Program for the Endorsement of Forest Certification Scheme) standard is an international organization that is not profit-driven and is designed to promote sustainable forest management. It is a tool for promoting sustainable forest management through certification and labeling on wood and wood products, similar to FSC, by using principles, practices, and evaluation criteria developed by international organizations to achieve international acceptance.

The most important principles are compliance with the laws of the country where the forest is located, the rights to land in the forest, the rights of indigenous people who live in the forest, the most cost-effective use of forest resources, the impact on the environment and biodiversity conservation, appropriate forest management plans, forest conservation and replacement plans, and

control and management systems for forest conservation.

Activities for Society and Environment in Business Operations (CSR in Process)

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 a 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.

Policy and Practice of Occupational Health and Safety and Environmental Protection

The Company recognizes the importance of occupational health and safety and environmental protection in the workplace, as they are factors that allow the business to operate continuously and sustainably. In 2018, The Company established a policy on quality, occupational health and safety, and environmental protection for The Company Group.

The objective is to ensure that the business is conducted with a quality management system,

occupational health and safety, and environmental protection to meet the expectations of stakeholders in terms of quality, safety, and environmental protection. This policy serves as a framework to guide and review the objectives of quality, safety, and environmental protection in the operations of The Company Group with the following motto: "Standard Quality, Environmentally Friendly, and Responsibility towards Stakeholders"

1. Quality, safety, and environmental responsibility are the duties of every employee as part of their job performance.
2. Procure and produce quality products and deliver them to customers as per the agreement.
3. Reduce and prevent risks, injuries, and illnesses caused by work, losses from accidents, fire, and property damage.
4. Protect the environment by focusing on pollution prevention at the source, and reducing greenhouse gas emissions using efficient and sustainable resources.
5. Comply with regulations, and laws, and continuously improve the quality, safety, and environmental management system. All levels of management in The Company Group take responsibility and act as a model for developing and maintaining quality, safety, and environmental management systems by supporting sufficient resources to allow all employees to participate in implementing policies and communicating policy and operational results for quality, safety, and environmental management since March 29, 2018.

Performance in 2022

Performance in 2022

Accident Statistics	2020	2021	2022
Lost Time Accident (Person)	0	1	1
Lost Time Injury Frequency			
Rate (LTIFR) per 200,000 hours worked	0	0.98	0.81
Lost Time Injury Severity			
Rate (LTISR) per 200,000 hours worked	0	0.98	4.06
Fire incident (Zero Fire)			
equal to 0 times/year	0	0	0
Zero Environmental			
Complaints equal to 0 times/year	0	0	0

Occupational Accident Statistics

Occupational Accident Statistics		2022	2021	2022
LTIFR	Employee	0	0.98	0.81
	Contracto	0	0	0
LTISR	Employee	0	0.98	4.06
	Contracto	0	0	0

Based on the aforementioned policies and management systems regarding safety, occupational health, and environmental conditions, The Company Group is committed to continuously improving and enhancing the safety and occupational health conditions in the workplace, which has led to consistent success and pride over the years. The Company Group has adhered to these practices up to the present time, including:

1. Green Industry Standards Level 2 and 3
2. ISO14001 Environmental Management System Standards

3. Standards for Managing Drug Addiction in the Workplace under the White Factory Project Level 1
4. Safety, Occupational Health, and Environmental Management System Standards at the Platinum Level
5. Safety, Occupational Health, and Environmental Management System Standards at the Gold Level
6. The Campaign to Reduce Work-Related Accidents to Zero at the Initial Level

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
7. 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

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.

The Company is committed to providing every employee with standardized work practices, protection, and fair practices based on social norms and labor laws that protect labor rights, labor welfare, labor relations, occupational safety, environmental conditions, and related regulations. There will be a review, development, and improvement to ensure appropriateness at all times.

[Labor Practices Policy](#)



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.

Head of Internal Audit

The Audit Committee has considered and appointed Ms. Kijlada Somngam, Deputy Manager of the Internal Audit Department, as the Head of the Internal Audit Committee. Her responsibilities include verifying operations and evaluating the adequacy and effectiveness of The Company's internal control system to ensure that it is in accordance with the objectives set by The Company and consistent with the goals assigned by the Audit Committee. Details of the position holder are shown in Attachment 3.

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 2022. 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.

The Company's Internal Auditor

The Company has considered and appointed Mr. Sirichai Kultale as a member of the Internal Audit Committee. His responsibilities include providing assurance, and advice on the various activities of The Company, as well as controlling and auditing other issues assigned by the Audit Committee. He also coordinates with the Internal Audit Department of Dharmniti Internal Audit Company Limited in preparing relevant information for internal audits and following up on outstanding issues to ensure that they are improved according to suggestions.

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. Telephone 02-415-0054 ext. 2229

In this regard, in 2022, the Company had organized activities related to the investor relations unit as follows:

Summary of Operating Activities of Investor Relations Unit in 2022

Activity	Number of Times
General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1
Opportunity Day	1
Inquiries Through the Company's Channels by Investors	33
Inquiries Through the Company's Channels by Press	24

7.6.3. Auditors Remuneration

The Company's had unanimously approved in Annual General Meeting No.1/2022 for the appointment of the auditors from SP Audit Co., Ltd. to be auditors of the Company for the year 2022 that has independent, reliable and no conflict of interest between stakeholders. The name of auditors as follows;

- (1) MISS Susan Eiamvanicha
CPA No. 4306
- (2) MR. Suchart Panitcharoen
CPA No. 4475
- (3) MR. Apichat Boongird
CPA No. 4963

In 2022 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	190,000 Baht
Paprapat Co.,Ltd	170,000 Baht
ABM Pellet Co., Ltd	50,000 Baht
PKS Intertrade Co., Ltd.	12,000 Baht*
PKS Agri trade Co., Ltd.	12,000 Baht*

* Audit fee for the period 15 December 2022

Remark : In Annual General Meeting 2022. The company has approved the remuneration of the company's auditor for the year 2022 in the amount not exceeding 1,580,000 baht

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

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

- Have knowledge, ability and experience in business operations.
- Have honesty and ethics.

- Be able to identify and manage the Company's key risks.

- Fully devote and dedicate to the responsibilities.

- 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.

- 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.

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
 - 1) Deceased
 - 2) Resignation
 - 3) Lack of qualifications or having prohibited characteristics under the Public Limited Companies Act or the Securities and Stock Exchange Act
 - 4) The shareholders' meeting resolution to retire according to item 4.
 - 5) 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:

4. The self-assessment form for the Board of Directors as a whole has the following topics:

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

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 Tiya Mekpongsatorn	Managing Director and Action Operation Directors	<ul style="list-style-type: none"> ➤ PDPA (Personal Data Protection Act) , PROFESSIONAL BUSINESS PARTNERS CO., LTD. ➤ IR in Action Class 2, organized by MAI Listed Companies Association
Mr. Pongtham Danwungderm	Deputy Managing Director and Chief Financial Officer (CFO)	<ul style="list-style-type: none"> ➤ PDPA (Personal Data Protection Act) , PROFESSIONAL BUSINESS PARTNERS CO., LTD. ➤ Energy Transition & Climate Change Management (ETC) organized by The Federation of Thai Industries, Suan Sunandha Rajabhat University

Name	Position	Course
		➤ Digital Asset and Business Growth Opportunities (New S-Curve) of listed companies organized by The Stock Exchange of Thailand
Mrs. Apiratee Sakulin	Company Secretary and Director of Human Resources and Administration	<ul style="list-style-type: none">➤ PDPA (Personal Data Protection Act) , PROFESSIONAL BUSINESS PARTNERS CO., LTD.➤ Management course according to the guidelines of the Personal Data Protection Act B.E. 2562, PROFESSIONAL BUSINESS PARTNERS CO., LTD.➤ Preparation to support the enforcement of PDPA for company secretaries organized by the Thai Listed Companies Association.➤ Training Programs and Workshops Courses on Sustainability Reporting by Industry organized by The Stock Exchange of Thailand➤ HR Strategy in New Normal organized by The Stock Exchange of Thailand
Mr. Chairat Dechpaiboonoyot	Assistant Director of Sales and Marketing Management	<ul style="list-style-type: none">➤ PDPA (Personal Data Protection Act) organized by PROFESSIONAL BUSINESS PARTNERS CO., LTD.➤ Development of Boiler Knowledge Skills organized by lecture Chayapol Kanaree

8.1.2. Meeting and Remuneration record of Board of Director

Name	Position	(%)	Board of Directors	Audit Committee	AGM	Remuneration Committee	EGM
1. Mr. Apisit Rujikestkamjorn	Chairman	100%	5/5	5/5	1/1	-	1/1
2. Mrs. Natpapha Kuansataporn	Vice Chairman	100%	5/5	5/5	1/1	-	1/1
3. Miss Tiyada Mekpongsatorn	Director	100%	5/5	5/5	1/1	2/2	1/1
4. Mr. Panom Kuansataporn	Director	100%	5/5	5/5	1/1	2/2	1/1
5. Ph.D. Sarit Chokchainirand	Director	100%	5/5	5/5	1/1	-	1/1
6. Mr. Wichai Pornkeratiwat	Director	100%	5/5	5/5	1/1	2/2	1/1
7. Miss Patrawan Manutsathit ^{/1}	Director	41.67%	2/5	2/5	1/1	-	-
8. Miss Pinmanee Makmontana ^{/2}	Director	66.67%	4/5	3/5	-	-	1/1

Remark : ^{/1} Ms. Patharawan Manatsatit resigned from her position as a director and audit committee member on May 11, 2022.

^{/2} Ms. Pinmanee Mekmananda has been appointed as a director on May 11, 2022.

Directors and Executives' Remuneration

The Nomination and Remuneration Committee is responsible for nominating, selecting, and proposing individuals to serve as directors and managing directors of The Company, as well as determining appropriate remuneration based on their responsibilities. They present their proposals to the Board of Directors for consideration before presenting them at the shareholders' meeting for further consideration on the appointment of the Board members and the remuneration for the Board of Directors.

Remuneration of Directors: The Company has established a clear and transparent policy on remuneration for the Board of Directors, which is at the industry level and sufficient to attract and retain qualified directors, and has asked for approval from the shareholders' meeting.

Remuneration of Executives: The approved remuneration for executives is based on the principles and policies assigned by the Board of Directors in compliance with The Company's performance and the performance of each executive.

Remuneration for Director's

At 2022'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 2022 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 2022 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 3,185,000 baht as follows ;

Name	Remuneration (Baht)				
	Year 2022				
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Pension	Total
1. Mr. Apisit Rujikeatkamjorn	475,000	-	-	-	475,000
2. Mrs. Natpapha Kuansataporn	380,000	-	-	-	380,000
3. Miss Tiya Mekpongsatorn	380,000	-	20,000	-	400,000
4. Mr. Panom Kuansataporn	380,000	-	20,000	-	400,000
5. Ph.D. Sarit Chockchainirand	380,000	125,000	-	-	505,000
6. Mr. Wichai Pornkeratiwat	380,000	100,000	25,000	-	505,000
7. Miss Patrawan Manutsathit	160,000	40,000	-	-	200,000
8. Miss Pinmanee Makmontana	260,000	60,000	-	-	320,000
Total	2,775,000	345,000	65,000	-	3,185,000

Remark : Subsidiaries had no remuneration payment to director in 2022.

Remuneration for Executives

In 2021 and 2022, the Company paid executive remuneration. The details are as follows;

Remuneration	Year 2021		Year 2022	
	Head count	Remuneration (Million Baht)	Head count	Remuneration (Million Baht)
Salaries and bonuses	5	8.13	5	9.36
Other compensation such as contributions to the social security fund, money saving fund and phone bills	5	0.56	5	0.67
Total	5	9.99	5	10.03

Significant change in headcount over the past 3 years

- N/A

Major labor disputes in the past 3 years

- N/A

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.

Policy on Preventing Conflicts of Interest Disclosure

The Company places great importance on good corporate governance principles, expecting that the Board of Directors, executives, and employees perform their duties efficiently and transparently, which can benefit The Company's business operations and build confidence among customers and stakeholders. Therefore, The Company has developed a policy on preventing conflicts of interest based on the principle that any business activity decision must be made for the maximum benefit of The Company and its shareholders, and any actions

that may lead to conflicts of interest should be avoided.

The Company provides knowledge to its employees on preventing conflicts of interest through online training courses on the topic "Conflict of Interest Management" via Zoom. This policy has been disclosed on The Company's website for all stakeholders to be aware of as of November 3, 2022.



Statistics on Conflicts of Interest	2020	2021	2022
Statistics on Conflicts of Interest	0	0	0

**Using Insider Information for Exploitation****Supervision of the Using of Insider Information**

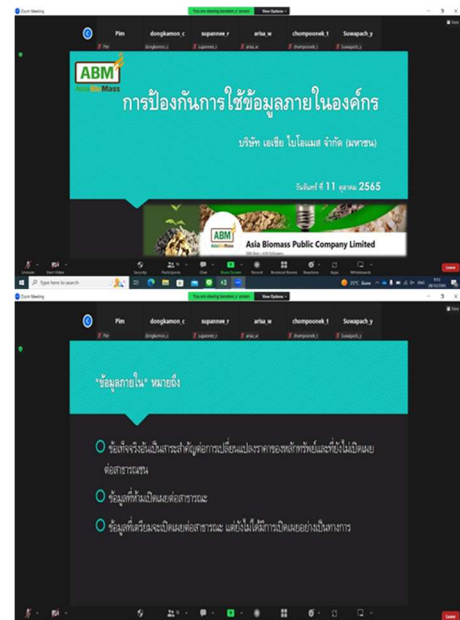
The Company attaches great importance to the prevention of the use of the Company's inside information. The Company has the policy to prohibit directors, executives, and employees of the Company from revealing secrets and/or inside information that

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.

The Company provides knowledge to its employees on preventing internal data misuse through online training courses on the topic "Internal Data Protection" via Zoom on October 11, 2022.



Statistics on Violations of Internal Data Usage	2020	2021	2022
Violation(s)	0	0	0

Prevention of Insider Information Usage



Anti-Corruption

The Company realizes the importance of good corporate governance and has established a policy on corporate governance, including the "Code of Ethics" to guide the work of its employees, subsidiaries, and joint ventures. The policy also includes channels for reporting complaints or violations. In addition, in 2013, The Company joined the list of companies declaring a commitment to jointly combat corruption in Thailand's private sector. As a participant in this initiative, The Company has a responsibility to set an example of anti-corruption to conduct its business in accordance with the principles of ethics and good governance, and to prevent all forms of corruption.

To ensure appropriate business operations and prevent the risk of corruption and collusion, The Company has developed a policy to prevent corruption and collusion in accordance with good corporate governance principles and compliance with Thai law.



Policy on Preventing Anti-Corruption Disclosure

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.
3. The company will communicate and publicize the anti-corruption policy to trade partners by preparing in various document formats.
4. The company will provide anti-corruption policy training for new and current employee's ongoing basis.

The Company provides knowledge to its employees on preventing corruption and collusion through online training courses on the topic "Corruption Prevention" via Zoom on November 3, 2022.

Anti-Corruption Policy



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.

Policy Dissemination for Information Technology Security

The Company recognizes the importance of utilizing information technology in business management, and thus, has established this policy to ensure effective governance, management, and security of The Company's information technology system. This policy is based on principles and practices of information technology systems, information security practices of the Securities and Exchange Commission and other relevant laws. This policy aims to respond to the expectations and needs of stakeholders, particularly through up-to-date practices, tools, standards, efficiency, and security in compliance with international standards.



Policy Dissemination for Personal Data Protection

The Company and its subsidiaries recognize the importance of personal data and other information related to individuals (collectively referred to as "Data") and are committed to ensuring transparency and responsibility in the collection, use, or disclosure of such data in accordance with the Personal Data Protection Act B.E. 2562 ("PDPA") and other relevant laws. This Personal Data Protection Policy ("Policy") has been developed to provide details to individuals regarding the collection, use, or disclosure (collectively referred to as "processing") of personal data conducted by The Company and its subsidiaries, including representatives and personnel involved in such processing on behalf of The Company.



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
Subdistrict, Bang Khun Thian District,
Bangkok 10150

2. Email : ac@asiabiomass.com

3. Company Website : <https://www.asiabiomass.com/>

In 2022, 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:

1. Chairman of the Audit Committee
Email : ac@asiabiomass.com
2. Managing Director
Email : tiyada@asiabiomass.com
3. Deputy Managing Director
Email : pongtham@asiabiomass.com
4. Company Secretary
Email : secretary@asiabiomass.com
5. Human Resources and Administration Manager
6. Email : hr_manager@asiabiomass.com
7. Tel. 02-415-0054 ext. 2619
8. 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 2022, on 31 December 2022, the Audit Committee consisted of 3 independent directors and had a total of 5 Audit Committee meetings as follows:

Name	Position	Number of Attendance
1 Dr. Sarit Chokchainirand	Chairman of the Audit Committee (Independent Director)	5/5
2 Mr. Wichai Pornkeratiwat	Audit Committee (Independent Director)	5/5
3 Miss Pinmanee Makmontana ^{/1}	Audit Committee (Independent Director)	3/5

Remark : ^{/1} Ms. Pinmanee Mekmananda has been appointed as a director on May 11, 2022.

Performance of the Audit Committee

The summary of the key performance of the Audit Committee in 2022 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 A&A Office Company Limited, The Audit Committee has considered 4 auditors, namelyb; MS. YUPHIN CHUMJAI, registration No. 8622, and/or DR. PREECHA SUAN, registration No. 6718, and/or MR. SOMCHAT KALASUK, registration No.9669, and/or MS.PITINUN PATTARAKLITIDEJ registration No.10467 In this regard, these 4 auditors have no relationship. or having interest in the Company Company's subsidiaries, directors, executives or major shareholders or a person related to such person In the event that the aforementioned auditors are unable to perform their duties Appoint other registered auditors from the Audit Office to represent the auditor in auditing and commenting on the company's financial statements.and presented to the Board of Directors. The Board of Directors agreed to propose to appoint auditors from A&A Office Company Limited to be the Company's auditors and presented the proposal to the Annual General Meeting of Shareholders for the year 2023 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 2022, on 31 December 2022, 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 Result of the Nomination and Remuneration Committee

The summary of the key responsibilities performed by the Nominating and Compensation Committee in 2022 are as follows:

1. Nomination

- Reviewed and revised the criteria for shareholders to propose candidates for the Board of Directors and the agenda for the Annual General Meeting of Shareholders (AGM), and opened opportunities for minority shareholders to propose agendas and candidates for the Board of Directors at least 3 months prior to the AGM for the year 2023, with a timeframe from October 1 to December 30, 2022. This is in accordance with the principles of good corporate governance and for the overall benefit of The Company and all stakeholders. As there were no shareholders who proposed candidates for the Board of Directors at the AGM for the year 2023, the committee proposed suitable candidates to be presented at the next AGM.
- Reviewed and selected suitable candidates to fill vacancies on the Board of Directors due to resignations during the year 2022, and no new directors were appointed. Therefore, the committee proposed new candidates to be presented at the next AGM for the year 2023.
- Established criteria for selecting directors based on the nature of the business and company strategy, with a focus on board diversity and board skills matrix to ensure that the directors have the necessary skills and expertise that align with The Company's business and corporate governance strategies. Suitable candidates were chosen based on their skills, qualifications, and experiences that would benefit The Company. Additionally, all appointed directors must meet the requirements under Section 68 of the Public Limited Companies Act B.E. 2535 (as amended) and related rules and regulations, and must not have any prohibitions under the Securities and Exchange Act B.E. 2535 (as amended) and other applicable laws, regulations, and The Company policies. Furthermore, a new director orientation program was conducted and continuous development of directors' knowledge was promoted.
- Review and summarize the results of the succession plan and continuity management for senior executive positions for the year 2022, and report it to the Board of Directors for acknowledgment.

2. Remuneration Determination

- Consider remuneration for the Board of Directors and sub-committees, including the Managing Director, by taking into account their suitability for the duties and responsibilities assigned, linked to The Company's performance and operations. This is compared to companies in the same industry group and similar size.
- Consider determining the remuneration for the Managing Director for the year 2023, based on their job performance as well as assigned duties and responsibilities in order to propose to the Board of Directors.

3. Performance Assessment of the Board of Directors and Senior Executives for the Year 2022

- Consider reviewing and improving the performance assessment form for The Board of Directors for the year 2022, both as a whole and individually, by incorporating the assessment results as part of the determination of their annual remuneration. In addition, The Company's performance was assessed to be at a good level.
- Review the performance assessment of the Managing Director for the year 2022 in order to present it to the Board of Directors.

4. Job Responsibilities Improvement and Development

- Schedule a plan for the predetermined Nomination and Remuneration Committee meetings for the entire year with a minimum of two meetings annually. Additional meetings may be scheduled as necessary to review progress, receive reports, and provide feedback to The Company. During these meetings, suggestions and recommendations may be presented to the Board of Directors and executives.
- Review and improve the performance assessment form for the Nomination and Remuneration Committee for the year 2022. Ensure that the form is comprehensive, up-to-date, and aligned with the CG Code for both the committee as a whole and individual members.
- Conduct an assessment of the Nomination and Remuneration Committee's performance and remuneration determination for the year 2022 and report the results to the Board of Directors and disclose them in The Company's annual report.
- Review and update the committee's rules and regulations on a regular basis to align with current criteria and regulations, including evaluation criteria and individual development plans (IDPs) to be used for succession planning.
- Review and revise the Skill Matrix to ensure that skills, experience, and professional diversity are aligned with the necessary business operations of the Board of Directors, in accordance with the CG Code.

The Nomination and Remuneration Committee has performed its duties with caution, diligence, full capacity, and independence for the benefit of The Company and its shareholders, in order to ensure transparency and compliance with good corporate governance principles, resulting in long-term sustainable value creation for The Company.

Risk Management Committee

As for the year 2022, on 31 December 2022, 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 Tiya Mekpongatorn	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	4/4
4. Mrs. Apiratee Sakulin	Risk Management Committee	4/4
5. Mr. Prutthipol Soisuwan	Risk Management Committee	4/4
6. Mr. Chairat Dejpaiboonoyot	Risk Management Committee	4/4

Performance Result of the Risk Management Committee

The summary of the key responsibilities performed by the Risk Management Committee in 2022 are as follows:

- Consider reviewing the policy and risk management guidelines for the year 2022.
- Reviewing the risks of the organization for 2022 and identifying solutions to prevent or mitigate the impact of risks in various areas. Assigning responsible persons to implement these solutions. The risks are classified into 9 categories including Strategy, Finance, Operations, Compliance, Corruption/Conspiracy, Business Interruption, Project Management, Environment, IT, and Cybersecurity. Additionally, identifying and prioritizing significant risks to the sustainability of the organization and developing an action plan to control these risks effectively, which is consistent with the business operations and strategies of The Company.
- Follow up and give advice on the operation of the risk management plan of each division, including supporting various resources to make sure that the risk management operation is at a controllable and acceptable level.
- Conducting an annual performance assessment of the Risk Management Committee for the year 2022, with an overall rating of "Excellent", and reporting the results to the Board of Directors.

The Risk Management Committee believes that The Company's risk management system in 2022 is efficient enough to supervise and manage the significant risks of The Company and The Company Group, which are appropriate for The Company's business operations and activities. The Company's main departments and subsidiaries have continuously managed their own risks in accordance with the changing circumstances to ensure that the risks are at an acceptable level, and to support The Company's management and business operations in achieving their plans and objectives.

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. Kitlada Somngam 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. Kitlada Somngam and deemed her appropriate to perform such duties due to her independence. Ms. Kitlada Somngam has experience in internal auditing, 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. 4/2022, held on November 10, 2022, 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 27 January 2023. 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 2022 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 related transactions between the Company and persons who may have conflicts of interest from 2020 to 2022

The Company and subsidiaries have related 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.	<ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> 1) Mrs. Natpapha Kuansataporn
3. Alpha G Venture Company Limited (“ABP”) operate a business of investing in company which not financial institution. (Former: ABM Pellets Co., Ltd.)	<ul style="list-style-type: none"> - AGV is a subsidiary in which the Company holds 99.99% of registered and paid-up capital. - The Company and AGV have 1 mutual director as follows: <ul style="list-style-type: none"> Ms. Tiyada Mekpongsatorn
4. PT Asia Biomass Indonesia (“ABI”) operates a business of procuring and distributing biomass fuel in Indonesia.	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 1) Ms. Tiyada Mekpongsatorn

Persons who may have Conflicts of Interest	Relationship
6. Asia Biomass Resources SDN. BHD. (“ABR”) operates a business of procuring and distributing fuel biomass in Malaysia.	<ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> ○ 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: Ms. Tiya Mekpongsatorn
7. PKS Intertrade Co., Ltd. (“PKSI”) operates a business of procuring and distributing biomass fuel.	<ul style="list-style-type: none"> - PKSI is an indirectly subsidiary through Alpha G Venture Co., Ltd. (“AGV”) which holds 99.99% of registered and paid-up capital.
8. PKS Agri Trade Co., Ltd. (“PKSA”) operates a business of procuring and distributing biomass fuel that is exempt from VAT.	<ul style="list-style-type: none"> - PKSA is an indirectly subsidiary through Alpha G Venture Co., Ltd. (“AGV”) which holds 99.99% of registered and paid-up capital.
9. Thun Tham Dee Co., Ltd. (“TTD”) operates a business of Consignment property.	<ul style="list-style-type: none"> - TTD is an indirectly associate through Alpha G Venture Co., Ltd. (“AGV”) which holds 44.9925% of registered and paid-up capital. - The Company and TTD have mutual directors as follows: <ol style="list-style-type: none"> 1) Mr. Panom Kuansataporn 2) Ms. Tiya Mekpongsatorn
10. Asia Green Energy Public Company Limited (“AGE”) operates a business of coal distribution.	<ul style="list-style-type: none"> - AGE is a related company whose shares are held by persons related to the Company as follows: <ul style="list-style-type: none"> ○ Mr. Panom Kuansataporn (Director) holds 17.93% of registered and paid-up capital. ○ Mrs. Natpapha Kuansataporn (Director) holds 6.57% of registered and paid-up capital. ○ Ms. Thiyada Mekpongsatorn (Director and Managing Director) holds 3.74% of registered and paid-up capital.

Persons who may have Conflicts of Interest	Relationship
	<ul style="list-style-type: none"> ○ 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: <ul style="list-style-type: none"> 1) Mr. Panom Kuansataporn 2) Mr. Apisit Rujikeatkamjorn
<p>11. A.G.E. Transport Company Limited (“AGET”)</p> <p>operates a business of providing transportation services by trucks.</p>	<ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> 1) Mr. Panom Kuansataporn
<p>12. AGE Terminal Company Limited (“AGETM”)</p> <p>operate a business of coal transportation and sorting services and services related to transportation by water or by ship.</p>	<ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> 1) Mr. Panom Kuansataporn

Persons who may have Conflicts of Interest	Relationship
13. Multi Energy Trading (2020) Company Limited (“MET”) operates consulting services.	<ul style="list-style-type: none"> - 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: <ol style="list-style-type: none"> 1) Mr. Panom Kuansataporn
14. AGE Marine Logistics Company Limited (“AGEM”) operates a business of services related to transportation by water or by ship.	<ul style="list-style-type: none"> - 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: <ol style="list-style-type: none"> 1) Mr. Panom Kuansataporn
15. 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.	<ul style="list-style-type: none"> - KHD is related to the Company, in which KHD has shareholders who are related to the Company as follows: <ul style="list-style-type: none"> ○ 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. Tiya 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 of 5.00% of registered and paid-up capital. - The Company and KHD have 3 mutual directors as follows: <ol style="list-style-type: none"> 1) Mr. Panom Kuansataporn 2) Mrs. Natpapha Kuansataporn 3) Ms. Tiya Mekpongsatorn
16. Kokhuad Property Company Limited (“KHP”)	<ul style="list-style-type: none"> - KHP is related to the Company, in which KHP has shareholders who are related to the Company as follows:

Persons who may have Conflicts of Interest	Relationship
operates a business of selling and renting out real estate and providing real estate services.	<ul style="list-style-type: none"> ○ 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: <ul style="list-style-type: none"> 1) Mr. Panom Kuansataporn
17. ViVi Home Decorative Company Limited (“VWH”) operates a business of selling household appliances and home decorations.	- VWH 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.
18. 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.
19. 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.
20. AT Energy Solution Co., Ltd. (“AT”) operates manufacturing and selling of steam, and utility services for industry.	- AT is a juristic person related to the Company, in which Mr. Panom Kuansataporn (Director) is a director. In addition, AGE holds 50% of the registered and paid-up capital.
21. AGE Agri Trading Co., Ltd. (“AGERI”) operates trading agricultural product.	<ul style="list-style-type: none"> - AGERI is related to the Company, in which AGETM is a subsidiary of AGE with AGE holding 99.99% of the registered and paid-up capital. - The Company and AGERI have 1 mutual director as follows: <ul style="list-style-type: none"> 1). Mr. Panom Kuansataporn
22. 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.

Persons who may have Conflicts of Interest	Relationship
23. 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.
24. 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.

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
1. Paprapat Company Limited (“PPP”)	<u>Selling Goods</u>	-	181.76	-	<p>- 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.</p> <p>- 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.</p> <p>- The Company rented out the space to PPP at rental rates, which were determined according to the cost of the leased space allocated to</p>
	- The Company sold palm kernel shells to PPP.				
	<u>Buying Goods</u>	367,258.88	340,074.61	572,532.20	
	- The Company purchased palm kernel shells from PPP.				
	<u>Management Fee</u>	1,176.00	1,176.00	2,281.14	
	- The Company provided management services to PPP in some overlapping segments for the management of the group to be most effective.				
	<u>Other Income</u>	299.99	-	-	
	Profits from disposal of assets.				
	<u>Rental Fee</u>	983.75	972.00	972.00	
	- The Company rented out some spaces to PPP to use as an office, with rental payment terms as agreed in the lease agreement				
	<u>Trade Account Receivables</u>	-	181.76	-	
	- caused by the sale of goods with conditions and a billing period according to the agreement.				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	<u>Other Receivables</u>				PPP, which were consistent with the market prices.
	- caused by management fees and rental fees, with terms and billing periods as agreed in the agreement.	4,775.05	6,889.71	10,306.73	- 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.
	<u>Trade Accounts Payables</u>				- The Audit Committee had the 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.
	- caused by the purchase of goods with terms and payment period according to the agreement	121,521.80	122,334.95	35,711.93	
2. Sataporn Thanapat Company Limited ("STP")	<u>Fuel Sales Income</u> - The Company sold fuel to ABM.	1,832.29	7,133.20	11,058.58	- The Company had a need to provide STP with 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. - The Audit Committee had the opinion that such transactions were reasonable since they

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	<u>Interest Income</u> - The Company received interest income from STP short-term loans for liquidity.	512.40	500.45	79.84	involved liquidity management within the Company Group and the interest was charged based on the financial cost of the Company.
	<u>Rental Fee</u> - 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.
	<u>Freight Expense</u> - 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.	31,062.42	27,832.69	32,852.70	- The Audit Committee had the 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.
	<u>Car Rental Fee</u> - The Company rented loaders and water tanks from STP for use in its operations, with rental payment	392.97	488.40	533.40	- 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. - The Audit Committee had the opinion that the transaction was reasonable since it was according to the normal business operation of the Company which had the same fee and trade terms as for the transactions with third parties.

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	terms as agreed in the lease agreement.				<ul style="list-style-type: none"> - The Company rented a car from STP with a rental fee according to the market rate. - The Audit Committee had the 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. - 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. - The Audit Committee had the 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.
	<u>Cost of Fuel, Spare Parts and Consumables</u>	889.73	58.38	54.15	
	- The Company paid for fuel, spare parts, and consumables incurred in the rental of the vehicle from STP as agreed in the lease agreement.				
	<u>Trade Account Receivables</u>	456.03	1,613.48	2,043.17	
	- caused by the revenue from the sale of fuel with terms and billing period as agreement.				
	<u>Other Receivables</u>	2,529.30	3,157.20	3,870.00	
	- caused by the income from management fees and rental fees, with terms and billing period according to the agreement and from ABM's acceptance of transfer of employees who have employee benefit liabilities after retirement from STP.				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	<u>Interest Receivables</u>	1,801.93	32.85	-	
	- caused by short-term loans, with interest payment terms as agreed.				
	<u>Short-Term Loan</u>	14,600.00	4,600.00	-	
	- The Company gave STP short-term loans for liquidity management within the Company Group.				
	<u>Trade and Other Payables</u>	8,755.22	5,402.94	5,150.98	
	- caused by the hiring of transport, with terms and payment period according to the agreement.				
	<u>Freight Costs</u> (PPP)	1,454.85	1,973.06	2,026.32	
	- 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.				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	<u>Trade and Other Payables (PPP)</u> - caused by the hiring of transport, with terms and payment period according to the agreement.	851.16	482.74	702.99	
3. Alpha G Venture Co., Ltd. ("AGV")	<u>Interest income (TTD)</u> - AGV received interest income from short- term loans to TTD for liquidity.	-	-	7.56	- The Company had a need to provide short-term loans for increase their short-term liquidity. The interest was charged based on the financial costs that the Company had taken from financial institutions. - The Audit Committee had the 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.
	<u>Interest receivables (TTD)</u> caused by short- term loans, with interest payment terms as agreed.	-	-	7.56	
	<u>Short-term loans to related companies (TTD)</u> - AGV lent short-term loans to TTD for liquidity in their company.	-	-	11,250.00	
4. PT Asia Biomass Indonesia ("ABI")	<u>Purchasing goods</u> <u>(Goods-in-transit included)</u> The Company purchased palm kernel shells from ABI, a supplier of palm kernel shells from sellers in Indonesia.	-	-	302.18	- 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

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	<u>Advance Payment for Goods</u> The Purchase of palm kernel shells from ABI required payment of purchase in advance like the purchase of palm kernel shells from other sellers.	8,484.53	6,523.03	5,998.72	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 the 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.
5. Asia Biomass Energy SDN. BHD. ("ABE")	<u>Purchasing Goods</u> - The Company purchased palm kernel shells from ABE, which supplied palm kernel shells from a seller in Malaysia. <u>Advance Payment for Goods</u> - The purchase of palm kernel shells from ABE required payment of the purchase in advance, similar to buying palm kernel shells from other sellers.	- 42,410.26	25,272.16 20,837.76	- 21,511.43	- 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.

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	<u>Selling Goods</u> - The Company sold palm kernel shells to ABE.	-	145.09	-	- The Audit Committee had the 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 Biomass Resources SDN. BHD. ("ABR")	<u>Advance Payment for Goods</u> - 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 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 the 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.

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
7. Thun Tham Dee Co., Ltd. (“TTD”)	<u>Interest expense</u> (AGV) - TTD had interest expense from borrowing short-term loans from TTD for liquidity.	-	-	7.56	- TTD needed to borrow short-term loans to increase their short-term liquidity. The interest was charged based on the financial costs that the Company had taken from financial institutions. - The Audit Committee had the 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.
	<u>Interest payable</u> (AGV) - TTD had interest payable from borrowing short-term loans with agreed interest payment term.	-	-	7.56	
	<u>Short-term loans from related companies</u> (AGV) - TTD borrow short-term loan from AGV for liquidity.	-	-	11,250.00	
8. Asia Green Energy Public Company Limited (“AGE”)	<u>Purchasing 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. - 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.
	<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	-	

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	with other external transport companies.				- The Audit Committee had the 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.
	<u>Transportation Service Income (STP)</u>	10,657.05	11,390.37	9,680.92	
	- 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.				
	<u>Car rental fee (PPP)</u>	-	-	79.18	
	- PPP had an agreement with AGE to rent a car in accordance with a contract of carriage that had the same standard terms as AGE's contract with other external transport companies.				
	<u>Shipping Costs</u>	5,409.19	1,375.04	-	
	(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				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	the same standard terms as the contract that the Company had with other outsourced carriers.				
	<u>Other Income</u> (STP)	65.45	18.80	-	
	- STP earned from car supply and compensation for Damage.				
	<u>Trade and Other receivables</u> (STP)	3,275.08	2,054.19	1,115.63	
	- caused by the transportation service with conditions and a billing period according to the agreement.				
	<u>Accounts Payable</u>	14,221.73	-	-	
	(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.				
	<u>Other Payable</u> (PPP)	-	-	79.18	
	- PPP had an agreement with AGE to rental vehicle in accordance with a contract of carriage that had the same standard terms as				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	AGE's contract with other external transport companies.				
9. A.G.E. Transport Company Limited ("AGET")	<p><u>Shipping Costs</u> (For the Company and PPP)</p> <p>- 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 with other outsourced transport companies.</p> <p><u>Service Income</u> (STP)</p> <p>- 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.</p>	8,609.68	11,097.31	19,641.38	<p>- 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.</p> <p>- ABM and STP provided transportation service to AGET on a rate of wage basis similar to the rate charged by STP to other carriers.</p> <p>- The Audit Committee had the 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.</p>

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	<u>Other Income (STP)</u>	1,058.88	1,316.32	1,417.09	
	- ABM and STP had revenue from selling fuel to AGET				
	- STP had revenue from selling assets to AGET	-	99.99	-	
	<u>Trade and Other receivables (Company and STP)</u>	2,743.95	2,384.13	2,353.59	
	- caused by the transportation service, with conditions for service charges and payment periods according to general transportation contracts.				
	<u>Trade and Other Payables (for the Company and PPP)</u>	524.53	3,037.37	4,290.16	
	- caused using transportation services with conditions for service charges and payment periods according to general transportation contracts.				
10. AGE Terminal Company Limited ("AGETM")	<u>Service Income (STP)</u> - AGETM hired ABM and STP for transport, with the freight determined in accordance with a	447.17	349.66	349.66	- The Company provided transportation services to AGETM, with the same standard of consideration for the AGETM services as any

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	contract of carriage, which had the same standard terms as AGETM's had with other outsourced transport companies.				other carriers. The rates were charged on the same basis as other carriers.
	<u>Freight Expense</u>	-	-	365.07	- The Company used AGETM port services, with the same standards for considering the use of AGETM service as other service providers. The rates were charged on the same basis as other port operators.
	- ABM hired AGETM to deliver goods with conditions for service charges and payment periods according to general transportation contracts.				- The Audit Committee had the 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 made transactions with third parties.
	<u>Service Charge and Rental</u>	-	681.80	-	
	- The Company used the services and rented spaces from AGETM in transportation operations.				
	<u>Trade Account Receivables (STP)</u>	379.50	195.85	39.44	
	- caused by the transportation service, with conditions for service charges and payment periods according to transportation contracts.				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
11. Multi Energy Trading (2020) Company Limited (“MET”)	<u>Fuel Cost (STP)</u>	-	-	3,724.42	<ul style="list-style-type: none"> - STP refueled trucks with the fuel trading price that can be refer to the market price - ABM hired MET to clean ash from burning biomass for energy generation with same conditions for service and payment term as third parties. - The Audit Committee had the 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.
	- STP purchased trucks fuel from MET.				
	<u>Other service expenses</u>	-	-	3.50	
	- ABM hired MET to clean ash from burning biomass with conditions for service charges and payment periods according to contracts.				
	<u>Trade and other payable (ABM and STP)</u>	-	-	560.13	
	- Occured from purchase fuels and rendering services				
12. AGE Marine Logistics Company Limited (“AGEM”)	<u>Shipping Costs</u> <u>(For the Company and PPP)</u> - 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 contract that the Company had	695.09	-	-	<ul style="list-style-type: none"> - 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 the opinion that the transaction was reasonable since it was according to the normal business operations of the Company and subsidiaries. The fee and the

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	with other outsourced transport companies. <u>Trade Account payables</u> (Company and PPP) - caused by using transportation services with conditions for service charges and payment periods according to general transportation contracts.	540.00	-	-	trade terms were the same as when the Company made transactions with third parties.
13. K.H. Development Company Limited (“KHD”)	<u>Office Rental Fee</u> <u>Electricity</u> - 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 29 August 2022, had a lease term of 6 months with the rental rate of 250 Baht per square meter, which was a rate that was similar to the rate of office buildings in	1,227.00 561.12	1,227.00 479.30	1,227.00 629.01	- 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 the opinion that the transaction was reasonable. since it was according to the normal business operations of the Company, and had fee and trade terms that were similar to the rent of an office building in the vicinity of the Company.

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	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.				
	<u>Trade and Other Payables</u>	147.35	152.82	151.14	
	- caused by the accrued office rent that was not due for payment				
14. Kokhuad Property Company Limited ("KHP")	<u>Other Service Charges</u>	41.31	152.18	169.40	- 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.
	- The Company hired a document storage service from KHP by signing a service contract on 1 October 2022, with a lease term of 1 year and a service fee of 8.50 baht per box, which was similar to the market rates.				
	<u>Trade and Other Payables</u>	41.31	13.49	15.90	- The Audit Committee had the opinion that the transaction was reasonable since it was according to the normal business operations of the Company and had prices and trade terms
	- caused by the accrued service fee for collecting documents that was not due for payment				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
					similar to the service rate for document storage in the vicinity of the Company.
15. Sathaporn Lamination Company Limited (“STL”)	<u>Purchasing Goods</u>	-	62.18	40.51	- The Company purchased goods from STL, which was the normal course of business of the Company, with the same rate and conditions for purchasing goods as the Company did with other distributors.
	- The Company purchased particle wood chips from STL with the same purchase price and trading conditions as the Company's did with third parties.				
	<u>Trade and Other Payables</u>	-	5.46	7.12	- The Audit Committee had the 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.
	- caused by overdue goods that were not due for payment				
16. D.T.C. Enterprises Public Company Limited (“DTC”)	<u>GPS Installation and Rental Fees (STP)</u>	193.56	183.08	156.59	- STP used vehicle repair services, including installing and renting a GPS device with the same consideration standards of using DTC services as other services.
	- The GPS setup and GPS rental fee for STP vehicles.				
	<u>Trade Accounts Payable (STP)</u>	15.89	13.00	13.00	- The Audit Committee had the 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.
	- caused by the GPS rental fee for the vehicle with conditions and billing period according to the agreement				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
17. AT Energy Solution Co., Ltd. (“AT”)	<u>Sales of goods</u> - ABM sold wood chips to AT	-	-	9,494.47	- The transaction between the Company and AT were a normal business practice for the Company. The purchase prices were set at a normal price compared with other customers and agreed upon by both parties. - The Audit Committee had the 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.
18. AGE Agri Trading Co., Ltd. (“AGERI”)	<u>Sales of goods</u> - ABM sold tapioca chips to AGERI <u>Other income</u> - ABM charged AGERI for storage tapioca in ABM’s warehouse. <u>Purchase goods</u> - ABM bought tapioca starch from AGERI	-	-	18,010.11	- The transaction between the Company and AGERI were a normal business practice for the Company. The purchase prices were set at a normal price compared with other customers and agreed upon by both parties. - The Audit Committee had the 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.
		-	-	219.63	
		-	-	16,121.37	

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
19. Jinsolid SDN. BHD. (“JSD”)	<u>Purchasing Goods</u>	-	-	-	<ul style="list-style-type: none"> - 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 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 the 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.
	- The Company purchased palm shell products from JSD, which was a purchase from Malaysia for exportation and domestic sales. The JSD operated the same 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.				
	<u>Trade Account Payables</u>	94.58	105.18	108.75	
	- 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.				
	<u>Advance Payment for Goods</u>	-	-	-	
	- The advance payment was made by the Company to JSD for goods that the Company had contracted				

Person who may have conflicts of interests	Possible Conflicts	Transaction Value (Thousand Baht)			The Necessity and Suitability of Related Transactions
		2020	2021	2022	
	to purchase with JSD before ABE and ABR started operations.				
20. AJ Biomass SDN. BHD. ("AJB")	<u>Miscellaneous Expenses</u> (ABE)	273.49	-	-	<ul style="list-style-type: none"> - Labor costs for storing ABE goods with market priced wages. - The Audit Committee had the 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.
	<ul style="list-style-type: none"> - Cost for equipment used to cover goods - Labor cost for storing goods. 				
	<u>Other Payables</u> (ABE)	-	-	-	<ul style="list-style-type: none"> - caused by miscellaneous expenses, management fee and cost of office supplies.
	<ul style="list-style-type: none"> - caused by miscellaneous expenses, management fee and cost of office supplies. 				
21. Teck Yien Construction SDN. BHD. ("TYC")	<u>Miscellaneous Expenses</u> (ABE)	32.61	34.25	-	<ul style="list-style-type: none"> - Office phone charges based on actual usage. - The Audit Committee had the 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
	<ul style="list-style-type: none"> - Office phone bill 				
	<u>Other Payables</u> (ABE)	2.64	-	-	<ul style="list-style-type: none"> - caused using office telephone services
	<ul style="list-style-type: none"> - caused using office telephone services 				

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).

The company will prepare a summary report of such transaction for reporting to the Audit Committee and shall every quarterly report to the Board of Directors

(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. The 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.



บริษัท เอเชีย ไบโอบีโอส จำกัด (มหาชน)

SECTION 3

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Asia Biomass Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Asia Biomass Public Company Limited and its subsidiaries (the Group) and of Asia Biomass Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the related consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Asia Biomass Public Company Limited and its subsidiaries and of Asia Biomass Public Company Limited as at December 31, 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

SP Audit Co., Ltd.

Key Audit Matters

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

Valuation of inventories

As at December 31, 2022, the Group had inventories of Baht 291.76 million which the group's inventories are valued in the statement of financial position at cost or net realizable value whichever were lower (Notes 4.2 and 9). I focus on this area because that estimated net realizable value involve management's judgments and the amounts of inventories are significant to the financial statements.

Key Audit Procedures

I reviewed the Group's policy to measure the net realizable value of inventories was appropriate and accordance with the requirement of Thai Financial Reporting Standards and reviewed the appropriateness consistency of the methods for making the estimated net realizable value.

I understood the method for making, reviewing and authorization of estimated net realizable value and

I audited evidences sufficiently and appropriately about to reliability of selling price of inventories that occurred after the reporting period and estimated costs necessary to make sale that they were used to make the estimated net realizable value. Apart from this, I recalculated the mathematical accuracy estimated net realizable value.

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 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 financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

SP Audit Co., Ltd.

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charge with governance to correct the materially misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

SP Audit Co., Ltd.

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

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

SP Audit Co., Ltd.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

SP Audit Company Limited

(Mr Apichat Boongird)

Certified Public Accountant (Thailand) No. 4963

Bangkok

February 24, 2023

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

		Consolidated		Separate financial statements	
	Notes	2022	2021	2022	2021
<u>ASSETS</u>					
Current Assets					
Cash and cash equivalents		30,450,956	25,428,623	4,687,972	13,485,121
Trade and other current receivables-related parties	5.1, 6	6,242,363	4,637,136	19,333,331	12,260,614
Trade and other current receivables-third parties	7	375,673,042	224,796,186	325,943,467	194,259,248
Short-term investments		40,000	-	20,000	4,600,000
Short-term loans to related parties	8	11,250,000	-	-	
Inventories	9	291,766,027	238,625,036	57,697,294	29,947,301
Advance payment for goods	5.1, 10	15,288,659	29,942,916	13,480,705	33,655,386
Non-current assets held for sales		-	100,000	-	-
Derivatives assets	20	2,269,756	-	2,730,970	-
Total current assets		732,980,803	523,529,897	423,893,739	288,207,670
Non-Current Assets					
Deposit at bank pledged as collateral	11	50,000,000	40,100,000	50,000,000	40,100,000
Investments in subsidiaries	12	-	-	35,998,670	5,999,570
Investments in associates	13	1,768,897	-	-	-
Property, plants and equipment	14	455,966,590	438,350,121	437,303,292	414,965,829
Right-of-use assets	15	34,550,258	29,413,317	7,647,371	8,542,296
Other intangible assets	16	205,719	213,953	205,715	203,390
Deferred tax assets	17	-	-	-	410,235
Other non-current assets		772,413	741,346	755,535	740,000
Total non-current assets		543,263,877	508,818,737	531,910,583	470,961,320
Total assets		1,276,244,680	1,032,348,634	955,804,322	759,168,990

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

		Consolidated		Separate financial statements	
	Notes	2022	2021	2022	2021
<u>LIABILITIES AND EQUITY</u>					
Current liabilities					
Short-term loans from financial institutions	18	503,496,547	495,153,642	253,570,981	179,443,467
Trade and other current payable-related parties	5.1	5,250,695	3,327,317	45,192,165	130,401,436
Trade and other current payable-third parties	19	66,149,757	45,611,057	47,926,145	26,058,591
Current portion of long-term liabilities	21	20,652,000	20,652,000	20,652,000	20,652,000
Current portion of leases liabilities	22	8,884,109	7,156,800	2,224,960	2,256,552
Accrued income tax		5,152,080	3,092,607	-	-
Derivatives liabilities	20	-	1,736,101	-	1,743,478
Total current liabilities		609,585,188	576,729,524	369,566,251	360,555,524
Non-current liabilities					
Long-term loans form financial institutions	21	56,902,000	67,554,000	56,902,000	67,554,000
Obligation under lease agreements	22	17,999,078	16,927,110	4,642,806	5,359,644
Deferred tax liabilities	17	11,906,599	7,296,967	3,520,267	-
Non-current obligation employee benefits	23	6,292,647	6,203,206	3,470,158	3,398,800
Total non-current liabilities		93,100,324	97,981,283	68,535,231	76,312,444
Total liabilities		702,685,512	674,710,807	438,101,482	436,867,968

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2022	2021	2022	2021
Equity					
Share capital					
Authorized share capital					
450,000,000 ordinary shares of Baht 0.50 each	24	225,000,000		225,000,000	
300,000,000 ordinary shares of Baht 0.50 each			150,000,000		150,000,000
Issued and paid-up share capital					
400,000,000 ordinary shares of Baht 0.50 each		200,000,000		200,000,000	
300,000,000 ordinary shares of Baht 0.50 each	24		150,000,000		150,000,000
Premium on ordinary shares		219,152,351	90,507,012	219,152,351	90,507,012
Others surpluses		2,482,778	2,482,778	-	-
Retained earnings (deficits)					
Appropriated					
Legal reserve	26	6,100,000	6,100,000	6,100,000	6,100,000
Unappropriated		66,047,761	30,161,334	(12,432,902)	(27,104,001)
Other components of shareholders' equity		97,558,574	94,165,203	104,883,391	102,798,011
Equity attributable to owners of the Company		591,341,464	373,416,327	517,702,840	322,301,022
Non-controlling interests of the subsidiaries		(17,782,296)	(15,778,500)	-	-
Total shareholders' equity		573,559,168	357,637,827	517,702,840	322,301,022
Total liabilities and shareholder's equity		1,276,244,680	1,032,348,634	955,804,322	759,168,990

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2022	2021	2022	2021
Revenues					
Revenue from sale		2,686,831,138	1,889,104,755	2,026,509,353	1,495,897,117
Revenue from rendering service		17,473,694	18,717,865	-	-
Other income		11,385,969	20,278,262	7,196,438	17,440,229
Total revenues		2,715,690,801	1,928,100,882	2,033,705,791	1,513,337,346
Expenses					
Cost of goods sold		2,315,081,170	1,580,977,892	1,733,884,609	1,237,599,077
Cost of rendering service		13,994,185	15,482,511	-	-
Cost of distribution		216,446,614	215,253,091	186,120,421	189,240,327
Administrative expenses		103,295,324	72,325,385	85,521,997	56,764,357
Total expenses		2,648,817,293	1,884,038,879	2,005,527,027	1,483,603,761
Share of profit (loss) of associates		(30,803)	-	-	-
Profit (loss) before finance costs and expenses (income) tax expenses		66,842,705	44,062,003	28,178,764	29,733,585
Finance cost		19,957,164	13,286,910	10,098,508	7,444,006
Profit (loss) before expenses (income) tax expenses		46,885,541	30,775,093	18,080,256	22,289,579
Expenses (Income) tax	27	11,937,594	8,588,447	3,409,157	4,467,048
Profit (loss) for the year		34,947,947	22,186,646	14,671,099	17,822,531
Other comprehensive income					
Items must be classified into profit or loss in the future					
Exchange differences from translation		110,103	227,595	-	-
Profit on cash flow hedges		1,738,701	1,643,819	1,738,701	1,643,819
Income tax relating to items must be classified into profit or loss in the future		(347,740)	(328,764)	(347,740)	(328,764)
Total items must be classified into profit or loss in the future - net of tax		1,501,064	1,542,650	1,390,961	1,315,055
Other comprehensive income for period net of tax		1,501,064	1,542,650	1,390,961	1,315,055

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2022	2021	2022	2021
Items that will not be reclassified subsequently to profit or loss:					
Gain on revaluation of land		-	130,438,098	-	130,438,098
Income tax relating to items that will not be reclassified subsequently to profit or loss		-	(26,087,620)	-	(26,087,620)
Actuarial gain (loss) from employee benefit plan		1,033,685	-	868,023	-
Income tax relating to items not must be classifield into profit or loss in the future		(206,737)	-	(173,604)	-
Total items that will not be reclassified subsequently to loss - net of tax		826,948	104,350,478	694,419	104,350,478
Comprehensive loss for the year- net of tax		2,328,012	105,893,128	2,085,380	105,665,533
Total comprehensive income (loss) for the year		37,275,959	128,079,774	16,756,479	123,488,064
Profit (loss) attributable to:					
Equity holders of the Company		35,886,384	26,796,262	14,671,099	17,822,531
Non-controlling interests of the subsidiary		(938,437)	(4,609,616)	-	-
Profit (loss) for the year		34,947,947	22,186,646	14,671,099	17,822,531
Total comprehensive income (loss) attributable to:					
Equity holders of the Company		39,279,755	134,113,280	16,756,479	123,488,064
Non-controlling interests of the subsidiary		(2,003,796)	(6,033,506)	-	-
Total comprehensive income (loss) for the year		37,275,959	128,079,774	16,756,479	123,488,064
Earnings (loss) per share					
Basic earnings (loss) per share	28	0.11	0.09	0.05	0.06
Diluted earnings (loss) per share	28	0.11	0.09	0.05	0.06
Weighted average of ordinary shares (unit : share)		306,849,315	300,000,000	306,849,315	300,000,000.00
Weighted average of ordinary shares for diluted earnings per share (unit : share)		319,283,047	300,000,000	319,283,047	300,000,000.00

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Parent's Shareholders' Equity										Total equity holder of the Company	Non-controlling interests of the subsidiaries	Total equity	
	Other components of shareholders' equity													
	Retained earnings(deficits)					Other comprehensive income (loss)								
	Issued and paid-up share capital	Premium on share capital	Others surpluses	Appropriated legal reserve	Unappropriated	Exchange differences on translation	Loss on cash flow hedges	Revaluation surplus of land	Actuarial gain (loss) from employee benefit plan	Total				
Notes														
Balance as at January 1, 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
Change in shareholders'equity for the year														
Comprehensive income (loss) for the year														
Profit (loss)		-	-	-	-	26,796,262	-	-	-	-	-	26,796,262	(4,609,616)	22,186,646
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 comprehensive income (loss) for the year		-	-	-	-	26,796,262	1,651,485	1,315,055	104,350,478	-	107,317,018	134,113,280	(6,033,506)	128,079,774
Balance as at December 31, 2021		150,000,000	90,507,012	2,482,778	6,100,000	30,161,377	(8,632,808)	(1,552,467)	104,350,478	-	94,165,203	373,416,370	(15,778,500)	357,637,870
Change in shareholders'equity for the year														
Cash received from right offering		50,000,000	128,645,339	-	-	-	-	-	-	-	-	178,645,339	-	178,645,339
Comprehensive income (loss) for the year														
Profit (loss)		-	-	-	-	35,886,384	-	-	-	-	-	35,886,384	(938,437)	34,947,947
Other comprehensive income (loss)		-	-	-	-	-	1,175,462	1,390,961	-	826,948	3,393,371	3,393,371	(1,065,359)	2,328,012
Total comprehensive income (loss) for the year		-	-	-	-	35,886,384	1,175,462	1,390,961	-	826,948	3,393,371	39,279,755	(2,003,796)	37,275,959
Balance as at December 31, 2022		200,000,000	219,152,351	2,482,778	6,100,000	66,047,761	(7,457,346)	(161,506)	104,350,478	826,948	97,558,574	591,341,464	(17,782,296)	573,559,168

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

SEPARATE STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

Other components of shareholders' equity									
Other comprehensive income (loss)									
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings(deficits)		Loss on cash flow hedges	Revaluation surplus of land	Actuarial gain (loss) from employee benefit plan	Total	Total equity
			Appropriated						
			legal reserve	Unappropriated					
Balance as at January 1, 2021	150,000,000	90,507,012	6,100,000	(44,926,532)	(2,867,522)	-	-	(2,867,522)	198,812,958
Change in shareholders'equity for the year									
Comprehensive income (loss) for the year									
Profit	-	-	-	17,822,531	-	-	-	-	17,822,531
Other comprehensive income	-	-	-	-	1,315,055	104,350,478	-	105,665,533	105,665,533
Total comprehensive income (loss) for the year	-	-	-	17,822,531	1,315,055	104,350,478	-	105,665,533	123,488,064
Balance as at December 31, 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
Change in shareholders'equity for the year									
Cash received from right offering	50,000,000	128,645,339	-	-	-	-	-	-	178,645,339
Comprehensive income (loss) for the year									
Profit	-	-	-	14,671,099	-	-	-	-	14,671,099
Other comprehensive income	-	-	-	-	1,390,961	-	694,419	2,085,380	2,085,380
Total comprehensive income (loss) for the year	-	-	-	14,671,099	1,390,961	-	694,419	2,085,380	16,756,479
Balance as at December 31, 2022	200,000,000	219,152,351	6,100,000	(12,432,902)	(161,506)	104,350,478	694,419	104,883,391	517,702,840

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

Notes	Consolidated		Separate financial statements	
	2022	2021	2022	2021
Cash flow from operations Activities				
Profit (loss) before income tax expenses	46,885,541	30,775,050	18,080,256	22,289,579
Adjustments to reconcile profit (loss) before income tax expenses for cash received (used) from operations				
Allowance for expected credit loss (reversal)	(3,937,727)	(3,316,566)	16,261,983	2,373,156
Other (profit) loss	-	(204,482)	-	(197,106)
Depreciation	18,138,132	17,063,819	13,911,444	12,699,963
Depreciation of right-of-use assets	5,277,051	4,601,431	2,416,820	1,840,772
Amortization of intangible assets	207,233	453,084	196,675	438,597
Loss on diminution in the value of inventories (reversal)	(931,003)	989,323	(140,000)	650,000
Loss on write-off of damaged inventories due to fire	-	335,716	-	335,716
Adjust loss (excess) of inventories from the stock report	-	9,282,697	-	(260,693)
Provision for employee benefits	1,436,889	1,602,204	939,441	1,008,072
Unrealized gains (loss) on exchange rate	(1,950,344)	(1,344,358)	(2,417,799)	504,849
Gain (loss) on disposal and written off of equipments	1,479,185	(132,230)	58,303	(144,691)
Gain on sales of non-current assets classified as held for sale	(60,000)	-	-	-
Interest income	(157,912)	(120,183)	(153,401)	(609,746)
Interest expenses	19,956,240	13,286,910	10,098,508	7,444,006
Profit from operation before changes in operating assets and liabilities	86,343,285	73,272,415	59,252,230	48,372,474
Operating assets (Increase) decrease				
Trade and other current receivables-related parties	(151,039,052)	(10,144,343)	(7,082,349)	(46,247,324)
Trade and other current receivables-third parties	(16,684,030)	(3,001,931)	(146,441,903)	(5,437,341)
Inventories	(52,209,988)	(47,215,600)	(27,609,993)	(5,638,872)
Advance payment for goods	33,662,056	(14,234,621)	18,482,355	7,774,524
Other non-current assets	(31,067)	(68,504)	(15,535)	(68,500)
Operating liabilities Increase (decrease)				
Trade and other current payable-related parties	1,926,949	(36,140,867)	(85,205,700)	(23,137,060)
Trade and other current payable-third parties	21,362,254	4,597,531	20,127,595	1,295,452
Payment of provision employee benefits	(313,763)	(61,280)	(59)	-
Cash received (paid) generated from operating	(76,983,356)	(32,997,200)	(168,493,359)	(23,086,647)
Cash received from interest income	157,912	120,182	186,253	2,378,830
Cash paid for interest expenses	(21,434,455)	(14,847,117)	(10,050,753)	(7,302,914)
Cash paid for income tax	(5,996,825)	(1,616,981)	(179,985)	(73,074)
Net cash used in operating activities	(104,256,724)	(49,341,116)	(178,537,844)	(28,083,805)

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

		Consolidated		Separate financial statements	
	Notes	2022	2021	2022	2021
Cash flows from investing activities					
Cash received from Short-term loans to related parties		-	-	4,600,000	10,000,000
Deposit at bank pledged as collateral increase		(9,900,000)	(100,000)	(9,900,000)	(100,000)
Cash received from sale of equipment		979,508	1,068,183	215,421	227,683
Short-term investments		(40,000)	-	(20,000)	-
Acquisition of property, plant and equipment		(38,073,448)	(7,977,892)	(35,485,085)	(7,392,316)
Acquisition of Intangible		(199,000)	-	(199,000)	-
Investments in subsidiaries		-	-	(29,999,100)	-
Investments in associates		(1,768,897)	-	-	-
Short-term loans to related parties		(11,250,000)	-	-	-
Net cash used in investing activities		(60,251,837)	(7,009,709)	(70,787,764)	2,735,367
Cash flows from financing activities					
Cash received from short-term loans from financial institutions		1,523,179,122	859,017,034	706,149,131	359,028,744
Payment of short-term loans from financial institutions		(1,514,836,216)	(800,211,727)	(632,021,617)	(322,342,588)
Cash received from long-term loans		10,000,000	-	10,000,000	-
Repayment of long-term loans		(20,652,000)	(20,652,000)	(20,652,000)	(20,652,000)
Repayment of under lease liabilities		(7,614,716)	(7,801,935)	(2,270,324)	(2,732,309)
Cash received from right offering		179,300,000	-	179,300,000	-
Net cash from financing activities		169,376,190	30,351,372	240,505,190	13,301,847
Net Increased (decreased) in cash and cash equivalents		4,867,629	(25,999,453)	(8,820,418)	(12,046,591)
Cash and cash equivalent at the beginning of the year		25,428,623	51,229,805	13,485,121	25,463,001
Effects of exchange rates changes on cash and cash equivalents		24,404	69,896	23,269	68,711
Effect of exchange differences on translation		130,300	128,375	-	-
Cash and cash equivalent at the ended of the year		30,450,956	25,428,623	4,687,972	13,485,121

Notes to financial statements are an integral part of these financial statements.

ASIA BIOMASS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2022**

1. General information

Asia Biomass Public Company Limited (“the Company”) is a public limited company and is incorporated in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The address of the Company’s registered office is 273/2 Rama 2 Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok.

The principal activities of the Company and its subsidiary (“the Group”) involve the procurement and trading of biomass fuel, manufacturing wood chips and biomass pellet and provision of transport service.

2. Basis of preparation of financial statements

The consolidated and separate financial statements are presented in Thai language and Thai Baht, and in conformity with Thai generally accepted accounting principles under the Accounting Act B.E. 2543 (or 2000), being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (or 2004), and the financial reporting requirements of the Capital Market Supervisory Board under the Securities and Exchange Act B.E.2535 (or 1992).

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Actual results may differ from those estimates. Although the management has most.

The financial statements issued for Thai report purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The Federation of Accounting Profession (TFAC) has revised some following financial reporting standards to apply to the financial statements having an accounting period beginning on or after January 1, 2022.

TFRS No. 1 First-time Adoption of Thai Financial Reporting Standards
TFRS No. 4 Insurance Contracts
TFRS No. 6 Exploration for and Evaluation of Mineral Resources
TFRS No. 7 Financial Instruments: Disclosures
TFRS No. 9 Financial Instruments
TFRS No. 16 Leases

The Group has adopted such financial reporting standards mentioned above to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period.

Moreover, the Federation of Accounting Profession has notified to apply the following revised financial reporting standards to the financial statements in the future periods.

	<u>Effective date</u>
TFRS No. 1 First-time Adoption of Thai Financial Reporting Standards	January 1, 2023
TFRS No. 3 Business Combinations	January 1, 2023
TFRS No. 9 Financial Instruments	January 1, 2023
TAS No. 16 Property, Plant and Equipment	January 1, 2023
TAS No. 37 Provisions, Contingent Liabilities and Contingent Assets	January 1, 2023
TAS No. 41 Agriculture	January 1, 2023

The Group has not early adopted such financial reporting standards having the effective date to the financial statements on the future periods before the effective dates. The management is currently assessing the first-year impact on the Group's financial statements.

3. Principles of consolidation financial statements

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries, which are those entities in which the Group has power to govern the financial and operating policies, are consolidated. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Related party transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

The consolidated financial statements as at December 31, 2022 and 2021 have been prepared by including the financial statements of Asia Biomass Public Company Limited and its subsidiaries after eliminate the significant related party balances and transactions. The percentage directly and indirectly owned by the Company as follows:-

<u>Name of subsidiary</u>	<u>Nature of business</u>	<u>Incorporated in</u>	<u>Percentage of shareholding</u>	
			<u>2022</u>	<u>2021</u>
Papapat Co.,Ltd.	Procurement and trading of biomass fuel	Thailand	99.98	99.98
Sataporn Thanapat Co.,Ltd.	Logistics and transport service	Thailand	99.99	99.99
Alpha G Venture Co.,Ltd.	Holding company	Thailand	99.99	99.99
PT. Asia Biomass Indonesia	Procurement of biomass fuel sold to the parent company	Indonesia	99.00	99.00
Asia Biomass Energy SDN. BHD.	Procurement of biomass fuel sold to the parent company	Malaysia	55.00	55.00
Asia Biomass Resources SDN. BHD.	Procurement of biomass fuel sold to the parent company	Malaysia	55.00	55.00
Thun Tham Dee Co.,Ltd. *	Loan business with real estate as collateral	Thailand	44.99	-
PKS Intertrade Co.,Ltd. *	Distribution products from agricultural products	Thailand	99.99	-
PKS Agri Trade Co.,Ltd. *	Distribution products from agricultural and related products	Thailand	99.99	-

* The Company indirectly holds the shares through Alpha G Venture Co.,Ltd.

The financial statements of the subsidiary are prepared for the same reporting periods as the Company and using consistent significant accounting policies.

The Group recognizes any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

The assets and liabilities in the financial statements of overseas subsidiaries company is translated to Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses are translated using monthly average exchange rate. The resulting differences are shown under the caption of "Other components of equity" in the statements of changes in shareholders' equity.

4. Accounting policies

4.1 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

4.2 Inventories

Inventories are stated at the lower of cost using the average method or net realizable value. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts, allowances or rebates. The cost of finished goods and work in process comprise raw materials, direct labor, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities.

The Group estimates the net realisable value by using the selling price in the ordinary course of business less selling expenses.

The Group makes the allowance for diminutions in the value of obsolete, defective or slow-moving inventories.

4.3 Non-current assets held for sale

A non-current asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

A non-current asset or disposal group classified as held for sale is measured at the lower of its carrying amount and fair value less costs to sell. (The incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense).

The Group does not depreciate or amortize a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

4.4 Investments

Investment in subsidiary

Investment in subsidiary is reported by using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any).

4.5 Property, plant and equipment

Land held for use in the production or supply of goods or services, or for administrative purposes, is stated in the statement of financial position at the revalued amount. The revalued amount means the fair value at the date of the revaluation less the accumulated impairment losses (if any).

Asset with the revalued amount is basically proceeded by independent appraiser every 3 - 5 years so that the book value as of the date in the statement of financial position will not be materially different from fair value. During this period if there are any other factors which materially effect the value of property, the Group will arrange for new revaluation in that respective year immediately.

The differences arising from revaluation are deal with in the financial statements of the Group as follows : -

- If the property's carrying amount is increased as a result of the revaluation, the increase is recognized in other comprehensive income and accumulated in equity under the heading of "Revaluation surplus". However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

- If the property's carrying amount is decreased as a result of the revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the "Revaluation surplus" in respect of that property. Any excess amount is recognized in profit or loss.

Buildings and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their historical cost less accumulated depreciation and accumulated impairment losses (if any).

The cost of an item of asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and the borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.

The Group's depreciation is calculated on the straight-line method to write off the cost of each asset, except for land and assets under construction, to their residual values over their estimated useful life as follows :-

Land improvements	5 - 20 years
Buildings and structures	5 - 20 years
Machinery and factory equipment	5 - 20 years
Fixtures and office equipments	3 - 5 years
Motor vehicles	5 - 10 years

The residual value, the useful life and the depreciation method of an asset will be reviewed at least at each financial year-end.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

4.6 Leases

Where the Group is the lessee

At inception of a contract, the Group assesses that the contract is or contains a lease if the contract conveys to the Group the right to control the use of an identified asset for a period of time in exchange for consideration. The contract that conveys to the Group the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset is treated as the contract conveys the right to control the use of an identified asset.

At the commencement date, The Group recognizes a right-of-use asset and a lease liability for all lease contracts except for short-term leases with a lease term of 12 months or less and leases for which the underlying asset is of low value. The right-of-use asset is measured at cost and the lease liability is measured at the present value of the lease payments that are not paid at that date discounted by using the interest rate implicit in the lease. For the lease payments for short-term leases with a lease term of 12 months or less and leases for which the

underlying asset is of low value, the Group recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises of the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories (The obligation for those of costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period).

The lease payments included in the measurement of the lease liability comprise the fixed payments less any lease incentives receivable, the variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, the amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option and the payments of penalties for terminating the lease if the lease term reflects the Group exercising an option to terminate the lease. For the variable lease payments not included in the measurement of the lease liability, the Group recognizes as an expense relating to those payments in profit or loss in the period in which the event or condition that triggers those payments occurs.

After the commencement date, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

The Group depreciates the right-of-use assets on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

After the commencement date, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a change in the lease term, there is a change in the assessment of an option to purchase the underlying asset.

The Group re-measures the lease liability by discounting the revised lease payments using an unchanged discount rate when there is a change in the amounts expected to be payable under a residual value guarantee, and there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments (Unless the change in lease payments results from a change in floating interest rates. In that case a revised discount rate that reflects the change in the interest rate is used).

The Group re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a lease modification that is not accounted for as a separate lease.

Where the Group is the lessor

The Group classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and classifies a lease as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Group recognizes assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease and recognizes finance income over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

The Group recognizes lease payments from operating leases as income on a straight-line basis and adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognizes those costs as an expense over the lease term on the straight-line basis.

4.7 Intangible assets

Intangible assets in type of computer softwares, which have finite useful lives, are stated at cost less accumulated amortization and impairment losses (if any). Amortization is calculated using the straight-line method to allocate the cost over their estimated useful lives 5 - 10 years.

4.8 Impairment of assets

The carrying amounts of the Group's assets and also intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

The Group will recognize impairment losses in profit or loss, or reduce the revaluation increment in assets in case that those assets are previously revalued. The reversal of impairment losses will be recognized in profit or loss or as a revaluation increment in assets when there is an indication that the impairment losses are no longer exist or decreased.

4.9 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

4.10 Revenue from contracts with customers

The Group recognizes the revenue from sale of biomass fuel identified as a performance obligation satisfied at a point in time according to the amount of the transaction price when the customers has accepted the promised goods delivered by the Group.

The Group recognizes the revenue from provision of a short-term transportation service identified as a performance obligation satisfied over time according to the transaction price when the Group completes satisfaction of that performance obligation.

The Group determines the transaction price, which is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer for that performance obligation, which includes the fixed amounts and the estimate variable amounts by using the expected value method only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Where the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group will present the contract as a contract asset.

Where a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Group will present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

4.11 Retirement benefit costs

Defined contribution plan

The Group operates a provident fund which is funded by payments from employees and by the Group. The assets for which are held in a separate trust fund. Contributions to the provident fund are recognized in profit or loss in the period in which they are incurred.

Defined benefit plan

The Group has the employee benefit obligation in case of retirement or termination under the labor law. The Group hires an actuary to calculate on an actuarial technique the said employee benefit obligation. The said employee benefit obligation is discounted using the projected unit credit method by reference to an interest rate of a government bond to determine the present value of the employee benefit obligation, current service cost and related interest expense. The current service cost and interest expense are recognized in profit or loss. Actuarial gains and losses arising from re-measurement of the employee benefit obligation are recognized in other comprehensive income and transferred in retained earnings, respectively without reclassification of those amounts to profit or loss in a subsequent period.

4.12 Foreign currency transactions

The Company translates foreign currency transactions into Baht using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities at the end of the reporting period denominated in foreign currencies are translated into Baht at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss as incurred.

4.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.14 Income tax

The Group recognizes the unpaid current tax for current period as a liability in the statement of financial position. In a case where the amount already paid in respect of current period exceeds the amount due for such period, the excess will be recognized as an asset in the statement of financial position.

The Group recognizes a deferred tax liability for all taxable temporary difference, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which affects neither accounting profit nor taxable profit at the time of the transaction. The Group recognizes a deferred tax asset for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

The Group recognizes a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. And the Group recognizes a deferred tax asset for all deductible temporary differences arising from investment in subsidiaries and associates, to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The Group measures the current tax liabilities and assets for the current period using the tax rate that have been enacted by the end of the reporting period. And the deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rate that have been enacted or substantively enacted by the end of the reporting period.

The Group recognizes the current and deferred tax as an income or an expense and includes it in profit or loss for the period, except the current and deferred tax for items that are recognized in the other comprehensive income or directly in the equity will be recognized in the other comprehensive income or directly in the equity.

4.15 Financial assets

The Group recognizes a financial asset in its statement of financial position when the Group becomes party to the contractual provisions of the instrument. The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or the Group transfers the contractual rights to receive the cash flows of the financial asset and transfers substantially all the risks and rewards of ownership of the financial asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. The Group measures trade receivables at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer if the trade receivables do not contain a significant financing component or when the Group applies the practical expedient for consideration that includes a significant financing component, but the Group expects, at the contract inception, the period between the Group transfers a promised good or service to a customer and the customer pays for that good or service will be one year or less.

The Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group subsequently measures financial assets when the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at amortized cost by using the effective interest method in calculation of the interest revenue.

The Group recognizes a gain or loss on a financial asset that is measured at amortized cost in profit or loss when the financial asset is amortized, impaired or de-recognized.

The Group subsequently measures financial assets when the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at fair value through other comprehensive income.

The Group recognizes interest income calculated using the effective interest method, impairment gains or losses and foreign exchange gains or losses in profit or loss and recognizes a gain or loss on subsequent changes in fair value in other comprehensive income. When the financial asset is de-recognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

The Group subsequently measures all other financial assets other than the financial assets described above at fair value through profit or loss.

The Group recognizes an interest income, dividend income and gain or loss on subsequent changes in fair value in profit or loss.

4.16 Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost or at fair value through other comprehensive income, a trade receivable, a contract asset and a lease receivable.

The Group measures the loss allowance by applying the simplified approach for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. The Group uses a provision matrix based on the historical credit loss experience adjusted to reflect factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction in the calculation of the expected credit losses.

The Group measures the loss allowance by applying the general approach for other financial instrument that is measured at amortized cost or at fair value through other comprehensive income at an amount equal to 12-month expected credit losses if the credit risk on a financial instrument has not increased significantly since initial recognition and at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

4.17 Financial liabilities

The Group recognizes a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument and removes a financial liability or a part of a financial liability from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the Group measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

The Group classifies financial liabilities as subsequently measured at amortized cost by using the effective interest method or at fair value through profit or loss including derivatives that are liabilities except for the financial guarantee contracts, the Group subsequently measure it at the higher of the amount of the loss allowance for expected credit losses and the amount initially recognized less the cumulative amount of income recognized in accordance with the principles of TFRS Re: Revenue from Contracts with Customers.

The Group recognizes a gain or loss for a financial liability measured at amortized cost in profit or loss when the financial liability is amortized and recognizes a gain or loss for a financial liability measured at fair value through profit or loss on subsequent changes in fair value in profit or loss.

4.18 Hedge accounting

A hedging relationship qualifies for hedge accounting only if the hedging relationship consists only of eligible hedging instruments and eligible hedged items; at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge; and the hedging relationship meets all of hedge effectiveness requirements.

Cash flow hedges

Where the Group chooses to designate a hedging relationship between a hedging instrument and a hedged item and the hedging relationships meet the qualifying criteria for cash flow hedges, the Group will account for the gain or loss on the hedging instrument and the hedged item, as follows:

The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in fair value of the hedged item from inception of the hedge.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income and any remaining gain or loss on the hedging instrument is hedge ineffectiveness which is recognized in profit or loss.

The Group will reclassify the amount that has been accumulated in the cash flow hedge reserve from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.

4.19 Critical accounting estimates, assumption and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Plant and equipment

Management determines the estimated useful lives and residual values for the Group's plant and equipment. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

Employment benefits

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

5. Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Kuansataporn family is a major shareholder, holding 59.57% (2021 : 64.10%) of the share capital of the Company. Transactions related to companies in which the Kuansataporn family is the principal shareholders or directors are recognized as related parties to the Company.

The Company has transactions with related persons and companies for the year ended December 31, 2022 and 2021 as follows:

5.1 Inter-assets and liabilities

	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
(Unit : Baht)				
Trade receivable - related parties				
Subsidiaries				
Paprapat Co., Ltd.	-	-	-	181,756
Sathaporn Tanapat Co., Ltd.	-	-	2,043,171	1,613,480
Asia Biomass Energy SDN.BHD.	-	-	406,782	416,412
Other related parties				
Asia Green Energy PCL.	1,115,624	2,054,188	-	-
AGE Terminal Co., Ltd.	39,436	195,852	-	-
A.G.E. Transport Co., Ltd.	2,353,590	2,384,132	302,327	385,613
AT Energy solution Co., Ltd	2,811,104	-	2,811,104	-
Total	6,319,754	4,634,172	5,563,384	2,597,261
Less Allowance for expected credit losses	(84,942)	(91,961)	(406,782)	(416,412)
Net	6,234,812	4,542,211	5,156,602	2,180,849

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Other current receivables - related parties				
Subsidiaries				
Accrued interest income				
Sathaporn Tanapat Co., Ltd.	-	-	-	32,852
	-	-	-	32,852
Other receivables				
Sathaporn Tanapat Co., Ltd.	-	-	3,870,000	3,157,200
Paprapat Co., Ltd.	-	-	10,306,729	6,889,713
	-	-	14,176,729	10,046,913
Other related parties				
Accrued interest income				
Thun Tham Dee Co., Ltd.	7,551	-	-	-
	7,551	-	-	-
Other receivables				
Directors and key management personnel	-	94,925	-	-
	-	94,925	-	-
Total trade and other current receivable - related parties	6,242,363	4,637,136	19,333,331	12,260,614
Advance payment for goods - related parties				
Subsidiaries				
PT Asia Biomass Indonesia	-	-	6,523,028	6,523,028
Asia Biomass Resources SDN. BHD.	-	-	14,246,532	14,246,532
Asia Biomass Energy SDN. BHD.	-	-	20,453,141	20,837,757
	-	-	41,222,701	41,607,317
Less Allowance for expected credit losses	-	-	(41,222,701)	(36,784,560)
Net	-	-	-	4,822,757

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short term loans to related parties				
Subsidiaries				
Sathaporn Tanapat Co., Ltd.	-	-	-	4,600,000
Other related parties				
Thun Tham Dee Co.,Ltd.	11,250,000	-	-	-
Total	11,250,000	-	-	4,600,000
Trade payables - related parties				
Subsidiaries				
Paprapat Co., Ltd.	-	-	35,711,929	122,334,946
Sathaporn Tanapat Co., Ltd.	-	-	5,150,976	5,402,941
Other related parties				
Jinsolid SDN. BHD.	108,750	105,179	108,751	105,179
A.G.E. Transport Co., Ltd.	4,290,165	2,518,578	4,022,514	1,936,123
Sathaporn Lamination Co., Ltd.	7,116	5,460	7,116	5,460
Multi Energy Trading (2020) co., Ltd	560,127	-	3,744	-
Total	4,966,158	2,629,217	45,005,030	129,784,649
Other current payables - related parties				
Other current payables				
Other related parties				
K.H. Development Co., Ltd.	157,143	152,819	157,143	152,819
D.T.C. Enterprise Co., Ltd.	13,001	13,000	-	-
Kokhuad Property Co., Ltd.	15,898	13,490	10,677	9,036
Asia Green Energy PCL.	79,180	-	-	-
A.G.E. Transport Co., Ltd.	19,315	-	19,315	-
Total	284,537	179,309	187,135	161,855

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accrued expenses				
Other related parties				
A.G.E. Transport Co., Ltd.	-	518,791	-	454,932
	-	518,791	-	454,932
Total	-	698,100	-	616,787
Total trade and others current payable - related parties	5,250,695	3,327,317	45,192,165	130,401,436

Non-current provisions for employee benefit - related parties

Key management personnel	1,638,207	1,264,171	1,630,388	1,264,171
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5.2 Inter-revenue and expenses

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Subsidiaries				
Revenues from sales of goods	-	-	-	326,842
Interest income	-	-	79,838	500,452
Revenues from sales of oil	-	-	11,058,583	7,133,199
Other income	-	-	3,967,580	2,860,800
Cost of sale	-	-	584,858,393	371,215,863
Distribution costs	-	-	21,114,056	22,442,883
Administrative expenses	-	-	4,740,336	67,500
Other related parties				
Revenues from sales of goods	27,504,574	-	27,504,574	-
Interest income	7,551	-	-	500,452
Revenues from sales of oil	1,413,395	1,316,318	1,413,395	1,316,318
Revenues from rendering of services	16,901,722	18,459,283	-	-
Other income	223,322	1,798,970	223,322	1,798,970
Cost of sale	22,626,190	16,822,126	21,264,653	14,510,621
Cost of services	3,896,840	221,899	-	-
Distribution costs	13,545,648	8,768,203	12,452,672	7,600,476
Administrative expenses	2,104,587	1,758,484	1,969,151	1,808,248

5.3 Management benefit expenses

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	13,893,244	12,378,318	12,787,440	11,165,883
Post-employment benefits	374,036	319,017	366,217	319,017
Total	14,267,280	12,697,335	13,153,657	11,484,900

5.4 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Revenues from sale 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

5.5 Relationship

<u>Name of Companies</u>	<u>Nature of relationship</u>
Sataporn Thanapat Co., Ltd.	Subsidiary, 99.99% shareholding
Paprapat Co., Ltd.	Subsidiary, 99.98% shareholding
Alpha G Venture Co., Ltd. *	Subsidiary, 99.99% shareholding
PKS Intertrade Co.,Ltd.	Subsidiary, 99.99% shareholding
PKS Agri Trade Co.,Ltd.	Subsidiary, 99.99% shareholding
Thun Tham Dee Co.,Ltd.	Indirect associate , 44.99% through Alpha G Venture Company Limited.
PT. Asia Biomass Indonesia	Subsidiary, 99.99% shareholding
Asia Biomass Energy SDN. BHD.	Subsidiary, 55.00% shareholding
Asia Biomass Resources SDN. BHD.	Subsidiary, 55.00% shareholding
Asia Green Energy Public Co., Ltd.	Common director and shareholder
A.G.E. Transport Co., Ltd.	Common director and shareholder
AGE Terminal Co., Ltd.	Common director and shareholder
K.H. Development Co., Ltd.	Common director and shareholder
AGE Marine Logistics Co., Ltd.	Common director and shareholder

Kokhuad Property Co., Ltd.	Common director and shareholder
Pornpreecha Co., Ltd.	Common director and shareholder
Nadee Asset Co., Ltd.	Common director and shareholder
AT Energy solution Co., Ltd	Common director and shareholder
AGE Agri Trading Co., Ltd	Common director and shareholder
D.T.C. Enterprise Co., Ltd.	Common director
Multi energy trading (2020) Co., Ltd	Common shareholder
Sathaporn Lamination Co., Ltd.	Common shareholder
Jinsolid SDN. BHD.	Common director and shareholder of subsidiary
AJ Biomass SDN. BHD.	Common director and shareholder of subsidiary
Teck Yien Construction SDN. BHD.	Common director and shareholder of subsidiary
Key Management Persanel	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)

* Formerly name is ABM Pellets Co., Ltd., registered the name change with the Ministry of Commerce to "Alpha G Venture Company Limited" on December 6, 2022.

5.6 Obligation

As at December 31, 2022 and 2021, the Company had contingent liabilities for guaranteed bank credit facilities of a subsidiary (Paprapat Co., Ltd.) amounting to Baht 540 million and Baht 440 million, respectively.

6. Trade and other current receivable - related parties

Consisted of :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade receivable				
Within credit term	4,554,066	2,953,710	3,926,666	1,610,190
Overdue 1 - 3 Months	1,762,388	1,664,718	1,229,936	717,251
Overdue 3 - 6 Months	3,300	15,744	-	-
Overdue 6 - 12 Months	-	-	-	-
Overdue over 12 Months	-	-	406,782	269,820
Total	6,319,754	4,634,172	5,563,384	2,597,261
Accrued interest receivables	-	-	-	32,852
Other receivables	7,551	94,925	14,176,729	10,046,913
Less Allowance for expected credit loss	(84,942)	(91,961)	(406,782)	(416,412)
Total	6,242,363	4,637,136	19,333,331	12,260,614

The movement of allowance for expected credit loss of trade receivable - related parties for the year ended December 31, 2022 and 2021 is as follows :-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Opening balance	91,961	-	416,412	242,818
Increase during the year	15,407	103,106	-	173,594
Decrease during the year	(22,426)	(11,145)	(9,630)	-
Ending balance	84,942	91,961	406,782	416,412

7. Trade and other current receivable - third parties

Consisted of :-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cheque receivable	2,131,485	7,137,401	2,131,485	5,887,308
Trade receivables	357,413,072	204,470,099	311,167,239	182,075,915
<u>Less</u> Allowance for expected credit loss	(355,222)	(1,030,809)	(68,163)	(834,771)
Net	359,189,335	210,576,691	313,230,561	187,128,452
Other receivables	7,280,822	22,196	7,169,874	1,134
Prepaid expenses	4,196,379	3,341,353	1,952,427	1,416,890
Advance payable	73,460	51,145	72,595	44,334
Withholding tax	1,410,006	1,240,708	529,885	349,901
Prepaid VAT	2,728,197	4,670,220	2,727,925	4,587,579
Receivables from the revenue department	-	660,711	-	660,711
Deposit	794,843	4,233,162	260,200	70,247
Total Other receivables	16,483,707	14,219,495	12,712,906	7,130,796
Total trade and other current receivables	375,673,042	224,796,186	325,943,467	194,259,248

Outstanding trade receivable - third parties can be aged as follows :-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Within credit term	192,056,654	165,028,231	149,551,629	144,288,498
Overdue 1 month to 3 months	165,824,183	46,579,269	162,082,725	43,674,725
Overdue 3 months to 6 months	1,598,380	-	1,598,380	-
Overdue 6 months to 12 months	1,527	-	2,177	-
Overdue over 12 months	63,813	-	63,813	-
Total	359,544,557	211,607,500	313,298,724	187,963,223
<u>Less</u> Allowance for expected credit loss	(355,222)	(1,030,809)	(68,163)	(834,771)
Net	359,189,335	210,576,691	313,230,561	187,128,452

The movement of allowance for expected credit loss of trade receivables - third parties for the year ended December 31, 2022 and 2021 is as follows :-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Opening book value	1,030,809	4,468,415	834,771	2,670,288
Increase during the year	464,756	946,387	68,163	750,349
Decrease during the year	(1,140,342)	(4,383,993)	(834,771)	(2,585,866)
Ending balance	355,222	1,030,809	68,163	834,771

8. Short-term loans to related parties

Consisted of :-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Financial assets measured at amortized cost				
Short-term loan to related parties	11,250,000	-	-	4,600,000
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net	11,250,000	-	-	4,600,000

9. Inventories

Consisted of :-

(Unit : Baht)

	Consolidated					
	2022			2021		
	Allowance for diminution in		Net	Allowance for diminution in		Net
	Cost	value of inventories		Cost	value of inventories	
Finished goods	280,361,694	(720,000)	279,641,694	208,283,715	(1,651,003)	206,632,712
Raw materials	3,872,721	-	3,872,721	1,490,662	-	1,490,662
Spare parts and supplies	8,251,612	-	8,251,612	2,367,185	-	2,367,185
Goods in transit	-	-	-	28,134,477	-	28,134,477
Total	292,486,027	(720,000)	291,766,027	240,276,039	(1,651,003)	238,625,036

(Unit : Baht)

	Separate financial statement					
	2022			2021		
	Allowance for diminution in		Net	Allowance for diminution in		Net
	Cost	value of inventories		Cost	value of inventories	
Finished goods	46,956,343	(720,000)	45,236,343	26,976,284	(860,000)	26,116,284
Raw materials	3,872,721	-	3,872,721	1,490,662	-	1,490,662
Spare parts and supplies	7,588,230	-	7,588,230	1,714,321	-	1,714,321
Goods in transit	-	-	-	626,034	-	626,034
Total	58,417,294	(720,000)	57,697,294	30,807,301	(860,000)	29,947,301

The movement of allowance for diminutions in value of inventories for the year ended December 31, 2022 and 2021 are as follows :-

(Unit : Baht)

	Consolidated		Separate financial statement	
	2022	2021	2022	2021
Opening balance	1,651,003	661,680	860,000	210,000
Additions during the year	6,956,744	4,128,305	1,555,398	1,388,268
Transfer out during the year	(7,527,747)	(3,138,982)	(1,695,398)	(738,268)
Ending balance	720,000	1,651,003	720,000	860,000

For the year ended December 31, 2022, the costs of inventories recognized as expenses are Baht 2,315 million in the consolidated and Baht 1,734 million in separate financial statement (For the year ended December 31, 2021 : Baht 1,581 million in the consolidated and Baht 1,238 million in separate financial statement).

For the year ended December 31, 2022, the Group has reversed allowance for diminutions in the value of inventories in amount of Baht 7.52 million in the consolidated and Baht 1.7 million in separate financial statement since the Company disposed such inventory items (For the year ended December 31, 2021 : Baht 3.14 million in the consolidated and Baht 0.74 million in separate financial statement).

10. Advance payment for goods

Consisted of :-

	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Related parties	-	-	41,222,701	41,607,317
Other parties	15,288,659	33,241,896	13,480,705	31,578,444
	15,288,659	33,241,896	54,703,406	73,185,761
<u>Less</u> Allowance for impairment loss	-	(3,298,980)	(41,222,701)	(39,530,375)
Net	15,288,659	29,942,916	13,480,705	33,655,386

The movement of allowance for impairment loss - advance payment for goods - third parties for the year ended December 31, 2022 and 2021 is as follows :-

	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Opening balance	3,298,980	3,277,462	39,530,375	35,495,296
Additions during the year	-	-	4,438,141	6,015,000
Transfer out during the year	(3,286,290)	(18,415)	(2,745,815)	(1,979,921)
Foreign currency translation	(12,690)	39,933	-	-
Ending balance	-	3,298,980	41,222,701	39,530,375

11. Deposits at financial institutions pledged as collateral

As at December 31, 2022 and 2021, the whole amount of deposit with collateral was pledged as collateral with two local financial institution.

12. Investments in subsidiaries

The composition of the Group in the consolidated financial statements and the carrying value of investments in subsidiaries in the separate financial statement can be summarized as follows :-

<u>Name of subsidiary</u>	<u>Paid-up capital (Baht)</u>		<u>Investment portion (%)</u>		<u>Cost method (Baht)</u>		<u>Dividends (Baht)</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Subsidiaries don't having non-controlling interests</u>								
Paprapat Co., Ltd.	1,000,000	1,000,000	99.99	99.99	999,800	999,800	-	-
Sataporn Thanapat Co., Ltd.	4,000,000	4,000,000	99.98	99.98	3,999,800	3,999,800	-	-
Alpha G Venture Co., Ltd.	31,000,000	1,000,000	99.99	99.99	30,999,070	999,970	-	-
<u>Subsidiaries don't having non-controlling interests</u>								
PT. Asia Biomass Indonesia	300,000	300,000	99.00	99.00	9,512,108	9,512,108	-	-
<u>Subsidiaries having material non-controlling interests</u>								
Asia Biomass Energy SDN. BHD.	500,000	500,000	55.00	55.00	2,496,456	2,496,456	-	-
Asia Biomass Resources SDN. BHD.	500,000	500,000	55.00	55.00	2,285,222	2,285,222	-	-
Total					50,292,456	20,293,356	-	-
Less Impairment loss					(14,293,786)	(14,293,786)	-	-
Net					35,998,670	5,999,570	-	-

The Board of Directors No. 2/2022 with held on May 11, 2022 regarding the closure of PT Asia Biomass Indonesia (ABI), a wholly owned subsidiary of the Company because ABI has a few business transaction and has accumulated losses in excess of capital. The dissolution of the subsidiary will not affect the operations of the Company in any way, and it is expected to complete the liquidation within 2023.

13. Investments in associates

The nature and carrying value of investment in associate can be summarized as follows :-

<u>Name of Companies</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Paid-up capital (Baht)</u>		<u>Investment portion (%)</u>		<u>Equity method (Baht)</u>	
			<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Each material associate</u>								
Thun Tham Dee Co., Ltd.	Consignment real estate	Thailand	4,000,000	-	44.9925	-	1,768,897	-
Net							1,768,897	-

On December 14, 2022, The Board of Directors of Alpha G Venture Co., Ltd., has resolved to approve disposition of the investment in Thun Tham Dee Co., Ltd. amount 22,000 ordinary shares with a par value of 100 Baht per share, totaling 2,200,000 Baht to AGE Leasing Co., Ltd.. On December 31, 2022, The Group held 44.9925% of ordinary shares of Thun Tham Dee Co., Ltd. which has changed from subsidiaries to associate company.

Financial information of associates that are material can be summarized as follows :-

	(Unit : Baht)
	Thun Tham Dee Co.,Ltd.
	<u>2022</u>
Current assets	28,959,521
Non-current assets	-
Current liabilities	(25,027,973)
Non-current liabilities	-
	(Unit : Baht)
	Thun Tham Dee Co., Ltd.
	For the year ended
	<u>December 31, 2022</u>
Revenue from sales and services	-
Other income	-
Cost of sales and services	-
Cost of distribution	-
Administrative expenses	(50,353)
Finance cost	(18,099)
Income (Loss) before income tax	(68,452)
Income tax expenses	-
Profit (Loss) from continuing operations	(68,452)
Other comprehensive income must be classified into profit or loss in the future	-
Other comprehensive income may not be classified into profit or loss in the future	-
Total Comprehensive income (loss)	(68,452)
Dividend received from associated companies	-

The reconciliation of the above financial information to the carrying amount which is accounted for using the equity method in the consolidated financial statements can be summarized as follows :-

	(Unit : Baht)
	Thun Tham Dee
	Co., Ltd.
	For the year ended
	December 31, 2022
	<hr/>
Net assets	3,931,548
Group's interest in the associate	44.9925%
Group's share in the net assets	1,768,897
Adjustment for using the equity method	
Gain on property plant and equipment	-
Carrying amount under the equity method	<hr/> <hr/>

14. Property, plants and equipment

Consisted of :-

(Unit : Baht)

Consolidated

	Land	Building and structures	Machinery and equipments	Furniture and office equipment	Vehicle	Assets under construction	Total
Cost:-							
As at January 1, 2022	362,609,788	75,714,171	37,249,744	12,982,157	99,522,398	3,885,948	591,964,206
Addition	2,524,500	254,900	1,113,890	2,530,473	1,324,939	30,139,748	37,888,450
Transfer in	11,858,983	3,101,812	2,160,162	-	312,897	-	17,433,854
Disposal/Write off	-	-	(2,806,982)	(593,079)	(6,499,743)	-	(9,899,804)
Transfer out	-	-	-	-	-	(17,433,854)	(17,433,854)
Currency translation differences	-	-	(47,348)	(5,937)	-	-	(53,285)
As at December 31, 2022	376,993,271	79,070,883	37,669,466	14,913,614	94,660,491	16,591,842	619,899,567
Accumulated depreciation :-							
As at January 1, 2022	13,769,143	37,689,913	15,407,661	10,660,483	76,086,885	-	153,614,085
Depreciation for the year	3,678,102	5,052,266	4,598,145	929,775	3,879,844	-	18,138,132
Disposal/Write off	-	-	(1,640,511)	(580,122)	(5,565,476)	-	(7,786,109)
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-
Currency translation differences	-	-	(30,129)	(3,002)	-	-	(33,131)
As at December 31, 2022	17,447,245	42,742,179	18,335,166	11,007,134	74,401,253	-	163,932,977
Net book value:-							
As at December 31, 2022	359,546,026	36,328,704	19,334,300	3,906,480	20,259,238	16,591,842	455,966,590

Depreciation in the statement of comprehensive income for the year ended December 31, 2022

18,138,132

(Unit : Baht)

Consolidated

Cost:-

	Land	Building and structures	Machinery and equipments	Furniture and office equipment	Vehicle	Assets under construction	Total
As at January 1, 2021	230,290,690	70,702,944	25,295,970	13,106,939	102,086,608	16,524,193	458,007,344
Addition	-	45,540	1,193,150	834,892	301,083	5,603,227	7,977,892
Transfer in/ Transfer out	1,881,000	5,052,012	11,193,054	-	115,406	(18,241,472)	-
Disposal/Write off	-	(86,325)	(618,207)	(972,967)	(5,784,386)	-	(7,461,885)
Revaluation on land increases during	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
As at December 31, 2021	362,609,788	75,714,171	37,249,744	12,982,157	99,522,398	3,885,948	591,964,206

Accumulated depreciation :-

As at January 1, 2021	10,550,164	32,671,360	11,976,209	10,823,415	75,807,306	-	141,828,454
Depreciation for the year	3,218,979	5,068,595	3,929,449	791,494	4,055,302	-	17,063,819
Disposal/Write off	-	(50,042)	(581,602)	(971,348)	(4,928,781)	-	(6,531,773)
Transfer in / Transfer out	-	-	-	-	-	-	-
Classified from right-of-use assets	-	-	-	-	1,125,072	-	1,125,072
Currency translation differences	-	-	83,605	16,922	27,986	-	128,513
As at December 31, 2021	13,769,143	37,689,913	15,407,661	10,660,483	76,086,885	-	153,614,085

Net book value:-

As at December 31, 2021	348,840,645	38,024,258	21,842,083	2,321,674	23,435,513	3,885,948	438,350,121
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Depreciation in the statement of comprehensive income for the year ended December 31, 2021

17,063,819

(Unit : Baht)

	Separate financial statements						Total
	Land	Building and structures	Machinery and equipments	Furniture and office equipment	Vehicle	Assets under construction	
Cost:-							
As at January 1, 2022	362,609,788	74,283,732	33,389,282	11,425,932	24,636,529	3,885,946	510,231,209
Addition	2,524,500	254,900	1,113,890	2,432,252	94,171	30,102,915	36,522,628
Transfer in	11,858,983	3,101,812	2,065,762	10,140	200,000	-	17,236,697
Disposal/Write off	-	-	(160,678)	(399,100)	(837,715)	(185,000)	(1,582,493)
Transfer out	-	-	-	(10,140)	-	(17,226,556)	(17,236,696)
As at December 31, 2022	376,993,271	77,640,444	36,408,256	13,459,084	24,092,985	16,577,305	545,171,345
Accumulated depreciation :-							
As at January 1, 2022	13,769,143	36,572,859	13,763,184	9,722,928	21,437,266	-	95,265,380
Depreciation for the year	3,678,102	5,010,659	4,047,530	855,153	320,000	-	13,911,444
Disposal/Write off	-	-	(112,710)	(393,592)	(802,469)	-	(1,308,771)
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-
As at December 31, 2022	17,447,245	41,583,518	17,698,004	10,184,489	20,954,797	-	107,868,053
Net book value:-							
As at December 31, 2022	359,546,026	36,056,926	18,710,252	3,274,595	3,138,188	16,577,305	437,303,292

Depreciation in the statement of comprehensive income for the year ended December 31, 2022

13,911,444

(Unit : Baht)

	Separate financial statements						Total
	Land	Building and structures	Machinery and equipments	Furniture and office equipment	Vehicle	Assets under construction	
Cost:-							
As at January 1, 2021	230,290,690	69,272,505	21,741,499	11,624,603	24,720,529	16,478,556	374,128,382
Addition	-	45,540	1,072,936	734,384	6,000	5,533,456	7,392,316
Transfer in/ Transfer out	1,881,000	5,052,012	11,193,054	-	-	(18,126,066)	-
Disposal/Write off	-	(86,325)	(618,207)	(933,055)	(90,000)	-	(1,727,587)
Revaluation on land increases during	130,438,098	-	-	-	-	-	130,438,098
As at December 31, 2021	362,609,788	74,283,732	33,389,282	11,425,932	24,636,529	3,885,946	510,231,209
Accumulated depreciation :-							
As at January 1, 2021	10,550,164	31,595,912	11,023,723	9,945,234	21,100,820	-	84,215,853
Depreciation for the year	3,218,979	5,026,989	3,321,063	709,137	423,795	-	12,699,963
Disposal/Write off	-	(50,042)	(581,602)	(931,443)	(87,349)	-	(1,650,436)
As at December 31, 2021	13,769,143	36,572,859	13,763,184	9,722,928	21,437,266	-	95,265,380
Net book value:-							
As at December 31, 2021	348,840,645	37,710,873	19,626,098	1,703,004	3,199,263	3,885,946	414,965,829

Depreciation in the statement of comprehensive income for the year ended December 31, 2021

12,699,963

As at December 31, 2022, certain plant and equipment items of the Group's have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 89.12 millions (2021 : Baht 74.69 million).

As at December 31, 2022, the Company's land with structure and machinery with a net book value of Baht 240.52 million (2021 : Baht 229.79 million) were mortgaged as collateral for loans from financial institutions in the amount of Baht 130.03 million.

15. Right-of-use assets

Consisted of:-

	(Unit : Baht)		
	Consolidated		
	Land	Building	Total
As at January 1, 2021	2,851,619	26,946,491	29,798,110
Increase in right-of-use assets	-	5,867,267	5,867,267
Classified as property, plant and equipment	-	(1,650,629)	(1,650,629)
Depreciation during the year	(974,225)	(3,627,206)	(4,601,431)
As at December 31, 2021	1,877,394	27,535,923	29,413,317
Increase in right-of-use assets	-	10,413,992	10,413,992
Depreciation during the year	(974,225)	(4,302,826)	(5,277,051)
As at December 31, 2022	903,169	33,647,089	34,550,258

	(Unit : Baht)		
	Separate financial statements		
	Land	Building	Total
As at January 1, 2021	1,710,972	2,804,829	4,515,801
Increase in right-of-use assets	-	5,867,267	5,867,267
Depreciation during the year	(584,535)	(1,256,237)	(1,840,772)
As at December 31, 2021	1,126,437	7,415,859	8,542,296
Increase in right-of-use assets	-	1,521,895	1,521,895
Depreciation during the year	(584,535)	(1,832,285)	(2,416,820)
As at December 31, 2022	541,902	7,105,469	7,647,371

Expenses relating to leases consisted of:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Interest expense on lease liabilities	937,921	798,545	354,305	159,865
Expense relating to short-term lease	6,530,235	5,129,504	5,956,222	3,002,857
Expense related to lease of low-value asset	567,677	649,626	378,319	434,694

16. Intangible assets

Consisted of :-

	(Unit : Baht)		
	Consolidated		
	Computer program	Computer program during installation	Total
Cost :-			
As at January 1, 2022	4,698,389	-	4,698,389
Purchase	199,000	-	199,000
Disposal/Write off	(4,496)	-	(4,496)
As at December 31, 2022	4,892,893	-	4,892,893
Accumulated amortization :-			
As at January 1, 2022	4,484,436	-	4,484,436
Amortization for the year	207,233	-	207,233
Disposal/Write off	(4,495)	-	(4,495)
As at December 31, 2022	4,687,174	-	4,687,174
Net book value :-			
As at December 31, 2022	205,719	-	205,719
Amortization for the year ended December 31, 2022			207,233

(Unit : Baht)

	Consolidated		
	Computer program	Computer program during installation	Total
Cost :-			
As at January 1, 2021	4,940,551	-	4,940,551
Purchase	-	-	-
Disposal/Write off	(249,330)	-	(249,330)
Currency translation differences	7,168	-	7,168
As at December 31, 2021	4,698,389	-	4,698,389
Accumulated amortization :-			
As at January 1, 2021	4,267,688	-	4,267,688
Amortization for the period	453,084	-	453,084
Disposal/Write off	(243,489)	-	(243,489)
Currency translation differences	7,153	-	7,153
As at December 31, 2021	4,484,436	-	4,484,436
Net book value :-			
As at December 31, 2021	213,953	-	213,953
Amortization for the year ended December 31, 2021			453,084

(Unit : Baht)

	Separate financial statement		
	Computer program	Computer program during installation	Total
Cost :-			
As at January 1, 2022	4,542,329	-	4,542,329
Purchase	199,000	-	199,000
Disposal/Write off	(4,500)	-	(4,500)
As at December 31, 2022	4,736,829	-	4,736,829
Accumulated amortization :-			
As at January 1, 2022	4,338,939	-	4,338,939
Amortization for the year	196,675	-	196,675
Disposal/Write off	(4,499)	-	(4,499)
As at December 31, 2022	4,531,115	-	4,531,115
Net book value :-			
As at December 31, 2022	205,715	-	205,715
Amortization for the year ended December 31, 2022			196,675

(Unit : Baht)

	Separate financial statement		
	Computer program	Computer program during installation	Total
Cost :-			
As at January 1, 2021	4,791,659	-	4,791,659
Purchase	-	-	-
Disposal/Write off	(249,330)	-	(249,330)
As at December 31, 2021	4,542,329	-	4,542,329
Accumulated amortization :-			
As at January 1, 2021	4,143,831	-	4,143,831
Amortization for the period	438,597	-	438,597
Disposal/Write off	(243,489)	-	(243,489)
As at December 31, 2021	4,338,939	-	4,338,939
Net book value :-			
As at December 31, 2021	203,390	-	203,390
Amortization for the year ended December 31, 2021			438,597

17. Deferred tax assets/liabilities

Changed of deferred tax assets and liabilities for the year ended December 31, 2022 and 2021 is as follows:-

(Unit : Baht)

	Consolidated						
	January 1, 2021	Recognized in profit or loss	Recognized in comprehensive income	December 31, 2021	Recognized in profit or loss	Recognized in comprehensive income	December 31, 2022
<i>Deferred tax assets</i>							
<i>Tax rate of 20%</i>							
Trade account receivables	893,683	(634,410)	-	259,273	2,897,939	-	3,157,212
Advance payment for goods	552,846	1,164,597	-	1,717,443	(514,443)	-	1,203,000
Guarantees of inventories	150,000	-	-	150,000	-	-	150,000
Unrealized (Gains) loss from forward exchange contracts	267,777	(308,673)	-	(40,896)	(453,431)	-	(494,327)
Loss from hedging of derivatives	716,880	-	(328,764)	388,116	-	(347,741)	40,375
Inventories	132,336	39,664	-	172,000	(28,000)	-	144,000
Long-term operating lease	19,884	(6,017)	-	13,867	16,301	-	30,168
Lease liabilities	242,374	24,959	-	267,333	127,553	-	394,886
Non-current provisions for employee benefits	955,926	279,579	-	1,235,505	10,182	-	1,245,687
Cumulative losses brought forward not more than 5 accounting periods	19,792,946	(5,171,823)	-	14,621,123	(6,104,366)	-	8,516,757
<i>Tax rate of 22% (as from the 3rd quarter of 2020)</i>							
Difference of accounting depreciation and taxable depreciation	1,064	176	-	1,240	(1,240)	-	-
Non-current provisions for employee benefits	4,674	975	-	5,649	(5,649)	-	-
Total deferred tax assets	23,730,390	(4,610,973)	(328,764)	18,790,653	(4,055,154)	(347,741)	14,387,758
<i>Deferred tax liabilities</i>							
<i>Tax rate of 20%</i>							
Revaluation surplus of land	-	-	(26,087,620)	(26,087,620)	-	-	(26,087,620)
Gain (loss) from actuarial valuation	-	-	-	-	-	(206,737)	(206,737)
Total deferred tax liabilities	-	-	(26,087,620)	(26,087,620)	-	(206,737)	(26,294,357)
Net	23,730,390	(4,610,973)	(26,416,384)	(7,296,967)	(4,055,154)	(554,478)	(11,906,599)

(Unit : Baht)

Separate financial statement

	January 1,2021	January 1,2021	January 1,2021	January 1,2021	January 1,2021	January 1,2021	January 1,2021
	(Unit : Baht)	(Unit : Baht)	(Unit : Baht)	(Unit : Baht)	(Unit : Baht)	(Unit : Baht)	(Unit : Baht)
<i>Deferred tax assets</i>							
<i>Tax rate of 20%</i>							
Trade account receivables	582,621	(332,385)	-	250,236	2,913,932	-	3,164,168
Advance payment for goods	7,099,059	807,016	-	7,906,075	338,466	-	8,244,541
Guarantees of inventories	150,000	-	-	150,000	-	-	150,000
Investment in subsidiaries	2,359,466	-	-	2,359,466	-	-	2,359,466
Unrealized gains from forward exchange contracts	(101,828)	62,407	-	(39,421)	(547,149)	-	(586,570)
Loss from hedging of derivatives	716,880	-	(328,764)	388,116	-	(347,741)	40,375
Inventories	42,000	130,000	-	172,000	(28,000)	-	144,000
Long-term operating lease	15,307	(4,807)	-	10,500	17,036	-	27,536
Lease liabilities	875	(875)	-	-	-	-	-
Non-current provisions for employee benefits	636,341	43,419	-	679,760	14,272	-	694,032
Cumulative losses brought forward not more than 5 accounting periods	19,792,946	(5,171,823)	-	14,621,123	(6,117,714)	-	8,503,409
Total deferred tax assets	31,293,667	(4,467,048)	(328,764)	26,497,855	(3,409,157)	(347,741)	22,740,957
<i>Deferred tax liabilities</i>							
<i>Tax rate of 20%</i>							
Revaluation surplus of land	-	-	(26,087,620)	(26,087,620)	-	-	(26,087,620)
Gain (loss) from actuarial valuation	-	-	-	-	-	(173,604)	(173,604)
Total deferred tax liabilities	-	-	(26,087,620)	(26,087,620)	-	(173,604)	(26,261,224)
Net	31,293,667	(4,467,048)	(26,416,384)	410,235	(3,409,157)	(521,345)	(3,520,267)

The Group offsets the deferred tax assets and the deferred tax liabilities for the presentation in the statement of financial position only in a case where such assets and liabilities relates to the same taxable company and the income tax is levied by the same taxation authority, as follows :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Amount recognized as assets/liabilities in the statement of financial position				
- Deferred tax assets	14,387,758	18,790,653	22,740,957	26,497,855
- Deferred tax liabilities	(26,294,357)	(26,087,620)	(26,261,224)	(26,087,620)
Total	(11,906,599)	(7,296,967)	(3,520,267)	410,235

The deferred tax asset is not recognized in the statement of financial position; consisted of:-

	(Unit : Baht)			
	Consolidated financial statement		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Temporary differences				
Investments in subsidiaries	-	-	2,496,456	2,496,456
Total	-	-	2,496,456	2,496,456

18. Short-term loans from financial institutions

Consisted of:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trust receipts	248,696,547	245,043,642	44,570,981	44,343,467
Promissory notes	254,800,000	250,110,000	209,000,000	135,100,000
Total	503,496,547	495,153,642	253,570,981	179,443,467

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 subsidiaries (Note. 11 and Note 14).

19. Trade and other current payable - third parties

Consisted of:-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade Account	31,725,762	28,839,056	23,707,352	14,777,389
Other payables	13,034,527	2,765,910	11,784,585	2,143,107
Accrued expenses	19,217,673	12,993,228	10,436,495	8,286,040
Advance income	192,853	130,980	185,718	125,195
Withholding tax payable	1,555,268	622,089	1,388,323	467,066
Pending sales tax	423,674	259,794	423,672	259,794
Total	66,149,757	45,611,057	47,926,145	26,058,591

20. Derivative asset/liabilities

Consisted of:-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Foreign currency forward contract (held for trading)	2,471,638	(204,483)	2,932,852	(197,106)
Interest rate swap contract (cash flow hedges)	(201,882)	1,940,584	(201,882)	1,940,584
Total	2,269,756	1,736,101	2,730,970	1,743,478

21. Long-term loan from financial institutions

The movements of long-term loan from financial institution for the year ended December 31, 2022 and 2021 are as follows :-

	(Unit : Baht)	
	Consolidated/Separate financial statement	
	<u>2022</u>	<u>2021</u>
Opening balance	88,206,000	108,858,000
Additions during the year	10,000,000	-
Repayment during the year	(20,652,000)	(20,652,000)
Ending balance	77,554,000	88,206,000

Summary of long-term loan from financial institution included their interest rate and term payment as follow :-

	Amount (Million Baht)					
	<u>2022</u>	<u>2021</u>	<u>Period</u>	<u>Interest Rate</u>	<u>Payment</u>	<u>Collateral</u>
1 st credit facility line	49.00	63.93	78	4.10%	Last day of the month due	The company took the land buildings and machinery at Bang Kung Warehouse, Bang Kung Subdistrict, Mueang Surat Thani District. Surat Thani Province as a collateral.
2 nd credit facility line	28.55	24.28	84	MLR-1.50%	Last day of the month due	The Company took the land and buildings at Rayong Warehouse, Taphong Subdistrict, Mueang Rayong District, Rayong Province as collateral.

21.1 On February 11, 2019, October 22, 2019 and November 26, 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 months from the date of the first drawdown (on November 29, 2019) and the following installments will be paid on the last day of the months in the amount of Baht 1,244,000 per month and the final installment is to 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 November 29, 2019, the Company entered into an interest rate swap (IRS) contracts to be fixed rate at 4.10% per annum effective from November 29, 2019 to April 30, 2026 (end of the loan agreement).

21.2 On November 10, 2020, the Company entered into a loan agreement and amendment agreement with a domestic financial institution in credit line of Baht 40 million with condition as follows:

- Repayment of principal is made in total 84 monthly installments, the first installment being paid on the last day of the 2nd months from the date of the first drawdown (on December 2, 2020) and the following installments will be paid on the last day of the months in the amount of Baht 477,000 per month and the final installment is to pay all remaining principal and interest under the agreement.
- Interest shall be payable from the first month onwards at the rate of MLR minus 1.50% per annum.

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 October 14, 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 October 14, 2020 onwards that was as follows:

At December 31, 2022		
	<u>Agreement</u>	<u>Consolidated financial statements</u>
Debt to equity	Not more than 3 : 1 and not lower than 0	1.21
DSCR	Not less than 1.2 times	1.88

Obligation under Long-term loans - minimum lease payments as follows :-

(Unit : Baht)		
Consolidated/Separate financial statement		
	<u>2022</u>	<u>2021</u>
Not later than 1 year	20,652,000	20,652,000
2 - 5 years	56,902,000	67,554,000
Total	77,554,000	88,206,000

22. Lease liabilities

Change of lease liabilities for the year ended December 31, 2022 and 2021 is as follows :

(Unit : Baht)				
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Opening balance	24,083,910	26,018,577	7,616,196	4,481,237
Additions during the period	10,413,992	5,867,267	1,521,895	5,867,267
Repayment during the period	(7,614,715)	(7,801,934)	(2,270,325)	(2,732,308)
Ending balance	26,883,187	24,083,910	6,867,766	7,616,196

The maturity analysis of lease liabilities is as follows:-

(Unit : Baht)

	Consolidated			Separate financial statement		
	2022					
	Lease liabilities	Deferred lease charges	Net	Lease liabilities	Deferred lease charges	Net
Not later than 1 year	9,874,913	990,804	8,884,109	2,529,180	304,220	2,224,960
Later than 1 year but not later than 5 years	19,264,305	1,265,227	17,999,078	5,085,051	442,245	4,642,806
Total	29,139,218	2,256,031	26,883,187	7,614,231	746,465	6,867,766

(Unit : Baht)

	Consolidated			Separate financial statement		
	2021					
	Lease liabilities	Deferred lease charges	Net	Lease liabilities	Deferred lease charges	Net
Not later than 1 year	7,969,528	812,728	7,156,800	2,594,068	337,516	2,256,552
Later than 1 year but not later than 5 years	17,932,718	1,005,608	16,927,110	5,887,965	528,321	5,359,644
Total	25,902,246	1,818,336	24,083,910	8,482,033	865,837	7,616,196

As at December 31, 2022, the Group performs the contract of long term financial leased with several lessor companies so as to lease land and vehicle by number of 26 contracts (2021 : 22 contract). The leased contracts determine leased fee repayment as monthly installment Baht 7,900 to 77,228 per month (2021 : Baht 7,900 to 50,441 per month). The leased period is carried 3-5 years (2021 : 3-5 years).

23. Employee benefit obligation

Changes in the present value of the retirement employee benefit obligation for the year ended December 31, 2022 and 2021 is as follow :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Opening defined benefit balance	6,203,206	4,662,282	3,398,800	2,390,728
Current service cost	1,348,876	1,524,652	877,196	967,900
Interest cost	113,690	77,552	62,244	40,172
Transfer out in the year	(25,677)	-	-	-
Actuarial (gains) losses arising from change in demographic assumption	78,039	-	70,560	-
Actuarial (gains) losses arising from change in financial assumption	(447,536)	-	(291,243)	-
Actuarial (gains) losses arising from change in experience adjustment	(664,188)	-	(647,340)	-
Benefit paid	(313,763)	(61,280)	(59)	-
Closing defined benefit balance	6,292,647	6,203,206	3,470,158	3,398,800

Principal actuarial assumptions as at December 31, 2022 and 2021 are as follows :-

	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate at end of year	1.77 - 7.46	1.46 - 7.60	2.46	1.68
Future salary growth	5.00 - 7.00	5.00-7.00	5.00	5.00
Proportion of employees opting for early retirement	0 - 58.00	0 - 55.00	0 - 25.00	0 29.00

As at December 31, 2022 and 2021, changes in the actuarial assumption will affect to the employee benefit obligation as follows :-

	(Unit :Million Baht)			
	Consolidated		Separate financial statement	
	Employee benefit obligation Increase (decrease)			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
If the discount rate increase 1 %	(0.78)	(0.84)	(0.44)	(0.51)
If the discount rate decrease 1 %	0.93	1.01	0.52	0.60
If the future salary growth increase 1%	0.97	1.13	0.54	0.68
If the future salary growth decrease 1%	(0.82)	(0.95)	(0.46)	(0.57)
If the proportion of employees opting for early retirement increase 1%	(0.85)	(0.92)	(0.49)	(0.57)
If the proportion of employees opting for early retirement decrease 1%	0.44	0.48	0.23	0.28

The expected maturity analysis of the undiscounted employee benefit obligation is as follows :-

	(Unit : Baht)			
	Consolidated financial statement		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Not later than 1 year	-	344,139	-	-
2 - 5 years	956,884	691,545	-	-
More than 5 years	154,868,239	146,572,898	116,307,759	109,282,843
Total	155,825,123	147,608,582	116,307,759	109,282,843

As at December 31, 2022, the weighted average duration of the defined employee benefit obligation of the Group are 8-14 years on consolidated and 14 years on separate financial statements.(2021: 8-13 years on consolidated and 13years on separate financial statements).

24. Share capital

	Number of share (Unit : share)	Amount (Unit : Baht)
Registered share capital (Baht 0.50 per share)		
As at January 1, 2021	300,000,000	150,000,000.00
Increment of share capital	-	-
As at December 31, 2021	300,000,000	150,000,000.00
Increment of share capital	150,000,000	75,000,000.00
As at December 31, 2022	450,000,000	225,000,000.00

	Number of shares (Unit : share)	Ordinary shares (Unit : Baht)	Premium on ordinary shares (Unit : Baht)	Total (Unit : Baht)
Paid-up share capital (Baht 0.50 per share)				
As at January 1, 2021	300,000,000	150,000,000	90,507,012	240,507,012
Increment of share capital during the year	-	-	-	-
As at December 31, 2021	300,000,000	150,000,000	90,507,012	240,507,012
Increment of share capital during the year	100,000,000	50,000,000	130,000,000	180,000,000
Expenses concerning of ordinary shares	-	-	(1,354,661)	(1,354,661)
As at December 31, 2022	400,000,000	200,000,000	219,152,351	419,152,351

On 26 October 2022, the Company's Extraordinary General Meeting of shareholders No. 1/2022 passed the resolution approving the following:

1) Approve the increase of the Company's registered capital from the original registered capital of 150,000,000 baht, divided into 300,000,000 ordinary shares with a par value of 0.50 baht per share. To be registered capital of 225,000,000 baht divided into 450,000,000 shares with a par value of 0.50 baht by issuing 150,000,000 new ordinary shares with a par value of 0.50 baht per share. The Company registered the share capital increase with the Ministry of Commerce on November 9, 2022.

2) Approve the allocation of the Company's newly issued ordinary shares in the amount of not more than 150,000,000 shares with a par value of 0.50 baht per share as follows:

(2.1) Allocate not more than 100,000,000 newly issued ordinary shares with a par value of 0.50 baht (fifty satang) per share to support the issuance and offering of the Company's newly issued ordinary shares to the Company's shareholders; Proportion of shareholding (Right Offering) at the offering price of 1.80 baht per share (one baht and eighty satang) by allocating in the ratio of 3 existing shares to 1 newly issued ordinary share.

(2.2) Allocate not more than 50,000,000 newly issued ordinary shares to support the issuance and offering of warrants to purchase the Company's ordinary shares (ABM-W1) with free of charge in the ratio of 2 newly issued shares per 1 unit of warrant No. 1, not exceeding 50,000,000 units.

The Company's registered the share capital increase from the original amount of Baht 150.00 million to registered capital of Baht 225.00 million. The company registered the share capital increase with the Ministry of Commerce on November 9, 2022.

On November 21 - 28, 2022, the Company offers 100 million ordinary shares to to the Company's shareholders; Proportion of shareholding (Right Offering). Such ordinary shares comprises par value of Baht 0.50 per share. Shares are offered in the price of Baht 1.80 per share aggregating to total amount of Baht 180 million. The Company recorded expenses in respect of shares distribution net of income tax by amount of Baht 1.35 millions as deducted transactions in the premium or share capital. In addition, the shares increment is registered for paid-up from Baht 150 million to Baht 200 million equivalent to ordinary shares by number of 400 million shares in the par value of Baht 0.50 per share at the Ministry of Commerce on December 7, 2022.

Warrant (ABM-W1)

On December 23, 2022, the Company disposed warrants of 49,999,917 units (ABM-W1) to the former shareholders. The warrants (ABM-W1) the detail by summation as follows:-

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 2 years.
- The rate of warrants right exercise is one unit per one ordinary share.
- The exercised price is Baht 1.80 per share.
- The right can be exercised every 6 months after the issuance and offering date of the warrants (ABM-W1).

As at December 31, 2022, the remaining warrants (ABM-W1) not yet exercised are 49,999,917 units.

The capital management

The Group constitutes purpose with respect to capital management in order to remain for ability in the continued operation and ability to appropriately provide remuneration to various group of participating interest while the Group will maintain capital in the level with the least risk.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

25. Cash flow hedge reserve

The change of cash flow hedge reserve for the year ended December 31, 2022 are as follow

	(Unit : Baht)
	Consolidated/Separate <u>financial statement</u>
Opening balance	1,552,467
Change in fair value	(1,738,701)
Related income tax	347,740
Ending balance	<u><u>161,506</u></u>

26. Legal reserve

Under the provisions of the Public Company Limited Act C.E. 1992, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

For the year ended December 31, 2022, the Company has appropriated amounting to Baht 6 Million as a legal reserve.

27. Income tax (income) expense

The income tax (income) expenses recognized in profit or loss for the year ended December 31, 2022 and 2021 are as follow:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current tax expense	7,869,043	3,977,472	-	-
Expense (income) deferred tax expense relating to the origination and reversal of temporary differences	4,068,551	4,610,975	3,409,157	4,467,048
Total income tax (income) expense recognized in profit or loss	11,937,594	8,588,447	3,409,157	4,467,048

The relationship between income tax (income) expense and accounting profit (loss) for the year ended December 31, 2022 and 2021, are as follow :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit (loss)	48,885,541	30,775,050	18,080,256	22,289,580
Tax rate used	20%-24%	20%-24%	20%	20%
Tax at the applicable tax rate	9,221,424	7,489,219	3,616,051	4,457,916
Temporary difference not recognized as a deferred tax asset	4,084,300	4,622,760	3,409,157	4,467,048
Expenses that aren't deductible in determining taxation profit	5,675,064	2,613,034	3,419,788	1,341,038
Increased taxable expenses	(925,482)	(195,007)	(918,127)	(117,684)
Loss carry forward	(6,117,712)	(5,941,559)	(6,117,712)	(5,681,270)
Total income tax (income) expense	11,937,594	8,588,447	3,409,157	4,467,048

Tax rate	<u>2022</u>	<u>2021</u>
- The Company and subsidiary in Thailand		
- Profit of non-BOI business	20%	20%
- Profit of BOI business		
- Exemption from taxation	-	-
- Reduction of tax 50%	10%	10%

The income tax expenses recognized in other comprehensive income for the year ended December 31, 2022 and 2021 are as follow:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax				
Profit on cash flow hedges	(40,376)	(328,764)	(40,376)	(328,764)
Gain on revaluation of land	-	(26,087,620)	-	(26,087,620)
Actuarial gain (loss) from employee benefit plan	(206,737)	-	(173,604)	-
Total income tax expense recognized in other comprehensive income	(247,113)	(26,416,384)	(213,980)	(26,416,384)

28. Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the year attributable to shareholders (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by the sum of the weighted average number of ordinary shares in issue during the period and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. By supposition that if taking money received from right exercise from such warrants to purchase ordinary shares back in the market price of diluted equivalent ordinary shares; for example, warrants to purchase ordinary shares in the case that prices according to the rights of warrants constitute value lower than market price.

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Basic earnings per share (Baht)		
Net profit attributable to shareholders	14,671,099	17,822,531
Weighted average number of paid-up ordinary share issue during the year	306,849,315	300,000,000
Basic earnings per share (Baht)	0.05	0.06
Diluted earnings per share (Baht)		
Effect of dilutive potential ordinary share	12,433,732	-
Weighted average number of ordinary share for diluted earnings per share	319,283,047	300,000,000
Diluted earnings per share (Baht)	0.05	0.06

29. Supplemental disclosures of cash flow information

29.1 Cash and cash equivalents consist of :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash on hand	135,683	102,084	95,000	73,000
Cheque on hand	130,931	4,711,141	130,931	4,711,142
Cash deposits-Saving accounts	8,147,249	4,235,346	888,935	1,026,197
Cash deposits-Current accounts	22,037,093	16,380,052	3,573,106	7,674,782
Total	30,450,956	25,428,623	4,687,972	13,485,121

29.2 Non-cash items are as follows :-

	(Unit : Baht)			
	Consolidated		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Acquisition right-of-use assets under lease liabilities	10,413,992	5,867,267	1,521,895	5,867,267

29.3 Liabilities arising from financing activities :-

The movements of liabilities arising from financing activities the year ended December 31, 2022 and 2021 was as follow:-

(Unit : Baht)

	Consolidated			
	January 1, 2022	Cash flows	Increase (decrease)	
			during the year	December 31, 2022
Short-term loan from financial institution	495,153,642	8,342,905	-	503,496,547
Long-term loan from financial institution	88,206,000	(10,652,000)	-	77,554,000
Lease Liabilities	24,083,910	(7,614,716)	10,413,993	26,883,187
Total	607,443,552	(9,923,811)	10,413,993	607,933,734

(Unit : Baht)

	Consolidated			
	January 1, 2021	Cash flows	Increase (decrease)	
			during the year	December 31, 2021
Short-term loan from financial institution	436,348,335	58,805,307	-	495,153,642
Long-term loan from financial institution	108,858,000	(20,652,000)	-	88,206,000
Lease Liabilities	26,018,577	(7,801,935)	5,867,268	24,083,910
Total	571,224,912	30,351,372	5,867,268	607,443,552

(Unit:Baht)

	Separate financial statement			
	January 1, 2022	Cash flows	Increase (decrease)	
			during the year	December 31, 2022
Short-term loan from financial institution	179,443,467	74,127,514	-	253,570,981
Long-term loan from financial institution	88,206,000	(10,652,000)	-	77,554,000
Lease Liabilities	7,616,196	(2,270,324)	1,521,894	6,867,766
	275,265,663	61,205,190	1,521,894	337,992,747

(Unit : Baht)

	Separate financial statement			
	January 1, 2021	Cash flows	Increase (decrease)	
			during the year	December 31, 2021
Short-term loan from financial institution	142,757,311	36,686,156	-	179,443,467
Long-term loan from financial institution	108,858,000	(20,652,000)	-	88,206,000
Lease Liabilities	4,481,237	(2,732,309)	5,867,268	7,616,916
	256,096,548	13,301,847	5,867,268	275,266,383

30. Employee benefit

30.1 Provident fund

For the year ended December 31, 2022, the Group recognizes as the employee benefit expense for the payment of contribution into the provident fund at the amount of Baht 0.70 million and Baht 0.52 million in consolidated and separate financial statement, respectively. (2021 : 0.55 million and Baht 0.38 million in consolidated and separate financial statement, respectively)

30.2 Retirement employee benefit

For the year ended December 31, 2022 and 2021, the Group recognizes the employee benefit expense in case of retirement or termination under the labor law, as follows:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Amounts recognized in profit or loss				
Current service cost	1,348,877	1,524,651	877,197	967,900
Interest cost	113,690	75,245	62,244	40,172
Total amounts recognized in profit or loss	1,462,567	1,599,896	939,441	1,008,072
Amounts recognized in other comprehensive income				
Actuarial losses arising from change in demographic assumption	78,039	-	70,560	-
Actuarial (gain) losses arising from change in financial assumption	(447,536)	-	(291,243)	-
Actuarial (gain) losses arising from change in experience adjustment	(664,188)	-	(647,340)	-
Total amounts recognized in other comprehensive income	(1,033,685)	-	(868,023)	-
Total	428,882	1,599,986	71,418	1,008,072

An item of the employee benefit expense in case of retirement or termination under the labor law for the year ended December 31, 2022 and 2021 are inclusively presented in the line items, as follows :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cost of sales	243,029	273,018	94,148	85,315
Administrative expenses	1,219,538	1,326,878	845,293	922,757
Total	1,462,567	1,599,896	939,441	1,008,072

31. Expenses by nature

The following expenditure items of expense have been classified by nature:

			(Unit : Baht)	
	Consolidated		Separate financial statements	
	2022	2021	2022	2021
Increase in change of finished goods, raw material, supplies and goods in transit	(52,209,988)	(37,597,187)	(27,609,993)	(5,563,848)
Purchase of goods for sale	2,075,198,056	1,444,602,388	1,570,628,828	1,165,683,290
Transportation and customs clearance expense	370,931,595	281,723,335	258,906,500	203,024,021
Fuel cost	7,908,725	10,086,213	7,271,718	3,322,979
Director and key management remunerations	18,158,788	12,697,335	16,338,657	11,484,900
Personnel	77,058,061	62,518,509	52,147,392	35,462,961
Depreciation and amortization	23,622,416	22,118,334	16,524,938	14,979,332
Financial Cost	19,957,164	13,286,910	10,098,508	7,444,006

32. Credit line of financial institutions

As at December 31, 2022 and 2021 the Group had unutilized facilities totaling Baht 1,655 million and USD 2.66 million and Baht 1,312 million and USD 4 million, respectively.

33. Operating segments

The Group identified the operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and assessing its performance.

The Group classifies the operating segment in the form of type of business operated. The Group has two operating segments which are consists of sale of goods and provision of service.

The Group measures the profit or loss for each segment from the gross profit excluding the items of other income, interest revenue, gain or loss on exchange rate, other central expenses and finance cost.

The segment operation for the year ended December 31, 2022 and 2021 are as follows:

(Unit : Million Baht)

	Consolidated					
	Sale of goods		Provision of service		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues from external customers	2,687	1,889	17	19	2,704	1,908
Gross margin	373	308	3	4	376	312
Other income					7	12
Gains on exchange rate					4	8
Cost of distribution					(216)	(215)
Administrative expenses					(103)	(73)
Other expenses					(1)	-
Finance cost					(20)	(13)
Profit before income tax expense					47	31

The reconciliations of each segment total assets to the Group's assets and other material items.

(Unit : Million Baht)

	Consolidated							
	Sale of goods		Provision of service		Central		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation	15	13	3	4	-	-	18	17
Amortization	3	2	2	1	-	-	5	3

More information about major customers

For the year ended December 31, 2022, the Group has the revenue from sale of goods to 2 major customers in the amount of Baht 723 million earned from sale of goods segment. (For the year ended December 31, 2021 : 1 major customers in the amount of Baht 604 million earned from sale of goods segment).

Additional information on geographic areas for the year ended December 31, 2022 and 2021 are as follows:

(Unit : Million Baht)

	Consolidated							
	Thailand		Indonesia		Malaysia		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues from external customers	2,704	1,908	-	-	-	-	1,884	1,441
Non-current assets (excluding financial instruments and deferred tax assets)	494	469	-	-	-	-	494	469

34. Revenue

The relationship between the revenue information disclosed for each reportable segment and the revenue derived from transfer of goods and services over time and a point in time for the year ended December 31, 2022 and 2021 are as follows:-

(Unit : Million Baht)

	Consolidated Segment operation					
	Sale of goods		Provision of service		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue from external customers	2,687	1,889	17	19	2,704	1,908
Revenue recognized when a performance obligation						
- satisfied at a point in time	2,687	1,889	17	19	2,704	1,908
- satisfied over time	-	-	-	-	-	-
Total	2,687	1,889	17	19	2,704	1,908

For the year ended December 31, 2022 and 2021 there is not an amount of revenue recognized concerning the performance obligation satisfied in the previous period.

35. Financial instruments

The principal financial risks faced by the Group are market risk, credit risk and liquidity risk. In this regard, the Group will enter into derivative financial transactions as appropriate with the objective to mitigate the impact of risks. However, the Group did not speculate in or engage in trading of any derivative financial instruments.

Market risk

The market risks faced by the Group are currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group constitutes material risk from exchange rates in overseas currencies because there are trading transactions, cash at bank, trade receivable, trade payable and trust receipt that are foreign currency. The management has managed risk from exchange rates by performing the forward foreign currencies contract dependent on each case.

As at December 31, 2022 and 2021 the significant outstanding balances of the Company's financial assets and liabilities denominated in foreign currencies are as follow:-

(Unit : Currency)

Consolidated				
	<u>2022</u>		<u>2021</u>	
<u>Foreign currency</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
USD	4,518,709	(3,131)	4,517,643	(3,131)
MYR	-	-	52,683	-

(Unit : Currency)

Separate financial statement				
	<u>2022</u>		<u>2021</u>	
<u>Foreign currency</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
USD	1,139,708	(147,609)	1,136,073	(3,131)
MYR	-	-	52,683	-

The sensitivity analysis for currency risk will affect to the profit or loss as follows:

(Unit : Baht)

	Consolidated		Separate financial statement	
	Profit before income tax increase (decrease)			
	2022	2021	2022	2021
If the USD/Baht exchange rate strange 1%	1,444,205	329,331	1,443,838	376,657
If the USD/Baht exchange rate weak 1%	(1,661,706)	(329,331)	(1,661,339)	376,657
If the MYR/Baht exchange rate strange 1%	-	-	4,068	4,164
If the MYR/Baht exchange rate weak 1%	-	-	(4,068)	(4,164)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

During the year 2019, the Group obtained a long-term loan from a financial institution requiring floating interest payments as described in Note 19 to the financial statements, the Group is therefore exposed to risks from changes in market interest rates.

However, in order to prevent volatility due to the change in market interest rates, on November 29, 2019, the Group entered into an interest rate swap (IRS) contract to be fixed rate at 4.10% per annum effective from November 29, 2019 to April 30, 2026 (end of the loan agreement). The hedging relationship between the long-term loan from financial institution and the interest rate swap meets the qualifying criteria for cash flow hedges.

The amounts related to items designated as hedging instruments and hedged items for cash flow hedge are as follows :-

	Consolidated and separated financial statement	
	2022	2021
Notional amount	1,940,583	3,584,402
Carrying amount: Assets (Liabilities) (Included in other assets/other liabilities)	(201,882)	(1,940,583)
Change in fair value of the hedging instrument	(1,738,701)	(1,643,819)
Change in value of the hedged item	(1,738,701)	(1,643,819)

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. However, the Group isn't exposed to the price risk.

However, the Group is not at risk of being affected by such price risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The gross carrying amount of trade receivables and contract assets and the lifetime expected credit losses calculated by using a provision matrix, which specifies a fixed provision rates depending on the number of days that a trade receivable is past due based on historical credit loss adjusted to reflect a current and forwarding looking macroeconomic factor affecting the customer's ability to settle the amount outstanding, are as follows:-

	Consolidated					(Unit : Baht)
	Days past due as at December 31, 2022					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	Total
Expected loss rate	0.00%-2.49%	0.00%-2.49%	0.00%-2.49%	50%	100%	
Gross carrying amount – trade receivables	194,497,255	167,586,572	1,601,680	1,527	63,813	363,732,827
Expected credit loss	332,157	43,107	-	1,088	63,813	440,165

(Unit : Baht)

	Consolidated					Total
	Days past due as at December 31, 2021					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.46%-2.14%	0.46%-2.14%	0.46%-2.14%	50%	100%	
Gross carrying amount – trade receivables	167,981,941	48,243,987	15,744	-	-	216,241,672
Expected credit loss	864,311	258,122	337	-	-	1,122,770

(Unit : Baht)

	Separate financial statement					
	Days past due as at December 31, 2022					
	Within credit	Overdue 1 - 3	Overdue 3 - 6	Overdue 6 - 12	Overdue over	Total
	term	Months	Months	Months	12 Months	
Expected loss rate	0.00-0.01%	0.00-0.01%	0.00-0.01%	50.00%	100%	
Gross carrying amount – trade receivables	149,551,629	162,082,725	1,598,379	2,177	470,594	314,819,845
Expected credit loss	3,263	-	-	1,088	470,594	474,945

(Unit : Baht)

	Separate financial statement					
	Days past due as at December 31, 2021					
	Within credit	Overdue 1 - 3	Overdue 3 - 6	Overdue 6 - 12	Overdue over	Total
	term	Months	Months	Months	12 Months	
Expected loss rate	0.00-0.46%	0.00-0.46%	0.00-0.46%	50%	100%	
Gross carrying amount – trade receivables	145,898,688	44,391,976	-	-	269,820	190,560,484
Expected credit loss	634,170	347,193	-	-	269,820	1,251,183

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Maturity for the Group's financial liabilities as at December 31, 2022 and 2021 based on the contractual undiscounted cash flow is as follows :-

(Unit : Baht)

	Consolidated			Total	Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years		
December 31, 2022					
Short-term loans from financial institutions	503,496,547	-	-	503,496,547	503,496,547
Trade and other current payable-related parties	4,540,980	-	-	4,540,980	4,540,980
Trade and other current payable-third parties	66,564,941	-	-	66,564,941	66,564,941
Lease liabilities	9,874,913	19,264,305	-	29,139,218	26,883,187
Long-term loans from financial institutions	20,652,000	56,902,000	-	77,554,000	77,554,000

(Unit : Baht)

	Consolidated			Total	Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years		
December 31, 2021					
Short-term loans from financial institutions	495,153,642	-	-	495,153,642	495,153,642
Trade and other current payable-related parties	3,327,317	-	-	3,327,317	3,327,317
Trade and other current payable-third parties	45,611,057	-	-	45,611,057	45,611,057
Lease liabilities	7,969,528	17,932,718	-	25,902,246	24,083,910
Long-term loans from financial institutions	20,652,000	88,206,000	-	108,858,000	108,858,000

(Unit : Baht)

	Separate financial statements			Total	Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years		
December 31, 2022					
Short-term loans from financial institutions	253,570,981	-	-	253,570,981	253,570,981
Trade and other current payable-related parties	45,192,165	-	-	45,192,165	45,192,165
Trade and other current payable-third parties	47,926,145	-	-	47,926,145	47,926,145
Lease liabilities	2,529,181	5,085,051	-	7,614,232	6,867,766
Long-term loans from financial institutions	20,652,000	56,902,000	-	77,554,000	77,554,000

(Unit : Baht)

	Separate financial statements			Total	Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years		
December 31, 2021					
Short-term loans from financial institutions	179,443,467	-	-	179,443,467	179,443,467
Trade and other current payable-related parties	130,401,436	-	-	130,401,436	130,401,436
Trade and other current payable-third parties	26,058,591	-	-	26,058,591	26,058,591
Lease liabilities	2,594,068	5,887,965	-	8,482,033	7,616,196
Long-term loans from financial institutions	20,652,000	67,554,000	-	88,206,000	88,206,000

36. Fair value Measurement

TFRS No.13 “Fair Value Measurement” defines fair value as 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 regardless of whether that price is directly observable or estimated using another valuation technique.

The TFRS requires the Company shall disclose about fair value measurement for financial asset and liability in which the other related TFRSs requires or permits fair value measurement or disclosure about fair value.

The TFRS establishes a fair value hierarchy that categorizes into 3 levels the inputs to valuation techniques used to measure fair value, as follows :-

Level 1 : The inputs are quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 : The inputs are observable inputs for the asset or liability, either directly or indirectly.

Level 3 : The inputs are unobservable inputs for the asset or liability.

Financial assets and financial liabilities of the Company measured the fair value in the statement of financial position are as follows:-

Assets and Liabilities	(Unit : Million Baht)			
	Consolidated	Separate financial statement	Fair value hierarchy	Valuation techniques
	Fair value December 31, 2022			
Foreign currency forward contract as assets (liabilities) (Note 20)	2,471,638	2,932,852	Level 2	Calculated by the value declared by the financial institution.
Interest rates swap contract as assets (liabilities) (Note 20)	(201,882)	(201,882)	Level 2	Calculated by the value declared by the financial institution.

As at December 31, 2022, the Group has entered into the forward foreign currency contracts in amount of USD 4.67 million and 715 Million Baht which holds the contract life not exceeding one year (2021 : USD 4.67 million and 715 Million Baht).

On November 29, 2019, the Group entered into an interest rate swap (IRS) contracts to be fixed rate at 4.10% per annum effective from November 29, 2019 to April 30, 2026

The financial assets and financial liabilities not measured the fair value in the statement of financial position are as follows :-

(Unit : Thousand Baht)

Assets and liabilities	Consolidated				
	2022		2021		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
Financial assets					
Short-term loans to related parties	11,250	11,250	4,600	4,600	Level 2
Deposit at bank pledged as collateral	50,000	50,000	40,100	40,100	Level 2
Financial liabilities					
Short-term loans from financial institutions	503,496	503,496	495,154	495,154	Level 2
Long-term loans form financial institutions	77,554	77,554	88,206	88,206	Level 2

(Unit : Thousand Baht)

Assets and liabilities	Separate financial statement				
	2022		2021		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
Financial assets					
Short-term loans to related parties	-	-	4,600	4,600	Level 2
Deposit at bank pledged as collateral	50,000	50,000	40,100	40,100	Level 2
Financial liabilities					
Short-term loans from financial institutions	253,571	253,571	179,443	179,443	Level 2
Long-term loans form financial institutions	77,554	77,554	88,206	88,206	Level 2

The carrying amount of cash and cash equivalents, trade receivables and trade payables approximates the fair value.

The fair value of deposits at financial institutions pledged as collateral and short-term loans to related parties are determined by using the discounted cash flow method. The contractual future cash inflows are discounted at the current market interest rate for similar financial instruments adjusted by counterparty risk.

The fair value of short-term loan from financial institution and short-term loan from third party and short-term loan from related party are determined by using the discounted cash flow method. The contractual future cash outflows are discounted at the current market interest rate for similar financial instruments enhanced by the Company's credit risk.

37. Commitments and contingent liabilities

37.1 As at December 31, 2022, the Group constitutes contingent liability from issuance of guarantee letter of the bank by amount of Baht 4.54 million (2021 : amount of Baht 3.82 million).

37.2 As at December 31, 2022, the Group has commitments for the acquisition of property, plant and equipment as follows:

	(Unit : Million Baht)	
	Consolidated	Separate financial statements
Project of warehouse at Rayong province	2.76	2.76

37.3 On August 28, 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. As at December 31, 2022, the Company made the payment in the amount of Baht 12.12 million.

38. Litigation

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 June 4, 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. Currently, it has been in the process of petition and ask for permission to petition.

39. Reclassification of accounting transactions

Some transactions in statements of financial position as at December 31, 2021, are newly reclassified so as to comply with reflection in statements of financial position as at December 31, 2022, and some transactions in statements of comprehensive income for the year ended December 31, 2021, are newly reclassified so as to comply with reflection in statements of comprehensive income for the year ended December 31, 2022, which can be summarized as follows :-

		(Unit : Baht)	
		As at December 31, 2021	
Transactions which formerly presented	Reclassified	Consolidated	Separated financial statement
Trade Receivable	Trade and other current receivables-related parties	4,637,136	12,260,614
Other current receivable	Trade and other current receivables-third parties	224,796,186	194,259,248
Other current assets	Trade and other current receivables-third parties		
Non-current advance payment for goods	Advance payment for goods	29,942,916	33,655,386
Trade Payable	Trade and other current payable-related parties	3,327,317	130,401,436
Other current payable	Trade and other current payable-third parties	45,611,057	26,058,591

		(Unit : Baht)	
		For the year ended December 31, 2021	
		Statement of Comprehensive income	
Transactions which formerly presented	Reclassified	Consolidated	Separated financial statement
Finance income	Other income	20,278,219	17,440,229
Expected credit loss of receivables (reversal)	Administrative expenses	72,325,385	56,764,357

40. Events after the reporting period

January 25, 2022, Alpha G Venture Co.,Ltd., a subsidiary of the company have acquired the acquisition of Hom Hom Farm Company Limited by buying ordinary shares which includes property and real estate of the business of 38,000,000 Baht

41. Approval of financial statements

These consolidated and separated financial statements were authorized for issue by the Company's board of directors on February 24 , 2023.



บริษัท เอเชีย ไบโอบีโอส จำกัด (มหาชน)

SECTION 4

Information Certification

Information Certification

"I have reviewed the information in this registration statement with caution as an executive director of The Company or the person holding the highest management position in the accounting department. I hereby certify that such information is true, and complete, not false, and does not mislead others or lack essential information that should be reported. In addition, I hereby certify that

1) financial statements and financial information summarized in the registration statement have presented accurate and complete information on essential aspects of the financial position, performance, and cash flows of The Company.

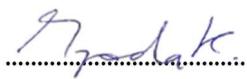
2) I am responsible for ensuring that The Company has a good information disclosure system for The Company to disclose the important information of The Company correctly and completely, as well as controlling and supervising the implementation of such system.

3) I am responsible for ensuring that The Company has a good internal control system in place and overseeing compliance with the system. I have provided information on the internal control system evaluation as of November 10, 2022, to The Company's auditors and audit committee, which includes significant deficiencies and changes in the internal control system, as well as any non-compliant actions that may affect the preparation of The Company's financial statements.

In this regard, as evidence that all documents are the documents that I have certified, I have assigned Mr. Panom Kuansataporn to sign this document on every page. If any document does not have the signature of Ms. Tiyada Kuansataporn, I will assume that such information is not certified."

Name		Position	signature
1. Miss Tiyada	Mekpongsatorn	Director / Managing Director / Chairman of the Executive Board	
2. Mr. Pongtham	Danwungderm	Deputy Managing Director / Vice Chairman of the Executive Committee / Chief Financial Officer (CFO)	
3. Mrs. Natpapha	Kuansataporn	Vice Chairman of the Board Executive Board / Director and Member of the Executive Board	

Attorney

Name		Position	signature
1. Miss Tiyada	Mekpongsatorn	Director / Managing Director / Chairman of the Executive Board	

Information Certification

"I have reviewed the information in this document with caution as a director of The Company, I have no reason to doubt that the information is inaccurate, incomplete, false, misleading others or lacking information that should be notified.

In this regard, as evidence that all documents are the documents that I have certified, I have assigned Ms. Tiya Mekphongsatorn to sign this document on every page. If any document does not have the signature of Ms. Tiya Mekphongsatorn, I will assume that such information is not certified. "

Name		Position	signature
1. Dr.Sarit	Chokchainirand	Director / Chairman of the Audit Committee (Independent Director)	
2. Mr. Wichai	Pornkeratiwat	Director / Audit Committee (Independent Director)	
3. Miss Pinmanee	Makmontana	Director / Audit Committee (Independent Director)	

Attorney

Name		Position	signature
1. Miss Tiya	Mekphongsatorn	Director / Managing Director / Chairman of the Executive Board	



บริษัท เอเชีย ไบโอมแอส จำกัด (มหาชน)

Appendix

Attachment 1 Information of Directors, Executives, Controlling persons, and Company Secretary

Profile of Directors and Executives on 31 December 2022

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 Rujikeatkamjorn Chairman of the Board of Directors	77	<u>Educational Qualifications</u> - Master of Engineering, Civil Engineering, Lamar University, Texas, USA. - Bachelor of Engineering, Civil Engineering, Khon Kaen University <u>Training</u> - Director Certification Program (DCP) Class 166/2012 - Director course	4.44	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 Directors/	Asia Green Energy Public Company Limited	Import-distribute, Coal
					2014 – present	Independent Director Chairman	Asia Biomass Public Company Limited	Biomass
Mrs. Natpapha Kuansataporn	62	<u>Educational Qualifications</u>	4.44	Wife of Mr. Panom	2015 – Present	Vice Chairman of the Board of	Asia Biomass Plc.	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
Vice Chairman of the Board of Directors/ Authorized Director to sign on behalf of the Company Executive Director		- Bachelor's degree in Accounting, Krirk University <u>Training</u> - Director Accreditation Program (DAP) Class 119/2015		Kuansataporn		Directors / Executive Director		
					2012 – Present	Director	Asia Biomass Plc.	Biomass Fuel Distributor
					2012 – Present	Director	K.H. Development Co., Ltd.	Real Estate Rental, Real Estate Services, Parking Service
					2009 – Present	Director	Paprapat Co., Ltd.	Biomass Fuel Distributor
					2006 – Present	Director	Pornpreecha Co., Ltd.	Buying and Selling Non- owned Property for Residence
					1990 – Present	Director	Sathaporn Thanaphat Co., Ltd.	Transportation (Land Cargo)
					2013 – Present	Director	Nataphat Pattana Co., Ltd.	Trading and Renting in Real Estate and Parking Service.
					2018 – Present	Director	Gems Logistics Co., Ltd. 888	Buying, Selling, and Renting Cargo Ships Both Inside and Outside the Country.
Miss Tiya Mekpongsatorn Director/ Authorized Director	36	<u>Educational Qualifications</u> - Master of Logistics Management,	2.99	Daughter of Mr. Panom Kuansataporn	2019 – Present	Director	ABM Pellets Co., Ltd.	Wood Chips and Biomass Briquettes Production
					2015 – Present	The Chairman of Executive	Asia Biomass Plc.	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
to sign on behalf of the Company Managing Director/ Executive Chairman/ Member of Nomination and Remuneration Committee		University of Sydney, Australia. - Bachelor of Business, University of Technology, Australia. <u>Training</u> - Director Accreditation Program (DAP) Class 119/2015 - Future Entrepreneurs Forum(FEF) Class 4/2015 - TLCA Executive Development Program (EDP) 2013 - Boiler Technology Course, Mahanakorn University of Technology - Talent Management Strategy 2014, TC		n		Committee Managing Director/ Director 2015 – Present Managing Director/ Director 2014 – Present Director 2014 – Present Managing Director/ Director 2013 – Present Director 2013 – Present Managing Director 2012 – Present Director 2012 – Present Director 2009 –	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. K.H. Development Co., Ltd. Papapat Co., Ltd.	Biomass Fuel Distributor Biomass Fuel Distributor Trading in Real Estate Biomass Fuel Distributor Trading and Renting in Real Estate and Parking Service Biomass Fuel Distributor Real Estate Rental, Real Estate Services, Parking Service 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
		Progress			Present 2007 – Present	Director	Pornpreecha Co., Ltd.	Buying and Selling Non- owned Property for Residence
					2007 – Present	Director	Asia Biomass Plc.	Biomass Fuel Distributor
Mr. Panom Kuansataporn Director/ Member of Nomination and Remuneration Committee	71	<u>Educational Qualifications</u> - Master's degree Public Administration, Bangkok Thonburi University - Bachelor's degree Public Administration, Bangkok Thonburi University <u>Training</u> - Director Accreditation Program (DAP) Course 68/2008	17.34	Spouse of Mrs. Natpapha Kuansataporn and father of Ms. Tiya Kuansataporn	2017 – Present 2017 – Present 2017 – Present 2016 – Present 2015 –	Director Director Director Chairman of the Board of Directors, Managing Director, and Chairman of Executive Committee Director / Managing Director Director	Nadee Asset Co., Ltd. Kok Huat Property Co., Ltd. Sathaporn Asset Co., Ltd. AGE Marine Logistics Co., Ltd. AGE Global Trade Co., Ltd. Asia Biomass Plc.	Real Estate, Land, and Buildings Rental Real Estate, Land, and Buildings Rental Real Estate, Land, and Buildings Rental Goods Transportation Importing, Sizing, and Selling Coal 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
		- Senior Executive Program, Course 13, Capital Market Academy (CMA)			Present			
		- Senior Executive Program in Energy Science (CDC), Class 8/2016			2015 – Present	Chairman of the Board of Directors/ Managing Director /	Pian Green Power Co., Ltd.	Power Plant and Electricity Generation and Distribution
					2014 – Present	Chairman of Executive Committee Chairman of the Board of Directors/ Director / Chairman of Executive Committee	A Engineering Consultant Co., Ltd.	Power plant and Electricity Generation and Distribution
					2013 – Present	Director	Nathaphat Pattana Co., Ltd.	Real Estate Rental, Real Estate Services, Parking Service
					2012 – Present	Director Director / Chairman of Executive Committee / Managing Director	AGE Terminal Co., Ltd.	Unloading and Sorting Coal and Boat Docking Services (all types of water transportation)
					2010 –	Director / Chairman	Asia Green Energy PCL.	Coal Imports and Exports

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
					Present	of Executive Committee / Managing Director Director/ Managing Director		Product Transportation Services
					2008 – Present	Director	A.G.E. Transport Co., Ltd.	Commercial Building Development
					2008 – Present	Director	Dao Siri Villa Co., Ltd.	Particleboard Manufacturing
					2004 – Present	Director	Asia Panel Co., Ltd.	Trading in Real Estate
					1999 – 2019	Director	Kasikum Rimthala Co., Ltd.	Trading in Real Estate
					1995 – Present	Director	Petchdaporn Co., Ltd. Phanom Namchai Farm Co., Ltd.	Trading in Real Estate Building Rental
					1994 – Present	Director	Mankhong Thanasap Co., Ltd.	Agricultural Gardening
					1991 – Present	Director	Mahapol Karnkaset Co., Ltd.	Trading in Real Estate
					1991 –	Director	Sinmahachai Pattana Co.,	Power plant and Electricity

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
					Present		Ltd.	
					1991 –	Director	Kamphaeng Phet Solar	Generation and Distribution
					Present		Power Co., Ltd.	Trading in Real Estate
					1990 – 2016	Director	Pornpreecha Co., Ltd.	Utilities Providing and Service
					1996 –	Director	At Energy Solution Co.,	Electric Power, Steam and
					Present		Ltd.	Heat Manufacturing, Selling and Service
					2019 –	Director	At Energy One Co., Ltd.	Electric Power, Steam and
					Present			Heat Manufacturing, Selling and Service
					2020 –	Director	At Holdings Vietnam Co.,	
					Present		Ltd.	
					2020 –	Chairman of the	Grand Power Co., Ltd.	Coal Distributor
					Present	Board of Directors/ Managing Director / Chairman of Executive Committee	(2019)	
					2014 – 2019	Chairman of the	Multi Energy Trading Co.,	Fuel Distributor
						Board of Directors/ Managing Director / Chairman of	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
Mr. Sarit Chockchainiran Independent Director/ Chairman of the Audit Committee	46	<u>Educational Qualifications</u> - Ph.D. in Business Administration, Manchester Business School, UK. - Master's degree in Finance, London Business School, UK. - Bachelor's degree in Commerce, The University of Melbourne, Australia <u>Training</u> - Director Certification Program (DCP) Class 230/2016 - Director Accreditation	None	None	2019 – Present	Executive Committee 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, Commercial Buildings, and Structures
					2016 – Present	Director	Choengmon Real Estate Co., Ltd.	Real Estate
					2015 – Present	Director Independent Director / Chairman of the Audit Committee	Asia Biomass Plc.	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
		Program (DAP) Class 118/2015			2015 – Present	Director	NYE Aree Co., Ltd.	Real Estate
					2015 – Present	Director	N.Y.E. Khao Yai Co., Ltd.	Real Estate
					2015 – Present	Director	NV Sawasdee Co., Ltd.	Developing Real Estate for Sale.
					2015 – Present	Director	NV Sangthong Co., Ltd.	Developing Real Estate for Sale.
					2014 – Present	Director	NYE Development Co., Ltd.	Real Estate
					2013 – 2019	Director	NYE Estate Co., Ltd.	
					2011 – Present	Managing Director	PYI Capital Co., Ltd.	Real Estate
					2005 – Present	Managing Director	EFFINITY CO., LTD.	Consultant
					2013 – Present	Director	Nye Estate Co., Ltd.	Consultant
					2014 – Present	Director	Koon Capital Partners Co., Ltd.	Real Estate
					2014 – Present	Director	NV Taweasuk Co., Ltd.	Invest in Related Companies 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
Mr. Wichai Pornkeeratiwat Independent Director/ Audit Committee/ Chairman of the Nomination and Remuneration Committee	69	<u>Educational</u>	None	None	2015 –	Director / Audit	Thai Future Energy	Other Financial
		<u>Qualifications</u>			Present	Committee	Holding Co., Ltd.	Intermediaries Which Are Not Classified
		- Master's degree in Public and Private Management, National Institute of Development Administration			2014 –	Independent	Asia Biomass PCL	Biomass Fuel
		- Bachelor of Engineering Electrical Engineering, Khon Kaen University			Present	Director / Member of the Audit Committee		Distributor
		<u>Training</u>			2014 –	Director / Audit	Kiatthana Transport PCL.	Providing Transportation
		- Director Course Certification Program (DCP) Class 111/2008			Present	Committee		Services for Hazardous Materials, Petrochemicals and Other Special Products.
		- Asean Executive Program (AEP) , GE Management Development Institute						

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
		- Senior Executive Program (SEP), Graduate Institute of Business Administration Sasin of Chulalongkorn University - NIDA-Wharton Executive Leadership Program, The Wharton School, University of Pennsylvania, USA.						
Miss Pinmanee Makmontana Director/Independent Director/The Audit Committee	56	<u>Educational Qualifications</u> - Master’s Degree Business Administration, The Nation Institute of Development Administration (NIDA). - Master’s Degree	None	None	2019 – present 2018 – present 2018 – 20222565 2009 - 2011	Managing director Director/The Audit Committee Director/Independent Director/The Audit Committee Managing Director	KTBST Securities Public Co., Ltd. Teka construction Co., Ltd. Asia Green Energy Public Co., Ltd. Triple a plus advisory Co.,	Providing financial and investment services Construction Contractor Building Jobs Import and sale of coal 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
		Business Administration, The Nation Institute of Development Administration (NIDA). <u>Training</u> - Director Accreditation Program 89/2011, Thai Institute of Directors (IOD) - Ethical Leadership Program 5/2016, Thai Institute of Directors (IOD) - Guidelines for doing Due Diligence according to the new manual. investment banking club, The Association of Thai					Ltd.	

Name-Surname / Position	Age (years)	Educational / Training background	Shareh olding propor tion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		Securities Companies - Corporate Governance for Business Sustainability investment banking club, The Association of Thai Securities Companies and Thai Institute Of Directors : IOD - Challenge and issue in financial Reporting for going public companies investment banking club, The Association of Thai Securities Companies - Practical accounting issues with IPD, the investment banking club. The Association						

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
		of Thai Securities Companies						
Mr. Pongtham Danwungderm Deputy Managing Director/ Executive Committee / Chief Financial Officer (CFO)	36	<u>Educational Qualifications</u> - Master in Finance, London Business School, UK. - Bachelor's degree, BBA (International Program), Thammasat University <u>Training</u> - Orientation Course - CFO Focus on Financial Reporting Class 7	2.82	Son-in-law of Mr. Panom Kuansataporn	2018 – Present 2018 – Present 2018 – Present 2017 – Present 2013 – 2017 2011 – 2012 2013 – 2011 2007 – 2010	Director Chief Financial Officer (CFO) Director Deputy Managing Director/ Executive Director Director of Research division and Investment Services Director of Research division Manager of Securities Analysis Division	ABM Pellets Co., Ltd. Asia Biomass PCL Thai Tomodachi Co., Ltd. Asia Biomass PCL Capital Nomura Securities Public Company Limited KGI Securities PCL Trinity Securities Co., Ltd. PTT Chemical PCL	Wood Chips and Biomass Briquettes Production Biomass Fuel Distributor 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
Mr. Chairat Dejpaiboonoyot Assistant Director of Sales and Marketing	38	<u>Educational Qualifications</u> - Bachelor of Political Science, Ramkhamhaeng University <u>Training</u> - The Observation of Successful Factory in Energy Conservation Project , The Federation of Thai Industries - Reduction of Supply Chain and Logistics Costs, Department of Industrial Promotion Logistics Division - Boiler Technology	0.02	Son of Mrs. Natpapha Kuansatapor n's younger brother	Financier			
					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	Asia Biomass PCL	Biomass Fuel Distributor
					2013 – 2015	Manager of Sales Coordination Department	Asia Biomass PCL	Biomass Fuel Distributor
					2012 – 2013	Assistant Manager of Sales Coordination Department	Asia Biomass PCL	Biomass Fuel Distributor
					2012	Head of Sales Coordination Department	Asia Biomass PCL	Biomass Fuel Distributor
					2011 – 2012	Sales coordinator	Asia Biomass PCL	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
		Course, Mahanakorn University of Technology - Academic Seminar: Thai Energy in the Global Energy Trend, Federation of Thai Industries						
Mr. Prutthipol Soisuwan <i>Director of Sourcing and Supply Chain BU 2</i>	41	<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	None	None	2017 – Present	Director of Procurement and Supply Chain (BU2) Biomass Fuel	Asia Biomass PCL	Biomass Fuel Distributor
					2015 – 2016	Purchasing Manager 2	Asia Biomass PCL	Biomass Fuel Distributor
					2013 – 2015	Wood By-product Manager	Siam Forestry Co., Ltd.	Forestry and Other Forestry Activities
					2011 – 2013	Contract Farming Manager	Siam Forestry Co., Ltd.	Forestry and Other Forestry Activities

Name-Surname / Position	Age (years)	Educational / Training background	Shareh olding propor tion (%)	Family Relationship among Executives	Work Experience in the Past 5 Years			
					Duration	Position	Name of Organization/Company	Type of Business
		Council (FSC) Class 1 - 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. - Forest Management /Chain of Custody FSC						

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
		organized by Bureau Veritas Thailand Co., Ltd.						
Mrs. Apiratee Sakulin Director of Human Resources and Administration/ Company Secretary	50	<u>Educational</u> <u>Qualifications</u> - Master's degree in General Management, Ramkhamhaeng University - Bachelor's degree in Secretarial, Faculty of Business Administration, University of the Thai Chamber of Commerce	0.02	None	2019 – Present	Director of Human Resources and Administration	Asia Biomass PCL	Biomass Fuel Distributor
					2017 – 2019	Assistant Director of Human Resources and Administration	Asia Biomass PCL	Biomass Fuel Distributor
					2015 – Present	Company Secretary	Asia Biomass PCL	Biomass Fuel Distributor
					2008 – 2015	Secretary to the Managing Director	Asia Green Energy Plc.	Import-Distribute Coal
		<u>Training</u> - Company Secretary Training Course 1/2018 Advances for Corporate Secretaries						

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 company and related company

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiya Mekpongsatorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pornkeratiwat	Miss Patrawan Manutsathit	Mr. Pongtham	Mr. Prutthipol Soisuwan	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.				/							

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiya Mekpongsatorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pomkeratiwat	Miss Patrawan Manutsathit	Mr. Pongtham	Mr. Pruthipol Soisuwan	Mr. Chairat Dejpai-boonyot	Mrs. Apiratee Sakulin
AGE Terminal Co., Ltd.				/ //							
AGE Trade Co., Ltd.				/ //							
AGE Global Trade Co., Ltd.				/							
AGE Marine Logistics Co., Ltd.				/							
Pornpreecha Co., Ltd.		/	/								
K.H. Development Co., Ltd.		/	/	/							
Gems Logistics Co., Ltd. 888		/									
Nathaphat Pattana Co., Ltd.			/	/							
Sinmahachai Pattana Co., Ltd.			/	/							
Kasikum Rimthalee 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.				/							

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiya Mekpongsatorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pomkeratiwat	Miss Patrawan Manutsathit	Mr. Pongtham	Mr. Pruthipol Soisuwan	Mr. Chairat Deipaiboonoyot	Mrs. Apiratee Sakulin
SINSAPSATHAPORN Co., Ltd.				/							
Siam Global House Plc.	X										
Sea Oil Plc.	X										
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.					/						

	Mr. Apisit Rujikestkamjorn	Mrs. Natpapha Kuansataporn	Miss Tiya Mekpongstorn	Mr. Panom Kuansataporn	Ph.D. Sarit Chokchainirand	Mr. Wichai Pomkeratiwat	Miss Patrawan Manutsathit	Mr. Pongtham	Mr. Pruthipol Soisuwan	Mr. Chairat Dejpai-boonyot	Mrs. Apiratee Sakulin
Sathorn Prime Holdings Two Co., Ltd.					/						
NV TAWESUK 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 2022 Period

	Name	Number of shares (shares)			Note
		As of 31 December 2021	As of 31 December 2022	Increase (decrease) During the year (shares))	
Board of Directors					
1	Mr. Apisit Rujikestkamjorn	15,000,099	20,000,132	5,000,033	There was a purchase/sale transaction of ABM shares during the year 2022.
	Spouse and children under legal age	-	-	-	-
2	Mrs. Natpapha Kuansataporn	14,970,198	19,960,264	4,990,066	There was a purchase/sale transaction of ABM shares during the year 2022.
	Spouse (Mr. Panom Kuansataporn)	58,529,805	78,039,740	19,509,935	There was a purchase/sale transaction of ABM shares during the year 2022.
	Children under legal age	-	-	-	-
3	Miss Tiyada Mekpongsatorn	10,102,674	13,470,232	3,367,558	There was a purchase/sale transaction of ABM shares during the year 2022.
	Spouse and children under legal age	-	-	-	-
4	Mr. Panom Kuansataporn	58,529,805	78,039,740	19,509,935	There was a purchase/sale transaction of ABM shares during the year 2022.
	Spouse (Mrs. Natpapha Kuansataporn)	14,970,198	19,960,264	4,990,066	There was a purchase/sale transaction of ABM shares during the year 2022.
	Children under legal age	-	-	-	-
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 Pinmanee Makmontana	-	-	-	No ABM share held
	Spouse and children under legal age	-	-	-	-

	Name	Number of shares (shares)			Note
		As of 31 December 2021	As of 31 December 2022	Increase (decrease) During the year (shares))	
Company's management					
8	Mr. Pongtham Danwungderm	7,131,801	12,687,412	5,555,611	There was a purchase/sale transaction of ABM shares during the year 2022.
	Spouse (Miss. Panita Kuansataporn)	10,102,674	13,470,232	3,367,558	There was a purchase/sale transaction of ABM shares during the year 2022.
	Children under legal age	-	-	-	-
9	Mrs. Apiratee Sakulin	74,901	99,868	24,967	There was a purchase/sale transaction of ABM shares during the year 2022.
	Spouse and children under legal age	-	-	-	-
10	Mr. Prutthipol Soisuwun	-	-	-	No ABM share held
	Spouse and children under legal age	-	-	-	-
11	Mr. Chairat Dejpaiboonyot	59,802	59,802	-	No trading transaction of ABM shares in 2021
	Spouse and children under legal age	-	-	-	-

Attachment 2 Information of Directors and subsidiaries

	Mrs. Natpapha Kuansataporn	Miss Tiya Mekpongsatorn	Miss Pimyada Kuansataporn	Mrs. Panida Kuansataporn	Mr. Pongtham Danwungderm	Miss Buakhaw Chuenkul	Mrs. Apiratee Sakulin	Miss Lawan Sricha-um	Miss Buncharee Pipopsukavadee	Mr. Law Hieng Chai	Mr. Ho Kim Hee	Mr. Lai Che Sieng
Sataporn Thanapat Co., Ltd.	/			/								
Paprapa Co.,Ltd.	/	/	/									
Alpha G Venture Co., Ltd.								/	/			
PT. Asia Biomass Indonesia		/				/						
Asia Biomass Energy SDN. BHD		/			/	/				/		
Asia Biomass Resources SDN. BHD.		/			/	/	/			/	/	/
PKS Intertrade Co., Ltd.								/	/			
PKS Agri trade Co., Ltd.								/	/			
Thun Tham Dee Co., Ltd.		/			/							

Remark : / = Directors

X = Chairman of the Board

// = Executive Committee

Details of directors and persons with controlling power in subsidiaries

Name		Sataporn Thanapat Co., Ltd.
1. Mrs. Natpapha	Kuansataporn	C D S
2. Mrs. Panida	Kuansataporn	D S
Name		Paprapa Co.,Ltd.
1. Mrs. Natpapha	Kuansataporn	C D S
2. Miss Pimyada	Kuansataporn	D S
3. Miss Tiyaada	Mekpongsatorn	D S
Name		Alpha G Venture Co., Ltd.
1. Miss Lawam	Sricha-um	D
2. Miss Buncharee	Pipopsukavadee	D
Name		PT. Asia Biomass Indonesia
1. Miss Tiyaada	Mekpongsatorn	C D S
2. Miss Buakhaw	Chuenkul	D S
Name		Asia Biomass Energy SDN. BHD.
1. Miss Tiyaada	Mekpongsatorn	C D S
2. Mr. Pongtham	Danwungderm	D
3. Miss Buakhaw	Chuenkul	D S
4. Mr. Law Hieng Chai		D S
Name		Asia Biomass Resources SDN. BHD.
1. Miss Tiyaada	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
Name		PKS Intertrade Co., Ltd.
1. Miss Lawam	Sricha-um	D
2. Miss Buncharee	Pipopsukavadee	D
Name		PKS Agri trade Co., Ltd.
1. Miss Lawam	Sricha-um	D
2. Miss Buncharee	Pipopsukavadee	D

Name		Thun Tham Dee Co., Ltd.
1	Miss Tiya	Mekpongsatorn D
2.	Mr. Pongtham	Danwungderm 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 Information of the Head of Internal Audit and the Head of the Company's Compliance

Profile of Ms. Kitlada Somngam

Name	Age	Education & Training History	Work Experiences (5 years ago)		
			Duration	Position	Company Name
Ms. Kitlada Somngam Certified Professional Internal Audit of Thailand (CPIAT)	37	<u>Education</u> <ul style="list-style-type: none"> Bachelor of Management, majoring in Accounting Information System, Walailak University <u>Training History</u> <ul style="list-style-type: none"> Business in Digital Era and Law Risk Collective Action Coalition Against Corruption (CAC) How to Write the Fact Finding International Standards for the Professional Practice of Internal Auditing IT Audit Process Integrated Audit of Sales and Receivable System Organic Act on Counter Corruption B.E. 2542 (1999) Internal Auditor Standards Part 1 Internal Audit Program : Prepared Course for Certified Internal Auditor (Pre-CIA), Chulalongkorn University Internal Audit Comprehensive : IAC Good internal control system for service businesses (Hospital) 	2007 – 2010	• Internal Auditor	• Dharmniti Auditing Co., Ltd.
			2010 – 2013 2014 – 2015	• Senior Internal Auditor • Assistant Director of Risk Management and Internal Audit division	
			2016 – 2017 2018 – Present	• Manager • Deputy Director	• Dharmniti Internal Audit Co., Ltd.

Name	Age	Education & Training History	Work Experiences (5 years ago)		
			Duration	Position	Company Name
		<ul style="list-style-type: none"> • Good internal control system for manufacturing • Good internal control system for energy business • Control process Warehouse and delivery system (Inventory & Delivery) • Control process accounting and finance system • Control process human resource management system • Control process procurement system • Digital Asset : General knowledge and related laws • Basic knowledge of customs duties • Cyber Security Audit • General control of information technology systems (ITGC) • Thailand's Personal Data Protection Act (PDPA) B.E.2562 (A.D.2019) • Training course "Preparation of Form 56-1 One Report - Reporting on Sustainability • Agile Auditing • Asian Confederation of Institutes of Internal Auditors Conference 2022 (Bangkok, Thailand) 			

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

N/A

Attachment 5 Policy and practice of corporate governance

The company has disclosed information Corporate Governance Policy and Guidelines The details appear on the company website under the heading "Good Corporate Governance" where the company is aware of the responsibility that it should have to all stakeholders under the framework of business ethics. and work practices. Therefore, it is deemed appropriate that the principles of corporate governance be compiled and developed. to be a guideline for managing the organization Makes sure that any action Act with fairness and take into account the best interests of shareholders and stakeholders. The Board of Directors adheres to In the principle of conducting business with sincerity and honesty, policies, plans, strategies, operations and evaluations are established. As well as operating and supervising risk management in a transparent and verifiable manner in order to achieve the most effective goals.

The company is committed to conducting business in accordance with the principles of corporate governance continuously. along with being responsible for Thai society This is for the benefit of the stakeholders. and society as a whole

Company's website

<https://www.asiabiomass.com/en/>

Corporate Governance

<https://www.asiabiomass.com/en/download/good-corporate-governance/?wpdmdl=2504&refresh=6434f440b3aef1681192000>

Code of Conduct

<https://www.asiabiomass.com/en/download/business-ethics-handbook-and-work-practices/?wpdmdl=2498&refresh=6434f441148e41681192001>

Attachment 6 Report of the Committee

Report of the Audit Committee

Dear Shareholders of Asia Biomass Public Company Limited

The Audit Committee of Asia Biomass Public Company Limited consists of 3 independent directors who are highly qualified in finance, accounting, and management, and meet all the qualifications as specified in the Audit Committee Charter as listed below:

- | | |
|-----------------------------|---|
| 1. Dr. Sarit hockchainiran | Chairman of the Audit Committee
and Independent Director |
| 2. Mr. Wichai Pornkeratiwat | Member of the Audit Committee
and Independent Director |
| 3. Ms. Pinmanee Mekmontana | Member of the Audit Committee
and Independent Director |

The company secretary performs as the secretary of the Audit Committee.

The Audit Committee performs its duties in accordance with the committee charter, as assigned by the Board of Directors, which is in line with the requirements of the Stock Exchange of Thailand. During the fiscal year 2022, the Audit Committee held 5 meetings to consider various matters and consulted with the Risk Management Committee, Dharmniti Internal Audit Company Limited, and relevant auditors as necessary. The Audit Committee reported the results of each meeting to the Board of Directors, and the key points of their missions are summarized as follows:

Financial Report

The Audit Committee has reviewed the quarterly financial statements, annual financial statements, and consolidated financial statements of the Company and its subsidiaries with the Company's auditors and executives. The auditors have provided an unqualified opinion on the financial statements. The Audit Committee has inquired about and considered Key Audit Matters (KAMs) with the auditors, as well as changes in accounting and financial reporting standards. The financial information disclosed in the financial statements is timely, sufficient, and useful for financial statement users, along with recommendations for improvement. The Audit Committee has provided beneficial comments to ensure the accuracy, reliability, and compliance with financial reporting standards of the Company's financial statements.

Related-Party Transactions or Transactions That May Have Conflicts of Interest

The Audit Committee has considered and provided opinions on related-party transactions or potential conflicting transactions that may affect the benefits of the Company and its subsidiaries before presenting to the



Board of Directors or shareholders in accordance with the principles of accuracy, caution, reasonableness, and transparency, taking into account the benefits of the Company and its stakeholders, as well as the disclosure of sufficient information consistent with the principles of good corporate governance and the regulations of the Stock Exchange of Thailand.

Internal Control and Risk Management

The Audit Committee has reviewed the adequacy of the internal control system by Dharmniti Internal Audit Company Limited, as well as the risk management, operations, asset management, prevention of errors, damages, or corruption, and compliance with laws, regulations, and rules. The review is based on significant findings reports from the internal auditor and the account auditor. The Audit Committee considered important issues raised in the audit reports and acknowledged the significant risk management practices of the organization through meetings with the Risk Management Committee. The Audit Committee provided comments on the appropriateness and effectiveness of the internal control system and the risk management of the Company.

Corporate Governance

The Audit Committee has verified that the Company has implemented good corporate governance principles to ensure transparent and ethical practices in its operations. This builds confidence and trust among stakeholders by adhering to policies and measures that prevent corruption.

Auditor Selection Process and Remuneration Determination

The Audit Committee has selected and reviewed the audit fees of the certified public accountants from A&A Office Company Limited, considering the qualifications of 4 auditors, namely Ms. Yupin Chumjai, CPA No. 8622, Mr. Preecha Suan, CPA No. 6718, Mr. Somchat Kalasuk, CPA No. 9669, and Ms. Pitinun Pattaraklitidej, CPA No. 10467. These 4 accountants have no relationship or interest in the Company, its subsidiaries, directors, major shareholders, or any related persons. If these accountants are unable to perform their duties, A&A Office Company Limited will seek other certified public accountants to audit and provide opinions on the financial statements of the Company. The Audit Committee believes that A&A Office Company Limited has the knowledge, experience, independence, and understanding of the Company's business as required by the Stock Exchange of Thailand or other relevant agencies. Therefore, the Audit Committee recommended to the Board of Directors to appoint the certified public accountants from A&A Office Company Limited as the Company's auditors and present the appointment to the 2023 Annual General Meeting of Shareholders for approval.

Self-Assessment for the Audit Committee as Whole Group

The self-assessment score of the Audit Committee as a whole group is 91.66 percent, an excellent level, indicating that the Audit Committee has fulfilled its duties completely as assigned by the Board of Directors, and their work aligns with best practices.

The Audit Committee has fulfilled its duties in accordance with the Audit Committee Charter by utilizing its knowledge, capabilities, caution, and independence. The Audit Committee is on the opinion that, in the fiscal year ended on December 31, 2022, the Company has prepared accurate financial statements in accordance with the financial reporting standards and has disclosed sufficient information. Additionally, the Company's business operations have appropriate internal control systems for risk management, compliance with relevant laws and regulations, and appropriate practices.



(Dr. Sarit Chokchainirand)

Chairman of the Audit Committee (Independent Director)

Report of the Nomination and Remuneration Committee

Dear Shareholders

Asia Biomass Public Company Limited
has established the Nomination and Remuneration Committee
consisting of 3 members, with the Chairman
of the Nomination and Remuneration Committee being an
independent director who does not serve on any other sub-committees.

The current Nomination and Remuneration Committee comprises of:

1. Mr. Wichai Pornkeratiwat Chairman of the Nomination
and Remuneration Committee
2. Mr. Panom Kuansataporn Member of the Nomination and Remuneration Committee
3. Ms. Tiya Mekpongsatorn Member of the Nomination and Remuneration Committee

In 2022, the Nomination and Remuneration Committee performed its duties within the scope of responsibility as specified in the committee charter, as approved by the Board of Directors. There were 2 meetings held. (Directors would not participate in the agenda item where they have a conflict of interest.) The results of the meetings are reported to the Board of Directors with important matters discussed and summarized as follows:

1. Nomination

- The Board of Directors reviewed the criteria for shareholders to nominate individuals as directors and the agenda for the upcoming annual shareholder meeting. They also provided an opportunity for minority shareholders to propose agenda items and nominees for director positions before the 2023 Annual General Meeting of Shareholders for 3 months in advance, from October 1, 2022, to December 30, 2022, in order to comply with good corporate governance principles and benefit all parties involved. However, no shareholder nominated anyone for the director position during the aforementioned period to propose at the 2023 Annual General Meeting of Shareholders. As a result, the Board of Directors proposed suitable candidates for the upcoming annual shareholders' meeting.
- It considered selecting a suitable candidate to fill a vacancy for a board member who resigned from the position in 2022 and has not been replaced. Therefore, a suggestion has been proposed for the Board of Directors to consider appointing a new member to fill the vacancy. The Board of Directors has reviewed and submitted a list of names to be presented at the 2023 Annual General Meeting of Shareholders.
- There are criteria for selecting board members based on the nature of the business and the Company's strategy. The qualifications of the desired board members must be appropriate and diverse in the board structure (Board Diversity). The Board Skills Matrix is established to determine the qualifications of the board members to be selected, based on the necessary skills, suitability, and alignment with the composition and structure of the board according to the Company's business strategy. Individuals with specific expertise, including experience, knowledge, and abilities beneficial to the Company, as well as



experience in working in business, are selected to determine suitable candidates to become board members. However, all appointed board members must meet the qualifications outlined in Section 68 of the Public Limited Companies Act B.E. 2535, (including amendments), comply with the regulations of the Securities and Exchange Commission, not have any prohibitive characteristics under the Securities and Exchange Act (including amendments), and comply with relevant laws, regulations, the Company's articles of association, and the Board of Directors Charter. Additionally, newly appointed board members undergo orientation and continuous development to enhance their knowledge and skills.

- Results of appropriate management continuity and succession plan for top executive positions for the year 2022 were reviewed, summarized, and reported to the Board of Directors for acknowledgment.

2. Remuneration

- Consideration of remuneration for the Board of Directors and sub-committees, including the managing director, should take into account their suitability for their responsibilities and duties, linked to the Company's performance and operational results. This should be compared with similar companies in the same industry and of similar size.
- Consideration of setting the compensation for the managing director for the year 2023 based on performance results, as well as the assigned responsibilities and duties, to propose to the Board of Directors.

3. Performance Assessment of the Board of Directors and Top Executives for 2022

- Consider reviewing and improving the performance assessment form for the Board of Directors for the year 2022, both as a group and individually, by incorporating the assessment results as part of the determination of their annual remuneration. In addition, the Company's performance was assessed to be at a good level.
- Consider assessing the performance of the managing director for the year 2022 in order to propose to the Board of Directors.

4. Performance Development and Improvement

- Schedule a plan for the predetermined Nomination and Remuneration Committee meetings for the entire year with a minimum of 2 meetings annually. Additional meetings may be scheduled as necessary to review progress, receive reports, and provide feedback to the Company. During these meetings, suggestions and recommendations may be presented to the Board of Directors and the management division.
- Review and improve the performance assessment forms for the Nomination and Remuneration Committee for the year 2022 both as a group and individual member to ensure that the forms are comprehensive, up-to-date, and aligned with the CG Code.
- Conduct a performance assessment for the Nomination and Remuneration Committee for the year 2022, resulting in an overall average score of 95.00 percent. The assessment result is reported to the Board of Directors and disclosed in the annual report of the Company.
- Review and update the Nomination and Remuneration Committee Charter to ensure that they are current and in line with any relevant criteria that may have changed, including the assessment criteria and individual development plan (IDP) for being used to create a succession plan.

- Review and revise the Skill Matrix to ensure that skills, experience, and professional diversity are aligned with the necessary business operations of the Board of Directors, in accordance with the CG Code.

In the past year 2022, the Nomination and Remuneration Committee has performed its duties with utmost care, caution, and independence, in accordance with the best interests of the Company and its shareholders. The Nomination and Remuneration Committee has diligently carried out its responsibilities to ensure that operations are transparent and conducted with integrity, in line with the established principles of good corporate governance, which will ultimately contribute to creating sustainable long-term value for the Company.



(Mr. Wichai Pornkeratiwat)

Chairman of the Nomination and Remuneration Committee

Attachment 7 Charter

Charter of the Board of Directors

<https://www.asiabiomass.com/en/download/charter-of-the-board-of-directors/?wpdmdl=2510&refresh=6434f4420cd241681192002>

Charter of the Audit Comitee

<https://www.asiabiomass.com/en/download/audit-committee-charter/?wpdmdl=2508&refresh=6434f442516a81681192002>

Charter of Nomination and Remuneration Committee

<https://www.asiabiomass.com/en/download/nomination-and-remuneration-committee-charter/?wpdmdl=2506&refresh=6434f442b77d71681192002>

Charter of Executive Committee

<https://www.asiabiomass.com/en/download/executive-committee-charter/?wpdmdl=2509&refresh=6434f4422df411681192002>

Charter of Risk Management Committee

<https://www.asiabiomass.com/en/download/risk-management-committee-charter/?wpdmdl=2507&refresh=6434f442852771681192002>



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