



ACE
ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

Annual Report
2021
(Form 56-1 One Report)

ACE

ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

Table of Contents

Vision, Mission, Goals and Business Strategy of the Company	4
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Message from the Chairman of Executive Committee	8
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Part 1: Business and Operating Performance

1. Business Structure and Operating Performance	13
1.1 Business Overview	13
1.2 Nature of Business	31
1.3 The Company Group Structure	72
1.4 Number of Registered and Paid-up Capital	78
1.5 Other Securities Issuance and Company Credit Rating	79
1.6 Dividend Policy	79
2. Risk Management	82
2.1 Risk Management Policy	82
2.2 The Risk Factors	85
3. Steering Business towards Sustainability	106
3.1 Sustainability Management Policy and Goals	106
3.2 Sustainability Management in Business Value Chain	108
3.3 Sustainability Management in Environmental Dimensions	117
3.4 Sustainability Management in Social Dimensions	127
4. Management Discussion and Analysis	146
4.1 Summary of Financial Information	146
4.2 Analysis of Operation and Financial Position	154
5. Other Important Information	171
5.1 Reference	171
5.2 Legal Disputes	171

Part 2: Corporate Governance

6. Corporate Governance Policy	175
6.1 Overview of Corporate Governance Policy and Practice	175
6.2 Company Code of Conduct	185
6.3 Significant Changes to Policies, Guidelines and Systems of Corporate Governance in the Past Year	190
7. Corporate Governance Structure and Information of Board of Directors, Sub-Committee, Management, Employees and Others	192
7.1 Corporate Governance Structure	192
7.2 Board of Directors	193
7.3 Sub-Committees Information	220
7.4 Management Executives	234
7.5 Employees	237
7.6 Other Information	239
8. Corporate Governance Report	241
8.1 Summary of the Performance of the Board of Directors in the past year	241
8.2 Audit Committee Report	253
9. Internal Control and Connected Transaction	257
9.1 Internal Control	257
9.2 Connected Transactions	265

Part 3: Financial Statements

Report of the Board of Directors' Responsibilities for Financial Statements	284
Consolidated and Separate Financial Statements	285

Attachment

1. The Company Directors, Executives, Executives Directors and Company Secretary	386
2. Details of Directors of Subsidiaries	410
3. Details of Head of Internal Audit	411
4. Business Assets and Details on Asset Valuation	412



Vision

A world leading clean and sustainable power producer, that is responsible
for environment, society, and shareholders under good governance

Mission

- 1) To be one of the world's leading power producers with the most effective electricity generating system.
- 2) To expand our business both domestically and internationally.
- 3) To create continuous prosperity and everlasting longevity through sustainable business practices that are responsible to environment, society, and shareholders.
- 4) To operate the business under good governance.



Goals

The Company aim to expand the investments in clean energy power plants which are responsible for the environment and community both domestically and internationally. The Company operates biomass power plant, solid waste power plant, solar energy power plant, and natural gas power plant. The Company utilizes its expertise, experiences and advantages in this field, to improve the quality of life of farmers, who are our business partners; and communities surrounding the Group's power plants. The Company also aims to increase the total installed capacity of the power plants to exceed 1,000 megawatts by 2024.

As of 31 December 2021, the Company has the power plant projects which already commenced commercial operations with the installed capacity of 257.57 megawatts, the power plant projects under-development with the installed capacity of 270.80 megawatts, resulting in a total installed capacity of 528.37 megawatts. The Company aims to increase the total installed capacity for power generation to 1,000 megawatts by 2024. The 1,000 megawatts goal covers installed capacity of both the power plants that commences commercial operations and the power plants under development but have signed power purchase agreement. The goal is challenging but feasible, the Company has plan to invest in many projects, including both public and private sectors projects, new and existing projects, inside and outside the country.

Business Strategy

The Company has defined the business strategy as follows:

- Develop an organization to meet the needs of all sector
- Systematically manage company
- Develop proficiency in management
- Innovative Creation for the highest performance electricity generator
- Develop and provide stable and sustainable fuel
- Create profitability along with social and environmental responsibility
- Growth stable and sustainable



จิรฐา ทรงเมตตา

Ms. Jiratha Songmetta
Chairman of Executive Committee

Message from the Chairman of Executive Committee

Dear Shareholders,

The year 2021 was another year that Thailand and the world had consecutively faced with the COVID-19 pandemic since the previous year. As a result, the economy of Thailand in 2021, which, although not contracting as severely as in 2020, had expanded only by 1.6%. It can be said that the overall Thai economy in 2021 was still in mediocre state. However, 2021 was still another fruitful year for Absolute Clean Energy Public Company Limited with good performance and satisfactory growth. The revenue from sales and services amounted to 5,726.9 million Baht, increasing by 14.8% from that in 2020 which was 4,987.6 million Baht, and the net profit was 1,505.7 million Baht, close to that in 2020 which was 1,507.6 million Baht.

In addition, 2021 was also a year of successful business expansion and development of the Company with many pieces of good news. For instance, 1) Subsidiaries won the bids and were selected to invest in and carry out 2 municipal solid waste management projects by converting the waste to electric power, amounting to a total installed capacity of 19.8 megawatts and a total sales capacity of 16.0 megawatts; 2) Subsidiaries won the bids and were selected to join 18 community power plant projects for the foundation economy (pilot project), which are biogas power plants (fuel crops) with a total installed capacity of 59.0 megawatts and a total sales capacity of 50.0 megawatts; 3) VSPP Khlong Khlung Biomass Power Plant of a subsidiary with 9.9 megawatts of installed capacity achieved Commercial Operation Date (COD) as planned; and 4) The Company was assigned the company credit rating for the first time at “BBB+” with “Stable” outlook by TRIS Rating Company Limited. The said company credit rating is part of the preparation plan for funding sources to support business expansion and future investments.

For the operational direction in 2022, the Company will continue to focus on building growth while increasing efficiency and controlling costs. In terms of building business growth, the Company continues to increase generation

capacity to reach the target installed capacity of not less than 1,000 megawatts by 2024. The Company will participate in bidding for various clean energy power plant projects that the government may offer such as the community power plant projects phase 2, the municipal waste power plant projects, and industrial waste power plant projects, all of which as appropriate. This includes the possibility that the Company may acquire additional power plant projects both domestically and internationally via M&A processes. In addition, the Company has planned to make use of innovations and new technologies to increase efficiency of productions and business operations. It will continue to seek opportunities to use such innovations, technologies, and expertise to add business value and have them serve as the New S-Curve for the Company also. The Company will also develop the ecosystem of its clean energy business to be more comprehensive.

On behalf of Absolute Clean Energy Public Company Limited, I would like to thank our shareholders, customers, partners, business alliances, agriculturists, communities, community enterprises, financial institutions, and related government and private agencies who have always trusted and supported the Company Group. I would also like to thank all the directors, executives, and employees of the Company Group who have devoted both their physical and mental strength to cooperatively overcome obstacles and difficulties until the Company successfully reached its goal.

Finally, I would like to reassure all of you that the Company will continue to strive to lead you all along the journey toward greater success and goals in the future, in line with its vision and resolution to be a world leading clean and sustainable power producer, that is responsible for environment, society, shareholders and all stakeholders under good governance, while adhering to the principles of Environmental Social and Governance, Total Societal Impact, Corporate Good Governance, and Sustainability.



ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

Part 1: Business and Operating Performance

ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED



Convert Agri-Residue to Energy



Convert Agri-Residue to Energy

1. Business Structure and Operating Performance

1.1 Business Overview

Absolute Clean Energy Public Company Limited (“the Company” or “ACE”) operates mainly as a holding company which invests in companies that either generate and sell electricity and steam both domestically and internationally or support the generation of electricity and steam.

For the year ended December 31, 2021, the Company holds shares in 40 subsidiary companies, consisting of 1 direct and 39 indirect subsidiary companies (the Company and subsidiary companies combined are called “The Group”). The details are as follows.

Subsidiary Company	Initials	Share-holding proportion	Business Type
Direct Subsidiary Company			
1) Asia Clean Energy Co., Ltd.	ASCE	100.0	Operate mainly as a holding company for companies that generate and sell, or support the generation of electricity and steam both domestically and internationally.
Indirect Subsidiary Company			
1) Advance Clean Power Co., Ltd.	ACP	100.0	Generate and sell electricity and steam
2) Alliance Clean Power Co., Ltd.	ALCP	100.0	Generate and sell electricity and steam
2.1) National Clean Energy Co., Ltd.	NCE	90.0	Held by ALCP
2.2) Absolute Power Plant Co., Ltd.	ABP	90.0	Power Plant (not started working) In 2021, the Company was selected to be an investor and operate a community solid waste management project by converting it into electric power.
3) Advance Agro Power Plant Co., Ltd.	AAPP	100.0	Generate and sell electricity and steam
4) Advance Asia Power Plant Co., Ltd.	AAP	100.0	Generate and sell electricity and steam
5) Advance Bio Asia Co., Ltd.	ABA	100.0	Generate and sell electricity and steam
6) Advance Farm Tree Co., Ltd.	AFT	100.0	Generate and sell electricity and steam
7) Bio Power Plant Co., Ltd.	BPP	100.0	Generate and sell electricity and steam
8) ACE SOLAR Co., Ltd.	ACE SOLAR	100.0	Generate and sell electricity and steam
9) Absolute Clean Water Co., Ltd. (Former name: Prasatporn Rungrueng Co., Ltd. (“PSPR”))	ACW	100.0	Generate and sell electricity and steam
10) Advance Agro Asia Co., Ltd.	AAA	100.0	Generate and sell electricity and steam
11) Advance Asia Energy Co., Ltd. (Former name: UWC Komen Biomass Co., Ltd. (“UKB”))	AAE	100.0	Generate and sell electricity and steam
12) Advance Bio Energy Co., Ltd. (Former name: UWC Amphan Biomass Co., Ltd. (“UAB”))	ABE	100.0	Generate and sell electricity and steam
13) Absolute Clean Engineering and Service Co., Ltd. (Former name: Satuek Biomass Co., Ltd. (“SBM”))	ACES	100.0	Generate and sell electricity and steam

Subsidiary Company	Initials	Share- holding proportion	Business Type
14) Power Supply and Maintenance Service Co., Ltd.	PSMS	100.0	Maintenance renewable energy power plants, focusing on maintenance the power plants of ACE Group
15) Provincial Renewable Energy (Thailand) Co., Ltd.	PRE	100.0	Holding Company
15.1) Khun Tan Kow Na Community Power Plant Co., Ltd.	KTNP	90.0	Held by PRE
15.2) Khun Tan Pattana Community Power Plant Co., Ltd.	KTDP	90.0	Power Plant (not started working)
15.3) Khun Tan Community Power Plant Co., Ltd.	KTPP	90.0	In 2021, the Company was selected to
15.4) Rang Bua Kow Na Community Power Plant Co., Ltd.	RBNP	90.0	participate in the Community Power Plant for
15.5) Chom Bueng Rung Rueang Community Power Plant Co., Ltd.	CBRP	90.0	Local Economy Project (Pilot project)
16) Renewable Energy (Central) Co., Ltd.	REC	100.0	Holding Company
16.1) Knun Tan Ruam Chai Community Power Plant Co., Ltd.	KTRC	90.0	Held by REC
16.2) Ta Rung Rueang Community Power Plant Co., Ltd.	TRRP	90.0	Power Plant (not started working)
16.3) Khanu Waralaksaburi Community Power Plant Co., Ltd.	WLCP	90.0	In 2021, the Company was selected to
16.4) Kamphaeng Phet Community Power Plant Co., Ltd.	KACPP	90.0	participate in the Community Power Plant for
16.5) Khlong Khlung Development Community Power Plant Co., Ltd.	KHLCP	90.0	Local Economy Project (Pilot project)
17) Renewable Energy (North) Co., Ltd.	REN	100.0	Holding Company
17.1) Buriram Ruam Chai Community Power Plant Co., Ltd.	BURC	90.0	Held by REN
17.2) Kamphaeng Phet Development Community Power Plant Co., Ltd.	KAMD	90.0	Power Plant (not started working)
			In 2021, the Company was selected to
			participate in the Community Power Plant for
			Local Economy Project (Pilot project)
18) Renewable Energy (Northeast) Co., Ltd.	RENE	100.0	Holding Company
18.1) Ta Pattana Community Power Plant Co., Ltd.	TDPP	90.0	Held by RENE
18.2) Nong Hong Community Power Plant Co., Ltd.	NHCP	90.0	Power Plant (not started working)
18.3) Ta Kow Na Community Power Plant Co., Ltd.	TKNP	90.0	In 2021, the Company was selected to
18.4) Ta Community Power Plant Co., Ltd.	TCPP	90.0	participate in the Community Power Plant for
			Local Economy Project (Pilot project)
19) Renewable Energy Siam Co., Ltd.	RESM	100.0	Holding Company
19.1) Khun Tan Rung Rueang Community Power Plant Co., Ltd.	KTRP	90.0	Held by RESM
			Power Plant (not started working)
19.2) Kamphaeng Phet Kow Klai Community Power Plant Co., Ltd.	KPKKC	90.0	In 2021, the Company was selected to
			participate in the Community Power Plant for
			Local Economy Project (Pilot project)

* Indirect subsidiary with business activities, investment, asset holding or business contract significant

History, Significant Changes and Developments

Initially, the Songmetta group, the largest shareholder of the group, conducted a business of researching and developing energy crops, growing fast-growing trees, and producing, selling and exporting plant-based products like hardboards and wood chips. Songmetta group was one of the world's largest players in this field. As a result, the Group has to deal with a large number of unused wood and agricultural wastes as production leftover. Tasked with the need to dispose these wastes in an environmentally friendly way at high cost, the Group aims to develop a new business that creates economic use of them. The Group found a solution to recycle and transform these unused woods and other agricultural wastes into other usable agricultural products. Moreover, as the Energy Policy and Planning Office (EPPO) had released a 15-year renewable energy policy from 2008-2023. The policy is to make Thailand use more renewable energy and import less oil and natural gas, and support research and development of renewable energy in the country. The policy is also aware of the measures to promote the use of biomass fuels by providing benefits for taxes and subsidizing the electricity price (Adder) for very small power producers (VSPP) and small power producers (SPP). Songmetta group saw the business opportunity in the biomass-energy-power-plant industry. Therefore, the Group founded Advance Clean Power Co., Ltd. (ACP) in 2008. ACP submitted the proposal for selling electricity to the Provincial Electricity Authority of Thailand (PEA) and was awarded the Power Purchase Agreement (PPA) of 8.0 megawatts on 21 July 2009.

Later, on 5 August 2009, ACP increased the registered capital from the initial registered capital of 5 million baht, with 500,000 common shares at 10-baht par value to 500 million baht, with 50 million common shares at 10-baht par value. The 125-million-baht paid-up capital was utilized for developing the biomass power plant in Nong-eroon sub-district, Baan Bueng district, Chonburi, as well as acquiring various licenses as required by law. The power plant was constructed and commenced Commercial Operation (COD) on April 24, 2012, being the Group's first power plant project.

In the middle of 2015, Songmetta group had bought shares of Asia Clean Energy Co., Ltd. (ASCE), founded at the beginning of 2008 by another shareholder group. The Group changed ASCE's business objectives from transporting business to be a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam in Thailand. Afterwards, ASCE had bought shares of the subsidiary companies of Songmetta group, consisting of ALCP, AAP, ABA, BPP, ACE, SOLAR, and AAA. Combined with AAPP, ACP, AFT that ASCE already owned, ASCE had become the owner of the power plants for Songmetta group, as the group restructured its business operations.

At the end of 2015, Absolute Clean Energy Co., Ltd. (ACE) was founded with the objective to operate as a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam for the Group. ACE also became a 100% shareholder of ASCE, under a new the group structure.

In 2018, PSMS was founded by the group to provide a maintenance service for the group's power plants. The group also bought shares of ACW, as part of reconstruction plan. Moreover, the company had also converted ACE from a limited company to a public company.

At the end of 2019, the company had issued the Initial Public Offering (IPO) for the first time. The common share of the company was listed and began trading in SET for the first time on November 13, 2019.

In August 2020, ASCE has acquired all common shares. 100% of the 3 biomass power plant operator companies, AAE, ABE and SBM, with a total installed capacity of 26.9 MW, with a total power purchase

agreement with the Provincial Electricity Authority of 22.5 MW by acquisition of shares. As a result, AAE, ABE and SBM are indirect subsidiaries of the Company on August 21, 2020.

For the year 2021, the Group continues to focus on expanding investment in renewable clean energy power plant projects, that is friendly to the environment and the community. In this year, the Company's indirect subsidiaries won the bidding and has been selected to invest, develop, and operate its close-system municipal solid waste (MSW) disposal (waste to energy) projects, 2 additional projects with total 19.8 MW of installed capacity and 16.0 MW of power purchase agreement (PPA) capacity. Including won the bidding and were selected to participate in the community power plant project for the foundation economy, the biogas power plant project (energy crops) totaling 18 projects with total 59.0 MW of installed capacity and 50.0 MW of power purchase agreement (PPA) capacity.

Summary of the history and important development of the company and subsidiary companies.

• Absolute Clean Energy Public Co., Ltd. (ACE)

Year	Important Development
2015	<ul style="list-style-type: none"> - On 1 December, ACE was established by Song-Metta group with the objective to be a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam. - On December 21, the extraordinary general meeting of the company resolved that ACE invested in ASCE, which operates as a holding company for companies that generate and sell electricity and steam, by buying the common share of ASCE for a total of 649,999,998 shares to reconstruct the shareholding of the companies that sell and generate electricity in the Song-Metta group to prepare to be listed on the SET, making the company held the proportion of 100 percent of the registered capital of ASCE.
2016	<ul style="list-style-type: none"> - On June 6, the 1/2016 extraordinary general meeting resolved to increase the registered capital from 300,500,000 baht to 4,502,499,980 baht by offering new common share to the existing shareholders of the company. - On August 30, Song-Metta group sold a total of 34,500,000 shares of the common share, or as a proportion of 7.66% of total registered capital of the company to non-related new shareholder groups, consisting of Siam Commercial Bank Public Company Limited, Brooker Group Public Company Limited, Chirathivat group, and Mrs. Wallaya Damnoencharnvanich, making the proportion of shares of Song-Metta group reduced to 92.34% of the total registered capital.
2017	<ul style="list-style-type: none"> - On June 29, ACE increased the registered capital from 4,502,499,980 baht to 4,578,999,980 baht. The company offered a total of 7,650,000 new common share of 10.00 baht to the existing shareholders of the company. As a result, the proportion of shareholding of Song-Metta group was increased to 92.47% of the total registered capital. - On June 29, the 1/2017 extraordinary general meeting resolved to appoint Ms. Chonticha Chitraporn, Mrs. Patchanee Sutheewitanan, and Mr. Nuekrak Baingern to become 3 new directors and independent directors. All of them were assigned to become members of the audit committee to prepare for becoming a listed company in SET. - From October to December, Song-Metta group sold a total of 6,719,126 shares of the common share, or as a proportion of 1.47% of total registered capital of the company to 19 retail investors, making the proportion of shares of Song-Metta group reduced to 91.00% of the total registered capital.
2018	<ul style="list-style-type: none"> - In March, Song-Metta group sold a total of 20,043,374 shares of the common share, or as a proportion of 4.37% of total registered capital of the company to a new shareholder group. Song-Metta group also bought back 12,500,000 shares, or as a proportion of 2.73% of total registered capital of the company from one shareholder, making the proportion of shareholding of Song-Metta group reduced to 89.35% of the total registered capital. - On May 3, ACE established PSMS with an objective to maintenance renewable energy power plants with a registered capital of 20 million baht.

Year	Important Development
	<ul style="list-style-type: none"> - On July 14, ACE's 1/2018 extraordinary general meeting resolved to <ul style="list-style-type: none"> - Convert the company to a public company - Change the par value of ACE common share to be 0.50 baht per share - Increase the registered capital from 4,578,999,980 baht to 5,487,999,980 baht by offering a total of 1,818,000,000 new common share to the public for the first time. - On July 16, ACE completed converting into a public company. - In October, Song-Metta group transferred a total of 227,222,920 shares of common share, or as a proportion of 2.48% of total registered capital of the company to one non-related current shareholder group, making the proportion of shares of Song-Metta group reduced to 86.87% of the total registered capital. - On November 9, ACE's 2/2018 extraordinary general meeting (after converting) resolved that ACE can issue and offer debentures in an amount not exceeding 5,000 million baht - On December 20, ACE issued and offered debentures that have specified name, insurance, shareholder's representative which the debenture issuer has the right to redeem the debentures before the maturity date. The offered price was 1,500 million baht with a fixed interest rate of 6.80% per annum, and the redemption date was 20 June 2020.
2019	<ul style="list-style-type: none"> - On October 9, the 9/2019 board of directors meeting resolved to sell a total of new 1,018 million shares via the Initial Public Offering (IPO) to the public. - On October 28, the 1/2019 extraordinary general meeting approve the company to buy shares of Advance Power Plant Co., Ltd. from a Song-Metta group, a related party, with the budget between 394 million baht and 472 million baht, with the payment and transfer of shares scheduled on the same day, which was within 120 days after the signing date of the purchase of Advance Power Plant Co., Ltd., with a contract to purchase the shares within 6 months from August 28, 2019 or within 15 days after Advance Power Plant Co., Ltd. and EGAT had signed a FIT power purchase contract from PEA, whichever event came first. - On November 13, the common share of the company was listed and started trading in SET for the first time. - On December 20, the Company had redeemed all of the debentures before the maturity date. As of December 31, the company was in the process of releasing the collateral for the debentures.
2020	<ul style="list-style-type: none"> - On May 15, the Board of Directors' Meeting No. 4/2020 approved an interim dividend payment from unappropriated retained earnings as of March 31, 2020 at the rate of 0.03 baht per share and paid to the shareholder on 15 June.
2021	<ul style="list-style-type: none"> - April 23, National Clean Energy Company Limited ("NCE"), an indirect subsidiary won the e-bidding and has been selected to invest, develop, and operate its municipal solid waste (MSW) disposal (waste to energy) project at Chiangwang Subdistrict Administrative Organization, Udonthani Province with 9.9 MW of installed capacity and 8.0 MW of power purchase agreement (PPA) capacity - April 28, the 2021 Annual General Meeting of Shareholders resolved to approve the payment of the remaining dividends. from the Company's performance for the period April-December and unappropriated retained earnings as of December 31, 2020 at the rate of 0.018 baht per share. Dividends have been paid to shareholders on May 13, 2021. - May 7, Absolute Power Plant Company Limited ("ABP"), an indirect subsidiary won the e-bidding and has been selected to invest, develop, and operate its municipal solid waste (MSW) disposal (waste to energy) project at Chokchai Subdistrict Administrative Organization, Nakhon Ratchasima Province with 9.9 MW of installed capacity and 8.0 MW of power purchase agreement (PPA) capacity - September 23, 18 indirect subsidiaries of the Company that have been selected to participate in the Community Power Plant for Local Economy Project (Pilot Project) with total installed capacity and total power purchase agreement (PPA) capacity of 59.00 MW and 50.00 MW respectively and all of them are biogas (energy crops) power plant projects - October 11, the Company has been assigned a company rating of "BBB+" (Triple B Plus) with "Stable" outlook

Year	Important Development
	from the credit rating agency TRIS Rating. Ltd.

• **Asia Clean Energy Co., Ltd. (“ASCE”)**

Year	Important Development
2008	- On August 7, ASCE (formerly known as Asia Eco Energy Co., Ltd.) was founded by a group that was not related to Song-Metta group). ASCE did not conduct any business at that time.
2009	- In June, ASCE bought all of the shares from AAPP, ACP, and AFT from Song-Metta group. As a result, ASCE held 100% of the proportion of the paid registered capital of AAPP, ACP, and AFT. None of the 4 companies conduct any business at that time. - On August 24, Song-Metta group acquired a 50% share of ASCE, from the existing shareholders. - ASCE increased the registered capital by offering shares to the shareholders in the Song-Metta group. As a result, the proportion of share of Song-Metta group was increased to 99.88% of the total registered capital.
2010	- On December 23, Song-Metta group bought a total of 0.12% share of the total registered capital from non-related existing shareholders, increasing the Song-Metta group shareholding to 100% of the paid registered capital.
2015	- On March 21, the meeting of the board of directors resolved to allow ASCE to invest in companies, namely, ALCP, AAP, ABA, BPP, ACE SOLAR, AAA, that operates in the production and selling of electricity and steam by buying the shares from Song-Metta group to adjust the shareholding structure of Song-Metta group to make companies that operates in the production and selling of electricity and steam all came under ASCE. - making ASCE held the proportion of 100 percent of the registered capital of the mentioned companies. - On May 15, ASCE changed its name from Asia Eco Energy Co., Ltd. to Asia Clean Energy Co., Ltd. - On December 30, ACE, a new company established by Song-Metta group, invested in ASCE for a proportion of 100%, ACE bought the shares of ASCE from Song-Metta group. The value is based on the net asset value of ASCE in order to restructure the group to prepare to be listed in the SET.
2018	- On May 3, ASCE established of PSMS with the objective to engage into the engineering and maintenance business of renewable energy power plants. with registered capital 20,000,000 baht - On October 16, the meeting of the board of directors resolved to allow ASCE to invest in PSPR with the objective to generate and sell electricity and steam by buying the shares from Song-Metta group to adjust the shareholding structure of Song-Metta group to make companies that operates in the production and selling of electricity and steam all came under ASCE.
2020	- On August 21, ASCE has acquired all ordinary shares. 100% of the 3-biomass power plant project operators, AAE, ABE and ACES - On March, ASCE established 5 indirect subsidiaries, consisted of PRE, REC, REN, RENE and RESM to support the business expansion. In addition, these indirect subsidiary companies have registered 157 subsidiaries to support future projects.
2021	- ASCE has increased its registered capital from paid-up capital 9,000,000,000 baht / 900,000,000 shares as paid-up capital 9,327,000,000 baht / 950,000,000 shares (par value of 10 baht / share, which are 900,000,000 paid-up shares and 6.54 baht / share, 50,000,000 shares) whereby ACE is still a shareholder in 100% proportion

Report on the utilization of the increased capital from the initial public offering (IPO)

The Company would like to report the proceeds utilization as of December 31, 2021 as follows

Unit: Million Baht

Objectives	Proceeds Utilization Plan (Estimated Amount)	Actual Proceeds Utilization Nov 2019–Dec 2021	Remaining Unutilized Amount as of Dec31, 2021
1. To fund the capital expenditures of projects under development i.e., 4 SPP Hybrid power plants and 1 MSW power plant (Krabi).	195 - 1,440	226	0 - 1,214
2. To fund the capital expenditures of future projects.	1,639 - 2,515	1,639	0 - 876
3. To repay debenture and/or loans from financial institutions and/or other liabilities of the Company and/or subsidiaries.	1,450 - 1,685	1,685	0
4. To fund other investments besides the projects as stated in Objective No. 1 and No. 2 such as investments to improve operational and production efficiency of existing power plants, and to be used as working capital of the Company and subsidiaries.	0 - 100	-	0 - 100
Total	4,395	3,550	845

The obligations that the company makes in the statement

Comply with the criteria applicable to listed companies and public limited companies with duties under Section 56 of the Securities and Exchange Act.

Company Information

Company Name	Absolute Clean Energy Public Company Limited (“The Company”)
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Holding Company of businesses that generate and sells electricity and steam
Tel./Fax	081-1048821 / None
Website	http://www.ace-energy.co.th
Registered Capital	5,487,999,980 baht / 10,975,999,960 shares (0.50 baht/share)
Paid-up Capital	5,087,999,980 baht / 10,175,999,960 shares (0.50 baht/share)

Information regarding the juristic persons that The Company directly hold at least 10% of the total registered shares

- | | |
|----------------------|---------------------------------------------------------------------|
| Company Name | Asia Clean Energy Co., Ltd. (“ASCE”) |
| Former Name | Asia Eco Energy Co., Ltd. |
| Head Office Location | 140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500 |

Business Type	Holding Company for businesses that produce and distribute electricity and steam
The Company Share Holding	100%
Fax	-
Paid-up Capital	9,327,000,000 baht / 950,000,000 shares (900,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 50,000,000 shares are paid-up capital at 5.64 baht/share)

Information regarding the juristic persons that the Company indirectly hold at least 10% of the total registered shares via ASCE

1.

Company Name	Advance Clean Power Co., Ltd. ("ACP")
Head Office Location	665 Village No.6, Nong Irun Sub-district, Ban Bueng, Chonburi 20220
Branch Office Location	(1) 38 Village No.11, Wang Samakki, Phon Thong, Roi Et 45110 (2) 224 Village No.6, Bo Ploy sub-district, Bo Ploy, Kanchanaburi 71160
Business Type	Biomass Power Plant
ASCE Share Holding	100%
Paid-up Capital	1,778,650,000 baht / 200,000,000 shares (105,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 95,000,000 shares are paid-up capital at 7.67 baht/share)
2.

Company Name	Alliance Clean Power Co., Ltd. ("ALCP")
Head Office Location	665 Village No.6, Nong Irun sub-district, Ban Bueng, Chonburi 20220
Branch Office Location	(1) 131 Village No.1, Phra Phutthabat, Sri Chiang Mai, Nong Khai 43130 (2) 190 Village No.4, Fang Kham, Sirindhorn, Ubon Ratchathani 34350 (3) 370 Village No.7, Non-Thon sub-district, Mueang, Khonkaen 40000 (4) 197 Village No.1 Sai Thai sub-district, Mueang, Krabi 81000
Business Type	Biomass and municipal waste power plant
ASCE Share Holding	100%
Paid-up Capital	2,397,700,000 baht / 272,000,000 shares (217,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 55,000,000 shares are paid-up capital at 4.14 baht/share)
- 2.1

Company Name	National Clean Energy Co., Ltd. ("NCE")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
Business Type	Power Plant (not start operations)
ALCP Share Holding	90%
Paid-up Capital	137,575,000 baht / 55,000,000 shares (10,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 54,990,000 shares are paid-up capital at 2.50 baht/share)
- 2.2

Company Name	Absolute Power Plant Co., Ltd. ("ABP")
Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500

	Branch Office Location	(1) 88 Village No.14, Chokchai sub-district, Chokchai, Nakhon Ratchasima 30190
	Business Type	Power Plant (not start operations)
	ALCP Share Holding	90%
	Paid-up Capital	237,656,800 baht / 55,000,000 shares (10,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 54,990,000 shares are paid-up capital at 4.32 baht/share)
3.	Company Name	Advance Agro Power Plant Co., Ltd. ("AAPP")
	Head Office Location	231 Village No.1, Tani sub-district, Prasat, Surin 32140
	Branch Office Location	(1) 19 Village No.14, Chokchai sub-district, Chokchai, Nakhon Ratchasima 30190
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	1,000,000,000 baht / 100,000,000 shares (par value of 10 baht/share, and fully paid-up)
4.	Company Name	Advance Asia Power Plant Co., Ltd. ("AAP")
	Head Office Location	385 Village No.12, Muang Whan sub-district, Nam Phong, Khon Kaen 40310
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	567,200,000 baht / 57,500,000 shares (50,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 7,500,000 shares are paid-up capital at 8.96 baht/share)
5.	Company Name	Advance Bio Asia Co., Ltd. ("ABA")
	Head Office Location	88 Village No.8, Mae Thot sub-district, Thoen, Lam Pang 52160
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	699,500,000 baht / 75,000,000 shares (50,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 25,000,000 shares are paid-up capital at 7.98 baht/share)
6.	Company Name	Advance Farm Tree Co., Ltd. ("AFT")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	7,600,000 baht / 1,000,000 shares (400,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 600,000 shares are paid-up capital at 6.00 baht/share)

7.	Company Name	Bio Power Plant Co., Ltd. ("BPP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	350,000,000 baht / 65,000,000 shares (25,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 40,000,000 shares are paid-up capital at 2.50 baht/share)
8.	Company Name	ACE SOLAR Co., Ltd,
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Biomass and Solar Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	338,000,000 baht / 38,000,000 shares (32,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 6,000,000 shares are paid-up capital at 3.00 baht/share)
9.	Company Name	Absolute Clean Water Co., Ltd. (ACW). (Formally Prasatporn
	Rungrueng	Co., Ltd. (PSPR))
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	180,299,000 baht / 20,000,000 shares (100,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 19,900,000 shares are paid-up capital at 9.01 baht/share)
10.	Company Name	Advance Agro Asia Co., Ltd. ("AAA")
	Head Office Location	224 Village No.7, Ko Khanun sub-district, Phanomsarakham, Chachoengsao 24120
	Branch Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	1,500,000,000 baht / 150,000,000 shares (par value of 10 baht/share, and fully paid-up)
11.	Company Name	Advance Asia Energy Co., Ltd. ("AAE")
	Head Office Location	386 Moo 8, Mittraphap Rd., Ban Poe sub-district, Maung Nakorn Ratchasima 30310
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%

	Paid-up Capital	540,120,000 baht / 65,000,000 shares (24,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 41,000,000 shares are paid-up capital at 7.32 baht/share)
12.	Company Name	Advance Bio Energy Co., Ltd. ("ABE")
	Head Office Location	100 Moo 6, Don Mon Sub-district, Satuek, Buriram 31150
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	500,000,000 baht / 5,000,000 shares (par value of 100 baht/share, and fully paid-up)
13.	Company Name	Absolute Clean Engineering and Service Co., Ltd. ("ACES")
	Head Office Location	100 Moo 6, Don Mon Sub-district, Satuek, Buriram 31150
	Business Type	Biomass Power Plant
	ASCE Share Holding	100%
	Paid-up Capital	555,592,000 baht / 5,900,000 shares (4,200,000 shares are fully paid-up capitals at a par value of 100 baht/share, and other 1,700,000 shares are paid-up capital at 79.76 baht/share)
14.	Company Name	Power Supply and Maintenance Co., Ltd. ("PSMS")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Consult, manage, install, maintenance, repair, and sell all kinds of materials, equipments and parts related to power plant
	ASCE Share Holding	100%
	Paid-up Capital	164,400,000 baht / 31,000,000 shares (3,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 28,000,000 shares are paid-up capital at 4.80 baht/share)
15.	Company Name	Provincial Renewable Energy (Thailand) Co., Ltd. ("PRE")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Holding Company
	ASCE Share Holding	100%
	Paid-up Capital	77,500,000 baht / 22,000,000 shares (3,000,000 shares are fully paid up capitals at par value of 10 baht/share, and other 19,000,000 shares are paid-up capital at 2.50 baht/share)
15.1	Company Name	Khun Tan Kow Na Community Power Plant Co., Ltd. ("KTNP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	PRE Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
15.2	Company Name	Khun Tan Pattana Community Power Plant Co., Ltd. ("KTDP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500

	Business Type	Power Plant (not start operations)
	PRE Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
15.3	Company Name	Khun Tan Community Power Plant Co., Ltd. ("KTPP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	PRE Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
15.4	Company Name	Rang Bua Kow Na Community Power Plant Co., Ltd. ("RBNP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	PRE Share Holding	90%
	Paid-up Capital	5,555,560 baht / 555,556 shares (500,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 55,556 shares at a par value of 10 baht/share)
15.5	Company Name	Chom Bueng Rung Rieang Community Power Plant Co., Ltd. ("CBRP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	PRE Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
16.	Company Name	Renewable Energy (Central) Co., Ltd. ("REC")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Holding Company
	ASCE Share Holding	100%
	Paid-up Capital	58,500,000 baht / 15,000,000 shares (2,800,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 12,200,000 shares are paid-up capital at 2.50 baht/share)
16.1	Company Name	Khun Tan Ruem Chai Community Power Plant Co., Ltd. ("KTRC")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	REC Share Holding	90%

	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
16.2	Company Name	Ta Rung Rueang Community Power Plant Co., Ltd. ("TRRP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	REC Share Holding	90%
	Paid-up Capital	5,555,560 baht / 555,556 shares (500,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 55,556 shares at a par value of 10 baht/share)
16.3	Company Name	Khanu Waralaksaburi Community Power Plant Co., Ltd. ("WLCPP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	REC Share Holding	90%
	Paid-up Capital	22,222,230 baht / 2,222,223 shares (2,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 222,223 shares at a par value of 10 baht/share)
16.4	Company Name	Kamphaeng Phet Community Power Plant Co., Ltd. ("KACPP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	REC Share Holding	90%
	Paid-up Capital	22,222,230 baht / 2,222,223 shares (2,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 222,223 shares at a par value of 10 baht/share)
16.5	Company Name	Khlong Khlung Development Community Power Plant Co.,Ltd. ("KHLCP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	REC Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
17.	Company Name	Renewable Energy (North) Co., Ltd. ("REN")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Holding Company
	ASCE Share Holding	100%

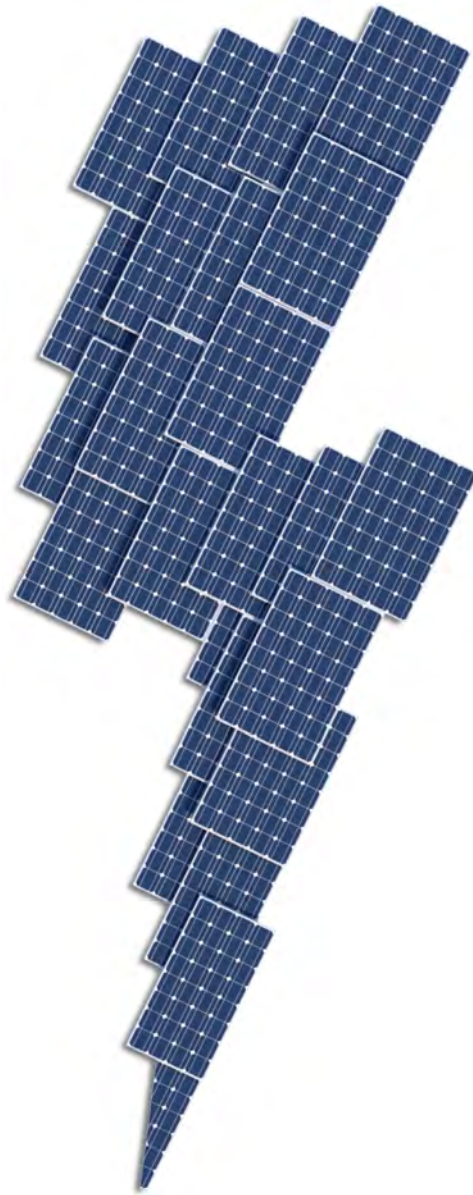
	Paid-up Capital	75,000,000 baht / 15,000,000 shares (5,000,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 10,000,000 shares are paid-up capital at 2.50 baht/share)
17.1	Company Name	Buriram Ruam Chai Community Power Plant Co., Ltd. ("BURC")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	REN Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
17.2	Company Name	Kamphaeng Phet Development Community Power Plant Co., Ltd. ("KAMD")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	REN Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
18.	Company Name	Renewable Energy (Northeast) Co., Ltd. ("RENE")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Holding Company
	ASCE Share Holding	100%
	Paid-up Capital	63,000,000 baht / 12,000,000 shares (4,400,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 7,600,000 shares are paid-up capital at 2.50 baht/share)
18.1	Company Name	Ta Pattana Community Power Plant Co., Ltd. ("TDPP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	RENE Share Holding	90%
	Paid-up Capital	5,555,560 baht / 555,556 shares (500,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 55,556 shares at a par value of 10 baht/share)

18.2	Company Name	Nong Hong Community Power Plant Co., Ltd. ("NHCP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	RENE Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
18.3	Company Name	Ta Kow Na Community Power Plant Co., Ltd. ("TKNP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	RENE Share Holding	90%
	Paid-up Capital	5,555,560 baht / 555,556 shares (500,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 55,556 shares at a par value of 10 baht/share)
18.4	Company Name	Ta Community Power Plant Co., Ltd. ("TCPP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	RENE Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)
19.	Company Name	Renewable Energy Siam Co., Ltd. ("RESM")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Holding Company
	ASCE Share Holding	100%
	Paid-up Capital	63,000,000 baht / 12,000,000 shares (4,400,000 shares are fully paid-up capitals at a par value of 10 baht/share, and other 7,600,000 shares are paid-up capital at 2.50 baht/share)
19.1	Company Name	Khun Tan Rung Rueang Community Power Plant Co., Ltd. ("KTRP")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	RESM Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)

19.2	Company Name	Kamphaeng Phet Kow Klai Community Power Plant Co., Ltd. (KPKKC")
	Head Office Location	140/6 ITF Tower Fl.7 Silom Rd., Suriyawong, Bang Rak, Bangkok 10500
	Business Type	Power Plant (not start operations)
	RESM Share Holding	90%
	Paid-up Capital	7,777,780 baht / 777,778 shares (700,000 shares are fully paid-up capitals at a par value of 10 baht/share, and Preferred shares 77,778 shares at a par value of 10 baht/share)



*Convert **Waste** to Energy*



***Convert Sunlight
to Energy***

1.2 Nature of Business

Revenue Structure

The core business of ACE Group is electricity and steam generation and sale together with other supporting or related businesses. The main sources of revenue of ACE Group are selling electricity to PEA, EGAT and industrial users, providing waste disposal service by converting waste to energy, and selling steam to industrial users, etc.

Revenue Structure for the year ended 31 December 2019, 2020 and 2021 presented below.

Revenue	For year ended 31 December					
	2019		2020		2021	
	MB	%	MB	%	MB	%
Revenue from electricity sale						
Biomass powerplant ¹	2,603.31	51.16	2,887.7	47.84	3,261.7	56.83
Natural gas power plant	8.93	0.17	5.1	0.08	5.0	0.09
Waste-to-energy power plant	234.97	4.62	233.8	3.87	431.7	7.52
Solar power plant	7.12	0.14	11.4	0.19	17.8	0.31
Revenue from Power Purchase Agreement ²				-		
Revenue from financial Lease	410.38	8.07	401.2	6.65	411.0	7.16
Service Revenue	1,628.02	32.00	1,394.90	23.11	1,540.8	26.84
Revenue from waste disposal service	37.36	0.73	40.26	0.67	50.5	0.88
Revenue from steam sale	20.54	0.40	13.24	0.22	8.4	0.15
Revenue from construction Concession Agreement ³	104.64	2.06	870.5	14.42	-	-
Other revenues ⁴	32.90	0.65	178.6	2.96	12.8	0.22
Total Revenue	5,088.17	100.00	6,036.70	100.00	5,739.7	100.00

¹ Revenue from selling electricity to PEA from the Company's Biomass Power Plant Projects such as ACP1 Project, ACP2 Project, ACP3 Project, ALCP1 Project, ALCP2 Project, AAPP1 Project, AAPP2 Project, AAP1 Project and ABA1 Project, ALCP2 Project and ACP3 Project which commenced commercial operations (COD) in August 2015 and August 2017, respectively.

This excluded Revenues that ACE Group may receive from requesting to change the Power Purchase Agreement (PPA) from the original ("Adder") basis with lower tariff to 'Feed-in Tariff' basis ("FIT") with higher rate since January 24, 2015. ACE Group believed that they were qualified to receive the rights that the National Energy Commission (NEC) announced in 2015. However, PEA did not change the PPA until March 10, 2016 when NEC made a new announcement. Therefore, ACE Group filed a legal case against NEC, NCE and PEA for compensation of 622,150,282.54 baht and for damages of 3,901,248,000 baht if those parties could not amend the PPA to the "FIT" tariff. The case is still under consideration of the Central Administration Court.

² Revenue under Power Purchase Agreement (PPA) with EGAT from ACE Group Natural Gas Power Plant, AAA1, which commenced commercial operation in February 2017. Revenues under the PPA is the Revenues recognized under Thai Financial Reporting Standard #4, whether the agreement had financial lease (TFRIC4). Some parts of revenues are recognized as Revenue from finance lease while the remaining are service revenues.

³ Revenue recognition under ACE Group's Municipality Solid Waste Power Plant Project indicated that ACE Group, as an operator, constructed the infrastructure under a service concession. ACE Group would realize the revenue and construction costs on a percentage of completion basis under a fair value of the financial and intangible assets.

⁴ Revenue included interest income, insurance claim income, rental income, salvage sales income, profit from land sales and Fuel surcharge income from Fuel Purchase Agreement in 2017

Overview of business and production line

For the year ended December 31, 2021 the Company indirectly owns 22 projects which have already commenced commercial operation, its owned subsidiaries. The total installed capacity is 257.57 MW and they can be categorized into 4 types by the fuel used for generation, which are:

- 1) **Biomass Power Plant:** using the agricultural waste in the area nearby, such as bark, fuelwood, husk, etc., as the fuel for electricity generation. There are 13 projects with total installed capacity of 125.90 MW, selling the electricity to PEA under the Power Purchase Agreement (PPA) of 15 – 16 years. (At the end of contract, the agreement may be considered for extension to 20 years.)⁵ and 1 project under 20 years PPA.
- 2) **Natural Gas Power Plant:** using the gas turbine cogeneration technology to generate electricity. There is 1 project with total installed capacity of 114.35 MW, selling the electricity to EGAT under the Power Purchase Agreement (PPA) with the term of 25 years.
- 3) **Municipality Solid Waste-to-Energy Power Plant:** using the community's wastes collected from the municipalities surrounding the power plant to dispose by turning waste to fuel for electricity generation. There are 2 projects with total installed capacity of 12.0 MW, selling the electricity to PEA under the Power Purchase Agreement (PPA) with the term of 5 years, starting from the commercial operation date and automatically renewed for 5 years at a time and according to the Power Purchase Agreement (PPA), term of 20 years.
- 4) **Solar Energy Power Plant:** using the solar power to generate electricity. There are 6 projects with total installed capacity of 5.32 MW, selling the electricity to private customers under the Private Power Purchase Agreement (Private PPA) with the term of 25 years.

The Group also has 24 power plant projects under development with a total installed capacity of 171.80 megawatts, divided into:

- 1) **Power Plant Projects under the SPP Hybrid Firm Project 2017.** There are 4 power plant projects under the SPP Hybrid Firm 2017 Renewable Power Plant Projects which will use biomass as the main fuel, and their total installed capacity amounts to 93.0 MW. Currently, the power purchase agreement for all 4 projects has been extended from ERC which has been extended until March 22, 2021. Currently, it is in the process of requesting to extend the SCOD date from the relevant agencies. The SPP Ranong project is currently in the process of requesting an extension of the contract signing date and the SCOD date from the relevant agencies.
- 2) **Municipality Solid Waste-to-Energy Power Plant Project.** Currently pending the signing of Power Purchase Agreements (PPA) amounting to 2 projects with a total installed capacity of 19.8 MW.

⁵ Previously, the biomass power plant project of the Company's group Sales of electricity to PEA under a Power Purchase Agreement (PPA) with a purchase price increase ("Adder") for a very small power producer ("VSPP") from renewable energy, which has a contract term of 5 years starting from the date of signing the contract and automatically continuing for 5 years each time. Subsequently, the Group of Companies signed an agreement to amend the power purchase agreement to change from Adder system to Feed-in Tariff type ("FIT") The FIT power purchase agreement has a contract term of 20 years, reduced by a period as specified in the Announcement of the Energy Regulatory Commission regarding Purchasing electricity from renewable energy (Biomass-based power generation projects) during the transition from Adder to Feed-in Tariff (FIT) B.E. 2559 (2016), the announcement stated that after the expiration of the contract The project may be considered for renewal of the contract for a further reduced period, and will have to consider the new electricity tariff, taking into account the interests of the public as important

- 3) **Biogas Power Plant Project.** Currently pending the signing of Power Purchase Agreements (PPA) amounting to 18 projects with a total installed capacity of 59.0 MW.

In addition, the Group of Companies has a project that is in the process of negotiating the return of the power purchase agreement. A total of 9 projects with an installed capacity of 89.10 megawatts, consisting of

- 1) **Biomass power plant projects** that have already received approval from Thai Arbitration Institute that PEA shall return the Power Purchase Agreement (PPA) in the form of Feed-in Tariff ("FiT") and extend the SCOD for the project owner that PEA agrees to comply with the Arbitration approval. Currently, the discussion with PEA about the details of arbitration approval compliance is on-going, 8 projects with installed capacity of 79.2 MW.
- 2) **Biomass power plant project** that is pending the reactivation of the Power Purchase Agreement (PPA). The current status is the under the consideration by central administrative board, 1 project with installed capacity of 9.9 MW.

Apart from electricity generation and sale, the Group also sells the steam which is the byproduct from the production process to industrial users in the same area as the power plant through the pipe connecting directly to the customers. Currently, there are steam selling agreements with industrial users up to 127,800 tons per year.

Table for the summary of ACE Group's power plants that are already achieved the COD

Power Plant	By	Type	Installed Capacity (MW)	PPA ¹ (MW)	Tariff	COD	PPA Expiration Date ²
Ban Bueng Power Plant Project ("ACP1")	ACP	Biomass	9.90	PEA: 8.00 IU: 0.46	FiT + FiT Premium	24 April 2012	23 July 2028
Phon Thong Power Plant Project ("ACP2")	ACP	Biomass	9.90	PEA: 8.00 IU: 0.54	FiT + FiT Premium	4 June 2013	3 June 2029
Bo Ploy Power Plant Project ("ACP3")	ACP	Biomass	9.90	PEA: 8.00	FiT + FiT Premium	16 August 2017	15 December 2031
Si Chiang Mai Power Plant Project ("ALCP1")	ALCP	Biomass	9.90	PEA: 8.00	FiT + FiT Premium	26 December 2013	25 December 2029
Sirindhorn Power Plant Project ("ALCP2")	ALCP	Biomass	9.90	PEA: 8.00	FiT + FiT Premium	14 August 2015	13 December 2030
Ta Nee Power Plant Project ("AAPP1")	AAPP	Biomass	9.90	PEA: 8.00 IU: 0.46	FiT + FiT Premium	30 October 2012	29 January 2029
Chok Chai Power Plant Project ("AAPP2")	AAPP	Biomass	9.90	PEA: 8.00 IU: 0.86	FiT + FiT Premium	16 January 2013	15 April 2029
Nam Phong Power Plant Project ("AAP1")	AAP	Biomass	9.90	PEA: 8.00 IU: 0.76	FiT + FiT Premium	2 May 2012	1 August 2028
Thoen Power Plant Project ("ABA1")	ABA	Biomass	9.90	PEA: 8.00	FiT + FiT Premium	9 July 2014	8 March 2030
Maung Buriram Power Plant Project ("ACES1")	ACES	Biomass	7.50	PEA: 6.50	FiT ³	24 January 2006	15 January 2025
Don Mon Power Plant Project ("ABE1")	ABE	Biomass	9.50	PEA: 8.00	FiT	6 February 2008	30 October 2025

¹ According to the power purchase agreements made with each type of customers, namely PEA, EGAT and IU.

² According to the announcement of the Energy Regulatory Commission regarding Purchasing electricity from renewable energy (Biomass-based power generation projects) during the transition from Adder to Feed-in Tariff (FiT) The parties can negotiate to extend the contract for a further period of time. However, the Group is in the process of filing a lawsuit against relevant agencies for amendments to the power purchase agreement to receive FiT privileges according to the FiT announcement of 2015, which The contract has a term of 20 years from the COD date, which is currently under consideration by the Administrative Court.

³ There has been a change of power purchase agreement form Ft system to FiT system, effective on June 1, 2021.

Power Plant	By	Type	Installed Capacity (MW)	PPA ¹ (MW)	Tariff	COD	PPA Expiration Date ²
Maung Korat Power Plant Project ("AAE1")	AAE	Biomass	9.90	PEA: 8.00	FiT	11 October 2011	10 May 2028
Koh Khanun SPP project ("AAA1")	AAA	Natural gas	114.35	EGAT: 90.00 IU: 2.00	Capacity Charge + Energy Charge + Fuel Saving	10 February 2017	9 February 2042
MSW Khon Kaen Power Plant Project ("ALCP3")	ALCP	Municipal Solid Waste	6.00	PEA: 4.50	Whole sale price of EGAT + Average Ft for whole sale + Adder	29 November 2016	The term of the agreement is 5 years from the execution date and continue for 5 years automatically ⁴
MSW Krabi Power Plant Project ("ALCP6")	ALCP	Municipal Solid Waste	6.00	PEA: 4.40	FiT + FiT Premium	28 December 2020	31 Dec 2039
Solar Rooftop 1 Project ("ACE SOLAR 3")	ACE SOLAR	Solar	1.00	IU: 1.00	Discount rate from PEA price	20 November 2018	19 November 2043
Solar Rooftop 1 Project ("ACE SOLAR 3") (Extension)	ACE SOLAR	Solar	1.00	IU: 1.00	Discount rate from PEA price	28 September 2019	27 September 2044
Solar Rooftop 2 Project ("ACE SOLAR 4")	ACE SOLAR	Solar	0.73	IU: 0.73	Discount rate from PEA price	22 February 2019	21 February 2044
Solar rooftop 3 Project ("ACE SOLAR 5")	ACE SOLAR	Solar	0.83	IU: 0.83	Discount rate from PEA price	22 May 2020	21 May 2045
Solar Rooftop Project ("ACE SOLAR 6")	ACE SOLAR	Solar	0.24	IU: 0.24	Discount rate from PEA price	25 February 2021	24 February 2046
Solar Floating Project ("ACE SOLAR 7")	ACE SOLAR	Solar	1.52	IU: 1.52	Discount rate from PEA price	31 March 2021	30 March 2046
Khlong Khlung Power Plant Project ("ACP4")	ACP	Biomass	9.90	PEA.: 8.00	FiT + FiT Premium	28 November 2021	27 November 2041
Total			257.57	PEA & EGAT:201.40 IU:10.40			

⁸ Under the building construction contract Give ownership to Khon Kaen Municipality dated August 18, 2011. Buildings and machinery of the project will be owned by Khon Kaen Municipality on September 30, 2034.

• Summary of the Group's power plant project under development

Power Plant	By	Type	Installed Capacity (MW)	PPA (MW)	Tariff	SCOD	PPA Expiration Date	Remark
Nabon 2 SPP Power Plant Project ("BPP2")	BPP	Biomass	25.00	EGAT: 21.50	FIT	Within 4Q'2022	20 years after COD	PPA signed with EGAT, pending for SCOD extension
Khlong Khlung SPP Power Plant Project ("BPP3")	BPP	Biomass / Solar	20.00	EGAT: 13.31	FIT		20 years after COD	
Nabon 1 SPP Power Plant Project ("ACE SOLAR 1")	ACE SOLAR	Biomass	25.00	EGAT: 21.50	FIT		20 years after COD	
Ranong SPP Power Plant Project ("ACE SOLAR 2")	ACE SOLAR	Biomass	23.00	EGAT: 20.00	FIT		20 years after COD	pending for PPA and SCOD extension
Chiang Wang MSW Power Plant Project ("NCE1")	NCE	MSW	9.9	PEA: 8.00	FIT + FIT Premium	Within 5 years after received Construction permission	20 years after COD	Pending for PPA
Chok Chai MSW Power Plant Project ("ABP1")	ABP	MSW	9.9	PEA: 8.00	FIT + FIT Premium	Within 5 years after received Construction permission	20 years after COD	Pending for PPA
Chom Bueng Rung Rueang Community Power Plant Project ("CBRP1")	CBRP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Rang Bua Kow Na Community Power Plant Project ("RBNP1")	RBNP	Biogas	2.5	PEA: 2.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Khanu Waralaksaburi Community Power Plant Project ("WLCPP1")	WLCPP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Kamphaeng Phet Development Community Power Plant Project ("KAMD1")	KAMD	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Kamphaeng Phet Kow Klai Community Power Plant Project ("KPKKC1")	KPKKC	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Nong Hong Community Power Plant Project ("NHCP1")	NHCP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Sao Deaw Community Power Plant Project ("BURC1")	BURC	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Kamphaeng Phet Community Power Plant Project ("KACPP1")	KACPP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Khlong Khlung Development Community Power Plant Project ("KHLCP1")	KHLCP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Khun Tan Community Power Plant Project ("KTPP1")	KTPP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Khun Tan Pattana Community Power Plant Project ("KTDP1")	KTDP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Khun Tan Rung Rueang Community Power Plant Project ("KTRP1")	KTRP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Khun Tan Kow Na Community Power Plant	KTNP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after	20 years after COD	Pending for PPA

Power Plant	By	Type	Installed Capacity (MW)	PPA (MW)	Tariff	SCOD	PPA Expiration Date	Remark
Project ("KTNP1")						PPA signed		
Khun Tan Ruem Chai Community Power Plant Project ("KTRC1")	KTRC	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Ta Community Power Plant Project ("TCCP1")	TCCP	Biogas	3.5	PEA: 3.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Ta Pattana Community Power Plant Project ("TDPP1")	TDPP	Biogas	2.5	PEA: 2.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Ta Rung Rueang Community Power Plant Project ("TRRP1")	TRRP	Biogas	2.5	PEA: 2.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Ta Kow Na Community Power Plant Project ("TKNP1")	TKNP	Biogas	2.5	PEA: 2.00	FIT	Within 36 months after PPA signed	20 years after COD	Pending for PPA
Total			171.80	PEA.: 93.00 EGAT: 78.80				

- Summary of the Group's power plant project in the process of requesting the return of the PPA

Power Plant	By	Type	Installed Capacity (MW)	PPA (MW)	Tariff	SCOD	PPA Expiration Date	Remark
Song Phi Nong Power Plant Project ("ACP5")	ACP	Biomass	9.90	PEA: 8.00	FIT	N/A	15 Year 4 month after COD ⁹	Received an award from the arbitral tribunal for PEA to return the Power Purchase Agreement (PPA) in the form of Feed-in Tariff ("FIT") and extend the SCOD date to the project owner, which PEA agreed to comply with verdict. Currently, it is in the process of meeting with PEA on the details of compliance with the award.
Bang Lane Power Plant Project ("ACP6")	ACP	Biomass	9.90	PEA: 8.00	FIT	N/A		
Khanu Worakabsaburi Power Plant Project ("ACP7")	ACP	Biomass	9.90	PEA: 8.00	FIT	N/A		
Ban Bueng 2 Power Plant Project ("ALCP5")	ALCP	Biomass	9.90	PEA: 8.00	FIT	N/A		
Chok Chai 2 Power Plant Project ("AAPP3")	AAPP	Biomass	9.90	PEA: 8.00	FIT	N/A		
Senangkhanikhom Power Plant Project ("AFT1")	AFT	Biomass	9.90	PEA: 8.00	FIT	N/A		
Khok Krteam Power Plant Project ("BPP1")	BPP	Biomass	9.90	PEA: 8.00	FIT	N/A		
Nadee Power Plant Project ("PSPR1")	PSPR	Biomass	9.90	PEA: 8.00	FIT	N/A	20 Year after COD	The dispute is under consideration by the Central Administrative Court.
Sri Saket Power Plant Project ("ALCP4")	ALCP	Biomass	9.90	PEA: 8.00	FIT	N/A		
Total			89.10	PEA.: 72.00				

⁹ The arbitral tribunal decided to return the contract in the form of Feed-in Tariff (FIT) B.E. 2559, as the Company had previously submitted an application to change the contract with PEA in accordance with the Feed-in Tariff (FIT) B.E. 2559, which is the final Feed-in Tariff (FIT) announcement, but since the company previously filed for a contract replacement in the 2015 Feed-in Tariff (FIT) announcement, which was also the first Feed-in Tariff (FIT) announcement. In addition, the arbitral tribunal decided that PEA terminated the contract without contravention of the contract and the law. The Company shall be subject to a change of contract in accordance with the Feed-in Tariff (FIT) Notification B.E. 2558, as the request has been submitted in accordance with this Notification. Amend the original arbitration to return the power purchase agreement according to the FIT announcement of the year 2558

The power plant projects pending the request for the power purchase agreement return are the power plants that are pending the reactivation of Power Purchase Agreement (PPA) that are cancelled since the Group cannot achieved synchronization within SCOD according to the PPA due to the force majeure which is not the fault of the Group.

Generation and sell of electricity and steam

As of December 31, 2021, the Company has 22 commercially operating power plants (COD) projects through indirect holdings in subsidiaries. The total installed capacity is 257.57 megawatts, which can be divided into 4 types of projects according to the type of fuel used in production:

Biomass Power Plant

(1) Ban Bueng Power Plant Project ("ACP1")

Ban Bueng Power Plant Project ("ACP1") is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Clean Power Co., Ltd. ("ACP") which is an indirect subsidiary of the Company. ACP1 locates at Ban Bueng District, Chonburi Province on the land area 146-0-55 Rai, with installed capacity of 9.9 MW. ACP1 has achieved Commercial Operation Date (COD) on 24 April 2012.

Table for the summary of the performance by Ban Bueng Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
Ban Bueng Power Plant Project			
Number of operation day (days)	334	346	350
Availability Factor (percentage)	91.41	94.82	95.95
Planned Outage Factor (percentage)	8.59	5.18	4.05
Net Energy Generation (MW-hour)	70,952.60	75,485.48	76,598.46
Capacity Utilization (percentage)	89.50	91.80	92.05

(2) Phon Thong Power Plant Project ("ACP2")

Phon Thong Power Plant Project ("ACP2") is the Biomass VSPP project using steam turbine system to drive the generator under the operation of ACP which is an indirect subsidiary of the Company. ACP2 locates at Phon Thong District, Roi Ed Province on the land area 81-2-55 Rai, with installed capacity of 9.9 MW. ACP2 has achieved Commercial Operation Date (COD) on 4 June 2013.

Table for the summary of the performance by Phon Thong Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
Phon Thong Power Plant Project			
Number of operation day (days)	310	342	352
Availability Factor (percentage)	84.96	93.66	96.55
Planned Outage Factor (percentage)	15.04	6.34	3.45
Net Energy Generation (MW-hour)	64,341.49	73,184.61	75,971.55
Capacity Utilization (percentage)	87.33	90.10	90.73

(3) Bo Ploy Power Plant Project (“ACP3”)

Bo Ploy Power Plant Project (“ACP3”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of ACP which is an indirect subsidiary of the Company. ACP3 locates at Bo Ploy District, Kanchanaburi Province, on the land area 120-1-50 Rai, with installed capacity of 9.9 MW. ACP3 has achieved Commercial Operation Date (COD) on 16 August 2017.

Table for the summary of the performance by Bo Ploy Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Bo Ploy Power Plant Project</u>			
Number of operation day (days)	340	352	344
Availability Factor (percentage)	93.23	96.48	94.34
Planned Outage Factor (percentage)	6.77	3.52	5.66
Net Energy Generation (MW-hour)	70,697.04	74,752.37	73,443.78
Capacity Utilization (percentage)	87.44	89.34	89.77

(4) Si Chiang Mai Power Plant Project (“ALCP1”)

Si Chiang Mai Power Plant Project (“ALCP1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Alliance Clean Power Co., Ltd. (“ALCP”) which is an indirect subsidiary of the Company. ALCP1 locates at Si Chiang Mai District, Nong Khai Province on the land area 301-2-86 Rai, with installed capacity 9.9 MW. ALCP1 has achieved Commercial Operation Date (COD) on 26 December 2013.

Table for the summary of the performance by Si Chiang Mai Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Si Chiang Mai Power Plant Project</u>			
Number of operation day (days)	351	360	351
Availability Factor (percentage)	96.18	98.74	96.10
Planned Outage Factor (percentage)	3.82	1.26	3.90
Net Energy Generation (MW-hour)	74,383.95	76,812.86	74,934.26
Capacity Utilization (percentage)	89.18	89.70	89.91

(5) Sirindhorn Power Plant Project (“ALCP2”)

Sirindhorn Power Plant Project (“ALCP2”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of ALCP which is an indirect subsidiary of the Company. ALCP2 locates at Sirindhorn District, Ubon Ratchathani Province on the land area 114-3-48 Rai, with installed capacity of 9.9 MW. ALCP has achieved Commercial Operation Date (COD) on 14 August 2015.

Table for the summary of the performance by Sirindhorn Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Sirindhorn Power Plant Project</u>			
Number of operation day (days)	345	357	350
Availability Factor (percentage)	94.63	97.83	95.91
Planned Outage Factor (percentage)	5.37	2.17	4.09
Net Energy Generation (MW-hour)	73,571.47	75,640.74	73,416.47
Capacity Utilization (percentage)	89.65	89.15	88.27

(6) Tani Power Plant Project (“AAPP1”)

Ta Nee Power Plant Project (“AAPP1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Agro Power Plant Co., Ltd. (“AAPP”) which is an indirect subsidiary of the Company. AAPP1 locates at Prasart District, Surin Province on the land area 123-0-33 Rai, with installed capacity of 9.9 MW. AAPP1 has achieved Commercial Operation Date (COD) on 30 October 2012.

Table for the summary of the performance by Tani Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Tani Power Plant Project</u>			
Number of operation day (days)	322	356	347
Availability Factor (percentage)	88.34	97.41	95.14
Planned Outage Factor (percentage)	11.66	2.59	4.86
Net Energy Generation (MW-hour)	68,291.33	75,426.38	74,248.08
Capacity Utilization (percentage)	89.13	89.29	89.99

(7) Chok Chai Power Plant Project (“AAPP2”)

Chok Chai Power Plant Project (“AAPP2”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of AAPP which is an indirect subsidiary of the Company. AAPP2 locates at Chok Chai District, Nakhon Ratchasima Province, on the land area 59-0-38.4 Rai, with installed capacity of 9.9 MW. AAPP2 has achieved Commercial Operation Date (COD) on 16 January 2013.

Table for the summary of the performance by Chok Chai Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Chok Chai Power Plant Project</u>			
Number of operation day (days)	327	347	351
Availability Factor (percentage)	89.59	95.10	96.27
Planned Outage Factor (percentage)	10.40	4.90	3.73
Net Energy Generation (MW-hour)	68,407.61	73,124.89	75,379.44
Capacity Utilization (percentage)	88.04	88.67	90.29

(8) Nam Phong Power Plant Project (“AAP1”)

Nam Phong Power Plant Project (“AAP1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Asia Power Plant Co., Ltd. (“AAP”) which is an indirect subsidiary of the Company. AAP1 locates at Nam Phong District, Khon Kaen Province on the land area 52-2-15 Rai, with installed capacity of 9.9 MW. AAP1 has achieved Commercial Operation Date (COD) on 2 May 2012.

Table for the summary of the performance by Nam Phong Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Nam Phong Power Plant Project</u>			
Number of operation day (days)	364	352	350
Availability Factor (percentage)	99.76	96.04	95.80
Planned Outage Factor (percentage)	0.24	3.96	4.20
Net Energy Generation (MW-hour)	78,676.82	75,808.49	75,240.87
Capacity Utilization (percentage)	90.94	90.77	90.56

(9) Thoen Power Plant Project (“ABA1”)

Thoen Power Plant Project (“ABA1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Bio Asia Co., Ltd. (“ABA”) which is an indirect subsidiary of the Company. ABA1 locates at Thoen District, Lampang Province on the land area 69-1-47.6 Rai, with installed capacity of 9.9 MW. ABA1 has achieved Commercial Operation Date (COD) on 9 July 2014.

Table for the summary of the performance by Thoen Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Thoen Power Plant Project</u>			
Number of operation day (days)	335	356	354
Availability Factor (percentage)	91.80	97.53	97.06
Planned Outage Factor (percentage)	8.20	2.47	2.94
Net Energy Generation (MW-hour)	68,687.69	75,020.90	75,354.91
Capacity Utilization (percentage)	86.27	88.69	89.53

(10) Mueang Buriram Power Plant Project (“ACES1”)

Mueang Buriram Power Plant Project (“ACES1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Absolute Clean Engineering and Service Co., Ltd. (“ACES”) which is an indirect subsidiary of the Company. ACES1 is located at Mueang District, Buri Ram Province, on land of 75-2-72 Rai, with installed capacity of 7.5 MW. ACES1 has achieved Commercial Operation Date (COD) on 24 January 2006.

Table for the summary of the performance by Mueang Buriram Power Plant Project

Summary of Performance	For the Period	
	15 – 31 December 2020	2021
<u>Mueang Buriram Power Plant Project</u>		
Number of operation day (days)	19	257
Availability Factor (percentage)	9.24	70.41
Planned Outage Factor (percentage)	90.76	29.59
Net Energy Generation (MW-hour)	1,996.22	43,970.39
Capacity Utilization (percentage)	68.35	95.06

(11) Don Mon Power Plant Project (“ABE1”)

Don Mon Power Plant Project (“ABE1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Bio Energy Co., Ltd. (“ABE1”) which is an indirect subsidiary of the Company. ABE1 is located at Don Mon Sub-District, Buri Ram Province, on land of 62-0-30 Rai, with installed capacity of 9.5 MW. ABE1 has achieved Commercial Operation Date (COD) on 6 February 2008.

Table for the summary of the performance by Don Mon Power Plant Project

Summary of Performance	For the Period	
	27 – 31 December 2020	2021
<u>Don Mon Power Plant Project</u>		
Number of operation day (days)	4	185
Availability Factor (percentage)	2.67	50.72
Planned Outage Factor (percentage)	97.33	49.28
Net Energy Generation (MW-hour)	638.33	36,050.14
Capacity Utilization (percentage)	75.68	85.40

(12) Mueang Korat Power Plant Project (“AAE1”)

Mueang Korat Power Plant Project (“AAE1”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Asia Energy Co., Ltd. (“AAE1”) which is an indirect subsidiary of the Company. AAE1 is located at Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province, on land of 54-3-4 Rai, with installed capacity of 9.9 MW. AAE1 has achieved Commercial Operation Date (COD) on 11 October 2011.

Table for the summary of the performance by Mueang Korat Power Plant Project

Summary of Performance	For the Period	
	21 Aug – 31 Dec 2020	2021
<u>Mueang Korat Power Plant Project</u>		
Number of operation day (days)	122	332
Availability Factor (percentage)	91.56	90.86
Planned Outage Factor (percentage)	8.44	9.14
Net Energy Generation (MW-hour)	24,719.93	68,849.37
Capacity Utilization (percentage)	85.43	87.37

(13) Khlong Khlung Power Plant Project (“ACP4”)

Khlong Khlung Power Plant Project (“ACP4”) is the Biomass VSPP project using steam turbine system to drive the generator under the operation of Advance Clean Power Co., Ltd. (“ACP4”) which is an indirect subsidiary of the Company. ACP4 is located at Khlong Khlung District, Kamphaeng Phet Province, on land of 222-1-64.2 Rai, with installed capacity of 9.9 MW. ACP4 has achieved Commercial Operation Date (COD) on 26 November 2021.

Table for the summary of the performance by Khlong Khlung Power Plant Project

Summary of Performance	For the Period
	26 Nov – 31 Dec 2021
<u>Khlong Khlung Power Plant Project</u>	
Number of operation day (days)	33
Availability Factor (percentage)	91.49
Planned Outage Factor (percentage)	8.51
Net Energy Generation (MW-hour)	6,947.47
Capacity Utilization (percentage)	88.78

Example picture of Biomass power plant projects of the Group



Ban Bueng Biomass power plant (Ban Bueng District Chon Buri Province) with installed capacity of 9.9 MW



Phon Thong Biomass power plant (Phon Thong District, Roi Et Province) with installed capacity of 9.9 MW



Bo Ploy Biomass power plant (Bo Ploy District, Kanchanaburi Province) with installed capacity of 9.9 MW



Si Chiang Mai Biomass Power Plant (Si Chiang Mai District, Nong Khai Province) with installed capacity of 9.9 MW



Biomass power plant (Sirindhorn District, Ubon Ratchathani Province) with installed capacity of 9.9 MW



Tanee Biomass power plant (Prasat District, Surin Province) with installed capacity of 9.9 MW



Nam Phong Biomass power plant (Nam Phong District, Khon Kaen) with installed capacity of 9.9 MW



Chok Chai Biomass power plant (Chok Chai District, Nakhon Ratchasima Province) with installed capacity of 9.9 MW



Thoen Biomass power plant (Thoen District, Lampang Province) with installed capacity of 9.9 MW



Mueang Buriram Biomass power plant (Mueang District, Buriram Province) with installed capacity of 7.5 MW



Don Mon Biomass power plant (Satuek District, Buriram Province) with installed capacity of 9.5 MW



Mueang Korat Biomass power plant (Mueang District, Nakorn Ratchasima Province) with installed capacity of 9.9 MW



Khlong Khlung Biomass power plant (Khlong Khlung District, Kamphaengphet Province) with installed capacity of 9.9 MW

Natural gas power plant project

(1) Koh Kanoon SPP project (“AAA1”)

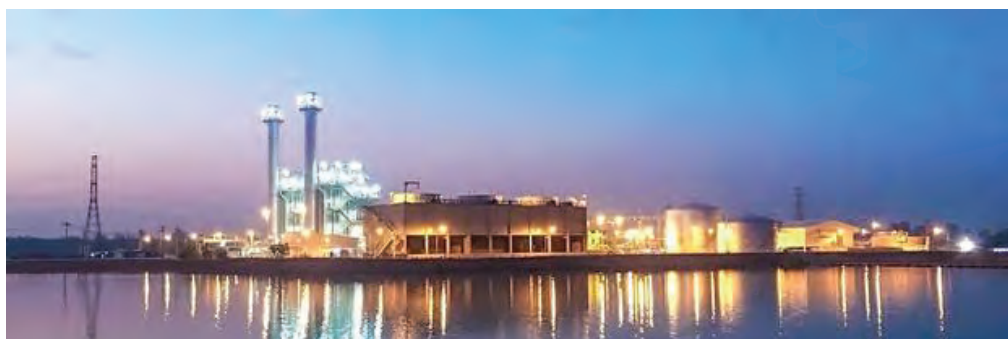
Koh Kanoon SPP project (“AAA1”) is the natural gas SPP project using cogeneration system for power generation under the operation of Advance Agro Asia Co., Ltd. (“AAA”) which is an indirect subsidiary of the Company. AAA1 locates at Phanom Sarakhram District, Chachoengsao Province, on the land area 194-2-77 Rai, with installed capacity of 114.35 MW. AAA1 has achieved Commercial Operation Date (COD) on 10 February 2017.

For the operation and management of AAA1 project, AAA as the project owner has entered into the natural gas agreement with PTT Public Company Limited (“PTT”) dated 1 October 2012. The term of commercial gas usage is 25 years from the Commercial Operation Date (COD) which will end on 9 February 2042.

Table for the summary of the performance by Koh Kanoon SPP project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>Koh Kanoon SPP project</u>			
Number of operation day (days)	365	359	365
Availability Factor (percentage)	99.45	96.53	99.00
Planned Outage Factor (percentage)	0.55	3.42	1.00
Net Energy Generation (MW-hour)	674,885.92	634,231.38	653,505.98
Capacity Utilization (percentage)	85.61	82.35	82.89
Net Energy Sale (MW-hour)	646,099.04	605,792.21	624,585.53
Total steam sold (Tons)	28,746.37	18,372.98	13,645.18
Amount of the fuel used (million BTU)	4,971,340.00	4,749,232.00	4,826,510.00

Sample picture of the Natural gas power plant project of ACE Group



Koh Kanoon SPP Project (Phanom Sarakhram District, Chachoengsao Province) with installed capacity of 114.35 MW

Municipality Solid Waste-to-Energy power plant Project

(1) MSW Khon Kaen Power Plant Project (“ALCP3”)

MSW Khon Kaen Power Plant Project (“ALCP3”) is the Waste-to energy power plant project using Municipal Solid Waste (MSW) as fuel under the operation of ALCP which is an indirect subsidiary of the Company. ALCP3 locates at Non-Thon Sub-district, Mueang District, Khon Kaen Province in the area of Non-Thon Sub-District Municipality with installed capacity of 6.0 MW. ALCP has an obligation to construct the power plant according to the building construction contract, giving the ownership to Khon Kaen City Municipality dated 18

August 2011. The term is 20 years from the commencement date. After the contract is terminated, the building and machine of the project will become under the ownership of Khon Kaen Municipality.

ALCP3 sells electricity according to the proposed amount in the contract which is 4.5 MW to PEA under the Non-Firm Power Purchase Agreement (PPA), dated 24 October 2013. The term of the PPA is 5 years from the Commercial Operation Date (COD) and automatically renewed for 5 years a time until the termination by a party. ALCP3 will receive the "Adder" of 3.5 baht per unit for 7 years from the Commercial Operation Date (COD).

Apart from that, ALCP3 has revenue from providing the municipal solid waste disposal service for Local Administration and private customers in the area. The Municipal Solid Wastes are used as the main fuel for electricity generation

Table for the summary of the performance by MSW Khon Kaen Power Plant Project

Summary of Performance	For year ended 31 December		
	2019	2020	2021
<u>MSW Khon Kaen Power Plant Project</u>			
Number of operation day (days)	346	344	351
Availability Factor (percentage)	94.93	94.22	96.18
Planned Outage Factor (percentage)	5.07	5.78	3.82
Net Energy Generation (MW - hour)	47,689.96	47,902.64	48,777.61
Capacity Utilization (percentage)	95.58	96.73	96.49
Net Energy Sale (MW - hour)	37,165.32	37,030.46	37,874.43

(2) MSW Krabi Power Plant Project ("ALCP6")

Krabi MSW Power Plant Project ("ALCP6") is fueled by Municipal Solid Waste (MSW). The project is under the operation of ALCP which is an indirect subsidiary of the Company. ALCP6 is situated at Sai Thai Sub-District, Mueng Krabi District, Krabi Province, in the area of Krabi Town Municipality. The total installed capacity amounts to 6.0 MW. ALCP is obliged to construct the power plant as per the building construction contract. ALCP transferred the project's ownership to Krabi Municipality on 22 February 2019, with 25 years term from the ownership transfer date. After the contract expires, the project's buildings and machinery will become under the ownership of Krabi Municipality.

ALCP6 sells electricity to PEA under the Non-Firm Power Purchase Agreement (PPA), signed on 17 May 2019, at the amount of 4.4 MW. The term of the agreement runs for no longer than 20 years starting from the date ALCP6 achieves Commercial Operation Date (COD) after 31 December 2019 and expires on 31 December 2039. The FiT Premium ALCP6 will receive is THB 0.7 per unit for 8 years from the date ALCP6 achieves Commercial Operation Date (COD).

ALCP6 also gains additional income from managing community waste, using it as the main fuel for the plant, for the local administrative organizations and several private clients in the area.

Table for the summary of the performance by MSW Krabi Power Plant Project

Summary of Performance	For the Period	
	28 – 31 December 2020	2021
<u>MSW Krabi Power Plant Project</u>		
Number of operation day (days)	4	325
Availability Factor (percentage)	88.91	88.96
Planned Outage Factor (percentage)	11.09	11.04
Net Energy Generation (MW - hour)	464.32	43,946.14
Capacity Utilization (percentage)	90.67	93.99
Net Energy Sale (MW - hour)	373.07	33,919.84

Sample picture of the MSW power plant project of ACE Group



MSW Khon Kaen Power Plant Project (Mueang District, Khon Kaen Province) with installed capacity of 6.0 MW



MSW Krabi Power Plant Project (Mueang District, Krabi Province) with installed capacity of 6.0 MW

Solar power plant project

(1) Solar Rooftop Project

Solar Rooftop Project is the project under the operation of ACE Solar Co., Ltd. ("ACE SOLAR"), the Group has 6 Solar Rooftop Projects that has already commenced Commercial Operation, with contracted capacity of 5.32 MW. The Company has installed the power generating devices at the location of the purchaser to sell electricity throughout the term of the PPA. The details are as follows

- Details of the Solar Rooftop Project are as follows:

Project	ACE SOLAR 3	ACE SOLAR 3 (Extension)	ACE SOLAR 4	ACE SOLAR 5	ACE SOLAR 6	ACE SOLAR 7
Project Name	Solar Rooftop 1	Solar Rooftop 1	Solar Rooftop 2	Solar Rooftop 3	Solar Rooftop 2	Solar Floating 1
Company that operates the project	ACE SOLAR	ACE SOLAR	ACE SOLAR	ACE SOLAR	ACE SOLAR	ACE SOLAR
Type of fuel	Solar	Solar	Solar	Solar	Solar	Solar
Project location • District • Province	Sriracha Chonburi	Sriracha Chonburi	Chok Chai Nakron Ratchasima	Mueang Samut Sakorn	Chok Chai Nakron Ratchasima	Chok Chai Nakron Ratchasima
Commercial Operation Date (COD) / Scheduled Commercial Operation Date (SCOD)	20 November 2018	28 September 2019	22 February 2019	22 May 2020	25 February 2021	31 March 2021
Installed Capacity (MW)	1.00	1.00	0.73	0.83	0.24	1.52
Contracted Capacity (MW)	1.00	1.00	0.73	0.83	0.24	1.52
Duration of power purchase from COD	25 Year	25 Year	25 Year	25 Year	25 Year	25 Year

Sample picture of the solar power plant project of ACE Group



Sample picture of the floating solar power plant project of ACE Group



Permit for business operation and Promotional Investment Privileges

ACE Group is responsible for applying for the permit related to the development, construction and operation of the power plant of ACE Group. Previously, ACE Group has obtained all important permits for power plant operation, which are:

- 1) Approval of Environmental Impact Assessment Report (EIA) (not required for the case of the purchase from renewable energy VSPP)
- 2) Permit for Energy Industry Operation
- 3) Factory permit (Ror.Ngor.4)
- 4) Construction Permit (Aor.1) or Building construction notification form (Mor.39 Bi)
- 5) Permit for controlled power generation (PorKor. 2)
- 6) Building Certificate (Aor.6)
- 7) Investment Promotion Certificate

In this regard, all power plant projects that Commercial Operational Date (COD) of ACE Group are granted investment promotion from the Board of Investment of Thailand. Such Investment Promotion Certificate gives key benefits to ACE Group as follows:

- 1) Exemption from Corporate revenue tax for net profit obtained from the promoted business starting from the day that the project has revenue for 8 years.
- 2) Deduction of the loss of the year during the BOI period from the net profit occurred after corporate revenue tax exemption period, up to 5 years from the end of exemption period.
- 3) Reducing corporate revenue tax for net profit obtained from the promoted business at the rate of 50 percent of the normal rate for 5 years from the end of 8-year period.
- 4) Exemption from import duty for importing machine for production as approved by the Committee.

- 5) Exemption from including the dividend from the promoted business that is granted Corporate revenue tax exemption to calculate the revenue tax, throughout the period of Corporate revenue tax exemption.

Apart from that, all Biomass power plant project and Waste-to-energy power plant Project is granted the additional privileges, which are:

- 1) Permission to deduct the cost of transportation, electricity and water supply 2 times of the cost for the period of 10 years starting from the day that the project has revenue.
- 2) Right to deduct investment in the installation or construction of facilities at the rate of 25 of the investment apart from the normal depreciation.
- 3) Reducing corporate revenue tax for net profit obtained from the promoted business at the rate of 50 percent of the normal rate for 5 years from the end of 8-year period.

In this regard, ACE Group must comply with the conditions stated in the Investment Promotion Certificate. For example, there must be Environmental Impact Measure and shall be implemented and the project must take action to obtain ISO 9000 or 14000 or other equivalent standard within 2 years from the business operation, etc. to get all the rights and benefits above.

Other business of the Group

Administrative Services

In 2017 the Company has entered into the management service agreement servicing contract with the indirect subsidiaries. Under such contract, the Company provides administrative services under the policy, order and conditions set in the scope of work to support the operation of the indirect subsidiaries, such as accounting and financial management, human resources management, information technology management and legal management, etc. The Company is responsible for providing advices, coordinate and negotiate for the subsidiaries in the scope of work mentioned above.

Maintenance Services

As of December 31, 2021 the Company has the indirect investment of 100% of the share issued and paid up of PSMS which is a business established under ASCE on 3 May 2018 to operate the maintenance service providing for the power plant in ACE Group. In this regard, PSMS started to gain revenue from the business operation in the 2ndquarter of 2018.

Research and Development

Research and Development of Biomass Power Plant Project

Since the nature of the Group's business is electricity and steam production and distribution, its policy is to develop and improve every step of its working process to increase production efficiency in line with its strategy that adheres to the principle of "Research and Development Leads Production". The aim is to create in electricity generating innovations with the highest efficiency for humanity. Therefore, all departments have always been encouraged to conduct research and development to improve operational efficiency and reduce production costs. However, such expenses have been recognized as part of machinery and equipment maintenance cost, so they cannot be separately presented by items for operational efficiency improvement.

The Group has improved the operational efficiency of various power plants as follows:

Operational Efficiency Improvement of Biomass Power Plant Projects

The Group regularly collects data essential for improving the operational efficiency of the power plants as big data and analyzes it before the improvement and development in various aspects. Examples of such improvement and development are as follows:

- 1) To develop a ready-made computer program for the management and control of all machines in the power plants for harmonious work, as well as adjusting the operation of all machines to be consistent throughout the factory. The aim is to control every machine using an automated system for maximum efficiency in the production and operation of the power plants. In addition, a Safety Instrumented System can control and resolve every mechanic issues automatically to ensure smooth operation of the power plants for a long period of time without accidents or damage to the machines. There is also a computer alert system when any part of the machines malfunctions to prepare for repair or maintenance before any damage occurs.
- 2) The Group is in the process of developing an Artificial Intelligence (AI) System to control computer systems and tune the machines while in operation using big data previously collected systematically. This is to achieve maximum efficiency in running electricity generators, prolong the service life of the machines, reduce the electricity generating costs, and care for the environment as best as possible.
- 3) Artificial Intelligence Cyber Command Center has been established at the Bangkok Office to direct, control, and supervise the production and operation of all power plants in The Group that are spread across the country in a Real-time Online fashion for maximum efficiency in electricity generation and production cost control.
- 4) A computer program to control and automatically stop the machine safely in the event of an abnormality or an accident has been developed, for the safety of the factory, employees, and nearby communities.
- 5) A system to feed fuel into the combustion zone has been developed, to prevent a major obstacle that had often caused the power plant to stop running. The system can help to feed the fuel into the combustion zone consistently and precisely to ensure smooth operation of the power plants throughout the year.
- 6) The form of the grate and the formula of the metal used to make the grate have been developed so that the grate can withstand high heat and has a longer service life.
- 7) The biomass fuel formula has been developed for more efficient combustion and lower production costs.
- 8) The Auto Load Control has been developed, which is a system used to set the sales volume and control the stability of the electricity sales more effectively in order to meet the specified targets and reduce the amount of fuel excessively used during the combustion, resulting in lower cost of electricity generation.
- 9) The Fuel Consumption Application has been created to record incoming, outgoing, and remaining fuel volumes of power plants, and report the quality of fuel used in the power generation process. This reduces the operator's workflow and ensures the accuracy of the information reported, making

the formulation of the fuel mixture and fuel management more efficient with lower cost of electricity generation.

- 10) The backup power systems have been improved by using diesel generators in the power plants in order to solve issues caused by a power outage. The system can supply backup power to machinery equipment to keep it working and not severely damaged. Originally, when there was a power outage machinery equipment is often damaged. For example, used batteries tend to have a short lifespan if not properly maintained. Failure of the backup power system will cause serious damage to the turbines and they take several months to repair, which will seriously affect the Company's revenue. The two emergency power backup systems working in parallel will ensure that the Company Group's power plants will not be damaged due to such emergency.
- 11) The Belt Weighting Scale has been installed to assist in the process of counting the amount of fuel fed into the electricity production process. The fuel consumption data is more accurate as it is automatically recorded by the system, resulting in more effective analysis of data in order to plan, improve, or develop work processes. This also allows calculation of the power plant efficiency and the plant heat rate on an hourly basis, which contributes to more appropriate adjustment of the machine and consequently reduces the cost of electricity generation.
- 12) A program with the QR Code system to track materials, equipment, tools, and spare parts of the remaining machinery has been developed. The equipment, tools, and spare parts that are stored in the warehouse of the power plants have an individual QR Code so that the incoming, outgoing, storing, and counting of the remaining quantity of equipment can be recorded accurately in the system, which can minimize the working time and mistakes caused by the operators.
- 13) The Group is in the process of preparing a simulator of the Distributed Control System (DCS) for the operation of the power plants. The system will be used in personnel training and development to reduce the risks and damage that may occur from mistakes in the actual operation of the machine as a result of negligence or lack of experience of the machine operators. The system can reduce the risks that will occur due to employees' lack of knowledge, ability, experience, or skills to operate the machines.
- 14) Personnel training and development has been provided thoroughly in the organization throughout the year annually to increase the potential and professional expertise of the Company Group's human resources.
- 15) The using of palm bunch has been studied and developed. Palm bunch can be used as biomass fuel that is abundantly available in the market and cheap, but has high humidity of about 60 - 65% and contains compounds that cause corrosion in the boiler system. The plant can be used as fuel to generate electricity safely and effectively reduce the cost of fuel used to generate electricity.
- 16) Av biomass fuel dehumidification process has been developed to increase the calorific value of the fuel before it is put into the combustion zone, and consequently save the fuel used to generate electricity.
- 17) Fuel storage facilities have been developed to allow the stored fuel to dehumidify itself faster and have higher calorific value before it is used to generate electricity.

- 18) The superheated steam transmission system has been developed to reduce the pressure loss and temperature of steam before it is transmitted from the boiler to the steam turbine, which can reduce the energy loss during the production process and therefore the cost of fuel used to generate electricity.
- 19) The furnace wall has been developed to reduce the radiation loss so that the heat from the combustion of fuel can be used to generate more electricity for more efficient power plants.
- 20) The amount of hot air emitted through the exhaust pipe has been reduced to minimize energy loss during the production process, which can save the fuel used and therefore reduce production costs.
- 21) The superheated steam system has been developed for efficient heat transfer and a longer service life. This will reduce the costs of electricity generation and power plant maintenance both in the short and long terms.
- 22) An anti-scaling system has been improved to prevent the formulation of scaling on steam turbine blades. The system can minimize power loss in steam turbines and extend the service life of the machine, as well as shortening the downtime for the power plants to maintain steam turbine machines, which directly affects the Company's revenue earning and profitability.
- 23) Lubricant cleaning systems and machines have been developed to increase the service life of lubricants and lubricant systems of turbines, which can therefore reduce production costs.
- 24) The furnace has been improved to prevent molten ashes from forming and then clogging the system in combustion zone, which causes the power plants to take several days of downtime to remove the molten ash scale from the combustion zone, directly affecting the Company's revenue earning and profitability.
- 25) The Soot Blower System has been developed to clean the outer surface of the boiler pipe thoroughly without damaging it. This helps to extend the service life of the boiler pipe and reduce the downtime caused by unplanned shutdowns of the machine.
- 26) The bottom ashes and fly ashes have been utilized to produce building materials, lightweight bricks, and soil improvement materials, which reduces the costs of ash disposal and increases additional revenue from selling ash-made products.
- 27) The boiler design has been developed to enhance steam generation efficiency, extend the boiler's service life, and reduce the costs of electricity generation.

Operational Efficiency Improvement of Natural Gas Power Plant Projects

The operational efficiency of the natural gas power plant projects has been improved in several aspects as follows:

- 1) A communication system has been implemented to keep track of performance, and an automatic electricity meter data recording system has been used to control, supervise, and evaluate the efficiency of the machines at all times in a real-time manner.
- 2) Real-time communication with customers has been established to adjust the generators in response to the customer demand in a timely manner, which will not cause danger nor damage to the power generating machinery.

- 3) The Computerized Maintenance Management System is used as a central database for Preventive Maintenance and Corrective Maintenance (PM/CM) which can accurately record the movement of spare parts and materials in the warehouse and therefore reduce the risk of having power-generating machines downtime due to shortage of spare parts.
- 4) Each employee will be trained to gain basic knowledge necessary to work in power plants before their actual work commences. The training curriculum is reviewed regularly.

Operational Efficiency Improvement of Waste-to-Energy Power Plant Projects

The operational efficiency of the waste-to-energy power plant projects has been improved in several aspects as follows:

- 1) The combustion room has been developed to effectively incinerate various types of waste including waste with high humidity of 55% - 60%.
- 2) The boiler model has been developed to reduce the accumulation of fly ashes on the steam pipes, increase heat exchange efficiency, and reduce corrosion on the steam pipe wall.
- 3) The power plant buildings have been improved to prevent the spread of odor and save the construction budgets.
- 4) Waste collection ponds inside the project area have been improved to extract moisture from the waste faster, causing the waste to have a higher calorific value.
- 5) Treated leachate has been made reusable for the production process without having to discharge water outside the plants.
- 6) Bottom ashes have been used safely to make such materials as building materials, lightweight bricks, or paving bricks to save the disposal cost.
- 7) A computer system has been developed to control the machines in the power plants and prevent their operational malfunction and accidents during the operation of the machines.
- 8) A cold-water production system has been developed for the production process to save energy.

The Group has planned and continuously improved the operational efficiency of its various power plants, which can be seen through the increase of power generation units of each project and the gradually reduced cost of electricity generation.

The Group has an aim to reduce the costs of operation and maintenance (O&M) per unit of electricity generated by 15% to 25% within 2 to 3 years through improving the operational efficiency of the power plants according to the plans. For example, it has been outsourcing fuel management tasks to Goodwill Innovation and Engineering Company Limited (GIE) because of GIE's experience and expertise in heavy equipment management. The employment contract is based on the amount of work GIE can complete with a fixed unit price, making it easy to control the budget. PSMS subsidiary has also been founded to manage and maintain the machinery in all power plants of the Company Group, contributing to more efficient team management and better long-term work planning. Furthermore, Artificial Intelligence Cyber Command Center has been established to assist in the maintenance management of power plant machinery with an online system that can take orders immediately, which makes planning and troubleshooting faster and timelier, and limits damage in maintenance work. In addition, there has been a change in the purchasing related to the maintenance of the power plant machinery. The maintenance

service used to be purchased separately for each power plant, but now all power plants with demand for such a service are included in a single purchase in order to increase the bargaining power with the suppliers for lower prices.

Market and competition

Target group

The main power purchasers of the power plant project of ACE Group are PEA and EGAT. Under the current regulations and rules of business on power generation and sale, the entrepreneur must be obtained the right to sell electricity by entering into the Power Purchase Agreement (PPA) with related organization according to the structure of Thai power industry, which is PEA or MEA who is the electricity distributor of the country or EGAT who is the sole owner and controller of transmission system in the country.

With regard to seeking the industrial users, although nowadays such group of customers is not a big portion of revenue, ACE Group has a policy to expand the industrial users' base in the surrounding area of the power plant project of ACE Group by investing and developing network and power transmission line system in the area required by the customer, in order to generate power and transmit to such industrial users.

For the year ended December 31, 2021, all power plant projects that commenced commercial operation (not include Solar Rooftop Project) have the power/steam purchase agreement with the target groups, which are PEA, EGAT and industrial users, totaling to 252.25 MW. After deducting the power consumption inside the power plant project of about 16.59 MW, ACE Group will have surplus capacity of power/steam about 24.66 MW left for selling to the customer in additional. The details are shown in the table below:

Power Plant Project (Excluding Solar Projects)	Installed capacity (MW)	Contracted capacity for power/ steam (MW) ¹⁰	Power consumption of the project (MW) ¹¹	Surplus capacity (MW)
Ban Bueng Power Plant Project ("ACP1")	9.90	8.46	0.91	0.53
Phon Thong Power Plant Project ("ACP2")	9.90	8.54	0.87	0.49
Bo Ploy Power Plant Project ("ACP3")	9.90	8.00	0.87	1.03
Si Chiang Mai Power Plant Project ("ALCP1")	9.90	8.00	0.92	0.98
Sirindhorn Power Plant Project ("ALCP2")	9.90	8.00	0.73	1.17
Ta Nee Power Plant Project ("AAPP1")	9.90	8.46	0.87	0.57
Chok Chai Power Plant Project ("AAPP2")	9.90	8.86	0.89	0.15
Nam Phong Power Plant Project ("AAP1")	9.90	8.76	0.95	0.19
Thoen Power Plant Project ("ABA1")	9.90	8.00	0.87	1.03
Koh Khanun SPP project ("AAA1")	114.35	95.50	3.30	15.55
MSW Khon Kaen Power Plant Project ("ALCP3")	6.00	4.50	1.11	0.39
Mueang Buriram Power Plant Project ("ACES1")	7.50	6.50	0.75	0.25
Don Mon Power Plant Project ("ABE1")	9.50	8.00	1.13	0.37
Mueang Korat Power Plant Project ("AAE1")	9.90	8.00	0.84	1.06
MSW Krabi Power Plant Project ("ALCP6")	6.00	4.40	1.31	0.29
Klong Klung Power Plant Project ("ACP4")	9.90	8.00	0.96	0.94
Total	252.25	209.98	17.28	24.99

¹⁰ The Amount of Electricity and Steam Sales under the Power Purchase Agreement with all types of customers: EGAT, PEA and Industrial Users, in megawatts.

¹¹ Calculate from actual amount

Setting the selling price

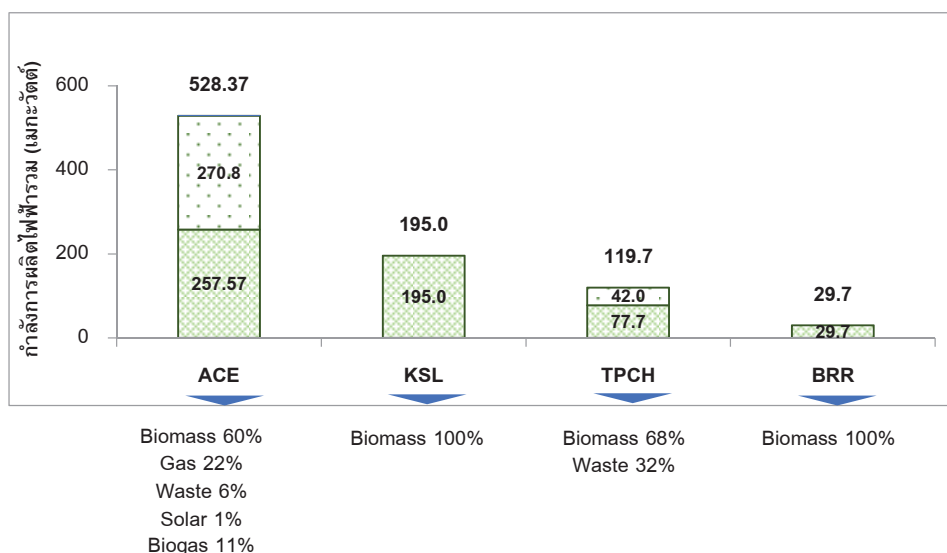
ACE Group has considered to set the electricity selling price separated by the type of power purchaser, which are: 1) The proposal to sell electricity to PEA and EGAT will be in accordance with the tariff structure set in the Power Purchase Agreement (PPA). If ACE Group proposes the price by oneself, for example in case of the bidding for the right to sell electricity, ACE Group will consider the selling price by analyzing the relevant factors and risks to assess the feasibility of the project and the expected return to correspond with the investment policy set out by the Board of Directors; and 2) For the proposal to sell electricity to industrial users, ACE Group will set the price by referring the tariff or setting the discount rate from the tariff of PEA or MEA as the case may be.

Market Conditions and competitions

Competition in renewable energy industry

Renewable energy industry under the type of Biomass power plant in the past is the persons who want to invest in such power plant business, especially VSPP Biomass power plant with installed capacity up to 9.9 MW can submit the document and project proposal to enter into the power purchase agreement with the electricity distribution authorities, which are PEA and MEA directly. PEA and MEA will consider the proposal of the project by considering from the readiness in various aspects, especially the qualification of the applicant which is the main factor of the consideration. In the past, there are many entrepreneurs who get the power purchase agreement from PEA and EGAT. The entrepreneurs are registered company and other juristic persons, including in many cases that the registered company has purchased the power plant project from other juristic person.

In this regard, the registered company that runs the renewable power generation and distribution business with the biomass power plant as the main type of power plant of the business can be summarized as follows:



Source: Data from 2020 Annual Report of each company

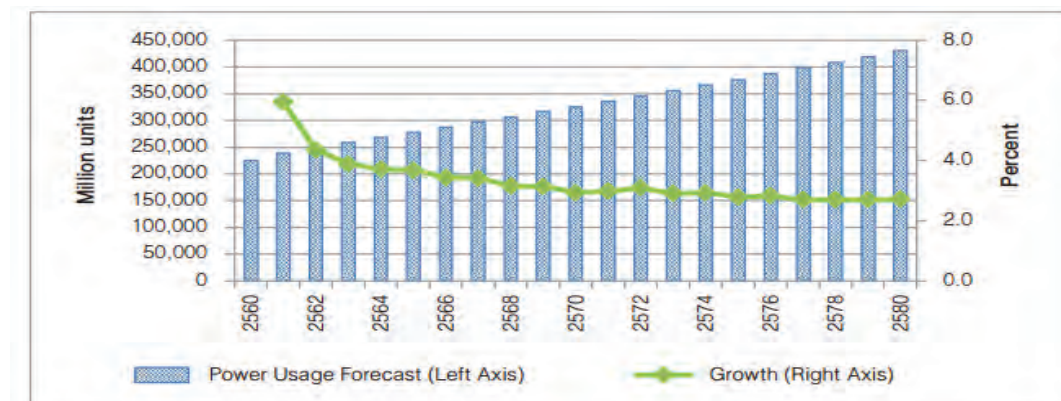
From the chart above, the biomass power plant entrepreneurs can be divided into 2 main groups, which are: 1) The entrepreneurs who use fuel that is the remaining from the main production process of oneself (Waste or By-Product), which are group of power plant of the sugar factory entrepreneurs, such as KSL or BRR, etc. who use one own raw material as the main fuel to generate electricity. The power generated will be mainly used in the factory of the main product. The remaining power will be sold to the factory, PEA and/or EGAT as the case may by; and 2) ACE Group of entrepreneurs that provides the agricultural waste from outside to be biomass fuel. The almost all produced power will be sold to PEA and EGAT. The entrepreneurs in this group are the Company and TPCH.

Trend of the power generation industry in Thailand

Power Development Plan 2018 Revision 1 (PDP2018 Rev.1) forecasts the power demand of the country to the same level as Power Development Plan 2018 (PDP2018) estimation, under the assumption from the estimation of the expansion of GDP average 3.8 percent per year and forecast the population birth rate -0.02% per year during 2017 – 2037 by Office of the National Economic and Social Development Council (“NESDC”).

In PDP2018 mentioned above, it states that between 2018 – 2037 the maximum power usage demand of the country and the amount of power usage of the country will increase at the accumulated average growth rate per year at 3.03 percent and 3.3 percent, respectively, from 34,102.0 MW and 225,114.0 million units in 2017 to 61,965.0 MW and 430,693.0 million units in 2037 respectively. The forecast is reduced in 2017 – 2027 as compared to PDP2015 and the forecast is increased as compared to the original plan in 2027– 2036.

Chart showing the forecast of Thailand’s power usage amount



Source: Power Development Plan 2018 Revision 1

Apart from PDP2018 Rev.1, Ministry of Energy also adjust the Alternative Energy Development Plan 2018 – 2037 or “AEDP2018” to support the power generation from the alternative raw materials available in the country. The development of potential to produce alternative energy using suitable technology to create the growth on good quality of life and environmentally friendly. The target of the energy purchase from renewable energy in 2037 is 18,696.0 MW.

The renewable power purchase plan according to AEDP2018 will correspond with the remaining potential of the country, which are solar energy, Biomass, biogas, hydro-floating solar, wind, and other renewable energy. The target of the purchase price is set at not more than Grid Parity to maintain the retail power price. The contracted capacity is as follows:

The Alternative Energy Development Plan 2018 Breakdown

Project	Unit	Year 2037
1. Solar	MW	8,740
2. Biomass	MW	2,780
3. Solar Floating	MW	2,725
4. Wind	MW	1,485
5. Biogas	MW	546
6. WTE-Industrial	MW	44
7. Small Hydro	MW	69
8. Project under government supportive policy		
8.1 WTE-Community Waste	MW	400
8.2 Biomass for 4 southernmost provinces	MW	120
8.3 Power Plant for Community (PPC)	MW	1,933
Total	MW	18,696

Source: Ministry of Energy

Moreover AEDP 2018 also support renewable power generation by the government by focusing social problems, which is Municipal Solid Waste issues, and the support on power generation from Biomass and biogas to use the agricultural waste, responding to the target to achieve local growth, resulting on stability, revenue distribution and provide job opportunity in the local area and maximize the benefit from local resources.

Product or service supply

Power plant project development before operation

ACE Group runs the business by investing in the power plant project which have to take action to obtain the right to sell electricity by participating in the bidding for electricity sale or by submitting the proposal to sell electricity according to the process of the relevant organization. Before taking action to obtain the right to sell electricity, ACE Group has carefully and cautiously ready by preparing information and assert the readiness in various aspects of the project to be invested. For example, the feasibility of the project, the readiness in terms of source of capital, technology, raw material, land and the permit obtained, etc. When the power plant project that has potential and meet the criteria of the Company is granted the right to sell electricity from the related organization, ACE Group will proceed with the development of power plant project further. The Power plant project development process can be summarized as follows:

Application for permit for power plant project

ACE Group must take action to obtain important permits for the energy company according to ERC notification on Categorization and duration of the permit and approval for energy business operation B.E. 2551 and regulations/notifications of ERC and/or the Government Agency in charge, which are:

Approval/Permit/Certificate	Related law	Government Agency in charge
Approval of Environmental Impact Assessment Report (EIA) (not required for the case of the power purchase from renewable VSPP)	The Enhancement and Conservation of the. National Environmental Quality Act, B.E. 2535	Office Of Natural Resources and Environmental Policy and Planning ("ONEP")
Permit for Energy Industry Operation	Energy Industry Operation Act B.E. 2550	The Office of the Energy Regulatory Commission ("ERC")
Factory permit (Ror. Ngor.4)	Factory Act B.E. 2535	ERC / Department of Industrial Works ("DIW")
Construction Permit (Aor.1) or Building construction notification form (Mor.39 Bi)	Building Control B.E. 2522 Industrial Estate Authority of Thailand Act B.E. 2522	ERC / Local Administrative Organization Industrial Estate Authority of Thailand
Permit for controlled power generation (PorKor. 2)	Energy Development and Promotion Act B.E. 2535	ERC / Department of the Energy Development and Promotion (DEDE)
Building Certificate (Aor.6)	Building Control B.E. 2522 Industrial Estate Authority of Thailand Act B.E. 2522	ERC / Local Administrative Organization IEAT
Investment Promotion Certificate	Investment Promotion Act B.E. 2520	The Office of the Board of Investment of Thailand

Power plant project construction

(1) Engagement of contractor for power plant construction

For the construction of the biomass power plant and Waste-to-energy power plant of ACE Group previously, ACE Group employed Advance Energy Development Co., Ltd. ("AED") which is the Company that related to the major shareholder to be the contractor for power plant construction of ACE Group for all the time. The procurement will be done mainly by price negotiation, however, to conduct the power plant construction in the future in organized and reduce the possibility of the conflict of interest, ACE Group has set the policy for engagement of the EPC Contractor. ACE Group will try to avoid employing the related person which shall include AED to be the EPC Contractor at all cases, except when it is necessary and cannot be avoided and ACE Group has considered that it is reasonable and maximizes the benefits for the Company and the shareholders in overall. In this regard, it must comply with the criteria of the bidding process or EPC Contractor selection process as ACE Group use with the external parties and such item must be in accordance with the policy for transaction related to the Company and related laws. The beneficiary of such item cannot approve or vote for such matter.

(2) Technology selection

The power plant projects of ACE Group select the machine and equipment for production as sorted by type of project as follows:

1) Biomass power plant project

The Company has set the details for the standard and qualification of machine and equipment that meet the standard, efficient and has prolonged usage period, such as using the high-quality steel from Germany in all Boiler tube system or designing the machine in the factory by German engineer who is expertise and professional in designing machine to support various types of biomass fuel and support fuel with high humidity. In this regard, for biomass power plant of ACE Group that will be newly constructed in the future, regardless of being SPP Hybrid or VSPP, the Company has a plan to develop machine and production process that will increase the efficiency of the biomass power plant. For example, using the machine that can use steam at

higher temperature and pressure in order to increase the efficiency according to the steam cycle, resulting in a higher electricity with less fuel use. At the same time, such production process has a higher investment value due to the requirement of material that is durable for higher pressure and temperature too

2) Natural gas power plant project

Natural gas power plants of ACE Group mainly use the technology from the USA and Japan.

3) Waste-to-energy power plant Project

The Municipal Solid Waste in Thailand is not categorized from household. Therefore, there are various types of wastes mixed together, such as remaining from vegetables and fruits, or solid waste that are waste with high humidity and low heat rate, making them hard to burn. ACE Group, therefore, use the suitable technology together with the engineering design that is able to support the waste incineration with such qualification. The technology that the Company uses can deal with waste with humidity of 80 percent without being separated or dried, so the it saves the cost of waste management before bringing to the power plant.

4) Solar energy power plant project

Each Solar Rooftop project consists of solar panel installed on the roof, power inverter and transformer. The solar panel generates direct current power with low voltage when getting the sunlight at daytime and use Inverter to invert the direct current power with low voltage into the alternate current power with low voltage. Then the power generated my solar panel will be transformed by the transformer to increase the voltage to 22.0 kV. After that the power will be sold to the customers.

Power plant project during operation

Fuel material Procurement

(1) Biomass fuel

The Biomass fuel is a main fuel material for the production process of biomass power plant project. The biomass fuel refers to the remaining or waste from agriculture, such as the energy crops, barks, chopped fuelwood, husk, palm bunch, corn cob / corn husk, and wood chips, etc. They can be categorized from the source into 3 types, which are:

- 1) The biomass fuel collected from the agricultural product plant, such as husk from rice mill, bark from chopped wood plant, slab, wood chips and sawdust from sawmill and palm bunch from palm oil plant, etc.
- 2) The biomass fuel collected from the garden, farm, and rice field, such as rice straw, wood tip, root in the garden and corn husk from corn farm, etc.
- 3) The biomass fuel that is the energy crop that the agriculturists plant and deliver to the project, such as eucalyptus, plant in Acacia family, Napier Grass and energy crop in reed grass family such as Orlando, etc.

ACE Group has a policy to procure biomass fuel from various sources, which can be divided into 2 methods as follows:

- 1) Announcement to purchase the Biomass fuel widely given to the retail agriculturists. The fuel purchase division will negotiate for the price and condition according to the type of fuel, heat rate and humidity as specified by the company.
- 2) Contacting the agricultural product plant directly to negotiate to purchase the agricultural remains from the production process from the plant owner.

In this regard, as of the year ended December 31, 2021 the Group mainly uses 4 types of biomass fuel, which are:

- 1) **Bark** which is the remaining from the production process of chopped wood from fast growing plants, such as eucalyptus which is the bark obtained from peeling the bark from the wood piece.
- 2) **Fuelwood** which are various kinds of wood that are left from tree cutting from farm, garden or field. The fuelwood can be generally found.
- 3) **Palm bunch** which is remaining from palm oil extraction in the form of empty palm bunch, fiber and palm shell that can be used as fuel.
- 4) **Rice husk** which is the hard cover of rice grain remained from the production process of rice mill. The Group uses rice husk as fuel in Biomass power plant project.
- 5) **Other fuels** consist of corn husk/cob, sugar cane leaf/ bagasse, potato rhizome, sawdust, wood chips, etc.

Bark



Sugarcane Leaves



Corn Husks and Corn Cobs



Rice Straw and Chaff



Palm Bunch



(2) Natural gas

Natural Gas power plant project of ACE Group has entered into the long-term natural gas purchase agreement with PTT Public Company Limited (“PTT”) who is the sole entrepreneur who can supply natural gas to the natural gas power plant project in the country. The contract term is equal to the term of the Power Purchase Agreement (PPA) with EGAT.

(3) Municipality Solid Waste

Municipal Solid Waste is the main raw material for power generation of Waste-to-energy plant Project of ACE Group. The Waste-to-energy plant Project of ACE Group has entered into the waste disposal service agreement with various organizations in the relevant area nearby. They can be categorized according to source of the waste as follows:

1) Aged waste disposal contract

1.1) At the landfill of the Khon Kaen Municipality where the project is situated. No servicing fee received. The project is expected to be completed by 28 September 2023.

1.2) At the solid waste landfill of Krabi Town Municipality where the project is situated. No servicing fee received. The project is expected to be completed by 21 February 2029.

2) Waste disposal contract, the Waste-to-energy plant Project of the Group has entered into with the municipality nearby and the private company, which the project receive the return in the form of servicing fee, for the period from 1 to 25 years as the case may be.

Apart from that, ACE Group also entered into the construction agreement and the solid waste management system with Krabi Municipality according to the agreement dated 22 February 2019, with the condition that the waste disposal must be done not less than the amount specified in the agreement. ACE Group is granted the right to operate the system management for 25 years from the contract signing date.

(4) Raw water

ACE Group needs to use raw water in the power generation process to produce steam for power generation and to cool down the temperature of the machine and equipment. When procuring the raw water, ACE Group will manage to prepare the storage area of all power plant project of ACE Group adequately for the water use of each project throughout the year, in order to reduce the risk of raw water shortage for power generation and reduce the cost for purchasing raw water or industrial water. Most of the raw water will be stored from natural rainfall or pumping from the source of water nearby in rainy season, as permitted by the related organization.

However, 1) the project has limitation in terms of the area that cannot store water in the project are, which is the waste-to-energy plant project of ACE Group in Khon Kaen. The project has to enter into raw water purchase contract with a seller who is the relevant person of the Company with the period of 10 years from the Commercial Operation Date (COD). Not less than 30 days before the contract termination date, if one of the parties does not send a letter to notify the termination to another party, it shall be considered that the parties agree that the contract shall be renewed for 1 year at a time. The waste-to-energy plant project shall pay the servicing fee to the seller on monthly basis at the rate specified in the contract and 2) Krabi Municipality Solid Waste Power Plant Project. ACE Group has entered into raw water Purchase Agreement with 1 vendor which is related to the Company. The agreement has an expiry date. The monthly service fee the project pays to the vendor is as specified in the agreement.

Assets Used in Business

Investment Policy in Subsidiaries, Associated Companies

The core business is the generation and distribution of electricity and steam from renewable energy and/or clean energy such as biomass fuel, natural gas, biogas, municipal solid waste and solar energy, etc., both domestically and internationally by using modern technology and efficient production processes, environmentally friendly and operates business with responsibility to communities and society. In addition, the Company has a policy to invest in related businesses or businesses that can enhance mutual benefits with the core business (Synergy).

In order to make the investment of the Company Subsidiaries and associates ("the Group"), which may be entirely self-investment or joint ventures with other investors, are in accordance with the goals and policies set by the Company through the process of analysis and consideration of investment decisions. in detail careful and careful, to ensure that such investments can create added value and maximum benefits to the company. Company's shareholders and all stakeholders, the Company therefore has established criteria for considering projects and/or activities in which the Group has invested as follows:

- 1) The Group will invest by taking into account the necessity and benefits of the Group of Companies. and shareholders.
- 2) The Group will invest in potential projects in line with the vision, mission, goals and business expansion plans of the Group.
- 3) The Group will invest in projects that have done a project feasibility study by analyzing various factors related, such as economic, social, political conditions, relevant laws Industry conditions and competition financial cost, construction cost, land cost and sufficiency of raw materials (fuel) etc. to assess the feasibility of investment and expected return on investment. In addition, a sensitivity analysis of various factors is required. that may affect the feasibility of the project in order to find a way to prevent risks in advance.
- 4) The Group will invest in projects that are expected to generate a return on investment (Project IRR) at an appropriate level. It must not be less than the Project Weighted Average Cost of Capital, which has taken into account the project's risk level.
- 5) The Group will invest in projects with readiness in various fields such as investments, technology, raw materials (fuel), land and various licenses, etc.
- 6) The Group will invest in projects with key contractual parties such as power and steam buyer with credibility and ethics in doing business.
- 7) The Group will invest in projects that use modern, reliable technology with high production efficiency and environmentally friendly.
- 8) The Group will invest in projects that are beneficial to the economy, society and sustainable coexistence with the community.
- 9) In the event that the Group will invest in projects that are joint ventures with other investors. Besides the project that must pass the criteria for consideration above, the other parties who invest in such projects in a significant proportion must have business policies that are consistent with the Group's business.

Investment and Management Policy of the Company in subsidiaries and associated companies

Investment and Management Policy of the Company in subsidiaries and associated companies by supervising the operations of subsidiaries and associated companies The Board of Directors will consider sending a representative of the Company which has qualifications and experience suitable for the business that the Company Invest as a director in a subsidiary and associated company of the said company. The representative may be the chairman of the board, Chief Executive Officer, director, senior management or any person of the Company without conflict of interest with the business of those subsidiaries and associated companies. And able

to control and supervise the business and operations of the subsidiaries and associated companies, and must manage the business of the subsidiaries and associated companies in order to be in the best interests of the Company, to comply with the laws related to the business operations of such subsidiaries and/or associated companies. In addition, the submission of representatives to be directors in such subsidiaries and associated companies shall be in accordance with the Company's shareholding proportion.

In this regard, the Company will closely monitor the operating results and operating results of its subsidiaries and associated companies, including supervising the collection of information and accounting records of subsidiaries and associated companies for the Company to examine

Investment Capital

The Company operates its main business by holding shares in other companies that operate the business of generation and selling electricity and steam. and other businesses that support or are related to the business of producing and selling electricity and steam Therefore, the Company's major assets as of December 31, 2021 are investment capitals in 40 subsidiaries, comprising 1 direct subsidiary and 39 indirect subsidiaries companies, details are as follows:

Direct Subsidiary

1. ASCE

Indirect subsidiaries held by ASCE 100.0%

- | | | |
|---------|--------------|----------|
| 1. ACP | 8. ACE SOLAR | 15. REC |
| 2. ALCP | 9. ACW | 16. REN |
| 3. AAPP | 10. AAA | 17. RENE |
| 4. AAP | 11. AAE | 18. RESM |
| 5. ABA | 12. ABE | 19. PSMS |
| 6. AFT | 13. ACES | |
| 7. BPP | 14. PRE | |

Indirect subsidiaries held by ALCP 90.0%

1. NCE
2. ABP

Indirect subsidiaries held by PRE 90.0%

- | | | |
|---------|---------|---------|
| 1. KTNP | 3. KTPP | 5. CBRP |
| 2. KTDp | 4. RBNP | |

Indirect subsidiaries held by REC 90.0%

- | | | |
|---------|----------|----------|
| 1. KTRC | 5. WLCPP | 4. KHLCP |
| 3. TRRP | 2. KACPP | |

Indirect subsidiaries held by REN 90.0%

1. BURC
2. KAMD

Indirect subsidiaries held by RENE 90.0%

- | | |
|---------|---------|
| 1. TDPP | 3. TKNP |
| 2. NHCP | 4. TCPP |

Indirect subsidiaries held by RESM 90.0%

1. KTRP
2. KPKKC

The investment in the subsidiaries according to the Company's separate financial statements as of December 31, 2021, details are as follows:

Company	Book value of investments under the cost method (MB)	Shareholding Proportion (%)	Percentage to Total Assets of the Company ¹ (%)
<u>Direct Subsidiary</u>			
1. ASCE	9,327.00	100.0	99.04
<u>Indirect Subsidiaries*</u>			
1. ACP	1,778.65	100.0	18.89
2. ALCP	2,399.40	100.0	25.48
2.1 NCE	137.6	90.0	1.46
2.2 ABP	237.6	90.0	2.52
3. AAPP	1,000.00	100.0	10.62
4. AAP	568.57	100.0	6.04
5. ABA	661.50	100.0	7.02
6. AFT	7.60	100.0	0.08
7. BPP	348.20	100.0	3.70
8. ACE SOLAR	336.70	100.0	3.58
9. ACW	176.33	100.0	1.87
10. AAA	1,500.00	100.0	15.93
11. AAE	499.08	100.0	5.30
12. ABE	340.64	100.0	3.62
13. ACES	389.36	100.0	4.13
14. PSMS	164.40	100.0	1.75
15. PRE	77.50	100.0	0.82
1. KTNP	7.0	90.0	0.07
2. KTDP	7.0	90.0	0.07
3. KTPP	7.0	90.0	0.07
4. RBNP	5.0	90.0	0.05
5. CBRP	7.0	90.0	0.07
16. REC	58.50	100.0	0.62
1. KTRC	7.0	90.0	0.07
2. TRRP	5.0	90.0	0.05
3. WLCPP	20.0	90.0	0.21
4. KACPP	20.0	90.0	0.21
5. KHLCP	7.0	90.0	0.07
17. REN	75.00	100.0	0.80
1. BURC	7.0	90.0	0.07
2. KAMD	7.0	90.0	0.07
18. RENE	63.00	100.0	0.67
1. TDPP	5.0	90.0	0.05

Company	Book value of investments under the cost method (MB)	Shareholding Proportion (%)	Percentage to Total Assets of the Company ¹ (%)
2. NHCP	7.0	90.0	0.07
3. TKNP	5.0	90.0	0.05
4. TCPP	7.0	90.0	0.07
19. RESM	63.00	100.0	0.67
1. KTRP	7.0	90.0	0.07
2. KPKKC	7.0	90.0	0.07
Total	11,026.63	-	117.09

Remark: ¹ Total Assets according to the Company's separate financial statements as of December 31, 2021 is equal to 9,417.58 million baht.

The main fixed assets used in business operations

The Company and Direct Subsidiaries (ASCE) operate their main business by holding shares in other companies therefore most of the assets belong to indirect subsidiaries that have a business (Operating Company). As of December 31, 2021, fixed assets of the Group have a net book value after deducting accumulated depreciation and provision for impairment, as shown in the Company's consolidated financial statements of 10,261.29 million baht, details are as follows:

(Unit: MB)

Company	Land	land improvem ent	Building and building improve ments	Equipment	Office Supplies and Furnishing	Other Tools	Vehicle	work in progress	Net Book Value as of 31 Dec 2021
1. The Company	-	-	65.23	-	4.63	0.14	-	-	70.00
2. Direct Subsidiary (Holding Company)									
- ASCE	-	-	-	-	-	-	-	-	-
3. บริษัทย่อยโดยอ้อม (Operating Company)									
- ACP	577.99	77.39	319.34	1,959.85	1.24	4.24	-	140.14	3,080.19
- ALCP and subsidiaries	594.86	176.24	135.81	879.99	2.80	2.19	3.16	273.57	2,068.62
- AAPP	326.78	16.79	107.14	799.66	0.89	2.14	0.50	0.03	1,253.93
- AAP	199.19	75.46	50.19	390.68	0.27	0.58	0.36	0.53	717.26
- ABA	77.70	7.29	83.28	426.41	0.54	1.56	3.47	0.52	600.77
- BPP	55.61	-	-	-	0.03	-	-	132.03	187.67
- ACE SOLAR	54.89	-	2.71	115.06	0.13	1.58	-	56.58	230.95
- ACW	131.67	0.20	5.49	14.91	0.02	0.44	-	7.70	160.43
- AAA	355.76	246.86	16.60	41.85	1.28	3.89	0.56	0.20	667.00
- AAE	37.65	4.92	69.19	205.49	0.61	1.58	0.24	0.04	319.72
- ABE	35.79	3.57	38.00	209.84	0.77	0.82	1.58	0.13	290.50
- ACES	42.95	5.92	42.15	289.72	1.15	0.65	0.07	0.07	382.68
- PSMS	-	-	-	3.21	0.09	4.24	-	-	7.54
- PRE and subsidiaries	75.41	-	-	-	-	-	-	9.90	85.31
- REC and subsidiaries	54.68	-	-	-	-	-	-	10.70	65.38

Company	Land	land improvement	Building and building improvements	Equipment	Office Supplies and Furnishing	Other Tools	Vehicle	work in progress	Net Book Value as of 31 Dec 2021
- REN and subsidiaries	54.98	-	-	-	-	-	-	6.15	61.13
- RENE and subsidiaries	-	-	-	-	-	-	-	7.74	7.74
- RESM and subsidiaries	-	-	-	-	-	-	-	4.47	4.47
Total	2,675.91	614.64	935.13	5,336.67	14.45	24.05	9.94	650.50	10,261.29

The list of fixed assets of the Company's group are able to show details of main assets as follows:

Land

Land according to the Company's consolidated financial statements as of December 31, 2021 has a book value as shown in the Company's consolidated financial statements equal to 2,675.91 million baht, divided into 2 types: land for the current power plant project; The book value as shown in the consolidated financial statements of the Company is 2,025.57 million baht and land that has not been used in operations, which is the land intended to be used for future projects The book value as shown in the consolidated financial statements of the Company is 650.34 million baht, details are as follows:

Land for the current power plant project owned by the owner		Location	Size			Objective	Ownership	Book value as of Dec 31, 2021 (MB)	Obligation ¹
Company	Project		Rai	Ngan	Sq.w.				
ACP	ACP1	Ban Bueng, Chonburi	146	0	55	Power Plant	ACP	81.33	Land valued at 81.33 million baht, as collateral with financial institutions according to the mortgage contract dated March 10, 2015, the mortgage value is 1,434 million baht.
	ACP2	Phonthong Roi Et	81	2	55	Power Plant	ACP	59.80	Land valued at 59.80 million baht, as collateral with financial institutions according to the mortgage contract dated March 10, 2015, the mortgage value is 1,434 million baht.
	ACP3	Bo Ploy Kanchanaburi	120	1	50	Power Plant	ACP	83.17	Land valued at 83.17 million baht, as collateral with financial institutions according to the mortgage contract dated September 7, 2016, the mortgage value is 1,068 million baht.
	ACP4	Khlung Khlung, Kamphaeng Phet	222	1	64.2	Power Plant	ACP	176.90	None
ALCP	ALCP1	Sri Chiang Mai, Nong Khai	141	3	71	Power Plant	ALCP	108.99	Land valued at 108.99 million baht, as collateral with financial institutions according to the additional securities mortgage agreement dated January 19, 2015

Land for the current power plant project owned by the owner		Location	Size			Objective	Ownership	Book value as of Dec 31, 2021 (MB)	Obligation ¹
Company	Project		Rai	Ngan	Sq.w.				
									and September 14, 2018, the mortgage value is 1,661.1 million baht.
	ALCP2	Sirindhorn, Ubon Ratchathani	114	3	48	Power Plant	ALCP	51.16	Land valued at 51.16 million baht, as collateral with financial institutions according to the additional securities mortgage agreement dated January 20, 2015 and September 14, 2018, the mortgage value is 1,661.1 million baht.
	ALCP6	Mueang, Krabi	10	1	58	Power Plant	ALCP	10.60	None
AAPP	AAPP1	Prasart, Surin	123	0	33	Power Plant	AAPP	104.43	None
	AAPP2	Chok Chai, Nakorn Ratchasima	59	0	38.4	Power Plant	AAPP	129.56	Land valued at 129.56 million baht, as collateral with a financial institution according to the mortgage contract and the mortgage contract, only for the additional securities dated November 15, 2011, the mortgage value is 532.5 million baht.
AAP	AAP1	Nam Phong, Khon Kaen	52	2	15	Power Plant	AAP	60.98	Land valued at 60.98 million baht, as collateral with financial institutions according to the mortgage contract dated March 6, 2015, the mortgage value is 723 million baht.
	AAP2	Phen, Udon Thane	177	1	20	Not yet in used	AAP	70.92	None
ABA	ABA1	Thoen, Lampang	69	3	81.4	Power Plant	ABA	41.95	Land valued at 41.95 million baht, as collateral with financial institutions according to the mortgage contract dated January 31, 2020, the mortgage value is 87.88 million baht.
ACW	Raw Water Production Plant	Nabon, Nakhon Si Thammarat	234	0	40.4	Location of raw water production plants for industrial use	ACW	85.40	None
	Raw Water Production Plant	Mueang, Krabi	2	-	53	Location of raw water production plants for industrial use	ACW	6.15	None
AAA	AAA	Phanom Sarakham, Chachoengs	194	2	76.5	Power Plant	AAA	355.76	Land valued at 355.76 million baht, as collateral with financial institutions according to the mortgage contract and the

Land for the current power plant project owned by the owner		Location	Size			Objective	Ownership	Book value as of Dec 31, 2021 (MB)	Obligation ¹
Company	Project		Rai	Ngan	Sq.w.				
		ao							mortgage additional contract dated April 7, 2015, October 11, 2017 and October 16, 2017, the mortgage value is 7,273.5 million baht.
BPP	BPP2	Nabon, Nakhon Si Thammarat	47	2	23.6	Power Plant	BPP	27.93	None
ACE SOLAR	ACE SOLAR R1	Nabon, Nakhon Si Thammarat	57	0	46.3	Power Plant	ACE SOLAR	38.11	None
	ACE SOLAR R2	Mueang, Ranong	35	1	23.9	Power Plant	ACE SOLAR	16.78	None
AAE	AAE1	Mueang, Nakron Ratchasrima	54	3	4	Power Plant	AAE	37.65	None
ABE	ABE1	Satuek, Buriram	62	-	30	Power Plant	ABE	35.79	None
ACES	ACES 1	Satuek, Buriram	75	2	72	Power Plant	SBM	42.95	None
ABP	ABP1	Chok Chai, Nakron Ratchasrima	235	3	46	Power Plant	ABP	94.29	None
NCE	NCE1	Chok Chai, Nakron Ratchasrima	207	2	19	Power Plant	ABP	119.90	None
PRE and Subsidiaries	-	Khun Tan, Chiang Rai	684	1	26	Power Plant	PRE	75.41	None
REC and Subsidiaries	-	Khanu Worakburi, Kamphaeng Phet	58	-	9	Power Plant	Subsidiary of REC	50.18	None
	-	Khlung Khlung, Kamphaeng Phet	42	3	45	Power Plant	Subsidiary of REC	4.50	None
REN and Subsidiaries	-	Khanu Worakburi Kamphaeng Phet	135	3	50	Power Plant	Subsidiary of REN	54.98	None
Total								2,025.57	

Note: ¹ Land obligations of the current project

Land (not in use yet)

Comp any	Project	Location	Size			Objective	Ownership	Book Value as of 31 Dec 2021 (MB)	Obligation
			Rai	Ngan	Sq. w.				
ACP	ACP5	Song Pinong, Supanburi	99	1	85	Future Power Plant Project	ACP	54.70	None
	ACP6	Banglane, Nakron Pathom	60	2	67	Power Plant Project	ACP	41.00	None
	ACP7	Khanu Woralakburi, Kamphaeng Phet	93	3	26	Power Plant Project	ACP	81.09	None
ALCP	ALCP1	Sri Chiangmai, Nongkai	159	3	15	Vacant Land	ALCP	69.83	None
	ALCP4	Payu, Srisaket	38	0	70	Future Power Plant Project	ALCP	57.26	None
	ALCP5	Ban Bueng, Chonburi	150	1	43	Future Power Plant Project	ALCP	82.83	None
ACW	ACW1	Nadee, Pracheanburi	115	2	74	Future Power Plant Project	ACW	40.12	None
AAPP	AAPP3	Chok Chai, Nakron Ratchasima	144	1	90.2	Future Power Plant Project	AAPP	92.79	None
BPP	BPP1	Mueang, Lopburi	64	1	44	Future Power Plant Project	BPP	27.68	None
AAP	-	Nong Ruea, Khon Kaen	69	3	98	Vacant Land	AAP	24.50	None
	-	Phen, Udon Thane	106	3	84	Vacant Land	AAP	42.79	None
ABA	-	Srithep, Phetchaboon	119	3	22	Vacant Land	ABA	35.75	None
Total								650.34	

Investment Property

Investment properties of the Group is the land owned by the Group of Companies, available for rent and land for which no purpose is to be used. As of December 31, 2021, the investment property has a net book value as shown in the consolidated financial statements of the Company equal to 210.68 million. baht, with details as follows:

Ownership	Location	Objective	tenant (if any)	Size			BV as of 31 Dec 2021 (MB)	Obligation	Contract Detail
				Rai	Ngan	Sq.w.			
ACP	Phon Thong, Roi-et	Land for rent	AAS ¹	57	0	93	19.46	Some part of land, collateral with financial institutions. according to the mortgage contract dated March 10, 2015, the mortgage value is 1,434 million baht.	- Short-term lease contract for a period of 1 year (if counterparty does not wish to renew the contract, it must notify the other at least 30 days in advance, otherwise this contract will be effective for another 1 year starting from due date The new rent is equal to the last year's rent.
AAP	Nam Phong, Khon Kaen	Land for rent	AAS ¹	31	2	28	14.84	Some part of land, collateral with financial institutions. according to the mortgage contract dated March 6, 2015, the mortgage value is 723 million baht.	- Annual rental rate of 1,500 baht per rai, paid within 30 days from the date the tenant receives the billing document.
ACE SOLAR	Mueang, Phayao	Vacant Land	-	201	2	38.2	70.56	None	-
BPP	Nakhon Luang, Ayutthaya	Vacant Land	-	14	3	48	19.33	None	-
ALCP	Mueang, Khon Kaen	Vacant Land	-	44	3	67.5	20.66	None	-
ALCP	Mueang, Sri Saket	Vacant Land	-	93	1	42.1	48.54	None	-
PRE and subsidiaries	Chae Hom, Lampang	Vacant Land	-	20	1	45	3.30	None	-
REN and subsidiaries	Phrom Phiram, Phitsanulok	Vacant Land	-	18	2	38	2.99	None	-
RENE and subsidiaries	Phrom Phiram, Phitsanulok	Vacant Land	-	44	1	61	11.00	None	-
Total							210.68		

Note ¹ AAS means Advance Asian Company Limited, which is a related party to the Company.

Intangible Asset and Right to service under concession arrangement

The group of companies have a book value of Intangible assets after deducting amortization and provision for impairment, as shown in the Company's consolidated financial statements as of December 31, 2021, equal to 1,613.73 million baht, details as follows:

Intangible Assets	Details	Book value as of Dec 31, 2021 (MB)
- Right to provide services from the concession agreement	Right to provide services from the Group's Concession Agreement on August 18, 2011, ALCP entered into a waste disposal contract with Khon Kaen Municipality according to the project for managing and disposing of solid waste by means of converting solid waste into electrical energy for a period of 20 years from the date of the contract signing. The contract requires construction of buildings and waste disposal systems as specified in the contract on the leased land of the municipality and upon the expiration of the lease term, the buildings, machinery and equipment under the contract will be owned by the Khon Kaen municipality. In addition, on February 22, 2019, ALCP has entered into a waste disposal contract with Krabi Municipality under the project of management and disposal of solid waste by means of converting waste into electric power for a period of 25 years from the date of the contract signing by the contract requires that the construction of buildings and waste disposal systems as specified in the agreements on the leased land of Krabi Municipality and upon the expiration of the lease term, the buildings, machinery and equipment under the contract will be owned by the Krabi municipality. As a result, the Group must be recorded as an intangible asset and amortization of such rights throughout the concession agreement	1,555.25
- Right to use the gas pipe	The right to use gas pipes of the AAA project arises on October 1, 2012, AAA entered into a gas purchase agreement with PTT Public Company Limited ("PTT"). The purchaser is responsible for the construction of the gas pipeline system to the AAA project and allow PTT to own the ownership with various licenses (if any) in the sub-pipeline system without compensation and without obligation. The contract is 25 years period starting from the commercial gas consumption. Therefore, AAA records all construction costs as the right to use the gas pipeline as an intangible asset and amortization of such rights for a period of 25 years starting from the date of commencement of commercial gas use	1.02
- Right to use the power transmission line system	Right to use the power transmission line system of the Group, which is the cost of expanding the transformer installation zone, the Group paid to the Provincial Electricity Authority to parallel the generators to the electrical system of the Electricity Authority or for connecting the power station to the power plant of the Group	43.98
- Right to use water pipes	Right to use the water pipes of the Group, which is the cost of expanding the water distribution area taht the Group paid to the Provincial Waterworks Authority to connect the water supply pipes of the Provincial Waterworks Authority to the Group's power plants.	7.25
- Computer programs and the programs during installation	Programming cost for Power meter reading and design program for the SOLAR rooftop project (by ACE Solar) and ACE accounting software with a Microsoft Dynamics 365 system license.	3.76
- Power Purchase Agreement	Power purchase agreement received from the purchase of shares of a biomass power plant operator during the year	2.47
Total		1,613.73

Summary of Significant Agreements

- According to Notes to Financial Statements Title “Significant Agreements” -

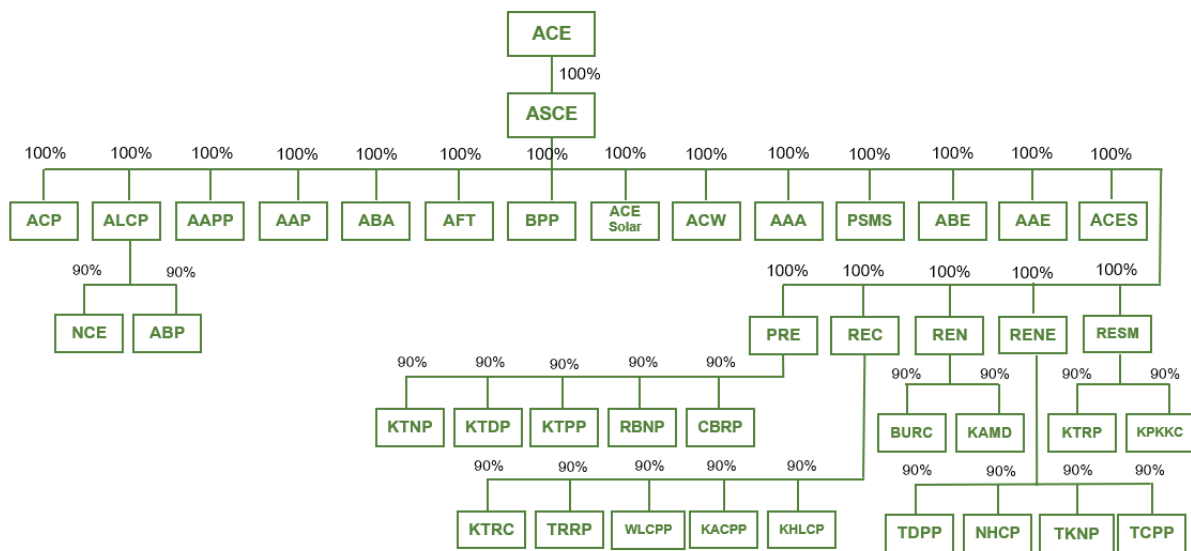
Promotional Privileges from the Board of Investments

- According to Notes to Financial Statements Title “Promotional Privileges” -

Work that has not yet been delivered

- None -

1.3 The Company Group Structures



Overview of the Business Operation of the Subsidiary Company

As of December 31, 2021, the company invests in the subsidiary companies, as follows.

- 1) Direct Subsidiaries and Indirect Subsidiaries that operate business by holding shares in other companies (Holding Company) amounting to 6 companies

Company	Business	Paid-up Registered Capital (MB)
ASCE	Operate as a holding company for companies that generate and sell electricity and steam and companies that support the production and selling of electricity and steam in Thailand	9,327.0
PRE	Holding Company	77.5
REC	Holding Company	58.5
REN	Holding Company	75.0
RENE	Holding Company	63.0
RESM	Holding Company	63.0

2) Indirect Subsidiaries that generate and distribute electricity and steam 33 companies

Company	Business	Paid-up Registered Capital (MB)
ACP	Generate and distribute electricity and steam from biomass energy	1,778.6
ALCP	Generate and distribute electricity and steam from biomass energy and MSW	2,397.7
AAPP	Generate and distribute electricity and steam from biomass energy	1,000.0
AAP	Generate and distribute electricity and steam from biomass energy	567.2
ABA	Generate and distribute electricity and steam from biomass energy	699.5
AFT	Generate and distribute electricity and steam from biomass energy	7.6
BPP	Generate and distribute electricity and steam from biomass energy	350.0
ACE SOLAR	Generate and distribute electricity and steam from biomass energy and Solar	338.0
ACW	Generate and distribute electricity and steam from biomass energy	180.3
AAA	Generate and distribute electricity and steam from natural gas energy	1,500.0
AAE	Generate and distribute electricity and steam from biomass energy	540.1
ABE	Generate and distribute electricity and steam from biomass energy	500.0
ACES	Generate and distribute electricity and steam from biomass energy	555.6
NCE	Generate and distribute electricity and steam from MSW	137.6
ABP	Generate and distribute electricity and steam from MSW	237.6
KTNP	Generate and distribute electricity and steam from biogas energy	7.8
KTDP	Generate and distribute electricity and steam from biogas energy	7.8
KTPP	Generate and distribute electricity and steam from biogas energy	7.8
RBNP	Generate and distribute electricity and steam from biogas energy	5.6
CBRP	Generate and distribute electricity and steam from biogas energy	7.8
KTRC	Generate and distribute electricity and steam from biogas energy	7.8
TRRP	Generate and distribute electricity and steam from biogas energy	5.6
WLCPP	Generate and distribute electricity and steam from biogas energy	22.2
KACPP	Generate and distribute electricity and steam from biogas energy	22.2
KHLCP	Generate and distribute electricity and steam from biogas energy	7.8
BURC	Generate and distribute electricity and steam from biogas energy	7.8
KAMD	Generate and distribute electricity and steam from biogas energy	7.8
TDPP	Generate and distribute electricity and steam from biogas energy	5.6
NHCP	Generate and distribute electricity and steam from biogas energy	7.8
TKNP	Generate and distribute electricity and steam from biogas energy	5.6
TCPP	Generate and distribute electricity and steam from biogas energy	7.8
KTRP	Generate and distribute electricity and steam from biogas energy	7.8
KPKKC	Generate and distribute electricity and steam from biogas energy	7.8

3) Indirect subsidiary company that operates as a power plant maintenance 1 company

Company	Business	Paid-up Registered Capital (MB)
PSMS	Maintenance renewable energy power plants, focusing on maintenance the power plants of the group.	164.4

Because the Company's main business is a holding company for subsidiaries that generate and sell electricity and steam and companies that support the production and selling of electricity and steam in Thailand, the Company need to meet the qualification set in the announcement of the capital market supervisory board regarding the requesting and granting permission to sell a newly issued share (Torjor. 39/2016) and the announcement of the Securities & Exchange Commission (SEC) regarding the size of the company in order to operate as a holding company to sell a newly issued share (Sorjor. 50/2018). When considering the qualifications, the company has met all of the qualifications, which are as follows.

Criteria for Size Comparison for the Company	Regulation requirements	Company qualification ¹
Size of the subsidiary company that run the main business compared to the size of the company <u>Calculations:</u> (Total assets of the company - Investments in associated and other companies) / Total assets of the company	25.0%	100.0%
Size of the company that run the main business compared to the size of the company <u>Calculations:</u> (Total assets of the company - Investments in other companies) / Total assets of the company	75.0%	100.0%
Size of other companies compared to the size of the company <u>Calculations:</u> Investments in other companies / Total assets of the company	25.0%	0.0%

Note: ¹ Calculated from the Company's consolidated financial statements for the six months ended December 31, 2021.

Relationships with the Group's Major Shareholders

As of December 31, 2021, Songmetta group, the major shareholder of the Company, holds a proportion of 75.84% of the total registered capital of the Company. Members of Songmetta group are also the directors and the management of the Company. The Company also runs other businesses like growing fast-growing trees, producing plant-based products. They are one of the world's largest selling and exporting wood chips groups. Their other businesses also support the Company's business especially in creating a secure long-term biomass fuel material supply, from their wood chip business. However, Songmetta group might have a conflict of interest within the group, which can be classified by type of business as follows, apart from the agricultural businesses, the Company also owns other businesses like real estates and construction business.

Fuel Material Supply Business Group

Songmetta group has the power to control other fuel supply businesses outside the Group as follows,

Name	Business Type
Global Wood Chip Co., Ltd. ("GWC")	Generate and distribute chopped woods, log, and bark and weighing service
Shaiyo Supply Chain Co., Ltd. ("SSC")	Generate and distribute chopped woods, log, and bark
Sri Ban Phai Co., Ltd. ("SBP")	Generate and distribute chopped woods, log, and bark
Global Wood Chip Trading Co., Ltd. ("GWT")	Generate and distribute chopped woods, log, and bark
Agro Energy Supply Co., Ltd. ("AES")	Manufacture and distribute fuel chips
Siam Agro Industry Product Trading Co., Ltd. ("SAIPT")	Buy and sell chopped woods, log, and bark
Advance Asean Co., Ltd. ("AAS")	Research and generate agricultural seedlings
Advance Asia Fiber Co., Ltd. ("AAF")	Manufacture of solid fiber-board
Triple A Board Co., Ltd. ("TAB")	Plywood and veneer wood business

The group has made the fuel material purchase agreements which clearly specifies the method of calculating the price. The price is comparable to the market. The terms of the contract are according to the general trading principles to maintain the highest benefits of the shareholders which are according to the regulations of SET and SEC.

Power Plant Construction Business Group

Songmetta group has the power to control other power plant construction businesses outside the Group, which are as follows,

Name	Business Types
Advance Energy Development Co., Ltd. ("AED")	Engineering services, improve, repair, and maintenance buildings, factories, and machineries
Goodwill Innovation and Engineering Co., Ltd. ("GIE")	Construction
AED Fabrication Co., Ltd. ("AEDF")	Generate metal structure for the construction, industrial, machinery and parts.
Ascender Limited ("ASD")	Buy and sell machinery and tools

The above companies mentioned have knowledge to build and improve power plants, as well as procurement and maintenance of the machines. Previously, the Group had hired the mentioned companies to improve and build biomass and MSW power plants. As the Group is already aware of the potential conflicts that can arise, the Group has established policies and measures to prevent the potential conflicts.

Electricity Production and Distribution Business Group

Songmetta group has the power to control other businesses that generate and distribute electricity outside the Group. These businesses have not operated yet because the PPA contracts with EGAT had been canceled. The maximum amount of electricity offered was 8.0 megawatts and the expected installation capacity is 9.90 megawatts, as follows,

Name	Business Types
Advance Power Plant Co., Ltd. ("APP")	Generate and distribute electricity from biomass

The reason that the Group had not included APP as a part of the Group during the restructuring before being listed in the SET was because APP was in the process of requesting PEA to return the PPA. Afterwards, on June 21, 2019, the arbitrator made a final verdict on the clear dispute no. 73/2019 so that PEA must return the PPA contract number VSPP-PEA-159/2009 to APP. On August 28, 2019, the shareholders of APP sent a letter stating the purpose to sell the common share of APP to the Company. On October 28, the 1/2019 extraordinary general meeting approved the Company to buy shares of Advance Power Plant Co., Ltd. from a connected Song-Metta group with a limit between 394 million baht and 472 million baht, with the payment and transfer of shares scheduled on the same day, which was within 120 days after the signing date of the purchase of Advance Power Plant Co., Ltd., with a contract to purchase the shares within 6 months from August 28, 2019 or within 15 days from when Advance Power Plant Co., Ltd. and PEA had signed a FiT

Apart from the relationship between the mentioned business groups, the Group also has relationships with other businesses related to electricity generation. For example, for the ALCP3 project, the amount of area was not enough to dig the wells; therefore, the company had to buy raw water from Nam Pong Samai Co., Ltd. (NPS) to generate electricity, which ALCP 3 has a long-term agreement with NPS about purchasing raw water.

Moreover, to prevent the possible conflicts of interest, especially businesses that are competitive or businesses that operate to compete with the main business of the group, Songmetta group, who is the director and/or the major shareholder of the Company, submit a letter to the group to certify that they will not operate any power plant business to compete with the Group, dated November 29, 2018. The 5/2019 board of directors meeting on May 13, 2019, also approved the measure regarding the response of the investment offers from Songmetta group and agreed to let Songmetta group invest in businesses that might compete with ACE's main business if the Company had declined the investment offer.

Shareholders

List of the Company's Top 10 Shareholders

The structure of the Company's shareholders as of 30 December 2021, as follows

Shareholder Name	Number of Shares (Shares)	Percentage
Songmetta Group¹		
1. Mr. Wirachai Songmetta	2,282,528,920	22.4
2. Mr. Pornmett Songmetta	2,088,884,200	20.5
3. Mr. Teerawut Songmetta	1,820,563,120	17.9
4. Mr. Natt Songmetta	1,525,776,480	15.0
- Mr. Tanavijit Ankapipatchai ²	20	0.0
Total	7,717,752,740	75.8
5. Siam Commercial Bank Public Co, Ltd. ³	363,451,540	3.6
6. SCB SECURITIES CO., LTD. STRATEGIC INVEST L	248,112,500	2.4
7. Thai NVDR Company Limited	182,422,493	1.8
8. MORGAN STANLEY & CO. INTERNATIONAL PLC	96,000,000	0.9
9. BNP PARIBAS SECURITIES SERVICES, LONDON BRANCH	86,130,000	0.8
10. Brooker Group Public Co., Ltd. ³	80,213,860	0.8
Total of Top 10 Shareholders	8,774,083,133	86.2
11. Other Shareholders	1,401,916,827	13.8
Total	10,175,999,960	100.0

¹ Grouping according to the definition of related parties or persons with possible conflicts, in accordance with the Kor Jor.17/2008 announcement of SEC and SET, dated 15 December, 2008, not (Group Classification) grouped under section 258 or acting in consent and compliance with section 246 and 247.

² Shareholding of Mr. Tanavijit Ankapipatchai is included in the total shareholding of the Songmetta group according to the definition of related parties or persons with possible conflicts, in accordance with the Kor Jor.17/2008 announcement of SEC and SET, dated 15 December 2008. The number of shares held as of 15 December 2019, is not included in the top 10 shareholder of the company.

³ Siam Commercial Bank Public Co, Ltd. and Brooker Group Public Co., Ltd. are independent shareholders with the usual voting right which does not participate in management and does not have any representative in the board of directors.

Shareholders of Subsidiary Companies

Asia Clean Energy Co., Ltd. ("ASCE") is a direct subsidiary company of the Company. As of 31 December 2021, the Company held 949,999,998 shares of ASCE (100% of issued and paid-up capital) together with Mr. Teerawut Songmetta and Mr. Pornmett Songmetta who held 1 share each.

ASCE has acquired shares in 18 power plant companies (subsidiary company that operates main business) and 1 other supporting company, PSMS. All these 19 companies are 100% owned by ASCE, making them indirect subsidiary of the Company, with the details of shareholding structure of each company as follows:

Indirect Subsidiary Company Name	ASCE		Mr. Teerawut Songmetta		Mr. Pornmett Songmetta		Other Shareholders ¹	
	Number of Shares (Shares)	Percentage	Number of Shares (Shares)	Percentage	Number of Shares (Shares)	Percentage	Number of Shares (Shares)	Percentage
1. ACP	199,999,998	100.0	1	0.0	1	0.0	-	-
2. ALCP	271,999,998	100.0	0	0.0	0	0.0	2	0.0
3. AAPP	99,999,997	100.0	2	0.0	1	0.0	-	-
4. AAP	57,499,998	100.0	1	0.0	1	0.0	-	-
5. ABA	74,999,998	100.0	1	0.0	1	0.0	-	-
6. AFT	999,993	100.0	2	0.0	-	-	5	0.0
7. BPP	64,999,998	100.0	1	0.0	-	-	1	0.0
8. ACE SOLAR	37,999,998	100.0	1	0.0	-	-	1	0.0
9. ACW	19,999,998	100.0	1	0.0	1	0.0	-	-
10. AAA	149,999,997	100.0	1	0.0	1	0.0	1	0.0
11. PSMS	64,999,998	100.0	1	0.0	1	0.0	-	-
12. AAE	4,999,998	100.0	1	0.0	1	0.0	-	-
13. ABE	5,899,998	100.0	1	0.0	1	0.0	-	-
14. ACES	30,999,997	100.0	1	0.0	1	0.0	1	0.0
15. PRE	21,999,997	100.0	1	0.0	1	0.0	1	0.0
16. REC	14,999,997	100.0	1	0.0	1	0.0	1	0.0
17. REN	14,999,997	100.0	1	0.0	1	0.0	1	0.0
18. RENE	11,999,997	100.0	1	0.0	1	0.0	1	0.0
19. RESM	11,999,997	100.0	1	0.0	1	0.0	1	0.0

Note: ¹ Other shareholder are

1. Miss Anusariya Pholcha holds 1 share of ALCP
2. Miss Napasawan Mungmee holds 1 share of ALCP
3. Mr. Natt Songmetta holds 1 share of AAA
2. Mr. Tanavijit Ankapiatchai hold 5 shares of AFT and 1 share of BPP, ACE, ACE SOLAR, PSMS, REC, REN, RENE and RESM

Shareholder's Agreement

The Company does not have any shareholder's agreement in matters that affects the securities issuance or offering; or the Company management in which the Company is the co-signer of the agreement.

1.4 Number of Registered and Paid-up Capital

Absolute Clean Energy Public Co., Ltd. ("The Company")

As of 31 December 2021, the Company has a registered capital of 5,487,999,980 baht and a paid-up capital of 5,087,999,980 baht. This consists of 10,975,999,960 common shares at a par value of 0.50 baht per share and be listed in the Stock Exchange of Thailand.

Subsidiary Company

As of 31 December 2021, the Company has 40 subsidiary companies, consisting of 1 direct subsidiary and 39 indirect subsidiaries, with the details of registered capital, issued and paid-up capital of each subsidiary company as follows,

Company	Registered Capital As of 31 December, 2021 (baht)	Issued and Paid-up Capital As of December 31, 2021 (baht)
1. ASCE	9,500,000,000	9,327,000,000
2. ACP	2,000,000,000	1,778,650,000
3. ALCP	2,720,000,000	2,397,700,000
3.1 NCE	550,000,000	137,575,000
3.2 ABP	550,000,000	237,656,800
4. AAPP	1,000,000,000	1,000,000,000
5. AAP	575,000,000	567,200,000
6. ABA	750,000,000	699,500,000
7. AFT	10,000,000	7,600,000
8. BPP	650,000,000	350,000,000
9. ACE SOLAR	380,000,000	338,000,000
10. ACW	200,000,000	180,299,000
11. AAA	1,500,000,000	1,500,000,000
12. AAE	650,000,000	540,120,000
13. ABE	500,000,000	500,000,000
14. ACES	590,000,000	555,592,000
15. PSMS	330,000,000	164,400,000
16. PRE	220,000,000	77,500,000
16.1 KTNP	7,777,780	7,777,780
16.2 KTDp	7,777,780	7,777,780
16.3 KTHP	7,777,780	7,777,780
16.4 RBNP	5,555,560	5,555,560
16.5 CBRP	7,777,780	7,777,780
17. REC	150,000,000	58,500,000
17.1 KTRC	7,777,780	7,777,780
17.2 TRRP	5,555,560	5,555,560
17.3 WLCPP	22,222,230	22,222,230

Company	Registered Capital As of 31 December, 2021 (baht)	Issued and Paid-up Capital As of December 31, 2021 (baht)
17.4 KACPP	22,222,230	22,222,230
17.5 KHLCP	7,777,780	7,777,780
18. REN	150,000,000	75,000,000
18.1 BURC	7,777,780	7,777,780
18.2 KAMD	7,777,780	7,777,780
19. RENE	120,000,000	63,000,000
19.1 TDPP	5,555,560	5,555,560
19.2 NHCP	7,777,780	7,777,780
19.3 TKNP	5,555,560	5,555,560
19.4 TCPP	7,777,780	7,777,780
20. RESM	120,000,000	63,000,000
20.1 KTRP	7,777,780	7,777,780
20.2 KPKKC	7,777,780	7,777,780

1.5 Other Securities Issuance and Company Credit Rating

Issuance of other securities

Debenture

As of 31 December 2021, the Company had not issued any other securities.

Company Credit Rating

The Company has been assigned a company rating of “BBB+” (Triple B Plus) with the “Stable” from the credit rating agency TRIS Rating Co., Ltd. on 11 October 2021.

1.6 Dividend Policy

Dividend Payment Policy of the Company

The Company has a policy to pay the dividend to the shareholders at the rate not less than 30% of the net profit, according to the separate financial statements after deducting the corporate income tax and other reserves as specified by the law and company regulations. The dividend payment rate might be different from the specified rate, depending on the performance, financial status, cash flow, liquidity rate, investment plans, conditions and contractual terms which the Company is bound to, as well as the economic conditions, necessity, and other suitability as the Board of Directors deems appropriate. The annual dividend payment must be approved at the shareholders' meeting except for the interim dividend payment which the board of directors may approve from time to time when it deems that the Company has made enough profit to do so and report the payment of interim dividend to the next shareholders' meeting.

In addition, because the Company operates business by holding shares in subsidiary companies and has no significant business of its own (Holding Company). Therefore, the Company's ability to pay dividends depends mainly on the operating results and dividend payment of the subsidiaries and associated companies.

Historical Dividend Payment

Year	Dividend per Share (Baht)	Par (Baht)	Payout Ratio (%)	Payment Date
2019	-	-	-	-
2020	0.048	0.50	74.51	13 May 2021
2021*	0.020	0.50	53.08	11 May 2022

* The rate approved by the Board of Directors' meeting on February 28, 2022 and to be proposed for approval at the shareholders' meeting at the Annual General Meeting of Shareholders for the year 2022

Dividend Payment Policy of the Subsidiary Companies

The subsidiary companies have a policy to pay the dividend to the shareholders at the rate not less than 40% of the net profit according to the separate financial statements after deducting the corporate income tax and other reserves as specified by the law and company regulations. The dividend payment rate might be different from the specified rate, depending on the performance, financial status, cash flow, liquidity rate, investment plans, conditions and contractual terms which the Company is bound to, as well as the economic conditions, necessity, and other suitability as the Board of Directors deems appropriate. The annual dividend payment must be approved at the shareholders' meeting except for the interim dividend payment which the board of directors may approve from time to time when it deems that the Company has made enough profit to do so, and report the payment of interim dividend to the next shareholders' meeting.

Furthermore, for the consideration and approval of the payment of the annual dividends and interim dividends, the subsidiary companies need to request an approval from the meeting of the board of directors of the Company first, which must be in accordance with the supervision policy of the subsidiaries and associates' companies.



2. Risk Management

2.1 Risk Management Policy

Absolute Clean Energy Public Company Limited (“the Company”) and its subsidiaries recognize the importance of good organizational management in driving the organization to grow and expand its business with stability and financial security and to generate returns for shareholders as well as conforming to Good Corporate Governance. The Company and its subsidiaries also prioritize Check and Balance amidst the current business competition they are facing, which is constantly changing due to both external and internal factors, and such competition may affect their ability to achieve their goals and complete their core missions. Therefore, the risk management policy must cover at least 5 aspects of risk as follows:

1. Financial Risk
2. Operational Risk
3. Strategic Risk
4. Compliance Risk
5. Social and Environmental Risk

The Board of Directors agrees that the risk management system should be implemented in the operations of the Company and its subsidiaries for Good Corporate Governance in order to continuously strengthen the confidence of the shareholders and all parties involved in the operations, and to achieve the objectives of and add value to the Company and its subsidiaries. The objectives of risk management policy and framework of the Company and its subsidiaries are defined as follows:

Definitions of Risk and Risk Management

Risk is defined as “uncertainty opportunities/events or matters which prevent the current plans or operations from reaching their objectives/goals and subsequently cause negative impacts on the organization, both in terms of financial aspect and the image and reputation of the organization.”

Risk Management means “processes performed by the Board of Directors and all personnel in the organization to assist in the formulation of strategies, plans, and operations. It is designed to identify events that may occur and impact the organization and to manage risk appetite so that the organization can gain reasonable confidence that it would achieve the objectives it has set forth.”

Objectives of Risk Management

1. To implement an internationally-standardized risk management system throughout the organization and set risk management as an integral part of the decision-making process for strategies, plans and operations the Company and its subsidiaries;
2. To formulate measures and guidelines to keep the remaining risks within an acceptable level by considering measures to effectively reduce the likelihood and/or impacts of potential risks, which will drive the Company and its subsidiaries to achieve the specified objectives both on the organizational and departmental levels;

3. To identify unexpected risks or crises and take actions to reduce losses or damage to the organization appropriately and in a timely manner;
4. To keep the Executive Committee, the Audit Committee and the Board of Directors informed of important risks, risk outlook, and overall risk profile, and to supervise the risks with efficiency and effectiveness;
5. To ensure that all departments are responsible for identifying, assessing, and managing critical risks regularly, including in the case of important events, activities, processes and/or projects, or in the case of significant changes that have never taken place within the organization, while taking into account the risk appetite and practical capability at reasonable costs;
6. To ensure regular communication and transfer of risk management knowledge to personnel, development of their understanding and awareness of risk ownership, and joint risk management among those responsible for the same work; and
7. In order to operate in accordance with the principles of Good Corporate Governance and Check and Balance, the Company separates the risk management duties from the business units. In addition, for effective risk management, the Company may consider establishing a risk management working group which can be appointed by the Board of Directors to monitor and manage risks appropriately and in a timely manner. The Risk Management Working Group operates under the supervision of the Chief Executive Officer (CEO) and must report significant risks to the Company and its subsidiaries and the status of the risks, risk management guidelines, progress, and results of risk management to the Audit Committee and/or the Board of Directors as necessary and appropriate or as required by the Audit Committee and/or the Board of Directors.

Risk Appetite

Risk Appetite is the maximum acceptable level of risk on the organizational level that may be specified by the Board of Directors or a group of persons or persons assigned by the Board of Directors such as the Audit Committee, Executive Committee, Risk Management Working Group, or Chief Executive Officer (CEO), and is used to evaluate and manage risks. Any risk that has been analyzed and assessed to have possible impacts on the Company and its subsidiaries beyond their risk appetites is to be managed by the agency owning the risk. The agency is required to prepare a risk management action plan and report it to the Risk Management Working Group by dividing the risk appetite into 3 areas as follows:

1. **Financial Risk Appetite**

The Company and its subsidiaries accept any loss of money or reduction of revenue to a certain extent but not more than the level that materially affects their liquidity or financial position.

2. **Business Continuity Risk Appetite**

The Company and its subsidiaries accept a certain extent of interruption or delay in business continuity but does not accept any interruption or delay that are so prolonged that they cause continual damage to performances and consequently significant impacts on confidence in the quality of products and services and customer satisfaction

3. Customer Satisfaction Risk Appetite

The Company and its subsidiaries do not accept any assessment results of customer satisfaction obtained through their random surveys that are lower than their standards as the results below standard can affect the operations and reputation of the Company and its subsidiaries in the future.

Risk Management Policy

The Company and its subsidiaries recognize the importance and necessity of implementing an internationally-standardized risk management system in their management with the aim to become leading organizations with good image and reputation that satisfy their customers, and to set an operational standard throughout the organizations. Therefore, the risk management policy is specified as follows:

1. Personnel at all levels are responsible for risk management. They must be aware of the risks involved in the operations of their own units and organizations and ensure that they appropriately keep different risks in various fields under systematic internal control.
2. The organizational risk management process must be established to meet international standards for effective management of risks that may affect the operations of the Company and its subsidiaries, and for standardized risk management throughout the organizations. The risk management system will be an integral part of the decision-making process for strategies, plans and operations. By focusing on achieving their objectives, visions, missions, and strategies, the Company and its subsidiaries will excel in their operations and successfully build the confidence of the persons involved.
3. Guidelines for preventing and mitigating risks from the operations of the Company and its subsidiaries must be formulated to avoid damage or loss that may occur, as well as regular monitoring and evaluation of risk management.
4. The use of modern information technology systems in the risk management process of the Company and its subsidiaries must be promoted and developed. Personnel at all levels must be provided with access to information on risk management thoroughly, and an effective risk management reporting system must be established for the Audit Committee.

2.2 The Risk Factors

The information contained in this document, describes the significant risks, which the Group has Assessed according to current circumstances, and current data, including risks that are not currently occurring, but may be significant risks in the future, which will adversely affect conducting the business, Operations, financial status, operating performance, ability to pay dividends, and the value of common stock of the Group, which may prevent investors from receiving returns, or rights, which may result in the loss of some or all of the investment.

The Group's risk factors discussed in this section, can be divided into 3 categories, namely (1) Business Risk, (2) Financial Risk, (3) Risk that may impact Investment rights of securities holders and (4) Emerging Risk, in which each category has the following details;

Business Risk

Market and Competition Risk

Risk of the uncertainty on obtaining the rights to develop power plant projects in the future

The growth potential of the electricity generation and distribution business is derived from the acquisition of rights to develop power plant projects in the future, which may be affected by uncertainty in the bidding for power plant projects in the future, and may unable to determine the duration of the said auction, as it must be in accordance with the government policy and administration, the Energy Regulatory Commission (ERC), the Electricity Generating Authority of Thailand (EGAT), and/or other relevant government agencies.

For each bidding for the rights to develop power plant projects, the Energy Regulatory Commission (ERC), will consider areas with potential for power generation, along with the potential for transmission systems, and the potential of power distribution systems in that area. Therefore, the bidding of the government power plant projects in each period may be limited, and depends on the availability of each area.

Although the Group of Companies may be at risk due to uncertainty in the bidding for the right to develop the future power plants, however, from the power development plan of Thailand as discussed above, the Group believes that the demand for electricity in Thailand tends to increase due to economic growth and population growth, as a country with numerous production bases of heavy industries, as well as the growth of the Tourism Industry. Therefore, there must be more power plant projects to support the said growth. From plans to promote electricity production from alternative energy using fossil fuels, the Group believes that it has sufficient potential to participate in bidding for the rights to develop power plant projects in the future, due to the expertise, the experience, and the readiness in operating a VSPP power plant from alternative energy and a variety of alternative fuels.

Risk from the high competition to obtain the right to develop power plant projects in the future

Although the Group is confident that the bidding for new power plant projects will continue in the future, in accordance with the country's development direction, which must increase the security of electricity supply to keep up with the growth of electricity demand, and to be in line with the need to increase electricity production from alternative energy in accordance with government policies. The Group still faces the risk of increased competition in the power generation business, both in the increasing number of companies, and in the pricing competition, as the ERC changed the method of selecting electricity producers from renewable energy from the past, to mainly

considering the readiness of qualifications. The Government has set the reference pricing for electricity to be considered as a Competitive Bidding Method, by considering the price, the technical and engineering qualifications, the bidder's financial status, land readiness, access to sources of funding, operating history, various qualifications and other conditions for biomass power plant projects, industrial waste, community waste, and natural gas. The increased consideration criteria and higher competition, with the prices being an important condition, making the Group not able to guarantee the future power plant development rights, which may impact earnings growth of the Group in the long run.

However, the Group has the experience and the expertise in operating alternative energy power plant projects. For example, the biomass power plants, community solid waste power plants, solar power generation projects, etc. In particular, the biomass power plant, which the Group has the long experience, since its first power plant construction, including improvements and development of machinery and equipment used to generate electricity with higher efficiency continuously, resulting in fuel material advantages from being able to use a variety of biomass fuels. The technical specifications and experience in power generation of the Group of Companies will give the Group the advantage over competitors without the qualifications, or experience as required by the Government. Therefore, the Group is confident that it is ready to participate in the bidding, and be entitled to develop the power plant project in the future. In addition, the Group of Companies had studied the implementation of power plant projects from other alternative energy sources, apart from biomass fuel, waste, and natural gas that the Group has Currently operating in addition, to increase the ability to compete with competitors in the long term. Moreover, the Group had conducted the feasibility study of the project, in order to assess the return and investment risk prior to bidding on every new project, to ensure that the investment in that project will generate a high return on the Group's financial costs, and for the best interest of the shareholders, in accordance with the investment policy as approved by the Board of Directors.

Risk of relying solely on a few numbers of main customers

The current power plant structure in Thailand classifies private power producers into 3 groups, namely, the large private power producers (IPP), the small private electricity producer (SPP), and the very small private power producers (VSPP), with the Electricity Generating Authority of Thailand (EGAT), the Metropolitan Electricity Authority (MEA), and the Provincial Electricity Authority (PEA), as contractual parties in the power purchase agreement, the major wholesale buyers of electricity, and the controller of all electrical wholesale systems in Thailand.

As of December 31, 2021, the Group operates 4 types of power plant projects, consisting of 13 biomass power plant projects, totaling 102.5 megawatts of electricity sales to PEA under power purchase agreements. Solid community waste power plant 2 projects, which sells electricity to PEA under the power purchase agreement of 8.9 MW. One natural gas power plant project has electricity sales volume to EGAT in the amount of 90.0 MW. Six rooftop solar power plants, with a volume of electricity sold to a private buyer under the power purchase agreement, total 5.32 MW.

In the 2020 financial statement, the Group sold electricity to PEA and EGAT, accounting for 61.12%, and 36.01% of sales and service income in the consolidated financial statements of the group of companies respectively. In 2021, the Group sold electricity to PEA and EGAT, accounting for 63.61% and 34.53% of sales and service revenue according to the Group's consolidated financial statements, respectively. In short, the main revenue of the

group relies on only a small number of large customers, because both electricity utilities are considered government agencies with high reliability. In the past, the payments by two power utilities have never been overdue, or late payment of electricity from the time specified in the power purchase agreement, resulting in a low risk of relying on large group customers. In addition, the long-term power purchase agreements with both power utilities allow the Group to be able to predict stable revenue over the long term, since there would be a clear determination of the amount of power to be purchased and the terms of the agreements.

For the sale of electricity to other customers other than the two power companies, the Group has established procedures for assessing customer creditworthiness and registering customers before transactions, including evaluating customer history, financial statements in the past (a juristic person), and estimated sales between the group and future customers, in order to set an appropriate credit limit, to control the quality of the customer, and to reduce potential risk in the future. In addition to the two power utilities, the Group currently has a related company that has a factory located in the vicinity of the power plant project area of the Group and other industrial customers. In the fiscal year ended 31 December 2021, the Group earned revenue from sales of electricity and steam to 8 industrial customers in the amount of THB 55.95 million, or 0.98% of the revenue from sales and services, according to the Group's consolidated financial statements.

Raw Material Risk

Risk from Fuel Material shortage for electricity generation

Fuel is an important raw material for electricity generation for all types of power plants. The Group's biomass power plants utilize agricultural waste as primary fuel, such as eucalyptus bark, chopped wood, rice husk, corncobs, corn husk, sugarcane leaves, and palm bunches etc. Each project may use different fuel materials depending on the location, climate, vegetation, nearby economy, availability of fuel in each area, and other factors. For the fiscal year ended 31 December 2020 and 2021, the Group had the cost of biomass fuel accounting for 50.55% and 55.40%, of the total cost of sales of the biomass power plant project, respectively.

The Group is aware of the importance of biomass fuels, starting from the site selection process, by conducting a field study for the type and amount of fuel materials in the area and nearby communities, to ensure that the project site has sufficient fuel materials suitable for power plants, in order to save fuel transportation costs. The group will use the same principles for site selection in the future.

In addition, the Group's biomass power plant projects have entered into long-term contracts to purchase bark from related companies to support the availability of biomass fuel materials. In the fiscal year ended on 31 December 2020 and 2021, the group of companies purchased fuel from related companies, accounting for 51.48 % and 51.00% of the total purchase price of biomass fuels materials, respectively.

In addition to surveying and selecting areas where the factory is located, the Group has chosen to use machinery that can use a variety of biomass fuels to generate electricity, which are able to burn fuels with a high moisture content of about 60–65% more efficiently. The Group has also continuously improved the machinery for higher efficiency in order to increase efficiency for power plants, by using the amount of fuel used in electricity generation to have a lower heat value (Plant Heat Rate), to reduce fuel consumption per unit of electricity generated, enabling the Group to manage fuels to reduce the risk of the availability of biomass fuels, since they can use small number of fuel materials to generate electricity, and will be able to specify, and improve fuel mixing formulas as

appropriate. Fuel procurement agencies and project managers in each project will consider the fuel type of each area, the amount of fuel in each season, the heating value of each type of fuel material, and the cost of each type of fuel, to control the efficiency of electricity generation, in order to control the cost per electricity generating unit of the project according to the plan, and to ensure the power plant performance is in line with the Group's goals

In addition, the Group has prepared a location for storing biomass fuels to be sufficient for operation of electricity generators for a maximum period of 45-120 days. Each type of fuel collection depends on the season. For example, each power plant will reserve as much fuel as possible before the rainy season begins. During the rainy season, bark and chopped wood products are low and expensive, resulting in higher moisture content of fuels. Fuel management is therefore an important issue in order to control production costs. If the fuel has high humidity, the fuel will be dried in order to get the right moisture value before importing into the production process.

The group also has guidelines for the purchase of agricultural waste and biomass fuels from farmers' groups, and have collaborated with various organizations, both public and private, to solve the problem of burning of crop residues, forest fires and air pollution. This will allow the company to have more sources of biomass fuel, and create higher stability for biomass fuels for power generation use of the group.

As for community solid waste power plant project, consist of 1) Community waste power plant project, Khon Kaen province the Group has entered into a long-term waste disposal contract with Khon Kaen Municipality ("Municipality"). The community waste power plant project must completely dispose of the old waste within the specified date, and must dispose of the new waste that the municipality will deliver to on a daily basis, for a period of 20 years from the date of the contract. 2) the Community Waste Power Plant Project, Krabi Province has entered into a long-term waste disposal contract with the Krabi Municipality ("Municipality"), whereby the Community Waste Power Plant Project has to get rid of the old waste within the specified date and get rid of the waste. New that the municipality will deliver every day for a period of 25 years from the date of handover of the area from the municipality. In addition, ALCP will continue to procure new waste from other sources on an ongoing basis, by entering into contracts with government and private agencies for contract waste disposal. The new waste added, will be used to replace the amount of old waste for electricity generation, will be a supplement to ALCP to have more income from waste disposal, and will also reduce the risk and create fuel stability so that the electricity can be operated throughout the project life.

Risk of relying solely on one natural gas supplier

The natural gas power plant project of the Group is under the operation of AAA, a subsidiary company (The company indirectly holds 100% of the shares). AAA entered into a gas purchase agreement with PTT Public Company Limited ("PTT"), a state enterprise, and is the only operator that can deliver natural gas to the natural gas power plant project in Thailand. The 25-year contract covers the period of the power purchase agreement between AAA and the Electricity Generating Authority of Thailand ("EGAT").

Damages that may occur if PTT is unable to deliver natural gas as agreed in the contract, causing natural gas power plant projects to be unable to produce electricity for sale to EGAT under the power purchase agreement, may have a significant impact on the Group's revenue and results of operations. For the fiscal year ended 31 December 2020 and 2021, the group had revenue from the natural gas power plant project in the amount of THB 1,814.47 million, and THB 1,965.24 million, respectively, accounting for 36.38% and 34.32% of sales and service revenue, according to the consolidated financial statements of the group, respectively. This natural gas power plant began commercial operation on 10 February 2017.

In this regard, the natural gas purchase agreement states that if PTT is unable to deliver natural gas to the quantity specified in the contract, PTT will have to compensate for the gas supply damage that cannot be delivered at the price according to the calculation formula specified in the contract, but may not be able to fully compensate for the damages from not being able to produce electricity for sale to EGAT. Compensation for such damages will be able to reduce the impact that may occur from the risk of partial dependency. In addition, the Energy Regulatory Commission has a plan to promote competition in the natural gas industry, by establishing a regulation on the preparation of requirements regarding enabling usage} connection of natural gas transmission systems, and LNG stations to third parties (TPA Code). Currently, PTT is in the process of establishing regulations regarding the opening or use of natural gas transmission systems at sea. Once the said promotion plan is fully implemented, the risk from relying on only one supplier of natural gas of the Group will decrease, as the Group is able to procure natural gas from other sellers, if PTT is unable to deliver natural gas as stipulated in the contract.

Risk of fluctuation of biomass fuel prices

Since biomass fuel is a surplus product from agriculture, the amount of such agricultural products may be uncertain in both quantity and price. Therefore, in addition to the risk of the quantity and availability of biomass fuels, the fluctuation of biomass fuel prices is another factor that may be a risk to the operation of the group's biomass power plant projects. The price of each type of fuel depends on various factors, such as the demand and supply of fuels in the market at different times, the quality and humidity of each type of fuel, the distance of the fuel transportation to the power plant, etc. Therefore, fuel management, it is important that the Group recognizes and pays attention, aiming to reduce the damage that may occur from the fluctuation of fuel prices, and to control the cost of fuel, which is the cost of Main production of the project to be at an appropriate level.

The Group has managed the risk of fluctuations in the price of biomass fuels, in order to control the cost of fuel at a specified level, by following up with the fuel price regularly. If any period of time the biomass fuel is large or low, then the purchase of that type of biomass fuel will be increased. At certain times, other biomass fuels may be considered cheaper than expensive biomass fuels, due to the fact that the company has installed the machinery that can utilize biomass fuel to produce various types of electricity in a variety of different moisture. In addition, the Group also conducts studies, researches, and experiments using various types of biomass raw materials, blended together to increase efficiency, including the procurement of alternative biomass fuels, with the objective of stabilizing in the management of fuels to be diverse, and will spread the risk of shortages, or fluctuations in both quantities, and the price of different types of biomass fuels.

Risk from the shortages of raw water used in the production process

Raw water is considered one of the main raw materials used in the electricity generation process of the power plant project. Therefore, the Group places great importance on the management of the availability of raw water, and the amount of reserves that should be available in case of drought. Currently, each biomass power plant project uses an average of 1,000-1,200 cubic meters of raw water per day. The natural gas power plant project uses approximately 2,160 cubic meters of raw water per day. The municipality solid waste power plant project uses an average of 1,000 cubic meters of raw water per day.

In the process of development and construction of each power plant project, The Group considers purchasing land near natural water sources, or near private water sources, to be used as a reserve water source for production. In addition, the Group also has guidelines for additional land purchases in the area of the power plant, in order to develop a reservoir to store raw water for use in the production process. The size of the pond will depend on the suitability of each area. The biomass power plant project will have a pond area of approximately 12 -130 rai with a capacity of about 270,000-2,000,000 cubic meters. The natural gas power plant project will have an average pond area of approximately 91 rai with a capacity of approximately 1,300,000 cubic meters, resulting in the power plant having sufficient raw water for electricity generation throughout the year.

As for 1) Community Waste Power Plant Project, Khon Kaen province without a pond in the project area, ALCP has entered into a 10-year raw water purchase agreement for 10 years at a price of 10.30 baht per cubic meter. Sellers can adjust the water bill once a year by calculating the cost of water change, but not more than 3% of the raw water price per cubic meter with related companies, which has a raw water pond, size about 5 rai, with a capacity of about 43,000 cubic meters. In addition, the said raw water purchase agreement has the condition that, if any parties wish to terminate the agreement, they can notify the other party in writing, and must receive the written consent of the other party as well. Upon the expiration of the contract (10 years from the COD date), if neither party wishes to terminate the contract, the contract party will continue to enforce the contract for 1 year each time. Even though the community waste power plant project has a long-term water purchase agreement, the community waste power plant project may still be at risk of raw water shortages for usage in the production process, if the contract parties are unable to deliver the raw water as agreed. 2) Community waste power plant project in Krabi Province that does not have a well in the area of the ALCP project has established a long-term industrial water purchase agreement. Until the expiration date of the power purchase agreement at a price of 25 baht per cubic meter. The seller can adjust the water price every year (once a year) at a rate of 1%.

The raw water well is approximately 255 rai with a capacity of approximately 295,000 cubic meters. Both parties agree that the term of this agreement also expires in accordance with the changed power purchase agreement period. Unless expressly agreed otherwise by in writing, signed by both parties.

In addition, companies that supply raw water also have a license to use water from water sources that have water throughout the year to produce raw water. In this regard, since the commencement of commercial electricity sales, waste power plant has never experienced a shortage of raw water before.

Production Risk

Risk from the Unplanned Shutdown of Machinery Disruption

The Group's operating results will mainly depend on the number of operating hours. In the past, the Group had an unplanned shutdown caused by machine failures, which directly affects the results of operations.

The Group is aware of the aforementioned risks, and has therefore developed more efficient machinery, has maintained to be able to operate machinery continuously for a longer period, and thus given the machine longer service life, causing the rate of downtime of the machine other than the specified plan, with a reduced rate, with the goal of not letting pauses outside the plan set forth in the future. At present, the Group has set a goal for continuous electricity generation throughout the year, without an emergency stop or maintenance stop during the year. Some of the Group's power plants have already achieved this goal.

In addition, the Group has established a process for selecting machinery suppliers, in which the selected vendor must be proficient, must have direct experience in this field, must have credible past work, and with a guarantee of work competency in a reasonable time. The Group has set out a plan for planned shutdown, consisting of Annual Shutdowns to check the condition of the machines twice a year, a total of 12 days off, with a goal of annual shutdown once a year, no more than 10 days at a time, major shutdown plans every 4 years, a total of 15 days off each time, which will determine the plan to inspect each machine, to ensure that all machines are in good condition, and will be able to operate the electricity as normal.

However, if an act of force majeure causes a disruption, the Group has prepared a plan to deal with the said problem. The team of technicians or engineers in various power plants will perform the initial inspection and correction. If the situation cannot be resolved, the Group will contact a team of experts, in order to investigate to resolve the issue as soon as possible.

In addition, other damages may be caused by uncontrollable events. For example, fires, storms, floods, protests, the danger of fire, flames, and natural explosions, etc., which may result in power plants in the group of companies unable to operate the electricity generation, and disrupting business operations, causing a negative impact on the operations. Therefore, the Group has prepared property power risk insurance in Property All Risks, in order to reduce the damage caused by such uncontrollable events, by covering the losses, and damages to the insured property. This includes buildings, machinery, and equipment involved in all types of production. In addition, fuel stocks will be made, which is the main raw material for electricity generation, and coverage for business disruption, which covers loss or damage to the insured property, caused by an additional disaster specified under the insurance policy. In this regard, business interruption insurance is a compensation for the loss of income, caused by the property being damaged by the property risk, and must comply with the conditions specified in the insurance policy, such as the duration of the machinery damage, and affecting the operating day of the power plant etc.

Risk from the Group's natural gas power plant project unable to operate as planned

The natural gas power plant project of the group company was the first natural gas power plant project that the group has implemented. In order to operate without any problems, to be able to fix machine failures in time, to prevent the impact on electricity sales to the Electricity Generating Authority (EGAT) according to the power purchase agreement, the Group therefore hires external experts to operate and to maintain, by preparing 2 long-term agreements, including Operation and Maintenance Service Agreement (O&M Agreement), to control the operation of the power plant to be normal and solve the problem in a timely manner and Long-term Service Agreement (LTSA), which covers machinery, power generation units, gas turbines, various control systems, procurement of spare parts and parts, equipment maintenance, training for personnel, and other additional tasks.

In the event that the external party is unable to perform the duties as agreed in the contract, the Group may be at risk from operations, which may cause machine failures, or unable to fix or repair the machinery in a timely manner. This may cause the natural gas power plant project to not be able to supply power to the system under the power purchase agreement. If the system cannot be used continuously for more than 15 days, by not being caused by force majeure or being the fault of EGAT. The Group may be at risk of termination of the power

purchase agreement, and may affect the Group's revenue and overall performance. In the fiscal year ended 31 December 2020 and 2021, the Group had revenue from the natural gas power plant project in the amount of THB 1,814.47 million, and THB 1,965.24 million baht, respectively, accounting for 36.38%, and 34.32% of sales revenue and all of the services, according to the consolidated financial statements of the group respectively.

In order to reduce the above risks, the Group has recruited skilled personnel, a former Senior Executive of the country's largest electricity supplier to be an executive, as well as to hire the engineering team who operates the natural gas power plant projects of the group of companies, and staffs of external service providers, in order to study and develop the personnel of the Group of Companies to have sufficient knowledge and ability to operate in-house in the future. In August 2019, the Group has sent a letter to terminate the operating contract and maintenance thereof, to external experts with the contract expiring on 10 November 2019, to have the engineering team of the group company to operate the machine, and to provide maintenance by oneself. The Group is confident that, the Group has sufficient experience to carry out natural gas power plant projects by itself. Due to in the past, the Group has entered into an agreement with service providers to operate and maintain natural gas power plants, to train the employees of the company, to transfer the technology, including the employees of the company to participate in the machine operation and maintenance of power plants, so that the employees of the company can proceed by themselves.

Licensing Risks and Related Laws

Risk from failure to perform duties, and/or conditions specified in the power purchase agreement

The power plants of the company have the main business in the generation and distribution of electricity and steam. The Group has entered into power purchase agreements in the form of power purchase agreements from Very Small Power Producers (VSPP) and Power Purchase Agreement with Small Private Power Producers (SPP) with PEA and EGAT, respectively. The revenue from electricity distribution to PEA and EGAT accounted for 61.21% and 36.01% of sales and service income, according to the Group's consolidated financial statements in 2020. The revenue from electricity distribution to PEA and EGAT accounted for 63.61% and 34.53% of sales and service revenue, according to the Group's consolidated financial statements in 2021.

The power purchase agreements entered into by the Group with PEA and EGAT are standardized contracts. Therefore, certain provisions in the contract may pose a risk to the operation. If the Group is not able to fully comply, the Group may be at risk from the termination of the Power Purchase Agreement, if unable to correct the default in the specified period, or if unable to provide reasonable reasons and evidence.

However, the Group has a team of experienced, knowledgeable and capable in operating power plant businesses. There are processes, procedures, and inspections to prevent such problems. In the past, the operation of the power plants of the Group has never been a problem or practice, or practice that is at risk of termination of the contract. Therefore, the Group believes that it will be able to correctly and completely perform according to the conditions or duties specified in the power purchase agreement.

Risk from failure to comply with waste disposal agreements with Khon Kaen Municipality in timely manner

The Group has a contract for waste disposal with Khon Kaen Municipality for project duration of 20 years from the date of contract signing. There is a condition that the waste must be completely disposed of within 7 years from the date of signing the contract. As of 23 August 2019, the term of the original 20-year project contract will expire on 17 August 2031. The Group is allowed to extend the period until the due date is 30 September 2034, while the period of disposal of old waste is considered to be extended by the end of September 2023.

At present, the Group has used waste disposal as a fuel material for power generation continuously. However, even though the ALCP3 project requires a large amount of waste to be used in the production process, and the production capacity is able to support the total amount of old and new waste, the Group still has the risk that it may not be able to complete the disposal of old waste as specified in the contract. The contract states that, if the Group is unable to complete the work within the time specified in the contract, and the Khon Kaen Municipality has not terminated the contract, the Group will have to pay a fine to Khon Kaen Municipality for the amount specified. As specified in the contract, amounting to THB 363,857 per day, or approximately THB 132.8 million per year, starting from the contract completion date, or the date that Khon Kaen Municipality extends to the date of completion actual work completes. In this regard, the amount of the penalty per year as compared to the net profit of the company according to the 2021 consolidated financial statements, which is equal to THB 1,505.42 million, representing 8.82%.

However, with the capability and efficiency of the power plant and the group's work experience, the Group believes that it will be able to complete the disposal of old waste according to the time specified in the contract.

Risk from failure to comply with waste disposal agreements with Krabi Municipality in timely manner

The Group has entered into a waste disposal contract with Krabi Municipality. The term of the project contract is 25 years from the date of delivery of the area. There is a condition that the old waste must be disposed of within 10 years.

At present, the Group has continued to dispose of old waste by using it as a fuel feedstock for power generation. And has the capacity to accommodate all volumes of old and new waste But the company group There is still a risk that it may not be able to complete the disposal of old waste as specified in the contract, which if the company group Unable to perform according to the contract or perform the breach of contract Causing the Krabi Municipality to terminate the contract immediately, which, if the Group of Companies Unable to perform according to the contract or perform the breach of contract Causing the Krabi Municipality to immediately terminate the contract

However, with the capability and efficiency of the power plant and the Group's working experience, the Group believes that the old waste can be disposed of within the period specified in the agreement.

Legal Dispute Risk

As of 31 December 2021, 3 indirect subsidiaries of the Company Group still have 3 significant ongoing lawsuits that may have negative impacts or affect the business of the Company Group which includes an administrative case in which ABA was sued and the Court was petitioned to revoke the license for Factory Operation on Electricity Generation (Ror.Ngo.4 Permit) of ABA1 Project ("ABA1 Project Case"), an administrative case in which AAA was sued and the Court was petitioned to revoke the license for Factory Operation on Electricity Generation (Ror.Ngo.4 Permit) and the License for Building Construction, Modification, Demolition, Move, or Change of Use as per Section 39 bis of Building Control Act, B.E. 2522 (1979) AAA1 Project ("AAA1 Project Case"), and a civil case in which ACES and ABE were sued to jointly compensate for the alleged infringement according to the Enhancement and Conservation of the National Environmental Quality Act, B.E. 2535 (1992) and the Public Health Act B.E. 2535 (1992) from 2012 to 2020. Such alleged infringement occurred before the Company Group received the transfer of shares of ACES and ABE from the existing shareholders ("ACES1-ABE1 Project Case"). As of 31 December 2021, ABA1 Project Case and AAA1 Project Case are under consideration by the Supreme Administrative Court, and ACES1-ABE1 Project Case is under consideration by the Buriram Provincial Court.

The Legal Team of the Company Group expresses an opinion that the power plant projects under both ABA1 Project Case and AAA1 Project Case are infrastructure beneficial to the public. In addition, given the relevant facts, laws and evidence of both cases together with the judgment of the Chiang Mai Administrative Court regarding the ABA1 Project Case in which ABA won the case, and the judgment of the Rayong Administrative Court regarding AAA1 Project Case in which AAA won the case, the Company Group is likely to win the case in the Supreme Administrative Court for both ABA1 Project and AAA1 Project. As for ACES1-ABE1 Project Case, since the alleged infringement occurred before the Company Group received the transfer of shares of ACES and ABE from the existing shareholders and the damages claimed is unclear, the subsidiary owning the project is likely to win the case without being liable for damages stated in the lawsuit.

The damage that may occur provided that the Company Group lost the case for ABA1 Project Case and/or AAA1 Project Case would cause the licenses necessary to conduct the business of both projects, owned by indirect subsidiaries, to be revoked and, as a result, ABA1 Project and/or AAA1 Project may not be able to continue the power generation business. The damage that may occur provided that the Company Group lost the case for ACES1-ABE1 Project Case, would cause indirect subsidiary owning the project to pay compensation according to the aforementioned judgment, and affect the overall performance of the Company Group. For the fiscal year ended 31 December 2021, the Company Group's total assets amounted to 18,740.20 million baht, with total revenue from sales and services of 5,726.92 million baht, and gross profit of 1,918.95 million baht. ABA, AAA, ACES, and ABE had a total asset value of 749.39 million baht, 4,654.91 million baht, 494.72 million baht and 351.82 million baht, equivalent to 4.00 percent, 24.84 percent, 2.64 percent and 1.88 percent, respectively. The Company Group earned revenue from sales of electricity from ABA, AAA, ACES, and ABE in the total amount of 309.07 million baht, 1,965.24 million baht, 154.33 million baht and 136.33 million baht, equivalent to 5.40 percent, 34.32 percent, 2.69 percent and 2.38 percent, with total gross profit (loss) of 118.93 million baht, 561.26 million baht, (10.67) million baht, and (6.12) million baht, equivalent to 6.20 percent, 29.25 percent, (0.56) percent, and (0.32) percent, respectively.

Risk from the inability to enter into power purchase agreements for electricity generating projects from renewable energy in the form of SPP Hybrid Firm within the specified time frame

On 14 December 2017, the Company Group was selected as the operator of 4 projects of electricity generating from renewable energy in the form of SPP Hybrid Firm announced by the Office of the Energy Regulatory Commission (OERC), namely SPP Nabon Power Plant Project 1, SPP Nabon Power Plant Project 2, SPP Ranong Power Plant Project, and SPP Khlong Khlung Power Plant Project, all of which have a total installed capacity of 93 megawatts and the maximum amount of electricity offered for sale of 76.31 megawatts. The Company Group was to sign a power purchase agreement with the Electricity Generating Authority of Thailand (EGAT) by 13 December 2019 and commence the commercial operation by 31 December 2021.

The selected persons must complete the work prior to the signing of the Power Purchase Agreement with EGAT within a specified period of time and the opinions of public and stakeholders must be heard, according to the Enhancement and Conservation of the National Environmental Quality Act or the ERC regulations on hearing opinions, as the case may be. The selected persons must also be ready in terms of land and technology, and report the approval result together with the IEE report or the EIA report or the approval result together with the CoP report to EGAT at least 5 business days in advance before signing the Power Purchase Agreement. Before the commercial operation with EGAT, they must place a collateral for the agreement of 8 million baht per selected megawatt offered for sale.

On 30 November 2020, the Company Group's date of signing of Power Purchase Agreements for all 4 projects from the ERC was extended from by 13 December 2019 to by 22 March 2021. The scheduled commercial operation date was also extended from within 2021 to within 2022. The owners of SPP Nabon Power Plant Project 1, the SPP Nabon Power Plant Project 2, and the SPP Khlong Khlung Project have already signed Power Purchase Agreements with EGAT within the aforementioned deadline. However, the signing for SPP Ranong Power Plant Project is still pending due to unexpected events and a lawsuit was filed in the Central Administrative Court requesting an extension of the date of signing the Power Purchase Agreement and the scheduled commercial operation date in line with the period of the unexpected events. The Central Administrative Court issued a temporary injunction order to suspend the forfeiture of the collateral for the submission of the offer to sell electricity until the Court had a judgment or an order otherwise. And as of 31 December 2021, the case is under consideration of the Central Administrative Court.

Risk from the power generation from renewable energy using the SPP Hybrid Firm Nabon 1 ("Nabon 1 SPP Power Plant Project") and the SPP Hybrid Firm Renewable Energy Project Nabon 2 ("Nabon 2 SPP Power Plant Project") cannot further develop and operate

On 22 February 2021, the Environmental Impact Assessment Reports ("EIA Report") of the Nabon SPP Power Plant Project 1 and the Nabon SPP Power Plant Project 2 were approved by a Committee of Experts of the Environmental Impact Assessment Report ("Committee of Experts"). Subsequently, the subsidiaries owning the Nabon SPP Power Plant Project 1 and the Nabon SPP Power Plant Project 2 entered into a Power Purchase Agreement with the Electricity Generating Authority of Thailand ("EGAT") on 19 March 2021. On 31 December 2021, the subsidiaries owning the projects applied for permission for excavation/filling of land for both projects and was granted such permits. They also applied for construction and other permits, namely a Construction Permit (Aor. 1), a license for Factory Operation on Electricity Generation (Ror.Ngo.4 Permit), and an electricity generation license, to the Energy Regulatory Commission (ERC.). Because all of the requests for such permits are currently under consideration, the subsidiaries owning the projects have proceeded to prepare the area and adjust the project area according to the notification of the excavation/filling of land. The construction of the power plants of both projects has not yet been carried out until the construction permits are obtained. Meanwhile, there appeared complaints about the project implementation, stating that both projects affect the way of life of the surrounding community and environment, and that relevant government agencies should review project approvals. The complaints have posed risk to the Company Group because if relevant government agencies act on such complaints prior to issuing the construction permits to the subsidiaries, the construction of power plants for both projects will be delayed.

However, the subsidiaries owning both projects have complied with the relevant laws, rules, regulations, notifications, and procedures, as well as having obtaining all the necessary licenses and permits prior to the construction of the project. That is, they have selected the project location in accordance with the Town Planning Act. They have inspected the connection point of the electricity grid system with the provincial and metropolitan electricity authorities and have been selected as eligible operators of the projects by the Energy Regulatory Commission (ERC), which demonstrates that they been authorized by the relevant agencies to use the land as the project site. In addition, the project owners have hired independent persons who are legally licensed and registered with the Office of Natural Resources and Environmental Policy and Planning (ONEP) to formulate the EIA report for impartiality. The EIA report has established theoretically-appropriate preventive measures covering all concerns and target groups, including those of the complainants. The Committee of Experts therefore resolved to approve the EIA report of both projects. It can be seen that the EIA report has been considered and approved in accordance with the legal procedures, and the subsidiaries owning the projects have strictly complied with the measures set out in EIA report, which cover the concerns of the complainants. As a result, the EIA report of the two projects cannot be revoked. In addition, the subsidiaries owning the projects have continued to engage in community relations and encourage engagement activities. They have also cooperated with relevant government agencies to organize

activities or build community engagement with the projects such as proposing to establish a working group to monitor environmental impacts to ensure the projects comply with the mitigation and monitoring measures, taking complaints and ruling out complaints, and ensuring transparency in project environmental management which is currently under consideration by the relevant departments. Therefore, the Company Group believes that both projects will still be carried out without any revocation, and expects that after obtaining all the necessary construction permits and licenses, the construction and distribution of electricity under the Power Purchase Agreement will commence.

Risk of Future Project Delay

The Group may be at risk from project development delays, which may be caused by many reasons. For example, the delay of the government's licensing process, the delay from the preparation of the EIA report, the delay in construction of building, and the delay in installation of machinery and equipment, etc. In the past The Group had delayed projects due to the issuance of factory licenses. (Factory No. 4), and delays in the process of preparing an environmental report, as it took more time to understand the community members. Both events resulted in the Group not being able to start the construction and distribution of commercially available electricity in time for the Power Purchase Agreement (SCOD).

The Group has established guidelines for prevention and reduction of risks that may affect future project delays, by assigning the Community Relations Department (CSR/GRM) to request important licenses related to the project development, along with site planning to provide knowledge and understanding, and to create relationships with neighboring communities, to complete the EIA report preparation according to the specified timeframe. Although there has never been a delay in the construction and installation of machinery in the past, the Group has a policy to select competent contractors, in order to reduce the possibility of delays from construction, and/or to install machinery and equipment. The Group considers reliability, expertise, and past work experiences, to ensure that contractors can construct and install machinery and equipment for the power plant projects, in accordance with the agreed standards completed within the specified time.

Risk from not receiving a Power Purchase Agreements back for projects whose Power Purchase Agreements were terminated and are in the process of requesting for their return

Prior to 31 December 2021, the Power Purchase Agreements of 9 biomass power plant projects of the Company Group were terminated by the Provincial Electricity Authority. They are currently in the process of return. The Company Group has filed a dispute against the Provincial Electricity Authority (PEA) in the Administrative Court and the arbitrator to request for consideration to cancel the termination of the Power Purchase Agreements and return them to the Company Group. The Company Group filed a dispute in the Central Administrative Court for the Sisaket Biomass Power Plant Project, and disputes to the arbitral tribunal for 8 VSPP biomass power plants projects.

The progress of the consideration to cancel the termination of the PPAs and return them to the Company Group as at 31 December 2021 is as follows:

a) Sisaket Biomass Power Plant Project is still under the consideration by the Central Administrative Court. Therefore, there is a risk that the Power Purchase Agreement may not be returned to the Company Group, which would cause the operations of the Company Group to not meet the specified objectives and may affect its operations in the future. However, on 3 April 2019, the indirect subsidiary owning the project sent a letter to PEA to negotiate and settle the dispute under the Power Purchase Agreement. PEA then replied in a letter specifying the conditions and negotiation criteria. The said indirect subsidiary had complied with the aforementioned conditions and criteria, and was in the process of negotiation. After that, on 9 June 2020, PEA sent a letter notifying the termination of the negotiations because it had to review the conditions, criteria, and negotiation process in order to clarify its operation. As of 31 December 2021, the case was still under consideration by the Central Administrative Court.

b) The arbitral tribunal had an arbitral award for PEA to return the Power Purchase Agreements to the Company Group as well as extending the first scheduled commercial operation date, and for PEA to change or amend the agreements from Adder to FiT according to the award dated 21 June 2019 for 4 VSPP biomass power plant projects and the award dated 19 July 2019 for the other for 4 VSPP biomass power plant projects, 8 projects in total.

Subsequently, after the Arbitral Tribunal issued a verdict to PEA to return the electricity purchase agreement to the Group of the total of 8 projects, the Group considered that the 8 arbitrators had misrepresent the name of the FiT announcement. The name of the correct announcement is 2015 FiT Announcement, which is consistent with the rationale and evidence of the case. In addition, the group has already submitted a request to change the contract in accordance with the 2015 FiT Announcement, but PEA has wrongfully terminated the power purchase agreement. The Group was not able to change the contract in accordance with the 2015 FiT Announcement at that time. For this reason, the Group considers that PEA has to return the FiT power purchase agreement in accordance with the 2015 FiT Announcement to the project owner. As of December 31, 2021, the Company and PEA are in the process of negotiating to comply with the arbitral award.

Risk of possible fines from the power plant machinery installation agreement (EPC), for projects that have terminated the power purchase agreement, and in the process of requesting a refund of electricity purchase

The Group has a biomass power plant project which has been canceled by the Provincial Electricity Authority} and is in the process of requesting 9 refunds of the said contract. All 9 projects have entered into contracts for the construction of power plant buildings and machinery installation with related companies since 2012 (companies under the same controlling power as the group companies), namely Advance Energy Development Company Limited ("AED"), responsible for procurement and installation of machinery for biomass power plants. Therefore, there are 9 projects that are at risk, due to inability to comply with the conditions.

The contract of procurement and installation of machinery made with the related company, with the conditions that the Group has to pay to the contract parties in the amount of 10 percent of the contract value, equivalent to a project value of THB 63.30 million within Scheduled time. The said amount paid to the contract party will be a Down Payment, or Maximum Cancellation Fee, as the case may be, depending on whether the group intends to have the contractual party perform the contractual construction. In the past, the Group made a written notice requesting an extension of the contract implementation period, until all relevant licenses were received, and the parties agreed that the contract extension would be extended according to the Group's request. The legal consultant of the company had expressed opinions regarding the extension of the contract performance period on 22 March 2019. It can be concluded that at present the Group has not breached the sales contract and installation of equipment for the entire project. Since the parties have agreed to extend the period of the entire contract performance, until the event is in accordance with the conditions regarding the extension and the beginning of the contract for the 8 projects, the terms of the extension, including the beginning of the contract, for the Sisaket Power Plant Project, will result in the amendment of the contract according to the law. At present, the conditions have not yet been fulfilled, the Group therefore has no duty to pay damages, fines, or other expenses which the parties will notify to pay.

After the Group has received acknowledgment of the consideration of the Power Purchase Agreement, if the Group does not return the Power Purchase Agreement, or for any other reason causing the negotiation to terminate the said contract with the parties, the Group may be obliged to pay the fee, to terminate the contract up to THB 63.30 million per project, or to a maximum of THB 506.94 million, from a total of 8 projects, to the contractual parties under the specified conditions, which may have a significant impact on the Group's operating results. In 2021, the Group has a net profit in the consolidated financial statements, amounting to THB 1,505.42 million.

However, the Group has prepared and announced the EPC Contractor hiring policy, which requires the Company to negotiate with AED to achieve a mutual agreement to cancel the EPC contract, after the Group has received back the power purchase agreement.

Other risks associated with business operations

Risk from relying on major shareholders and executives (Songmetta Group)

Songmetta Group has founded the company and its subsidiaries, and are directors and the company's primary management. As of 31 December 2021, Songmetta Group, holds 75.84% of the company's total paid-up shares, with Ms.Jiratha Songmetta (formerly known as Mrs.Siriwan Damnoenchanwanit Songmetta), as a director and chairman of the Executive Committee, which sets policies, as well as being an important part of management, and have built a reputation for the group to be recognized in the industry both domestically and internationally, resulting in the group having good operating results and continuous growth. If the company loses the majority shareholder and the executive, it may affect the management and operation of the group. However, the company has appointed a board of directors, consisting of a group of people with experience, knowledge, and a variety of capabilities, which are responsible for policy formulation and firm management for continued growth in future. In addition, the Group has restructured its management structure, decentralized the operations and approvals of the company and its subsidiaries, including defining the scope of authority and responsibility of the management based on knowledge, capability, and experience, in order to reduce the risk of this dependency.

In addition, the Group has continued to conduct business transactions with companies that are under the control of the Songmetta Group. For example, the purchase of fuel raw materials, the sale of electricity and steam, the purchase of water for operation and management of power plants, and the purchase of goods and services, related to the construction of power plants. Although such a relationship helps to strengthen the group's business operations in terms of fuel, power generation and distribution, and maintenance, this will help the power plant business of the group to be more stable and efficient, it may also rely on the business of the major shareholder as well. In the past, the Company has always been aware of the problem of relying on the major shareholder group, therefore, it has a policy to conduct transactions with related parties to have the price and conditions according to the market price, and there are guidelines for adjustment. Reduce connected transactions, to prevent problems and reduce the risk of relying on the major shareholder.

Risk from groups of major shareholders that may have conflict of interest

As of 31 December 2021, the Company has Songmetta Group as the company's major shareholder, holding 75.84% of the paid-up capital, and a controlling person in Advance Power Plant Company Limited ("APP"), which operates in the production and distribution of electricity from 1 biomass energy project, with a maximum electricity capacity of 8 MW, at Koh Chan District, Chonburi Province, which is the same business of the Group of Companies. There may be competition, and may cause conflicts of interest with the Group, as well as may have a significant impact on the Group's performance in the future.

However, the APP has not yet started such business, as in the year 2014, the Provincial Electricity Authority, who was the electricity contracting party of the project, terminated the power purchase agreement, but later the APP received the award from the Arbitral Tribunal, according to the red number dispute No. 73/2562, dated 21 June 2019, with a verdict for the PEA to return the power purchase agreement (PPA) to APP. Currently, the APP is in the process of negotiating the details of the contract with PEA, and a group of shareholders of APP have sent a letter notifying the proposal to sell ordinary shares of APP according to the letter of notification, on 28 August 2019, giving the group rights to consider buying shares of APP, according to the purchase price that will be agreed further.

In this regard, the Extraordinary General Meeting of Shareholders No. 1/2019, held on 28 October 2019, passed a resolution approving the purchase of shares of Advance Power Plant Company Limited, from Songmetta Group, which is a connected entity, in the amount of THB 394 million to THB 472 million. The payment and transfer of shares will be scheduled on the same day, within 120 days after the signing date of the share purchase agreement of Advance Power Plant Company Limited, which has a contract to purchase the shares within 6 months, commenced from 28 August 2019 or within 15 days after the date of the Power Purchase Agreement, which has been refunded by PEA by FIT, signed by Advance Power Plant Company Limited and PEA, whichever comes later.

As of 29 November 2018, Songmetta Group, a major shareholder, and/or a director of the company, has signed a statement of non-competing business with ACE, which is a protection against risk from conflicts of interest, between the company and the major shareholder of the company.

Financial Risk

Funding Risk

Risk from the ability to find funds to expand the Group's business

Since the growth of the Group depends on future projects that need to be auctioned to obtain the right to develop the project, entering into the power purchase agreement with the buyer, the construction process, and selling the electricity to the buyer according to Power purchase agreements within the stipulated time, for which each project development requires a large amount of capital. Therefore, the ability to access various funding sources is extremely important.

In the development of power plant projects in the past, the Group used loans from financial institutions as their primary source of funds, which has financial and operational requirements that may restrict access to additional funding sources, and from additional sources, which may affect the opportunity to expand the business in the future, with conditions that must be observed or prohibited, except that it has been approved by the lender. Upon being listed in the stock market, the Group expects more financing options due to having a strong capital base, which will be a key factor in negotiating the terms of existing credit agreements, to reduce limitations that may affect the opportunity for future business expansion. In addition, the Group can also consider additional funding sources, such as issuance of debt, and raising funds through the capital market.

Credit Risk and Credit Terms Compliance

Risk from failure to comply with conditions or terms of credit agreements

As at 31 December 2021, the Group has long-term interest-bearing liabilities of approximately THB 4,539.05 million, which is a long-term loan from a local commercial bank, which provides project loan to subsidiaries.

The above-mentioned liabilities have several covenants and conditions for the Group, as loan applicants, including guarantors, mortgages, and stock pledge (if any), must comply with contracts, financial terms, and business operations.

If the group of companies, which are the applicants of the loan, including the guarantor and the lender, cannot comply with the terms and conditions specified in the credit agreement, it may cause the applicant to default or breach of contract, except if the loan applicant will receive a waiver from the lender. In addition, if any one of the credit agreements entered into by the Group with a commercial bank in that country, a default, or a default is made, may result in default of other credit agreements, under the local commercial banks as well.

However, the Group has determined that all power plant projects must strictly comply with the terms and conditions of the credit agreements, and require the business development department of the company to monitor the performance of the contracts, and report to the executive committee regularly. If there is an event that is not able to comply with the conditions of the credit contract, must notify the lender immediately. If there is an event that will not receive a waiver from the lender, and the lenders have informed the borrowers of the possible breaches of the contract, as well as the time limit for fixing the documents, the said situation may result in the Group having to immediately repay all credit agreements with the said local commercial bank, which will affect the operating results and the financial status of the group significantly.

Other Financial Risks

Risk from exchange rate fluctuation

The Group is exposed to foreign exchange risk from the operation of the Natural Gas Power Plant Project ("Project AAA1") of subsidiary AAA, with respect to sales revenue, due to one element of the tariff received, will change according to the USD exchange rate, according to the price adjustment formula specified in the power purchase agreement that AAA has with EGAT, and in the cost of natural gas that is Significant projects AAA1 purchased from PTT. According to the natural gas purchase agreement, there will be changes according to the exchange rate change as well, thus resulting in the group having a natural hedge. As for the biomass power plant project and community waste power plant project of the Group, the project is not affected by the fluctuation of exchange rate, due to sales revenue, service, cost of sales, and all expenses are in THB.

However, since the Group has considered that the power purchase agreement of the AAA1 Project is a financial lease. Therefore, the project property has been classified as financial lease receivables, net with financial income awaiting recognition. Revenue from sales of electricity under the power purchase agreement will be revenue from financial lease under the power purchase agreement. Revenue from services under the Power Purchase Agreement as a whole is in sales and service income. However, the calculation of sales revenue has some calculation components in foreign currencies, resulting in the adjustment of the conversion of some monetary assets, under financial lease receivables at the exchange rates at the end of the year, to be in accordance with the Accounting Standard No. 21 regarding the effects of changes in foreign exchange rates. Therefore, the company is exposed to risk from accounting methods, regarding exchange rate fluctuations, and may cause unrealized exchange rate loss.

The Group has been affected by changes in foreign exchange rates, for the financial lease receivables of natural gas power plant projects, which are affected by the interpretation of the Thai Financial Reporting Standards No. 4, regarding the Lease Agreement Assessment, which was recorded as unrealized exchange rate loss in 2020 in the amount of THB 4.80 million, and recorded as unrealized exchange rate gain in 2021 THB 147.03 million.

In addition, the Group has a foreign currency risk from the purchase and import of spare parts from abroad for use in the repair and maintenance of machinery. In the year that the construction of the new power plant project, the Group is exposed to foreign exchange risk from the import of machinery for installation in additional power plant projects. In this situation, the Group manages the foreign exchange risk by entering the forward contract. For example, in 2017, the Group built the AAA1 project, therefore had made a Forward Contract to reduce the risk from the fluctuation of the said exchange rate.

Risk from interest rate fluctuations

As of December 31, 2021, the Group had interest-bearing liabilities of Baht 4,780.12 million, most of which were long-term floating-interest liabilities of 4,539.05 million baht or 94.96 percent of total interest-bearing liabilities. The interest burden is a significant expense of the Group. In 2020 and 2021, the Group has interest expenses of 106.32 million baht and 141.37 million baht or equivalent to 2.13 percent and 2.47 percent of revenue from sales and services according to the consolidated financial statements of the group of companies, respectively. In case of interest rate increase, there will cause the operating results of the Group drop.

In this regard, the Group estimates that interest rate risk will not cause damage to the Group, including the fact that the Group may request to change the terms of loans or find new sources of loans, with a low interest burden to regularly replace the original loan source.

Risk that affects the rights or investments of securities holders

Risk from the group of the companies have a major shareholder with more than 50% shares

As of 31 December 2021, Songmetta Group holds 7,717.75 million shares in the company, representing 75.84%, therefore the Songmetta Group can control almost all shareholders' resolutions, whether it is the appointment of directors, or requesting resolutions on other matters that requires the majority of votes from the meeting. Other shareholders may be at risk of not being able to gather votes to check and balance the issues proposed by the major shareholder.

Even though, the Songmetta Group is able to control the majority vote used at the meeting, it is an important resolution required by law, it must be approved by a vote of not less than 3 in 4 of the shareholders who attend the meeting and have the right to vote. Shareholders with vested interests will not have the right to vote on related matters, such as the consideration of entering into connected transactions and the acquisition or disposal of assets, etc. Therefore, minority shareholders are able to check and balance the important matters and matters related to the Songmetta Group, which is the major shareholder group of the group.

Emerging Risk

Cyber Threats and Data Privacy

Given the advancement of technology and online communication that have come to play a more vital role in the business operations, the Company Group may face with risks involving cyber threats and data privacy, which may lead to unauthorized alteration of information, information leak, or data theft. In order to prevent and reduce such impacts on business operations, management guidelines have been established. The guidelines include planning business operations to be flexible and supportive of the change of technology and improving the work processes to be responsive to the technology that is likely to change in the future. In addition, the Company Group has assigned its Information Technology Team to keep track of the development and patterns of cyberattacks and regularly assess the performance of its cyber security systems. The team has also been assigned to provide additional data recovery systems when cyber threats occur to support business continuity, encourage personnel to receive training that improves their technological knowledge, and raise the awareness of technology security of the personnel in the organization at all levels.





3. Steering Business towards Sustainability

3.1 Sustainability Management Policy and Goals


Sustainability Management Policy

Absolute Clean Energy Public Company Limited ("ACE" or the "Company") and its subsidiaries (collectively referred to the Company and its subsidiaries as the "Company Group") conduct business with a commitment to promote the development of the electricity generation industry to be socially and environmentally responsible. Under the vision of becoming one of the world's leading clean energy power plant operators, ACE moves towards sustainable business operations and recognizes its duties and corporate mission, which plays a role in conducting business to benefit and meet the expectations of stakeholders both inside and outside the organization. This includes communities and vulnerable groups surrounding the power plant, with a focus on engaging and improving quality of life while growing the business.

In order for ACE's sustainability-based actions to be clearly in line with the organization's direction, we need to ensure that ACE's actions are under established sustainability policy to guide the directors, executives, and employees in conjunction with the drive of business operations efficiently in the same direction, including ESG issues regarding environmental, social, and economic and governance.

Sustainability Goals

ACE has set sustainability targets with plans to increase power capacity focused on clean energy plants to provide ACE with a total installed capacity of at least 1,000 megawatts by 2024, which responds to the SDGs target, Article 7 Affordable and Clean Energy

	<ul style="list-style-type: none">- Increase the proportion of renewable energy mixed with the world's energy consumption.- Develop technology for modern and sustainable energy service delivery.
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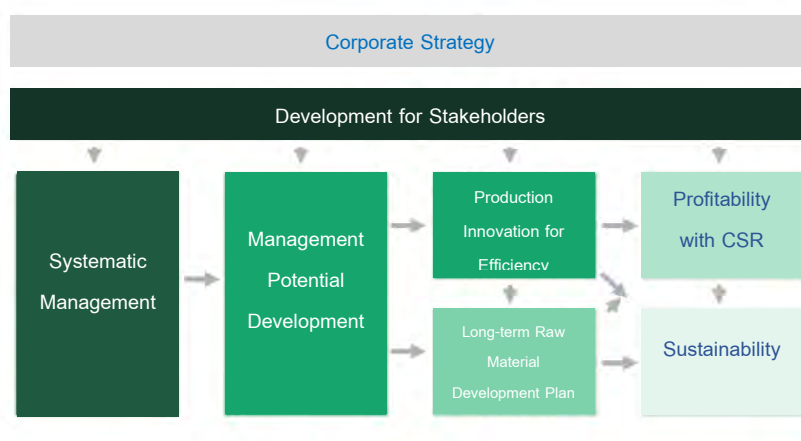
Sustainability Management

In order for ACE's sustainability actions to be effective and achieve the goals, the Sustainability and Risk Management Committee is required to provide recommendations for preparation and/or review of policies, strategies, frameworks, goals, and issues of sustainability and risk management, supervise and encourage sustainability and risk management operations, and push for concrete action as well as engaging in project implementation. Under the framework of sustainability and risk management with internal and external agencies and stakeholders, it covers consultation and promotion so that sustainability and risk management actions take place throughout the organization the same direction, while providing guidance, monitoring, and evaluating performance of management and related levels of operations.

In addition, the Sustainability and Risk Management Committee also has the power to appoint and define authority. They can also specify duties and responsibilities of the sustainability working group and/or risk management working group, as well as supervising the operation of the sustainability working group and/or risk management working group to achieve the specified policies and goals and report the performance to the Board of Directors.

Sustainability Strategy

ACE formulates a sustainability strategy with regard to systematic management with continuity and correlation between the Company's business operations, society, community, and related environmental resources. The guidelines for implementing corporate strategies are as follows:



Sustainability Management Guidelines

With the commitment to building strong growth on a balanced, stable, and sustainable foundation, ACE has established a sustainable management approach based on eco-efficiency business practices. It promotes social and environmentally friendly business development and resource utilization management to maximize efficiency as follows:

- **Reduce the use of resources or raw materials in production and services:** Improving the development of modern production technology and connecting the system inside the power plant to computer equipment and digitally with Internet of Things (IoT) technology to enable more efficient control and management of production. This would reduce fuel consumption but generate more electricity.
- **Reduce energy consumption in production and services:** Continuous improvement of operations saves investment with a plan to manage and maintain machinery and equipment regularly.
- **Reduce pollution drainage to the environment:** Use environmentally friendly production technology. Water circulation is used to maximize efficiency and for zero discharge. Electrostatic precipitators (ESP) is used for more efficient dust capture systems than others. It can trap dust of any size as small as 0.1

micron and Continuous Emission Monitoring System (CEMS) or Pollution Online Monitoring System (POMS) is installed.

- **Promoting the use of renewable resources:** Research and development for new energy crops are conducted and farmers are encouraged to grow mixed energy crops.

Sustainability Performance

ACE supports sustainable business operations as follows:

- **Research projects for two new energy plants, Sathorn grass and Lao grass,** are distributed to develop energy plants to be more efficient and diverse, which can reduce the risk of rising energy crops and support farmers to earn more.
- **The zero-emission community waste power plant** prototype is the most efficient waste fuel power plant in Thailand. It is a project designed as a closed community waste power plant. Innovations and technologies are used to burn up to 80% of high humidity waste (80 percent water and 20 percent waste fuel), and more importantly, it follows zero discharge principle.



3.2 Sustainability Management in Business Value Chain

3.2.1 ACE Business Value Chain

ACE operates its core business, which is the production and sale of electricity and steam, with key business operations being the supply of raw materials, electricity generation, and electricity delivery to customers, with the main stakeholders linking the ACE value chain divided into 7 groups: 1) shareholders, 2) employees, 3) communities, 4) customers, 5) sub-contractors, 6) fuel suppliers, and 7) government sectors, all of which are related to business operations. as follows:

ACE Value Chain	Characteristics of the Activities	Key Stakeholders and Their Relevance to Activities
Fuel Supply	Each type of ACE fuel supply is as follows: - Biomass fuel: Biomass fuel supply can be divided into two main ways: 1) Announcement of purchase of biomass fuel from small farmers.	Shareholder: Financial cost owners Employees: Workers Community: People who may be affected by the requisition process Fuel suppliers: each type of fuel suppliers

ACE Value Chain	Characteristics of the Activities	Key Stakeholders and Their Relevance to Activities
	<p>2) Contacting agricultural processing plants directly to negotiate the purchase of agricultural waste from various production procedures.</p> <ul style="list-style-type: none"> - Community Waste: Enter into waste disposal contracts with agencies such as local governments in the neighborhood of ACE's community waste power plant. - Natural Gas: Enter into a long-term natural gas trading agreement with PTT Public Company Limited. 	<p>Government: Lawmakers/Regulations/Standards</p>
Power Generation	Biomass power plants, community waste power plants, and natural gas power plants use machinery, equipment, and technology to generate electricity by raw material type.	<p>Shareholders: Financial cost owners Employees: Workers Community: Those who may be affected by various activities related to the operation of electricity generation. Subcontractors: Power Plant Construction Contractors. The suppliers supply machinery and equipment. Power Plant Maintenance. Government: Lawmakers/Regulations/Standards</p>
Delivering Electricity to Customers	ACE's main buyers include the GOP, the EGAT, and industrial customers, with whom ACE delivers electricity under current rules and regulations on the electricity generation and distribution business.	<p>Employees: Workers Community: People who may be affected by business operations Customers: Recipients of goods and services Government: Lawmakers/Regulations/Standards</p>
After-sales Service	In each power plant, performance is assessed as specified in the contract with the customers, and customer satisfaction is assessed to improve the service of the Operation Department to satisfy customers.	<p>Employees: Product and Service Workers/Adjusters Customers: Service recipients</p>
Support Activities - Inventing and developing innovative technologies	ACE focuses on developing innovative clean energy power plants to support a wide range of mixed fuels, as well as researching and developing fast-growing plant varieties to support electricity generation to meet customer needs.	<p>Employees: Operators/Thinkers and Developers of Innovative Technologies Community: People who may be affected by business operations Customer: Service recipients</p>

3.2.2 Stakeholder Participation

ACE has formulated strategies to engage with stakeholders, which will drive the development of The Group's business operations to achieve positive directional changes and reduce the potential negative impact on all stakeholders.

Based on the stakeholder engagement policy framework focused on working with stakeholders to determine ways to benefit all parties, ACE has identified stakeholders who have relationships from activities, products, and services to stakeholders inside and outside the organization, as well as documented lists of stakeholders and conduct periodic reviews to ensure that stakeholder groups are appropriate and relevant to the organization.

3.2.3 Analysis of Stakeholders in the Business Value Chain

As a key factor in driving the business for sustainability, ACE has established relationships with stakeholders according to suitability and opportunity. In 2021, ACE gathered expectations and prepared guidelines for responding to the expectations of each group of stakeholders as follows:

Group of Stakeholders	Guidelines to Promote Participation	Expectantations from Stakeholders	Responding to Stakeholder Expectations
Stakeholders within the Organization			
Shareholders	<ul style="list-style-type: none"> - Annual General Meeting of Shareholders - Communication of the Stock Exchange of Thailand, Email, and Company Website 	<ul style="list-style-type: none"> - Sustainable Growth of The Organization - Transparent, auditable management at every step of the way - Revenue, profit, turnover, as targeted - Good corporate image 	<ul style="list-style-type: none"> - Capacity planning, Targeted execution - Conducting business ethics - Social responsibility
Employees	<ul style="list-style-type: none"> - Executives regularly meet employees. - Communication via email, the Company website, or Group Line of the Company regularly. - Employee Surveys 	<ul style="list-style-type: none"> - Sustainable Growth of the Organization - Job Security - Good welfare care - Good work safety - Good and fair returns and bonuses - Good working environment - Engaging and opening up feedback opportunities 	<ul style="list-style-type: none"> - Training to educate related positions according to the annual training plan. - Communication via email, company website or Group Line of the Company regularly. - Regular employee surveys - Encourage employees to participate in or propose operational ideas to drive sustainability in the organization, such as organizing energy conservation activities.

Group of Stakeholders	Guidelines to Promote Participation	Expectantations from Stakeholders	Responding to Stakeholder Expectations
External Stakeholders			
Communities	<ul style="list-style-type: none"> - There are community relations agencies at the power plants to meet the community to conduct surveys on opinions, impacts, and the well-being of the community. - There are channels to communicate, comment, and complain about problems. - Communication via Public Relations Board, Company Website 	<ul style="list-style-type: none"> - It operates, monitors and controls the potential impact of the business to be safe for the environemnt and livelihood. - Continuous support for elderly activities, traditions, sports, education to the community and the public. - There are channels to communicate, comment, and complain about problems. - There is promotion, job creation, and career building with sustainable Income - Quality of life and well-being - There is an electricity development fund that is constantly allocated. 	<ul style="list-style-type: none"> - Environmentally managed in accordance with ISO 14001 - There are regular projects, activities, community relations. - Organize community meetings to explore opinions and impacts, and community well-being. - Provide communication channels for commenting and complaining of problems - Communication via public relations board, company website regularly.
Customers	<ul style="list-style-type: none"> - Communication via email or the Company's website 	<ul style="list-style-type: none"> - Receive electricity supplied as promised. - There are channels to communicate, comment, and complain about problems 	<ul style="list-style-type: none"> - Control electricity generation to meet the target. - Regular communication via email or the Company's website
Subcontractors	<ul style="list-style-type: none"> - Polls 	<ul style="list-style-type: none"> - Fair payout - Good welfare care 	<ul style="list-style-type: none"> - Regular polling - Environmentally managed in accordance with ISO 14001
Fuel Suppliers	<ul style="list-style-type: none"> - Communication channels, emails, phone calls, Facebook Line Official, and Application 	<ul style="list-style-type: none"> - Fast delivery - Fair payout - Good welfare care 	<ul style="list-style-type: none"> - There are clear and accountable procurement policy and procedures. - Define clear delivery procedures. - The machine to deliver the goods is ready at all times. - There's a drinking water dispenser for the fuel

Group of Stakeholders	Guidelines to Promote Participation	Expectantations from Stakeholders	Responding to Stakeholder Expectations
			supplier in case of delivery to the Company - There is a market incentive when they can supply fuel on target.
Public Sector	<ul style="list-style-type: none"> - Meetings, seminars and trainings on occasion - Operations based on government activities - Continuous participation in other formal and informal activities. 	<ul style="list-style-type: none"> - Providing accurate information and reports to comply with the law - Promoting, maintaining and developing local areas in a balanced manner. - Supporting government activities 	<ul style="list-style-type: none"> - Environmentally managed in accordance with ISO 14001 - Regular projects, activities, and community relations. - Support the implementation of government activities on occasion.

3.2.4 Supply Chain Management

Importance

ACE values supply chain management as it optimizes operations and ensures transparency and fairness in the procurement process, while also reducing risks that may arise from partner actions which could affect business operations. There are also quality control of raw materials used as power generation fuel, partner services, and evaluation of the performance of key partners.

Goals and Performance

Goals	Performance
Key partners must assess themselves as responsible operators in the for the environment, society, and good governance.	100% complete

Management Approach

Partner Management Overview

ACE has established a procurement policy to ensure that procurement is in accordance with good corporate governance that does not cause the transfer of interests and takes into account all stakeholders. In addition, in order to ensure the efficient procurement of the Company and clarity on implementation at both the management and operational levels, ACE prioritizes its partners according to the importance of driving the business forward, which is divided into four categories:

Type 1: Partners related to the development of power plant projects such as EPC contractor, procurement of machinery and equipment.

Type 2: Partners related to purchasing raw materials for electricity generation fuel, including biomass fuel, community waste, and natural gas.

Type 3: Operation and Maintenance Partners

Type 4: General Merchandising and Service Partners

Supplier Screening

The ACE partner selection process adheres to partners competing on equal data and selects partners with fairness under the criteria for evaluating and selecting the Company's partners and subsidiaries. In addition, it has provided a reasonable and fair form of contract to all parties and a monitoring system to ensure that the terms of the contract are fully fulfilled and prevent fraud and misconduct at all stages of the procurement process. The Company and its subsidiaries purchase products from business partners in accordance with trade conditions. It strictly complies with contracts with trade partners to keep the information of the partners confidential and will not abuse such information.

ACE has a process of evaluating the potential and screening of qualifications for existing and new partners, as well as forming an approved suppliers list to ensure that partners who can deliver effective products and services that meet their needs and can be long-term business partners, which will strengthen the capacity of sustainable business operations. The criteria for consideration are as follows:

- Products and services meet certain standards and qualifications.
- The prices and conditions offered by partners are market prices and normal conditions based on acceptable trade in the market.
- Goods and services can be delivered at the required time and quantity.
- No history of abandoning the work of the Company and its subsidiaries, or being delisted from the Approved Suppliers List.
- Not being an illegal business operator or lacking unethical conduct or behaving dishonestly in bidding or discouraging/obstructing fair price competition or behavior that damages ACE's business operations.
- Complying with the requirements, regulations, or laws on the environment as specified by the relevant authorities.
- Partners can assess the Company and The Company will review the assessment.

Partner Performance Audit

ACE requires a quality assessment of partners listed in the Approved Suppliers List by auditing it every 6 months, covering the following topics:

- Product and Service Quality.
- Reputation, reliability, and ability to deliver goods and services at the required time and quantity.
- Price and terms of payment.
- History of goods and service delivery.

- Liaison and assistance cooperation and satisfaction of the Company and its subsidiaries towards goods and services
- Not having been sued or received complaints on social and environmental issues from relevant authorities and surrounding communities.
- Partners can assess the Company and The Company will review the assessment.

Risks Posed by Partners

One of the major risks that affect ACE's business operations is fuel quality and fuel shortages in electricity generation. Therefore, ACE has established guidelines to reduce risks as follows:

Risk Issues	Riesk Preventive Practices
Fuel quality risks in electricity generation Biomass Fuel Community Waste natural gas	<ul style="list-style-type: none"> - Develop and improve machines that can use biomass fuel to generate a wide range of electricity. It can effectively combust fuel with a high humidity value of about 65 percent (65 percent of water, 35 percent of biomass content). - Promote knowledge of the management and storage of fuel delivered to power plants to obtain the highest quality fuel. - Develop and improve machines to effectively burn about 80 percent of high humidity waste (80 percent of water, 20 percent of waste). - Specify the properties of natural gas in the natural gas purchase agreement.
Risk of fuel shortages in electricity generation Biomass Fuel Community Waste Natural Gas (Risk of relying on a single natural gas seller)	<ul style="list-style-type: none"> - Select the power plant area by studying the type and amount of fuel in and around the area. To ensure that the power plant area has sufficient fuel and suitable for power plants and save fuel transportation to power plants and group companies. - Enter into long-term contracts to buy bark from related companies to help support biomass fuel adequacy. - Provide a place for storing biomass fuel to be sufficient for consecutive power generation operations for a maximum period of 45 - 120 days. - Always carry out the supply of new waste from other sources. By contracting with public and private agencies for waste disposal to reduce risk and ensure fuel stability so that electricity can be operated throughout the project life. - Enter into a contract to purchase natural gas covering the age of the purchase contract with the customer, in case the partner is unable to deliver the amount of natural gas specified in the contract. Damages must be compensated in case natural gas cannot be delivered as agreed in the contract.
Risk of Violating the Law	<ul style="list-style-type: none"> - The partner must inform the number of workers entering the workforce, and in case of hiring foreign workers, work permit of a foreigner must be legal. - Any action by the partner's operator requires a professional license by law, such as a power plant construction/repair contractor. The document must be presented as evidence to the ACE prior to entering the work, and the license must be renewed correctly.

Activities to promote and develop partners

ACE has been promoting activities to educate farmers and its partners. The power plant's community relations team organizes activities to promote knowledge about the management and storage of raw materials delivered to the power plant. In order for farmers and factories to receive the best sales prices and power plants to receive the highest quality products. In addition, it has worked with various public and private organizations to tackle the burning of agricultural humus by acquiring agricultural waste and biomass fuels from farmers, which, other than reducing forest fires and air pollution or PM2.5 dust, is also enhancing income for farmers. As a result, the Group will have more sources of biomass fuel and more stability of biomass fuel for use in generating electricity.

3.2.5 Customer Relations Management

Building and maintaining good relationships with customers is one of the key factors of the Group's business operations, as customers are indicators of the success of the Group's business by recognizing the negative impact if the business is flawed in delivering goods and services in accordance with the customer contracts. Effective customer relationship management, coupled with the ability to respond to customer needs at all times and up to date, will therefore help the Group to continuously build and maintain good relationships with customers while increasing customer satisfaction levels with efficient service.

Goals and Performance

Goals	Performance
Deliver electricity to customers in accordance with the conditions of the contract.	100% complete
Customer complaints are 0.	There are 0 complaints on target.
Customer confidentiality complaints are 0.	There are 0 complaints on target.

Customer Responsibility

The Group is committed to developing services for customer satisfaction and best interests and adhering to treating customers responsibly, with honesty and attentiveness to customers as if they were family members of the Group. The guidelines for customer responsibility are as follows:

- 1) The Group takes into account the quality and efficiency of its services, in addition to developing a quality service management system. The Group also cares about managing occupational health and safety so that customers can receive the highest quality and effective services.
- 2) The Group adheres to fair marketing with a policy of providing customers with accurate information about its services without distortion, vagueness, or exaggerated advertising, so that customers have accurate and sufficient information to make decisions.

- 3) The Group takes into account the safety of customers and strives to provide customers with quality and safe service in accordance with international safety standards and regulations, as required by law, and to constantly develop and improve the services so that customers are confident in the quality, standards, and safety of the Group's services.
- 4) The Group provides customer relations systems to communicate with customers, and receive complaints about the quality of services effectively through various channels to meet the needs of customers quickly.
- 5) The Group will keep customer information confidential and will not use it in any unlawful way.
- 6) The Group provides activities to strengthen customer relationships and among customers themselves and between customers and the Group.
- 7) The Group has a policy for its own power plants which are all certified by the Quality Management System (ISO 9001).

The Group recognizes customer responsibility by maintaining the quality and standard of service, as well as responding to customer needs in order to maintain production standards and focus on ensuring long-term customer satisfaction. Adhering to the contract between the Group and its customers is of the utmost importance. The Group provides accurate information about the services of the Company and its subsidiaries to customers, as well as channels to report problems, complain about improper serviced, or provide advice so that the Company and its subsidiaries can quickly and effectively prevent and resolve issues related to the services.

By evaluating customer satisfaction, the Group has adhered to the power generation goals specified in the contract as a priority to meet the expectations of all customers, It is the Group's commitment to carry out the delivery of goods to customers in full and accurately according to the standards specified in the power distribution contract. In addition, feedback received from customers are taken into account to continuously improve the quality of products and services in business processes, such as improving machinery in the production system.

To achieve the above objectives for effective customer relationship management, the Group has three internal divisions: Business Development Department, Legal Department, and Operations Department, which are responsible for overseeing the production and inspection of the completeness of the delivery of contracted goods. Even during the Covid-19 pandemic, the Group managed to continue to produce and reduce risks that affected the services and delivery of goods to customers without defect. The Group has a coordination system regarding inventory management with an internal auditor to monitor and assess the adequacy of the Group's internal inventory, enabling raw materials to generate sufficient electricity as planned for delivery.

In 2021, the Group was able to deliver electricity to all customers in accordance with the targets set forth., wihtout breach of contract to sell products to customers.

To build confidence that the Group will be able to deliver the goods as planned, the above responsible departments will hold monthly meetings to monitor and evaluate performance to manage production and delivery of the targeted work. If there is any force majeure causing the goods to not be delivered in due course, the Group has channels for communication with customers and operations to identify the cause and make agreements with both parties to resolve the problem, including having a system to check the completeness of the goods in accordance with the contract yearly.

Complaint Channels

The Group has publicly pledged to listen to all complaints equally, with transparency, attentiveness, and fairness to all parties with clear guidelines for receiving and handling complaints. Once the Group has received complaints from the designated channels, there will be a process of reviewing the complaints and grouping complaints on various issues into clear categories to achieve more relevant and effective solutions. This then leads to an analytical process and tracking of the status, updates, or corrections based on the feedback and complaints. The Group will keep the customer's information confidential and will not use it in any unlawful way, including the complainant's name so that such a person will not be affected. In 2021, there were no complaints from customers.

Protecting customers' personal information

The Group has established a "Confidentiality Policy of the Company and Its Customers", which establishes the practice of confidentiality of customer information and the practice of using information received from customers.

Channels for contacting and receiving complaints

Contact Channels	Details
Telephone	TEL:081-104-8821 (Company) Absolute Clean Energy Public Company Limited
Email	Email: info@ace-energy.co.th
Walk-In	ITF-Tower 140/6, 7th Floor, Silom Road, Suriyawong, Bangrak Bangkok 10500

3.3 Sustainability Management in Environmental Dimensions

Importance

With the intention to fulfil ACE's business obligations, it is not only committed to developing and creating environmentally friendly clean energy technologies while seeking sufficient sources of potential clean energy to meet future needs, but ACE is also committed to becoming an organization that conduct fair business while maintaining social and environmental responsibility and creating value for all stakeholders involved continuously.

3.3.1 Environmental Policy and Practices

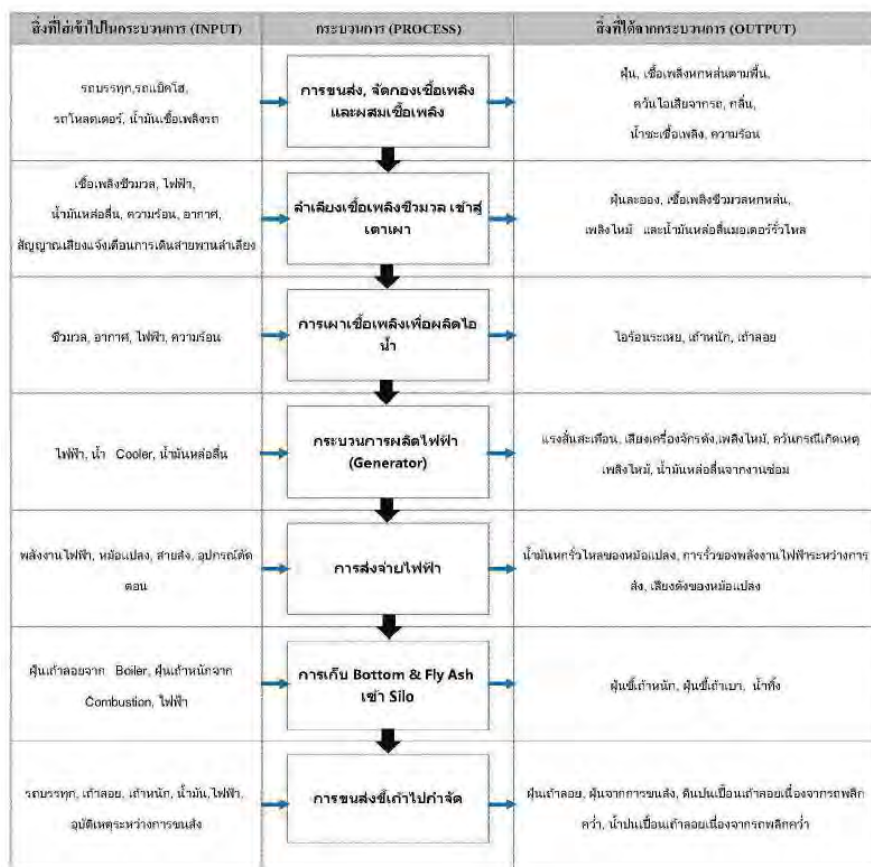
The main fuels that ACE uses to generate electricity are divided into three categories: biomass fuel, natural gas, and municipal waste. Therefore, ACE recognizes the importance of natural resources as important raw material, as well as environmental management of its power plants to prevent and address potential environmental impacts, whether it is the impact on air quality or water quality. In order to reflect environmental responsibilities, ACE has established a standard policy of integrated power plant management system to drive business operations in accordance with ACE's commitment to operating clean energy plants with responsibility to the environment and society under good governance.

Goals and Performance

Goals	Performance
1. Water reduction goal: Circulate water for maximum efficiency and zero discharge of wastewater into the community.	Water circulation is used to maximize efficiency and there is zero discharge of wastewater into communities.
2. Air pollution reduction target: The cost of emitting air pollution from the air pollution vent crater must not exceed the control standard specified by law.	The air pollution emission value does not exceed the control standard as required by law.

Management Approach

The standard policy framework of ACE's integrated power plant management system focuses on preventing pollution caused by the electricity production process by minimizing environmental impacts as much as possible, while continuously improving and developing procedures continuously and sustainably throughout the value chain. A process flow chart has been created to analyze potential pollution from operations, which will enable protection and control of impacts from the source (shown below). ACE's environmental management meets the requirements outlined in the Environmental Impact Assessment Report and Code of Practice (CoP) report, as well as ISO 14001 as an environmental management framework in accordance with international standards. ACE also focuses on using valuable resources to maintain biodiversity and contribute to ecological preservation, with the Internal System Monitoring Working Group on Occupational Health and Safety Management (ISO45001:2018) primarily responsible for monitoring occupational health and safety operations, including the environment. It uses analyzes data to improve the occupational health and safety and environmental management processes within the organization.



Examples of production process from community solid waste fuel power plant projects

3.3.2 Water Management

The power generation uses raw water for steam generation to generate electricity. It is used to reduce the temperature of machinery and equipment, with most of the raw water in the area derived from natural rainwater retention or from nearby water sources during the water season as authorized by the relevant authorities, within the power plant area. There is enough water retention area to meet the water needs of each project throughout the year. For some power plants with space restrictions, there cannot be a large water storage area within the power plant, such as Khon Kaen Municipal Solid Waste Power Plant and Krabi Municipal Solid Waste Power Plant that have established raw water contracts with licensed sellers instead.

Currently, each biomass power plant project consumes an average of 1,000 – 1,200 cubic meters of raw water per day. Natural gas power plants use an average of approximately 2,160 cubic meters of raw water per day, and community waste power plant projects use an average of about 1,000 cubic meters of raw water per day. Since their operation commenced, all ACE power plants have never experienced a shortage of raw water, as each power plant monitors, analyzes, and reports water situations in the area and brings the results to set targets and approaches for further water management directions. This includes reducing the risk of shortages of raw water for use in the production process and to reduce the cost of buying raw or industrial water, which prevents conflicts of water use

with stakeholders. Each power plant has managed to reduce water consumption with an effective plan for the use of water within the power plant. They circulate water back to the most utilization such as using it in cooling systems, to wash the floor, to clear roads, and to water plants.

3.3.3 Wastewater Management

Wastewater generated from the operation of power plants can be classified as wastewater from office buildings and effluent from the production process.

- Office Building Wastewater: receiving initial treatment with prefabricated septic tanks. After treatment, the water is collected to the wastewater well to be utilized in the power plant area.
- Effluent from the production process is divided into:
 - Drainage from the cooling tower: Once cooled, it is drained into the sewer well before being applied to green space and used to wash the floors inside the power plant area.
 - Effluent from the production process of demineralized water and from the analytical laboratory: It is sent to acid-alkali wells to neutralize the water before being sent to the effluent well to be put to good use.
 - Effluent from floor cleaning and manufacturing machinery: It is effluent from activities such as maintenance or cleaning of equipment machinery, hand wash, emergency shower, water used to clean the operating area and so on, which is sent to the Oil Separator Tank to separate the oil from the water and then to the effluent well to be put to good use.

Based on the above, ACE's power plants collect effluent water from different parts and out it into wastewater wells before treating it with wastewater treatment systems to improve water quality to meet standards. The water quality is measured according to the frequency specified in the EIA report or CoP report. This includes measurement parameters such as PH, totally soluble solids (TDS), suspensions (SS), biochemical oxygen demand (BOD), chemical oxygen demand (COD), oil&grease, and water color before being utilized inside power plants., with zero dischrge to the public.

3.3.4 Waste Management

Waste generated by ACE's electrical production process varies by fuel type. It contains three main types of fuels: biomass fuel, community waste, and natural gas. If there is no proper and correct management in accordance with the relevant requirements, it may impact the environment such as soil quality, groundwater quality, and the health of surrounding communities. In addition, it may cause negative effects on the image of the ACE as well as complaints. The waste generated and the management for each type of waste can be summarized as follows:

Power Plant and Fuel Type	Types of Significant Waste Generated	Management Approaches
Non-hazardous Waste		
<ul style="list-style-type: none"> ● Biomass Fuel Power Plants ● Community Waste Fuel Power Plants ● Natural Gas Fuel Power Plants 	<ul style="list-style-type: none"> ● Waste from office buildings/cafeterias includes: <ul style="list-style-type: none"> - General waste such as food waste. - Recycled waste such as glass, paper, metal, and plastic 	<p>Prepare each type of solid waste container with a lid sufficiently close to different points within the area, where the reusable portion of the solids will be utilized for maximum use. The remainder after the sorting will be contacted by the local or private authorities who are allowed to pick them up for further removal.</p>
<ul style="list-style-type: none"> ● Biomass fuel plants, bark, wood, fuel, palm, husk, and other fuels (cobs/corn shells, sugarcane leaves/residues, cassava rhizomes, sawdust, wood chips.) ● Community Waste Fuel Power Plants 	<ul style="list-style-type: none"> ● The fuel-burning ash of the vapor pot is divided into two parts: bottom ash and fly ash. 	<p>Ash management is carried out in accordance with laboratory analysis results as follows:</p> <ul style="list-style-type: none"> ● In case of external removal of ash, it is proceeded in line with the Ministry of Industry Declaration in 2005 or the latest effective legislation and must obtain permission from the Department of Industrial Works once a year. ● In case of ash landfill in power plant area, landfills are designed in accordance with the results of ash analysis data, such as making concrete ponds to support ash or disposing of landfill areas with leak-proof paving systems within the area of the power plant. Measures have been taken to monitor the impact on groundwater quality by installing a monitoring well to measure the quality of groundwater flowing through the power plant area twice a year <p>However, ACE is currently studying the utilization of ash by the Stabilization and Solidification processes to reduce the amount of waste generated by the electrical production process.</p>
<ul style="list-style-type: none"> ● Biomass Fuel Power Plants ● Community Waste Fuel Power Plants ● Natural Gas Fuel Power Plants 	<ul style="list-style-type: none"> ● Sludge from wastewater treatment system 	<p>Collecting and sending it to government agencies for further disposal.</p>
Hazardous Waste		

Power Plant and Fuel Type	Types of Significant Waste Generated	Management Approaches
<ul style="list-style-type: none"> ● Biomass Fuel Power Plants ● Community Waste Fuel Power Plants - Natural Gas Fuel Power Plants 	<ul style="list-style-type: none"> - Used lubricants from maintenance - Oil contaminated material - Battery deterioration - Used torch batteries - Chemical bottles 	Sorting and storing them in tanks in roof-covered buildings, and contacting the authorized authorities of the Department of Industrial Works to remove them.

ACE conducts waste management in accordance with the requirements specified in the EIA report and COP report, as well as related laws, to control and determine whether waste generated, both non-hazardous waste and hazardous waste, is disposed of in the appropriate way by legitimate disposal recipients.

3.3.5 Air Pollution

A significant source of air pollution in power plant operations is burning fuel to produce heat. The main pollution generated by combustion depends on the type of fuel. Most of them are dust, sulfur dioxide (SO₂), nitrogen oxides (NO_x), and dioxin from burning community waste. In addition to controlling the quality of the fuel used in combustion to reduce air pollution, the Company has also been able to control the quality of the fuel used in the combustion. The Group dust collectors and waste gas treatment systems have been designed and installed to control the drainage of SO₂, NO_x dust, and dioxin, that occurs before releasing it into the atmosphere. Each power plant measures air quality from the crater. Once a year, as specified in the EIA report and cop report, the measured values are compared with the benchmarks according to the regulatory authorities' criteria, which are defined as the goal of the power plants. In order to control and reduce air pollution, measures have been set to reduce the impact as follows:

- 1) Control the conditions inside the combustion chamber using the appropriate measuring instruments in order to adjust the fuel feed rate and air volume to achieve a complete combustion process.
- 2) If the pollution value is found to be higher, the dust collection system and the exhaust gas treatment system will be powered up to trap more dust
- 3) In the event that the air pollution emissions cannot be reduced, the power of the steam generator will be decreased to reduce the amount of combustion so that the concentration of emitted pollutants does not exceed the control value of air pollution emissions from the plants' chimneys.
- 4) In the event that the steam generator's power is reduced, but the concentration of the released pollution is still higher than the control value, the machine will stop operating for further repairs.
- 5) Use technology to control or treat air pollution from burning solid fuel as semi-dry. Semi-Dry with lime spray and activated carbon are used to remove sulfur dioxide (SO₂), hydrogen chloride (HCl), dioxin compounds, and heavy metal. The air filter bag system is used to remove very small particulate matter (it is a system widely used in power plants that burn waste directly).

- 6) Use the SNCR (Selective Non-catalytic Reduction) system or the addition of ammonia into the combustion chamber to remove nitrogen oxides (NO_x).
- 7) Install Continuous Emission Monitoring System (CEMS) or Pollution Online Monitoring System (POMS) to monitor air quality before releasing it outside the plants and connect to the systems of the Department of Industrial Works and pollution control.

3.3.6 Biodiversity

ACE has a strong background in the clean energy power plant business, with long-standing experience, providing high technological expertise in biomass fuel power generation, with the invention and development of innovative, environmentally friendly clean energy power plants. However, ACE continues to recognize the importance of biodiversity in power plant locations and surrounding neighborhoods. Therefore, it is committed to protecting ecosystems and biodiversity which is part of the standard policy of integrated power plant management system to provide a framework for joint ecological preservation and preservation of biodiversity in the various power plant operations areas of ACE. There are also community hearings around the power plant before construction, covering ecological and biodiversity issues, and the comments received from this community will be used to determine measures to prevent and address potential impacts. Currently, there are no ACE power plant project sites in the vicinity of Protected Areas and those in Areas of High Biodiversity Value.

However, in ACE's production process, water from nearby water sources is pumped during the water season to be used in the production process, which at this stage can affect various aquatic animals. Therefore, measures have been put in place by installing a grid or net at the mouth of every channel where water is received into the power plant. to prevent young aquatic animals larger than 4.4 millimeters from entering the water intake pipe. There is also an activity to release aquatic species with the community to revitalize the ecosystem and maintain biodiversity.

3.3.7 Chemical and Oil Leakage

In the power plant area, chemicals and oils are stored for production processes and maintenance of machinery and equipment, which may be vulnerable to leakage. However, ACE is focused on preventing leaks, as well as preparing to cope with chemical and oil spills. The Chemical Emergency Response Plan is required to be used as an employee procedure respond to emergencies and cope with chemical spill emergencies, as well as to reduce the impact of emergencies on personnel, property, communities, and the environment. Employees working in chemicals must be trained (On The Job Training) on emergency control in the event of a chemical spill. Contingency plan drills are held annually, and work safety training on chemicals is provided at least once a year.

3.3.8 Violation of Environmental Requirements and Laws

ACE attaches importance to joint environmental protection and strictly comply with legal regulations to reduce the risk of violations to environmentally related requirements. ACE also focuses on receiving feedback from the communities surrounding the power plants, thereby requiring a complaints process. The complainant can make a complaint verbally, by phone, or fax, and there are responsible officers to investigate, summarize the complaints, and find out the reasons. In 2021, no cases of violation of environmental and safety requirements and laws were found. There have been cases where neighboring communities were concerned about the management of the existing power plants before ACE took over. Once ACE took over the management, actions have been taken to optimize environmental impact prevention and address concerns as follows:

- Management to prevent dust impacts was carried out by improving biomass fuel storage buildings to prevent fuel fluctuations. Repairs of the cover of the entrance and exit of the building was provided. There are also vigil, spraying water mats at the entrance and exit of the fuel pile yard, and a covering of the fuel pile to prevent the dispersal of fuel debris. Dust-proof fence posts have also been renovated and dust-proof netting has been installed in buffer zones on the residential side to reduce community concerns.
- The performance of air pollution treatment systems has been improved and the Continuous Emission Monitoring Systems (CEMs) have been installed.
- The results of environmental quality measurements are reported on the website of the power plants.
- There are activities to educate about the production of electricity from biomass fuels to enhance knowledge and understanding and build confidence in ACE's management system.

3.3.9 Encouraging Employees to Participate in Environmental Management

In order to ensure continuous and efficient drive of the environmental management system within the organization, ACE encourages employees to participate in environmental management in all areas, including office space or operating areas, with the aim to enhance employees' awareness and strictly comply with environmental regulations. The use of natural resources and energy wisely is promoted, such as reducing water consumption, electricity consumption, and waste sorting activities. The Company also encourages its employees to focus on the environment, realize the values, have a volunteer spirit, be responsible, know how to preserve and develop the environment to stay with the community sustainably in accordance with ACE's 9S Code of Conduct.

3.3.10 Climate Change and Greenhouse Gas Emissions

Importance

ACE is committed to creating value while working towards climate change and reducing environmental pollution. As a leader of excellence in renewable and clean energy businesses which is in line with the government's policy response and in accordance with the direction of the world in reducing global warming problems. It is moving toward Carbon Neutral, from carbon reduction to Net Zero emissions in the future.

Goals and Performance

Goals	Performance
Electricity consumption in at least 16 power plants saw an average decrease of 5.98% in 2021 compared to 2020.	5.98%
Purchase of at least 1.7 million tons of agricultural waste reduces the burning of agricultural land that contributes to carbon dioxide emissions not less than 434 million kilograms of carbon dioxide equivalent in 2021.	Purchase of 1.66 million tons of agricultural waste materials reduces carbon dioxide emissions by approximately 437 million kilograms of carbon dioxide equivalent.

Climate Change Risk Management

One type of fuel that is important in ACE's electricity generation is biomass fuels derived from a variety of agricultural debris, each of which uses different fuels depending on the area conditions, climate, and economic plants in the vicinity of power plants. Climate change is a major cause of long-term changes in agricultural ecosystems, such as natural disasters in various ways, including droughts, floods, storms, and plant epidemics. This is a significant risk that could be posed by a shortage of biomass fuels for electricity generation, so ACE focuses on slowing global average temperature changes. This is to alleviate the severity of natural disasters as a result of changes in climate conditions as announced in the Sustainability Management Policy and to make such issues a priority in the organization's annual risk assessment process. The relevant authorities are encouraged to apply the risk assessment results in the preparation of annual strategic plans and business plans.

ACE has set guidelines to manage the risks that may result from climate change. Research has been conducted to formulate the appropriate biomass fuel formulations generated by the mixing of each agricultural material in a modest ratio that produces high heat values. This can be done by analyzing the chemical composition of each plant, as well as researching new types of biomass fuels to achieve a variety of fuel types and sustainable fuel stability.

Currently, ACE supports global warming alleviation by establishing the "Reduce Burned, Increase Revenue" project by accepting the purchase of more than 50 different agricultural waste materials such as rice straw, rice husks, sugarcane leaves, corn plants, and corn cobs to reduce burning in fields, sugar cane fields, and corn fields and to use agricultural materials purchased as fuel in biomass power plants located in different regions of the country. ACE works directly with community leaders, government agencies and farmers in order to encourage them to sell agricultural waste to ACE, who buys almost all types of agricultural waste in Thailand at a fair price. By 2021, it has bought about 1.66 million tons of agricultural waste, which has helped reduce the burning of farmland that produces approximately 437 million kilograms of carbon dioxide equivalent emissions.

ACE has also joined the club called Renewable Energy 100 (RE 100 Thailand Club) to demonstrate its intention to reduce greenhouse gas emissions. RE 100 Thailand Club is an intermediary organization during Thailand's greenhouse gas reduction drive to provide integrated and connected management.

3.3.11 Energy Management

ACE requires an in-house energy management to ensure efficient use of energy resources and promote serious and sustainable energy conservation by establishing a working group on energy management within the power plant operation area which has the powers and duties as follows:

- Implementing energy management in accordance with energy conservation policies and energy management methods.
- Coordinating with relevant agencies for cooperation in the implementation of energy conservation policies and organizing methods, energy management, as well as providing training or activities to raise the awareness among personnel.
- Supervising energy management in accordance with energy conservation policies and energy management methods.
- Reporting on energy conservation and management in accordance with energy conservation policy and energy management methods.
- Making recommendations about setting or reviewing energy conservation policies and energy management methods.

As for energy management practices, ACE has adopted auto load control (ALC) systems to control automatic power generation to increase machine efficiency. The system helps to save fuel and reduce unprofitable losses, as well as big data storage for each machine to be analyzed and processed to design and develop efficient machines according to proper use and maintenance period. In addition, there was a modification of energy-efficient lighting lamps and public relations campaigns for employees to jointly save electricity consumption, which, according to data consumption at 16 power plant operations areas, showed that in 2021 there was a 5.98% decrease in average electricity consumption compared to 2020 as shown in the following table:

Power Plants	Amount of Electricity Consumed (MW)		Rate of Change in Electricity Consumption (%)
	2020	2021	
Ban Bueng Power Plant Project ("ACP1")	0.95	0.91	-4.21
Phon Thong Power Plant Project ("ACP2")	0.90	0.87	-3.33
Bo Ploy Power Plant Project ("ACP3")	0.86	0.87	1.16
Sri Chiang Mai Power Plant Project ("ALCP1")	0.92	0.92	0.00
Sirindhorn Power Plant Project ("ALCP2")	0.81	0.73	-9.88
Tani Power Plant Project ("AAPP1")	0.86	0.87	1.16
Chokchai Power Plant Project ("AAPP2")	0.87	0.89	2.30
Inflatable Water Power Plant Project ("AAP1")	0.89	0.95	6.74
Thein Power Plant Project ("ABA1")	0.91	0.87	-4.40
SPP Power Plant Project, Khanun Island ("AAA1")	3.30	3.30	0.00
MSW Khon Kaen Power Plant Project ("ALCP3")	1.17	1.11	-5.13
Buriram Power Plant Project ("ACES1")	0.93	0.75	-19.35
Don Mon Power Plant Project ("ABE1")	1.23	1.13	-8.13
Korat Power Plant Project ("AAE1")	0.76	0.84	10.53
MSW Krabi Power Plant Project ("ALCP6")	1.03	1.31	27.18
Khlung Khlung Power Plant Project ("ACP4")	-	0.96	0.00
combine	16.39	17.28	-5.98

3.4 Sustainability Management in Social Dimensions

3.4.1 Corporate Citizenship

The Power Plant Business Operations of the Group began with the awareness of creating concrete value for society in ensuring the energy security of the country. In particular, it is important to see the problems that Thailand suffers from pollution PM2.5, partly due to the burning of agricultural waste that directly affects climate change. The Group can directly bring such waste into the power generation system and generate value back to stakeholders. Therefore, the Group is confident that businesses throughout the supply chain can create concrete contributions and value to society and stakeholders. This will solve the overall problem of the system in the long run.

At the same time, the Group adheres to conducting business with the utmost responsibility by complying with strict laws such as Environmental Impact Assessment (EIA), Initial Environmental Examination Report (IEE), Code of Practice (CoP) of all power plants covering air quality, sound, water resources, transportation, waste and waste management, occupational health, and safety and health so as not to affect the community and surrounding society. However, since complying with the law alone is not enough to sustain business progress, the Group values the participation of the community around the establishment to build trust and engagement because the Group is also part of a good member of the community.

Goals and Performance

Actions	Goals	Performance
Exploring community attitudes towards power plants	The evaluation is at a "good" level.	On target, the average is 4.3/5 points (good level).
Complaints relating to The Group's business operations	Complaints are 0.	1 complaint handled in accordance with the process. ¹

The Company defines its Vision, Mission and Strategy with environmental and social responsibility as key elements and creates a "Corporate Social Responsibility (CSR) policy to guide activities in line with the goal of maintaining stable values. It has also set the direction of business for social responsibility for the Board of Directors, executives and employees to use as a clear and in-line operational approach. With awareness of and emphasis on

¹ This is a complaint which was made prior to the Company Group acquired the business.

supporting social and community activities, as well as conserving the restoration of ecosystems in a balanced manner, the Company takes into account the potential impact on stakeholders in accordance with transparent and ethical business principles to create a socially responsible corporate culture.

In practice, the Group assigned the Community Relations Department, the division of each power plant, to explore community attitudes and organize activities to meet the needs of the community and promote a positive attitude towards the organization. This is to raise awareness of identity through participation in activities that focus on building participation while improving the quality of life of the communities surrounding the power plants. The purpose is to create a common value between the Group and the community through activities in various areas, including community engagement, education and culture, job creation and skills development, development of and access to technology, income generating and community economy promoting, and health and social investment.

In each community, a representative or community working group will be announced to be the primary responsible for monitoring community development operations, which include discussions with the community to find expectations, concerns, and prioritize them to form a joint project plan.

In addition, another thing the Group do in parallel with building relationships with external communities is to promote employees to have quality and good conscience. In 2021, the CSR-DIW project was launched to inform employees of community relations activities and encourage them to take part in the activities. As a result, the Group has promoted and pushed the organization to operate under social responsibility in accordance with the ESG (Environment, Social, Governance) framework and has since been committed to helping and developing society. This has brought success and awards of continuous pride, such as awards for promoting industrial plants to be socially and community-responsible. (CSR-DIW), Green Industry Award, Environmental Governance Award and other certificates such as Certificate of Occupational Health Safety Management. In addition, the Group has regularly contributed to the activities of its power plant development fund.

Activities for the benefit of society and the environment in the business process (CSR in Process)

The Impact on society environment and quality of life of people are three key factors of The Group. Import as part of business operations and support business operations by creating shared value between all stakeholders in the value chain. Bringing about the development of social enterprise relationships with the following important operations:

"Reduce Burns, Increase Revenue"

The Group conducts research and development of the model and method of generating renewable energy, including the type of fuel used in production, to reduce reliance on foreign imports of fossil fuels using agricultural waste materials, plantations, or energy crop that encourage farmers to grow in contract farming through guideline "Reduce Burns, Increase Revenue" with farmers in the area surrounding the establishment. The Company has been able to collect and purchase more than 50 seasonal agricultural waste materials and energy crops, such as rice husks, rice straw, tree tips, tree roots, corncoobs, palm bunches, eucalyptus trees Acacia family, napier grass, and

reed energy crops. The policy of procuring waste materials from various sources is divided into 2 main methods as follows:

1. Announcement to purchase biomass fuels from small pollen on a wider scale. The fuel purchasing department negotiates the terms and prices according to the fuel type and heating and humidity charges as specified by the Group.
2. Contacting the agricultural processing factories directly to negotiate the purchase of agricultural waste generated by various production procedures from the factory owners.

Running a business model like this gives farmers an additional source of income from selling agricultural waste instead of burning them, which normally does not bring any financial value to the farmers, and also utilize the waste. In 2021, the Group purchased 1,655,939.66 tons of agricultural waste, generating more income of over 1,354,471,135 baht for farmers in the area of 13 power plants, which created economic growth for the community and the nation, protected the environment, and reduced waste, greenhouse gas emissions, and PM2.5 dust. This also helped to solve the problem of forest fires due to the burning of waste materials in the farmer's agricultural plots and the problem of releasing the land to be desolated. In addition to creating national energy security, it also promoted economic growth both at the micro and macro level, environmental protection, quality of life, and the well-being of farmers and rural people at the same time.

Eucalyptus Wood Promotion Project

Although the Group has activities to donate money and supplies to the community, it has sought to reduce actions that make communities rely too heavily on these activities. It seeks to develop a form of activity that benefits quality of life. Therefore, the eucalyptus wood promotion project has been implemented in conjunction with Chaiyo Triple-A Group to provide eucalyptus seedlings from drought-tolerant, disease-resistant, fast-growing cultivars to farmers in 15 areas surrounding the power plant for farmers to plant in the fields, ridge, boundary, canal, rai, end of the field, or unused wasteland, since 2013 until the present.

In 2020, 20,000 plants were planted, which was estimated economically to generate 1,760,000 Baht for farmers in the surrounding communities. When the tree matures in 5 years and can be sold, the weight of the tree is 80 kg and can be sold at 1,100 baht per ton. In addition to the financial benefits, the Group recognizes environmental benefits in agricultural areas where eucalyptus trees can produce oxygen and absorb carbon dioxide in the air throughout the life of the tree. The benefits of the activities that have been performed are calculated and anticipated as follows:

B.E.	Number of Seedlings (Seedlings)	Revenue Generated for farmers (Baht)	Carbon dioxide absorbed by Eucalyptus tree (Tons of carbon dioxide equivalent)
2556	5,000	440,000	720
2557	5,000	440,000	720
2558	5,200	457,600	749
2559	-	-	-

B.E.	Number of Seedlings (Seedlings)	Revenue Generated for farmers (Baht)	Carbonioxide absorbed by Eucalyptus tree (Tons of carbon dioxide equivalent)
2560	74,300	6,538,400	10,699
2561	1,040,400	91,555,200	149,818
2562	1,065,920	93,800,960	153,492
2563	20,000	1,760,000	2,880
Total	2,215,820	194,992,160	319,078

The project promoted fast-growing energy plants, as the areas of the community and farmers had not yet been fully utilized, with the loamy soil characteristics, far from natural water sources where crops were limited, resulting in less yield. Therefore, growing eucalyptus trees was a good option because it is a drought-tolerant and energy plant that can be sold to the Group's power plants, not far from the community, with staff to educate and advise, as well as convenient for cutting loads for sale, thus generating additional income and improving the quality of life for the community and creating a sustainable circular economy.

Activities for the Benefit of Society and the Environment Other Than the Business Operation (After Process)

Other than the impact on society, the environment and quality of life of people are now part of the way of doing business. The Group also undertakes projects to create benefits for society and the environment in addition to conducting business as usual. It supports scholarships and teaching materials for students, organizes activities to educate them about dangerous diseases and health threats, provides knowledge about first aid to students and the elderly, provides monthly health checks and exercises for the elderly such as blood pressure measurements for the elderly. It gives blood and blood pressure measurements to bedridden patients and donates survival bags to help flood victims. The Group also participates in volunteer activities to help flood disasters, donates blood with the mobile blood donation, hires and empowers people who need special treatment, participates in local cultural promotion activities in operation such as candle procession and Kathin unity activities. In addition, the Group contributed to society during the Covid-19 pandemic in Thailand by joining forces with executives and volunteer staff to produce more than 2,000 fiberboard beds and delivering them to government agencies, hospitals, field hospitals, and affected communities across the country. The Group also donated bottles of alcohol gel, sanitary masks for the community, and medical equipment such as temperature scanner and automated heart and vital signs monitors to hospitals and nursing homes around ACE's clean energy power plants in 23 provinces across the country. The Group still remains committed to helping Thai people in the fight against the Covid-19 pandemic until the situation is resolved.

Community Attitude Survey Results

In normal circumstances, the goal of community relations is to conduct community relations tasks by doing regular surveys of community attitudes. The results of the survey of the attitudes and needs of communities around the power plants will be taken into account and reviewed to undertake the social activities to determine the project,

social activities and measures to prevent and resolve the impact on society and the environment to meet the needs of the community. Activities are also organized to make the community positive towards the organization and raise awareness and recognition through participation in activities to satisfy the community with The Group's operations.

However, due to the coronavirus pandemic, community survey activities for areas are prohibited for the safety of personnel and community members, according to official notices. Community relations continues to conduct activities and assist with agencies to mitigate the impact of the pandemic. However, in areas where community attitudes can be conducted, it was found that community attitudes towards power plants in 2021 averaged 4.3/5 points.

Corporate Social Responsibility

The power plant business is classified as an industry where issues of risk to the community by condition, if not properly managed correctly in accordance with the relevant requirements, can cause environmental impacts on communities such as water pollution and air pollution and can negatively impact community relation, the Group's image, and their acceptance of the project, with complaints. In addition to strict compliance with the law, the Group has guidelines for preventing and minimizing the environmental impact on society as follows:

Measures to Prevent and Minimize Economic Societal and Environmental Impacts	Compliance with Measures
<ul style="list-style-type: none"> Consideration to recruit qualified local people according to the needs of the project. To help local people get a job and maintain community relationships by publicizing people in the community when positions become vacant. 	<ul style="list-style-type: none"> The project is labeled for privatization jobs in nearby communities and considers recruiting local employees first to promote local workers.
<ul style="list-style-type: none"> Establishing measures to restore benefits to local communities, such as supporting local education authorities to improve teaching quality. 	<ul style="list-style-type: none"> The project is carried out by arranging for mass officer relations, human resources, and environmental officers on the ground asking nearby communities for the support they need and participating in community relations activities in order to build good relationships with the communities surrounding the project.
<ul style="list-style-type: none"> Allow the community to visit the factory to relieve anxiety. 	<ul style="list-style-type: none"> Allow the community to visit the factory to relieve anxiety. Due to the Covid-19 pandemic, the project recognizes the safety of employees and individuals visiting the plant, and has suspended activities for third parties to visit at certain times during the severe outbreak, according to the official announcement.
<ul style="list-style-type: none"> Providing policies to enhance quality of life. Support and promote communities or strengthen new careers to encourage sustainable socioeconomic development. 	<ul style="list-style-type: none"> The program requires mass relations officers to conduct meetings with the government to find ways to promote careers for people in the community. However, due to the Covid-19 pandemic, the project recognizes the safety of

Measures to Prevent and Minimize Economic Societal and Environmental Impacts	Compliance with Measures
	employees and third parties, and therefore has suspended some meeting activities during this period, according to the official announcement.
<ul style="list-style-type: none"> Channels to receive complaints provided, as well as procedures, timelines for resolving complaints, and those responsible, with a clear plan. In case the issue is not completed, the complainant will be informed of the progress of the resolution every 7 days. 	<ul style="list-style-type: none"> The project has clearly outlined the process of receiving complaints, with the phone number of the staff who are directly responsible. The project will find a solution and fix that problem as soon as possible.
<ul style="list-style-type: none"> Sending project representatives to attend monthly community meetings to listen to opinions, complaints, clarify inquiries, and create an understanding of confidence in the project's environmental management as appropriate. 	<ul style="list-style-type: none"> The project requires public relations officers who are responsible for the project's public relations to attend regular meetings with the community.
<ul style="list-style-type: none"> Providing a person responsible for the public relations work of the project to participate in various public relations activities with the community as well as follow up to receive complaints and annoyances arising from the project. 	<ul style="list-style-type: none"> The project requires public relations officers who are responsible for the project's public relations work by preparing a document on the complaint process and installing a community complaint center as well as having installed a comment box and a phone number for the staff who are directly responsible. The project will find a solution and fix that problem as soon as possible.

In addition, The Group has opened channels for dealing with stakeholders both inside and outside the organization. In 2021, the Group responded to the complaint, which was originally the case before The Group acquired the power plants and heard 1 complaint from community members in Don Mon subdistrict concerning ash dust. The Group has systematically recorded complaints upon receipt of the matter and responded to immediate concerns. In this case, the person responsible for the complaint has drawn up action to enhance environmental impact protection in managing and preventing the effects of such particulate matter. Dustproof mesh structure has been improved and the ash storage building where the leak was found has been repaired. Fuel formulations has been improved to help reduce ash content. The efficiency of air pollution treatment systems have been enhanced and water mist spray surveillance in fuel stack yards has been improved to prevent fuel debris dispersion. All processes are recorded and followed up after the Group's systematic operation and authorized by government agencies to operate properly.

Complaint Channels

Channels for dealing with stakeholders inside and outside the organization have been provided with the following details:

Category	Contact Channels
External	<ul style="list-style-type: none"> • https://www.ace-energy.co.th/th/contact-us • info@ace-energy.co.th • 081-104-8821 • Community Feedback Box
Internal	<ul style="list-style-type: none"> • Discussion in meetings • Public Relations Board • Group Line • info@ace-energy.co.th • Feedback Box

3.4.2 Human Resources Management

Human resources are one of the fundamental factors of any business activity of the organization, especially in increasing the value of the business and strengthening the competitiveness of the organization to thrive sustainably. It also supports employees to work at full capacity by encouraging them to develop their skills to become more potent and motivated for long-term engagement with the organization.

For the above reasons, the Group has a human resource management policy which defined as a framework for 6 guidelines, with the Human Resources Department working together with all power plants of the Group to take care of employees at all levels, including

- 1) Respecting the rights of employees in accordance with human rights principles and comply with labor laws.
- 2) Providing a fair employment process and employment conditions, including determination of compensation and consideration of good works under the fair work evaluation process.
- 3) Promoting personnel development by providing training, seminars, and sending personnel to seminars and training related academics to develop knowledge, competence, personnel potential, as well as cultivate a positive attitude, morality, ethics and teamwork for personnel.
- 4) Provide welfare benefits for employees as required by law, such as social security, in addition to those required by law, such as accident insurance, as well as various types of grants to employees, such as scholarships for children and funeral allowances.
- 5) Providing annual health check-up services to personnel at all levels of the Group based on risk factors of the individual's age, gender and working environment.
- 6) Allowing employees to express their opinions or complaints about unfair conduct or wrongdoing in the Group, as well as providing protection to reported employees.

Goals and Performance

Goal	Performance
The number of employees trained to develop their potential according to the criteria specified by the Group is at least 50 percent.	The number of employees trained in 2021 was 30.46 percent out of 581 employees.

Note: Due to the Covid-19 pandemic, the target number of employees trained failed to achieve the goal. However, it was not lower than the requirements of the Department of Skill Development at 20 percent.

Although in 2021 the Covid-19 pandemic remained a challenge in human resource management, the Group is still committed to human resource policies, practices and plans.

Respecting the Rights of Employees in Accordance with Human Rights Principles and Complying with Labor Laws

The Group treat all employees equally, fairly and with appropriate returns, and all employees must have employment contracts where they are informed of employment details such as compensation, working hours, benefits, and other aspects of work until performance evaluation. Disciplinary regulations and termination conditions in accordance with Thailand's labor law are clearly stated in the employment contract, which also protects foreign employees equally.

Capability and Skill Development for Employees

The Group of gives importance to the evaluation of the performance. The development of skills, knowledge, competence, and potential of employees, such as training, seminars and training, provides opportunities thoroughly to all employees and seeks to motivate highly competent employees to remain with the Group to continue to develop the organization. This is also to establish the Company's policy recognition guidelines from the beginning of work and during the workforce such as anti-corruption polic, compliance with relevant laws and regulations, and security and privacy measures.

For human resource management in this area, the Group has a "Human Resource Development and Training Policy", which is analyzed according to the employee's position group. Employee progress plans and job evaluation results from operational to executive level, such as positions of power generation control workers, must be trained in Distributed Control System, which corresponds to the organization's metrics. Trainings have been designed such as on-the-job training, internal and external training, and safety and environmental programs for promoting productivity.

Due to the Covid-19 pandemic, the Department of Skill Development has established guidelines for each organization to conduct employee development of at least 20 percent of its total workforce in 2021. There are courses developed in the Group such as fuel raw material management and preliminary machine maintenance procedures in 2021.

Leading to a strong human resource base of this organization, the Group has established indicators (KPIs) for employee work goals at the operational level in connection with business drive goals such as reducing production costs and targeted transmission of electricity volume, which is personnel management at the business unit level and operating level together. This has resulted in communication listening to opinions from operators and planning and conducting training to develop employees' potential, for example, by jointly analyzing with HR on the causes of performance at the level of performance that does not meet the set goals. This will lead to an analysis of the implementation of work support plans such as the Performance Improvement Plan. The results of this form of action will not only affect the progress of employees but will also provide quantitative benefits to the group of companies. The Group has a monthly performance appraisal with clearly defined criteria and employees are aware of the indicators directly from the supervisors at the beginning of every year. Results are reported annually. The quantitative indicators that demonstrate the success of human resource management are higher employee performance. There was a 11.99 percent increase in employees whose assessment results met expectations. The assessment results were 5.43 percent higher than expectations, which is also beneficial to the business. The potential of the employees of the Group plays an important role in ensuring that the power generation from all power plants meets the production delivery target in the past year.

In 2020, the Group initiated the Employee Satisfaction Survey and used the results of the survey to consider individual plans and activities. However, after the survey of employee satisfaction, there was an outbreak of Covid-19 pandemic. The Group was aware of and attached the highest priority to the safety of employees from the pandemic situation and the employees were satisfied with the response and timely care. The Group has been providing vaccines, insurance, and face masks to cope with the Covid-19 pandemic. Thermometers and alcohol hand wash products are available to all employees at offices and at all power plants. Work-from-home policy, social distancing, and shift switching measures are also in place to ensure that all employees are safe and reduce the risk of infection as much as possible. In addition, the Group has received other comments from this survey that are useful to improve the potential of employees and personnel management on other issues, including promoting a work atmosphere, work environment, and motivation to work.

3.4.3 Human Rights

Human rights are fundamental rights of everyone which the Group, as a business operator, has a duty to respect and be aware of the risks of business in causing or engaging in human rights violations against those involved, whether it is employees, communities and the surrounding society with respect for human values. It is compulsory to consider equality and equal freedom does not violate fundamental rights and not discriminate in matters of race, nationality, religion, language, skin color, gender, age, education, physical condition or social status.

The Group has therefore established a policy of respect for human rights as part of its social conscience policy and anti-corruption and bribery policy. It always reviewing and update the policy by adhering to the implementation of compliance with laws as a fundamental basis, such as labor laws, in order for the process of respecting human rights to occur in a systematic way and ensure that the business of the Group does not get involved in human rights violations such as child labor and sexual harassment. This is done by the cooperation

between integrate departments with responsibilities from different departments, such as the Human Resources Department, Occupational Safety and Health Department, and Community Relations Department. They follow up on and promote surveillance for compliance with human rights requirements by providing participation in expressing opinions and channels for complaints for those who have suffered damage from rights violations arising from the the Group's business operations and take appropriate remedies.

Goals and Performance

Goals	Performance
Preventing child labor in all business units.	Child labor nubber is 0 with protection since the beginning of recuitment porcess.
All human rights complaints are dealt with.	Complaints in 2021 were 0.

Respect Employee Rights, Equal Treatment, amd No Discrimination

The Group has focused on promoting equality since the employment process, which respects basic human rights on right to work issues. The human resources department offers a wide range of jobs such as engineers, safety and environmental officers, accountants, and human resources workers. Every job posting opens up opportunities for anyone who has the right qualifications and abilities to be considered equally. In addition, in the same process, it prevents the hiring of illegal workers, such as not accepting people under the age of 18 as employees, as required by law. As a result, the Group's business activities are conducted without child labor and forced labor in any way.

While staff are employees of the organization, the Group respects the rights of employees according to human rights principles and complies with labor laws. It provides welfare in various fields for employees as required by law, such as social security, and other than those required by law, such as group insurance provident funds, including contributions or assistance to employees in cases such as marriage, childbirth, illness or death of employees, and cremation in the event of the death of an employee or his/her father, mother, spouse or child

When the employee wants to terminate the contract or if there is a case that causes the Group to terminate the employee's contract, all employees will be treated fairly as specified in the regulations, which they acknowledge from the process of signing employment contracts and are consistent with the labor agreement.

Participation in Representing and Promoting Human Rights Surveillance and Complaint Channels

To encorage the integration of employees, the Group has established a welfare committee representing employees. The welfare committee operates in accordance with the roles, duties, and agendas that are set out. In addition, the Group has organized surveillance of human rights requirements. Employees are involved in comments and provided with channels to complain for those who have been damaged or abused by the Group's business operations, such as the preparation of complaint boxes installed within offices and at all power plants, on which the human resources department constantly follow up. However, there has been no complaint regarding human rights issues in recent years.

In the event of a human rights violation, the Group has a process to deal with complaints. The human resources department is responsible for handling complaints, a commission of inquiry has been set up, and employees are protected to be safe from start to finish, with appropriate remedies provided if necessary.

To ensure that respect for human rights is effective, the Group has been working to build human rights knowledge and raise awareness for its people to follow human rights principles as well.

3.4.4 Occupational Health and Safety

The Group recognizes the health and safety of employees. The surrounding community and all stakeholders are the most important aspects of the power plant establishment, as creating occupational safety and health at work will promote productivity for all stakeholders both inside and outside the organization to work continuously, along with having good hygiene. It is in line with human rights to have a good quality of life and a good working environment. Therefore, the Group is committed to ensuring the highest level of safety and care to build confidence and good image from the strict practices of the organization.

Goals and Performance

Goals	Performance
Zero accident	The number of accidents was 0.
Zero Fire	The number of fires was 0.
Lost Time Accident (LTA): 0 times	The stoppage accident was 0.
Contractor's Lost Time Injury Frequency Rate (LTIFR): 0.21 percent	The frequency was 2.99 in the past year.

The Group has established an occupational safety and health management system in accordance with international standards regarding occupational health and safety management systems (ISO 9001, ISO 14001, ISO 45001). It has encouraged employees to operate safely and hygienically in workplaces with a good working environment, established policies on environmental quality and safety, including the Standard Policy of Power Plant Integration Management System to provide a framework for occupational health and safety operations for its power plants, and appointed a working group to monitor internal systems in occupational health and safety management, which is responsible for internal assessments, monitoring defects, and presenting the results to the Executive Meeting for Review. In addition, the Group provides measures to prevent accidents and enhance employees' safety awareness including organizing training and encouraging employees to have good hygiene and maintain the workplace to be hygienic and safe at all times. This is to become an organization with Zero Accident and Zero Fire with an excellent operational system, as well as to prevent and prepare for situations or factors that are risks to safety in the operation process according to the policy. In this regard, the responsible department has a meeting to report to the Occupational Safety, Health, and Environment Committee (CDC) once a month and to monitor the results of corrective actions, with periodical updates of the preventive control measures specified.

In practice, for employees in each power plant, the Group has provided a “Manual on Occupational Safety, Health and Environment” for employees in the business group, including contractors and outsiders who come to work within the area of the Group for the most safety both in normal and emergency situations. Procedures for employees have been established to prevent emergencies and respond to emergencies and alleviate violence to reduce the impact of emergency that may affect personnel, property, community and environment. Plans to rehabilitate and reduce environmental impacts after the accident have also been formed according to the following measures:

Measures to Prevent and Minimize the Impact on Occupational Health, Safety, and Health Practices	Compliance with Measures
<ul style="list-style-type: none"> Considering determining areas that are vulnerable to project hazards and finding ways to prevent and correct risks in each area. 	<ul style="list-style-type: none"> Measurement plans, monitoring, occupational health, Occupational health, safety and work environment measurements and monitoring plans are prepared. There are a Safety Daily Report, a crane inspection and certification report control, administration of the boiler, Inspection and certification of electrical systems, electrical equipment and electrical system safety audit, and building inspection. This is to check the safety and assess the area at risk so that each department responsible can find ways to prevent and resolve risks in each area.
<ul style="list-style-type: none"> Legal action, occupational health, and safety requirements or other related labor laws include: <ul style="list-style-type: none"> Storage, unloading and transporting chemicals Training and use of firefighting equipment Regulations on working in areas of potential for harm On-site safety checks Training in the use of personal protective equipment Protection against heat and electrical hazards 	<ul style="list-style-type: none"> Work regulation training activities are held such as training courses in occupational safety, health, and work environment for general employees, new employees, and employees working in positions that require expertise, such as working in confined spaces. Initial fire training courses and fire evacuation drills are available.
<ul style="list-style-type: none"> Provide preventive measures and address the health and safety impacts of employees working in contact with waste as follows: <ul style="list-style-type: none"> All employees must wear gloves, nasal coverings, and safety shoes while on duty. All employees are prohibited from smoking indoors. All staff are required to dine and relax in the canteen building where it is provided. 	<ul style="list-style-type: none"> It is required that the staff must wear appropriate PPE equipment. All employees are prohibited from smoking indoors. Set up a rest area for staff.
<ul style="list-style-type: none"> Establishing the Occupational Health and Safety Committee to monitor and oversee safety work as required by law. 	<ul style="list-style-type: none"> Establishing the Occupational Health and Safety Committee and holding monthly meetings of the Occupational Health and Safety Committee.

Measures to Prevent and Minimize the Impact on Occupational Health, Safety, and Health Practices	Compliance with Measures
<ul style="list-style-type: none"> Requiring the installation of various alarm systems in accordance with the Ministerial Regulations and Building Control Act. 	<ul style="list-style-type: none"> Alarm systems including Fire Alarm, Smoke Detector, Installation Maps of Various Alarm Systems and Initial Fire Equipment, as well as Fire Evacuation Maps are installed in accordance with ministerial regulations and building control acts to guide and prepare employees.
<ul style="list-style-type: none"> Providing warning signs in areas that may cause harm to employees. 	<ul style="list-style-type: none"> Warning signs have been placed at vulnerable areas to alert employees, and additional area surveys and safety warnings have been placed.
<ul style="list-style-type: none"> Adequate fire extinguishing equipment is provided in in line with the NFPA standard and/or as required by law. 	<ul style="list-style-type: none"> The project has installed fire extinguishers both indoors and outdoors, which are 3 types of fire extinguishers, equipped with cable storage cabinets, fire sprinkler, Sprinkle system at conversion room, and Fire Pump installation.
<ul style="list-style-type: none"> Providing adequate personal protective equipment (PPE) to employees, such as ear cups, earplugs, safety goggles, safety shoes, gloves, and masks. 	<ul style="list-style-type: none"> Providing adequate personal protective equipment (PPE) to employees and to suit the type of work for employees, and personal protective equipment (PPE) is always ordered as a back-up.
<ul style="list-style-type: none"> Providing an emergency action plan within the project area, which may be divided into 3 levels according to the severity of the emergency, and provide coordination channels for assistance from external agencies. The plan requires clear procedures and those responsible. Such planned drills occur at least once a year. 	<ul style="list-style-type: none"> An emergency action plan has been prepared within the project area by establishing a fire prevention and suppression plan. The structure of the fire suppression unit in the event of a fire and emergency contact number has been provided, and the planned drills occurs at least once a year.
<ul style="list-style-type: none"> Forming firefighting teams with regular practice at least once a year or as required by law. 	<ul style="list-style-type: none"> Form four firefighting teams, each divided by shift.
<ul style="list-style-type: none"> Establishing a plan to regularly monitor the operating conditions of machine equipment and electrical systems. 	<ul style="list-style-type: none"> Requiring maintenance departments to regularly monitor the operating conditions of machine equipment and electrical systems.
<ul style="list-style-type: none"> Providing employee health check-ups and prepare employee identification books as required by law. 	<ul style="list-style-type: none"> Providing employee health check-ups and preparing employee identification books as required by law.
<ul style="list-style-type: none"> Requiring the shuffling or circulating of the employee's duties in case of any abnormalities in the employee's health. 	<ul style="list-style-type: none"> Work shifts are managed, divided into 4 shifts, for reshuffle or turnover of employee duties.
<ul style="list-style-type: none"> Accident Statistics Record for causes corrective action in each case of an accident is formed. 	<ul style="list-style-type: none"> Accident statistics are collected to analyze the causes of accidents or accidents, and corrective action are taken as soon as possible.
<ul style="list-style-type: none"> Organizing activities to promote safety in the establishment in accordance with the law. 	<ul style="list-style-type: none"> Regularly organizing activities to promote safety within the factory, such as providing safety training in various areas to employees and contractors.

Measures to Prevent and Minimize the Impact on Occupational Health, Safety, and Health Practices	Compliance with Measures
<ul style="list-style-type: none"> Supporting local health authorities in terms of promotion by collecting public health information from local health authorities to analyze public health trends. 	<ul style="list-style-type: none"> The project supports local health agencies in promoting, rehabilitating, preventing, and caring for the health of the community. It also assigns various duties to be performed by public relations officers

From the aforementioned policies and measures, the Group has always been committed to improving the operating environment to be safe and hygienic. It has brought success and awards of pride continuously over the years while continuing to adhere to the practices to date such as:

1. Award for Excellence in Occupational Safety, Health and Work Environment in 2019, Provincial Level from the Department of Labor Protection and Welfare
2. White Factory Award from Department of Labor Protection and Welfare
3. Establishment Award of Disease-free, Safe, and Physical Comfort.
4. Occupational Safety, Health and Work Environment Management Award
5. Small and Medium Risk Group Security Award
6. Safe Enterprise Project Award
7. Outstanding Prototype Establishment Award for Occupational Safety, Health and Work Environment
8. Factory FAross Thailand Against Drug Abuse Award

Occupational Safety and Occupational Health Culture

The Group recognizes the creating of a culture of safety and occupational health for employees and contractors. Therefore, it supports the creation of a sustainable culture in the organization. The guidelines for creating a sustainable safety culture are as follows:

1. Risk Assessment
2. Determination of Operational Procedures
3. Educational Training
4. Systematic Determination of Control Indicators for Accident Statistics from Work

In 2021, The Group continued to develop the working environment to increase productivity and reduce continuous losses in the organization, with core values in the implementation of the 9S approach as follows includes:

- 1) **Disentangle:** Removing unwanted items
- 2) **Convenience:** Organizing items with safety in mind.
- 3) **Clean:** Cleaning the work premises, tools, and equipment.
- 4) **Hygiene:** Arranging for hygienic workplace for the health of all workers
- 5) **Habit:** Perform the first 4S to until they become a habit
- 6) **Environment:** Being conscious about the environment, recognizing value, with a volunteering mind ready to preserve and be responsible for developing the environment to remain sustainable with communities, societies, nations.
- 7) **Safety:** When seeing something unsafe, make amendments, signs, or warnings. Providing fire protection and gathering points to make appointments when emergencies occur, and annual fire evacuation workshops are available.
- 8) **Team Developemnt:** Building relationships and developing systems to collaborate effectively for economical and better quality of life
- 9) **Efficiency and Efeciveness:** Moving toward operational efficiency for the common ultimate goal of the organization.

Risk Assessment

In order to manage security risks in accordance with the objectives of the organization, strategy direction, and the impact on the organization's ability to achieve expected results, the Group has established a planning approach to risk management and opportunities related to environmental issues and occupational health and safety issues. The purpose is to cope with strengths, weaknesses, risks, and opportunities in order to achieve the quality goals set continuously by assigning duties and responsibilities to those involved in risk assessment and management. This includes quality and environmental management representatives of each power plants, the procedures for assessing occupational health, safety and health risks, and risk management guidelines as follows:

1. **Risk Identification and Analysis:** Identify risks and opportunities and the impact on each subject.
2. **Risk Assessment:** Once the results have been obtained, plan the preparation of the quality management system and the environmental management and occupational health and safety
3. **Risk Response:** Identify risk level, characteristics of risks, and risk management practices
4. **Risk Monitoring:** Conduct risk monitoring and review at least once a year to improve and enhance risk management practices.

Investigation of Work-related Incidences

The Group has established procedures for investigations, statistical records, and accident reports to determine the causes of accidents from dangerous conditions. This leads to the formulation of guidelines for preventing accidents from recurring, with clear details of those responsible for action. It also encourages those involved to increase their attention to prevention by taking the following steps:

Persons Responsible for the Accident Investigation:

1. Supervisors are responsible for supervising the proper work of workers to ensure it is safe, compliant with factory regulations, and suitable for accident investigation to be effective.
2. Safety officers are directly involved in preventing accidents and enhancing work safety. They must have knowledge and experience in this field to work effectively.

Key principles of the investigation:

1. Investigators must have a clear and concrete common sense.
2. Investigators must have knowledge of the production process and be familiar with the machines, workers, and department environments where accidents occur.
3. Investigators should not be subordinate to the supervisor or a supervisor in the accident department.
4. Investigation must be carried out as soon as the accident occurs or as soon as possible in order to get the facts correctly. Anything that could cause an accident must be investigated thoroughly by a group or working group to identify the actual cause. An investigation is completed when a report is made and a solution is proposed.

Accident Recording and Reporting:

1. Every accident must be recorded and reported.
2. The report must contain topics related to event analysis, cause investigation, management's revision, and directive recommendations.
3. Reports must be easy to collect or categorized by the nature of the cause or injury or for statistical purposes and other benefits.

In addition, the Group recognizes that safety starts with all employees. Therefore, it instills a culture of work with safety in employees through training such as requiring all employees to undergo safety courses before starting work, and organizing activities in conjunction with the human resources department with safety talks and analyzing or anticipating potential dangers of work. This is to review safe procedures and keep employees vigilant and mindful of every work before starting work which can reduce work accidents. With safety officers and supervisors leading the staff, the activity provides an opportunity for all employees to communicate by taking lessons learned from the accident on the topic of health and safety and hazard detection activities. These activities involve employees in the search for hazards within factory areas and employee work areas, and see if at any point there is danger to the body and property as well as encouraging employees to participate in the development of the plants to be safer.

In this regard, channels that allow employees to report accidents and non-compliant actions have been established. Employees are allowed to express their opinions or complain about unfair conduct or inaccurate practices in the Group. Those who report such matters are protected by the Group.

Employee Participation in Occupational Safety and Health

The Group requires the Safety, Occupational Health and Work Environment Committee to provide consultancy to employees and manage occupational safety and health because employees' health is the most important aspect of the Group. Since all employees are the main force driving the business, the Group has taken steps to promote health and safety to prevent illnesses caused by the work of employees. The Group conducts yearly occupational health checks for employees of all levels whose work has risks by considering the risk factors according to the level, age, gender and working environment of each employee.

Besides, the Group also promotes and supports the well-being and health of all employees. The annual employee health check-up is held. The Group provides training to educate employees and contractors with physical health care, and provides welfare benefits as required by law such as social security and accident insurance, as well as various types of grants to employees such as scholarships for children and funeral allowances.

Vocational Training and Safety for Employees

The Group has formulated safety training plans in each line of work, and provided safety training courses to employees and contractors to raise awareness and understanding of their roles in environmental management and to increase safety for employees and ensure that operations in all areas are carried out in accordance with safety standards. In 2021, seven occupational health and safety training courses were conducted, with a total of approximately 120 employees participating. The details are as follows:

Occupational Health and Safety and Health Training Courses

Curriculum	Number of Training Sessions	Number of Participants (Contractors Included)
Interpretation ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Requirement	4	60
Internal Audit ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018	4	60
Environmental Code of Conduct (CoP)	12	120
Basic Security	12	120
Risk-based Safety	4	60
Primary Fire Training	2	60
Fire Evacuation Drill	2	60

Health and Safety Care during the Coronavirus Outbreak

In 2021, the Group had been monitoring the situation of the Covid-19 pandemic continuously and closely. The situation was likely to prolongue and be widespread even more. Therefore, measures were taken to take care of employees and stakeholders in all sectors to control and prevent the potential spread of the Covid-19 pandemic as follows:

1. The Group informed the employees of prevention and self-care in the situation of the Covid-19 pandemic and measures to reduce the risk of spreading infection in the work area via online channels.
2. The Group established the Work from Home policy to be consistent with government measures based on the level of risks in each operational area.
3. The Group set measures to deal with infected people found in operational areas such as providing Lock Up or Bubble & Seal to prevent the spread of thye virus in accordance with the rules and guidelines set by the government.
4. The Group provided both proactive and routine Antigen Test Kit (ATK) screening measures to reduce risks to stakeholders and business operations of the organization.
5. The Group required that its contractors or third parties be tested for the Covid-19 virus with the Antigen Test Kit (ATK) of before entering the operational site. In the event that the test result was positive, they were strictly prohibited from entering the area.





4. Management Discussion and Analysis

4.1 Summary of Financial Information

Summary of the Auditor's Report

Financial Statements	Certified Public Accountant
Consolidated financial statements of the Company and subsidiaries, and separate financial statements of the company For the fiscal year ending December 31, 2019	Mr. Sudwin Panyawongkhanti Certified Public Accountant No. 3534 PricewaterhouseCoopers ABAS Ltd.
Consolidated financial statements of the Company and subsidiaries, and separate financial statements of the company For the fiscal year ending December 31, 2020	Mr. Krit Chatchavalwong Certified Public Accountant No. 5016 PricewaterhouseCoopers ABAS Ltd.
Consolidated financial statements of the Company and subsidiaries, and separate financial statements of the company For the fiscal year ending December 31, 2021	

Financial Statements	Report of Auditor's Comments
Consolidated financial statements of the Company and subsidiary companies, and separate financial statements of the Company For the fiscal year ending December 31, 2019	<ul style="list-style-type: none"> The auditor commented that the consolidated financial statements of the Company and subsidiaries, and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at December 31, 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended on the same day, in accordance with Thai Financial Reporting Standards (TFRSs). The auditor noted that it was important to consider the impairment of construction work and machines under installation for the power plant projects whose PPAs were in the cancelling process. They had already taken this issue into consideration in auditing the Company consolidated and separate financial statements. However, the auditor did not provide separate opinions on this matter.
Consolidated financial statements of the Company and subsidiary companies, and separate financial statements of the Company For the fiscal year ending December 31, 2020	<ul style="list-style-type: none"> The auditor commented that the consolidated financial statements of the Company and subsidiaries, and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at December 31, 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended on the same day, in accordance with Thai Financial Reporting Standards (TFRSs). The auditor noted that the acquisition of Advance Asia Energy Company Limited (formerly UWC Komen Biomass Company Limited), Advance Bio Energy Company Limited (formerly UWC Amphan Biomass Company Limited) and Satuek Biomass Company Limited is important to the audit and this matter is taken into account in the context of the overall audit of the consolidated and separate financial statements and in the auditor's opinion separately for this.
Consolidated financial statements of the Company and subsidiary companies, and separate financial statements of the Company For the fiscal year ending December 31, 2021	<ul style="list-style-type: none"> The auditor commented that the consolidated financial statements of the Company and subsidiaries, and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at December 31, 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended on the same day, in accordance with Thai Financial Reporting Standards (TFRSs). The auditor noted that it was important to consider the impairment of property, plant and equipment used in the biomass power plant business of two indirect subsidiaries. They had already taken this issue into consideration in auditing the Company consolidated and separate financial statements. However, the auditor did not provide separate opinions on this matter.

Summary of Financial Statements for the years ended December 31 of 2019, 2020, and 2021

● Statements of Financial Position

Item	Consolidated financial statements as at December 31					
	2019		2020		2021	
	Millions	%	Millions	%	Millions	%
Current assets						
Cash and cash equivalents	71.92	0.51	482.89	2.94	890.75	4.75
Current portion of restricted deposits at financial institutions	250.26	1.77	-	-	-	-
Trade and other receivables	819.99	5.80	829.02	5.04	1,069.04	5.70
Current Portion of receivable under finance lease (net)	96.17	0.68	93.31	0.57	110.07	0.59
Inventories	185.21	1.31	402.08	2.45	531.63	2.84
Value added tax (net)	11.06	0.07	33.94	0.21	53.91	0.29
Short-term derivative assets	-	-	-	-	0.10	-
Other current assets	-	-	-	-	16.42	0.09
Total current assets	1,434.61	10.14	1,841.24	11.21	2,671.92	14.26
Non-current assets						
Restricted deposits at financial institutions	248.38	1.76	277.60	1.69	435.61	2.32
Receivable under financial lease (net)	3,197.15	22.60	3,163.02	19.25	3,275.09	17.48
Investment property (net)	124.19	0.88	144.85	0.88	210.68	1.12
Property, plant, and equipment (net)	8,059.37	56.98	9,095.28	55.36	10,261.29	54.75
Advance payments for constructions and purchase of fixed assets	153.18	1.08	53.51	0.33	95.18	0.51
Right to service under concession arrangement (net)	811.67	5.74	1,639.54	9.98	1,555.25	8.30
Right-of-use assets (net)	-	-	37.41	0.23	36.58	0.20
Intangible assets from power purchase agreement	-	-	-	-	16.00	0.09
Intangible assets (net)	48.28	0.34	49.54	0.30	58.48	0.31
Deferred tax assets (net)	56.06	0.40	85.91	0.52	69.57	0.37
Other non-current assets	12.29	0.08	41.79	0.25	54.55	0.29
Total non-current assets	12,710.57	89.86	14,588.45	88.79	16,068.28	85.74
Total assets	14,145.18	100.00	16,429.69	100.00	18,740.20	100.00

Item	Consolidated financial statements as at December 31					
	2019		2020		2021	
	Millions	%	Millions	%	Millions	%
Current liabilities						
Short-term loans from financial institutions	227.40	1.61	265.30	1.61	214.50	1.14
Trade and other payables	249.42	1.76	268.97	1.64	327.80	1.75
Current portion of liabilities under finance lease agreements (net)	0.39	-	1.33	0.01	1.66	0.01
Current portion of long-term loans from financial institutions(net)	856.18	6.05	575.29	3.50	702.12	3.75
Provision for power plant maintenance under concession arrangement	-	-	32.33	0.20	26.61	0.14
Value added tax (net)	30.73	0.22	36.34	0.22	42.28	0.23
Accrued income tax	1.20	0.01	11.21	0.07	6.78	0.04
Short-term derivative liabilities	-	-	12.09	0.07	-	-
Other current liabilities	7.89	0.06	9.87	0.06	5.44	0.03
Total current liabilities	1,373.21	9.71	1,212.73	7.38	1,327.19	7.09
Non-current liabilities						
Provision for power plant maintenance under concession arrangement	25.22	0.18	0.09	-	5.40	0.03
Liabilities under finance lease agreements (net)	0.17	-	24.47	0.15	24.91	0.13
Long-term loans from financial institutions (net)	1,911.32	13.51	3,081.86	18.76	3,836.94	20.47
Deferred tax liabilities (net)	38.54	0.27	109.89	0.67	168.24	0.90
Employee benefits obligations	3.68	0.03	7.81	0.05	8.94	0.05
Total non-current liabilities	1,978.93	13.99	3,224.12	19.63	4,044.43	21.58
Total liabilities	3,352.14	23.70	4,436.85	27.01	5,371.62	28.67
Owner's equity						
<i>Authorized share capital</i>	<i>5,488.00</i>		<i>5,488.00</i>		<i>5,488.00</i>	
Issued and fully paid-up share capital	5,088.00	35.97	5,088.00	30.97	5,088.00	27.15
Share Premium	3,896.01	27.54	3,896.01	23.71	3,896.01	20.79
Retained earnings – appropriated – legal reserve	-	-	26.03	0.16	45.23	0.24
Retained earnings - unappropriated	1,831.92	12.95	3,005.69	18.29	4,308.98	22.99
Deficit from business combination under common control	(22.89)	(0.16)	(22.89)	(0.14)	(22.89)	(0.12)
Equity attributable to owners of the parent	10,793.04	76.30	11,992.84	72.99	13,315.33	71.05
Non-controlling interests	-	-	-	-	53.25	0.28
Total equity	10,793.04	76.30	11,992.84	72.99	13,368.58	71.33
Total liabilities and equity	14,145.18	100.00	16,429.69	100.00	18,740.20	100.00

● **Statements of Comprehensive Income**

Statements of comprehensive income	Consolidated financial statements for the year ended December 31					
	2019		2020		2021	
	Millions	%	Millions	%	Millions	%
Income						
Sales of goods and services	4,540.25	89.81	4,586.36	78.29	5,315.89	92.82
Revenue from finance lease under Power Purchase Agreement	410.38	8.12	401.23	6.85	411.03	7.18
Revenue from construction under a concession arrangement	104.64	2.07	870.55	14.86	-	-
Total Revenues	5,055.27	100.00	5,858.14	100.00	5,726.92	100.00
Cost of sales and services	(3,324.70)	(65.77)	(3,196.27)	(54.56)	(3,807.97)	(66.49)
Cost of construction under a concession arrangement	(104.64)	(2.07)	(870.54)	(14.86)	-	-
Gross profit	1,625.93	32.16	1,791.33	30.58	1,918.95	33.51
Net gain (loss) on exchange rate	(103.51)	(2.05)	18.77	0.32	155.76	2.73
Gain from business acquisition	-	-	2.18	0.04	-	-
Net gain (loss) on forward contracts	-	-	(12.09)	(0.21)	12.20	0.21
Other income	32.90	0.65	178.63	3.05	12.75	0.22
Profit before expenses	1,555.32	30.77	1,978.82	33.78	2,099.66	36.67
Expenses						
Administrative expenses	(330.36)	(6.53)	(322.25)	(5.50)	(350.35)	(6.12)
Financial costs	(412.57)	(8.17)	(106.32)	(1.82)	(141.37)	(2.47)
Total expenses	(742.93)	(14.70)	(428.57)	(7.32)	(491.72)	(8.59)
Profit before income tax	812.39	16.07	1,550.25	26.46	1,607.94	28.08
Tax income (expense)	2.91	0.06	(42.61)	(0.73)	(102.52)	(1.79)
Profit for the year	815.30	16.13	1,507.64	25.73	1,505.42	26.29
Other comprehensive income (expense) for the year	1.09	0.02	(2.57)	(0.04)	(0.02)	-
Total comprehensive income for the year	816.39	16.15	1,505.07	25.69	1,505.40	26.29
Profit (loss) sharing						
Attributable to owners of the parent	815.30		1,507.64		1,505.68	
Attributable to non-controlling interests	-		-		(0.26)	
Total profit (loss) sharing						
Attributable to owners of the parent	816.39		1,505.07		1,505.66	
Attributable to non-controlling interests	-		-		(0.26)	
Basic earnings (loss) per share (baht)	0.09 ¹		0.15		0.15	

¹ Calculated for the purpose of comparing financial information by using the total number of weighted common stocks as if the number of issued and paid-up common stock has changed, in accordance with the number of issued and paid-up ordinary shares changed from the par value, from the par value of 10 baht per share to the par value of 0.50 baht, which was registered with the Ministry of Commerce on July 16, 2018.

● **Statements of Cash Flows**

Statements of Cash Flows	Consolidated financial statements for the year ended December 31		
	2019	2020	2021
	Millions	Millions	Millions
Cash flows from operating activities			
Profit before income tax	812.39	1,550.25	1,607.94
Adjustment to reconcile profit for cash generated from operations			
Gain from business acquisition	-	(2.18)	-
Unrealized (gain) loss on forward contracts	-	12.09	(12.20)
(Reversal of) loss from impairment – investment property	(4.18)	-	-
Depreciation	469.34	494.53	578.05
Loss on write-off – fixed assets	13.59	14.43	11.34
Loss on write-off – damaged fixed assets on fire	2.60	-	-
(Reversal of) loss from impairment – fixed assets	(11.99)	-	-
(Reversal of) loss from impairment – damaged fixed assets on fire	0.80	(0.80)	-
(Reversal of) loss from impairment – land	-	-	(1.19)
Amortization	57.79	46.86	89.15
Unrealized (gain) loss on exchange rate of receivable under financial lease agreement	102.34	4.80	(147.03)
Loss on write-off of inventory on fire	7.99	-	-
(Reversal of) provision for power plant maintenance under concession arrangement	7.93	7.19	(0.40)
Employee benefit obligations	1.17	0.93	1.11
Interest income	(6.35)	(1.53)	(1.66)
Gain on fixed assets disposal	-	(0.08)	-
Gain on sales of short-term investments	(1.13)	(0.30)	(0.10)
Finance costs – interest expense from debentures	95.67	-	-
Finance costs – interest expense from loans	281.60	93.96	126.39
Finance costs – amortization of prepaid transaction cost for debentures	23.49	-	-
Finance costs – amortization of prepaid transaction cost for borrowing	11.78	7.29	12.59
Finance costs – interest expense from liabilities under finance lease agreements	0.03	0.88	1.14
Finance costs – commitment fee	-	4.19	1.25
Profits from operating activities before changes in operating assets and liabilities	1,864.86	2,232.51	2,266.38

Changes in working capital			
Trade and other receivables	9.22	100.21	(255.63)
Receivable under finance lease	26.60	32.18	18.20
Inventories	(97.70)	(205.15)	(129.56)
Value added tax	(17.20)	(17.27)	(14.03)
Other non-current assets	(11.77)	(3.08)	(0.31)
Trade and other payables	(157.26)	(222.02)	42.01
Other current liabilities	3.54	1.97	(4.42)
Cash generated from operating activities before interest income and income tax	1,620.29	1,919.35	1,922.64
Interest income received	6.31	1.61	1.66
Income tax paid	(8.00)	(26.44)	(55.65)
Net cash generated from operating activities	1,618.60	1,894.52	1,868.65

Statements of Cash Flow	Consolidated financial statements for the year ended December 31		
	2019	2020	2021
	Millions	Millions	Millions
Cash flows from investing activities			
Cash received from sales of short-term investments	1.13	0.30	0.10
Restricted deposits at financial institutions (increase) decrease	(173.66)	251.25	(158.01)
Cash received from fixed asset disposal	-	5.34	-
Payments for business acquisition	-	(83.87)	-
Payments on debt transfer	-	(265.56)	-
Payments for purchases of investment property	(19.33)	(20.66)	(65.83)
Payments for purchases of fixed assets	(531.55)	(655.36)	(1,776.12)
Payments for purchases of intangible assets	(1.41)	(2.45)	(13.80)
Payments for purchases of rights to service under a concession arrangement	(101.30)	(866.53)	-
Payment for borrowing cost of rights to service under a concession arrangement	-	(6.92)	-
Net cash used in investing activities	(826.12)	(1,644.46)	(2,013.66)

Statements of Cash Flows	Consolidated financial statements for the year ended December 31		
	2019	2020	2021
	Millions	Millions	Millions
Cash flows from financing activities			
Cash received from short-term loans from financial institutions	-	-	1,718.30
Payments on short-term loans from financial institutions	(141.65)	(2.08)	(1,769.10)
Payments on liabilities under lease liabilities	(0.40)	(3.80)	(1.47)
Interest expense from lease liabilities	-	(0.88)	(1.13)
Cash received from long-term loans from financial institutions	124.36	1,854.24	1,492.23
Payments on long-term loans from financial institutions	(3,310.98)	(1,274.58)	(597.52)
Payments on direct borrowing cost	(2.14)	(15.38)	(17.78)
Payments on early redemption of debentures	(1,500.00)	-	-
Payments on finance costs – interest paid	(399.25)	(91.57)	(124.96)
Cash received from change in shareholding in indirect subsidiaries	-	-	27.50
Cash received from non-controlling interest from increase in share capital in an indirect subsidiary	-	-	10.01
Cash received from the capital increase and call for paid up share capital	4,405.01	-	-
Dividend paid to the Company's shareholders	-	(305.04)	(183.21)
Net cash generated (used in) financing activities	(825.05)	160.91	552.87
Net Increase (decrease) in cash and cash equivalents	(32.57)	410.97	407.86
Cash and cash equivalents at the beginning of the year	104.49	71.92	482.89
Cash and cash equivalents at the end of the year	71.92	482.89	890.75

• **Significant Liquidity Ratio**

Liquidity Ratio	Unit	Consolidated financial statements		
		for the year ended December 31		
		2019	2020	2021
Liquidity Ratio				
Liquidity ratio	Times	1.04	1.52	2.01
Quick ratio	Times	0.81	1.04	1.43
Cash flow liquidity ratio	Times	1.08	1.47	1.47
Account receivable turnover ¹	Times	6.22	6.33	6.41
Day receives	Days	57.88	56.83	56.21
Inventory turnover	Times	N/A	N/A	N/A
Average inventory period	Days	N/A	N/A	N/A
Account payable turnover ²	Times	15.43	25.57	28.51
Average payment period	Days	23.33	14.08	12.63
Cash Cycle	Days	34.55	42.75	43.58
Profitability Ratio				
Gross profit margin from sales and services ³	%	32.84	35.92	33.51
Gross operating profit ⁴	%	24.74	33.21	30.55
Other gross profit	%	0.00	0.00	0.00
Cash conversion ratio	%	132.13	114.36	106.82
Net profit margin ⁵	%	16.36	30.23	26.29
Return on equity	%	9.96	13.23	11.87
Efficiency Ratio				
Return on assets	%	5.82	9.86	8.56
Return on fixed assets	%	15.87	23.34	21.53
Asset turnover	Times	0.36	0.33	0.33
Financial Policy Ratio				
Debt-to-equity	Times	0.31	0.37	0.40
Interest-bearing debt to equity	Times	0.28	0.33	0.36
Net cash interest-bearing debt-to-equity ⁶	Times	0.25	0.29	0.29
Debt service coverage ratio (cash basis)	Times	0.41	0.61	0.69
Interest coverage ratio	Times	4.07	20.98	15.40

¹ Calculated from revenue from sales and services / average trade receivables (excluding the income from construction under the concession agreement)

² Calculated from cost of sales and services / average trade receivables (excluding the cost of construction under the concession agreement)

³ Calculated from (revenue from sales and services - cost of sales and services) / revenue from sales and services

⁴ Calculated from operating profit / revenue from sales and services

⁵ Calculated from period profit (loss) / (revenue from sales and services + income from construction under the concession agreement + other income)

⁶ Calculated from (interest-bearing liabilities - cash and cash equivalents - deposits at financial institutions used as collateral) / shareholder's equity.

4.2 Analysis of Operation and Financial Position

Overall Past Operation and Financial Discussion

In 2019, the Company had continuously improved production efficiency of all its Power Plants. The Natural Gas Power Plant increased its electricity sales volume by Baht 104.25 million, from both the electricity volume increase and from its adjusted electricity rate, adjusted in accordance with the increase of Natural Gas Price. Its electricity and steam sales to Industrial Users also increased by Baht 14.94 million or 78.96% and over 100%, respectively, due to the increase of customers' demand, arising from their production capacity expansion. The Company had Total Revenue of Baht 4,950.63 million (excluding the Revenue from construction under a concession arrangement) and Gross Profit of Baht 1,625.93 million and Net Profit of Baht 815.30 million, respectively.

For the year 2020, the Group continues to improve production efficiency. Including cost control, fuel procurement, and fuel consumption of biomass power plants. Moreover, the significant reduction in finance costs from the capital management received from the IPO resulted in the reduction of the interest-bearing debt. While the loan rate on interest-bearing debt is also lower. In addition, in August 2020, the Group acquired and accepted the transfer of the 3 companies, operator of the biomass power plant project with a total installed capacity of 26.9 MW, from UA Witthaya Plc. Including the commercial operation (COD) of municipal waste-to-energy power plants Krabi Municipality in Krabi Province. As a result, the Group's revenues increased to Baht 4,987.59 million (excluding revenue from construction under a concession arrangement) and gross profit and net profit of Baht 1,791.33 million and Baht 1,507.64 million, respectively.

For the year 2021, the Group continues to improve production efficiency and cost control of the new biomass power plants which the Group acquired in the third quarter of 2020. In addition, one of the new biomass power plants was completed the process of revision the power purchase agreement to FiT in the end of second quarter of 2021. Moreover, biomass power plant in Khlong Khlung, Kamphaeng Phet Province has started commercial operation (COD) in November 2021. However, the Group's finance cost increased from loan addition for the new investment projects. As a result, the Group's revenues increased to Baht 5,726.92 million and gross profit and net profit of Baht 1,918.95 million and Baht 1,505.40 million, respectively.

As of December 31, 2019, 2020 and 2021, the Group had total assets of Baht 14,145.18 million, Baht 16,429.69 million and Baht 18,740.20 million, respectively. The main assets of the Group consist of property, plant and equipment for operating the power plants, receivable under finance lease, rights to service under concession arrangement and trade and other receivables.

As of December 31, 2019, 2020 and 2021, the Group had total liabilities of Baht 3,352.14 million, Baht 4,436.85 million and Baht 5,371.62 million, respectively. Most liabilities are long-term loans from financial institutions for the power plant projects. Total liabilities of 2020 increased by Baht 1,084.71 million mainly from increase in short-term loan from financial institutions of Baht 37.90 million, increase in long-term loans from financial institutions of Baht 889.65 million for the new investment projects, increase in trade and other payables of Baht 19.54 million, increase in liabilities under finance lease agreements of Baht 25.24 million from adoption of TFRS 16 'Leases' increase in deferred tax liabilities of Baht 71.36 million and increase in short-term derivative liabilities Baht 12.09 million from recognized changes in fair value of derivatives according to TFRS 9 'Financial Instruments'. Total liabilities of 2021 increased by Baht 934.77 million mainly from increase

in long-term loans from financial institutions of Baht 881.91 million for the new investment projects and projects to be COD in the future.

As of December 31, 2019, 2020 and 2021, the Group had total equity of Baht 10,793.04 million, Baht 11,992.83 million and Baht 13,368.58 million, respectively. The shareholders' equity increased in 2020 and 2021 from the continuing operating profit of the Group.

Analysis of Operation and Financial Performance

Revenues

For the year ended December 31, 2019, 2020 and 2021, total revenue for the Group were Baht 5,088.17 million, Baht 6,036.77 million and Baht 5,739.67 million, respectively or increased by 18.64% in 2020 and decreased by 4.92% in 2021, respectively.

- **Sales of goods and services**

For the year ended December 31, 2019 2020 and 2021, the Group had sales of goods and services of Baht 4,950.63 million, Baht 4,987.59 million and Baht 5,726.92 million, respectively, or increased by 0.75% in 2020 and 14.82% in 2021, respectively. Sales of goods and services in 2019, 2020 and 2021 included revenue from finance leases under Power Purchase Agreement totaling Baht 410.38 million, Baht 401.23 million and Baht 411.03 million, respectively, or by 8.29%, 8.04% and 7.18% of sales of goods and services. Most of sales of goods and services came from 2 major customers, Provincial Electricity Authority ("PEA") and Electricity Generating Authority of Thailand ("EGAT"), accounting for 98.26%, 97.17% and 98.14% of total sales of goods and services in 2019, 2020 and 2021, respectively. The Group has revenues from 4 types of Power Plants: Biomass Power Plants, Natural Gas Power Plant, Municipality Solid Waste Power Plants and Solar Energy Power Plants, per following details

Sales of goods and services	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	MB	%	MB	%	MB	%
Sales of electricity – FIT, base tariff and Ft	2,420.71	48.90	2,666.67	53.46	3,146.35	54.94
FIT premium	170.33	3.44	152.61	3.06	90.70	1.58
Sales of electricity to Industrial Users (IU)	12.27	0.25	20.62	0.41	24.68	0.43
Revenue from maintenance service to outside	-	-	47.81	0.96	-	-
Sales of steam (IU)	0.03	0.00	-	-	-	-
Total Sales from Biomass Power Plants	2,603.34	52.59	2,887.71	57.89	3,261.73	56.95
Revenue from finance lease under Power Purchase Agreement	410.38	8.29	401.23	8.04	411.04	7.18
Revenue from service under Power Purchase Agreement	1,628.02	32.89	1,394.90	27.97	1,540.77	26.90
Sales of electricity to Industrial Users (IU)	8.93	0.18	5.10	0.10	5.05	0.09

Sales of goods and services	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	MB	%	MB	%	MB	%
Sales of steam (IU)	20.51	0.41	13.24	0.27	8.38	0.15
Total Sales from Natural Gas Power Plant	2,067.84	41.77	1,814.47	36.38	1,965.24	34.32
Sales of electricity – FiT, base tariff and Ft	105.79	2.14	104.88	2.10	275.86	4.82
FiT Premium	-	-	0.26	0.01	23.74	0.41
Additional income (Adder)	129.18	2.61	128.62	2.58	131.98	2.31
Other sales and service income	37.36	0.75	40.26	0.81	50.54	0.88
Total Sales from Solid Waste Power Plants	272.33	5.50	274.02	5.50	482.12	8.42
Sales of electricity – base tariff and Ft	7.12	0.14	11.39	0.23	17.83	0.31
Total Sales from Solar Energy Power Plants	7.12	0.14	11.39	0.23	17.83	0.31
Total Sales of goods and services	4,950.63	100.00	4,987.59	100.00	5,726.92	100.00

- **Revenue from Construction under a Concession Arrangement (Before COD)**

In 2019 and 2020, the Group had Revenue from Construction under a Concession Arrangement of Baht 104.64 million and Baht 870.55 million, respectively, under Solid Waste Power Plant Concession. As specified in the contract, the Group shall transfer assets when the contract ends. The Group's management assessed the agreement in accordance with TFRIC 12 'Service Concession Arrangements'. As a result, the Group's management recognized revenue from construction under a concession arrangement in accordance with percentage of completion of the fair value of assets. The Group's management also recognized cost of construction under a concession arrangement at actual cost in the same amount. No gain and loss from recognized sales and cost of construction under a concession arrangement transaction. The construction was completed and commenced commercial operation in 2020. As a consequence, there is no any further revenue from construction under a concession arrangement recognized in 2021.

Other Income

For the year ended December 31, 2019, 2020 and 2021, the Group had other income of Baht 32.90 million, Baht 178.63 million and Baht 12.75 million, respectively. Most of other income in 2019 came from insurance compensation of Baht 23.95 million, consisting of machine and equipment compensation of Baht 6.16 million and business interruption compensation of Baht 17.79 million, and interest income from financial institutions of Baht 6.35 million. In 2020, most of other income came from compensation from insurance company of Baht 171.95 million, which was the compensation from the occurrence of the damage of the power plant machinery during the test run (Commissioning & Test Run) in 2016, which an indirect subsidiary has already repaired and now can normally operate. Most of other income in 2021 came from Power Development Fund of Baht 6.23 million.

Costs

• Costs of Sales and Services

For the year ended December 31, 2019, 2020 and 2021, the Company had costs of sales and services of Baht 3,324.70 million, Baht 3,196.27 million and Baht 3,807.97 million, respectively. Costs of sales and services could be classified as below.

Costs of Sales and Services	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	MB	%	MB	%	MB	%
Fuel material cost	2,192.56	65.95	2,057.55	64.37	2,485.64	65.28
Depreciation and amortization cost	488.74	14.70	503.63	15.76	624.12	16.39
Staff cost, repair and maintenance cost and other services	505.04	15.19	470.55	14.73	540.86	14.20
Cost of maintenance service to outside	-	-	29.83	0.93	-	-
Operation fee - PEA	53.71	1.61	56.26	1.76	63.97	1.68
Other Costs	84.65	2.55	78.45	2.45	93.38	2.45
Total Sales & Service Costs	3,324.70	100.00	3,196.27	100.00	3,807.97	100.00

Biomass Power Plant Projects

For the year ended December 31, 2019, 2020 and 2021, total costs of sales and services for Biomass Power Plants were Baht 1,690.84 million, Baht 1,792.92 million and Baht 2,175.23 million, respectively. Major costs were fuel material costs, depreciation cost of buildings and machine and maintenance costs and staff costs.

For the year 2020, costs of sales and services of biomass power plant projects increased by Baht 102.08 million from 2019, or an increased by 6.04%, mainly due to the increase in fuel costs which is in line with the increase in production and sales of electricity from improvement of production efficiency. Including the increase of power plants acquired during the year 2020.

For the year 2021, the cost of biomass power plant projects increased by Baht 382.31 million from 2020, or increased by 21.32%, mainly due to increase in fuel costs which is in line with the increase in production and sales of electricity from the power plants acquired during the year 2020. Then, the Group had full-year revenue recognition in 2021 for the acquired plants. In addition, biomass power plant in Khlong Khlung, Kamphaeng Phet Province was commercial operation of in 2021.

Natural Gas Power Plant Projects

Costs of sales and service for Natural Gas Power Plant (AAA1) for 2019, 2020 and 2021 were Baht 1,491.04 million, Baht 1,267.21 million and Baht 1,403.97 million, respectively. Most of cost were fuel material costs and operation and maintenance costs. Cost of sales and services of 2020 decreased from 2019 by Baht 223.83 million, mainly due to decrease in the fuel materials cost of natural gas power plants from the reduction

of average natural gas prices. In addition, the cost of maintenance service was reduced by Baht 22.70 million from allowing the company's team to manage and maintain the power plant by itself instead of hiring, managing and maintaining the power plant from outside companies. Moreover, cost decreased from budget control and efficiently planning for machines maintenance.

In 2021, cost of sales and services increased from the year 2020 by Baht 136.76 million, mainly due to increase in the fuel materials cost of natural gas power plants from the increase of average natural gas prices.

Gain (Loss) on Exchange Rate

Gain (loss) on exchange rate mainly came from unrealized exchange rate of receivable under finance lease of natural gas power plant and partially from realized gain on exchange from payment for machine and spare parts for the under-developed projects to foreign suppliers.

In 2019, 2020 and 2021, the Group has gain (loss) on exchange rate Baht (103.51) million, Baht 18.77 million and Baht 155.76 million, respectively. Most of loss on exchange rate for 2019 is unrealized exchange rate of receivable under finance lease of natural gas power plant of Baht (102.34) million.

While in 2020 and 2021, the Group has gain on exchange rate due to the continuing depreciation of Thai Baht.

Municipal Solid Waste Power Plant Projects

In 2019, 2020 and 2021, cost of sales and services of the Municipality Solid Waste Power Plant Projects were Baht 136.20 million, Baht 130.44 million and Baht 220.46 million, respectively. Most of the cost were amortization of service rights from the concession agreement which calculated from the fair value of the project, maintenance and labor costs. Cost of sales and services of the Municipality Solid Waste Power Plant Projects of 2020 decreased from 2019 due to a decrease in amortization of right to service from the concession agreement from changing the amortization period from 16 years to 18 years in August 2019. In addition, cost of ash removal costs also decreased.

Cost of sales and services of the Municipality Solid Waste Power Plant Projects of 2021 increased from 2020 by Baht 90.02 million due to municipal solid waste power plant in Krabi which had started its commercial operation since late December 2020 which the Group had full-year operation recognition for the first time in 2021.

Solar Energy Power Plant Project

Cost of sales and services of solar power plant projects in 2019, 2020 and 2021 were Baht 6.62 million, Baht 5.69 million and Baht 8.31 million, respectively. Most of the costs came from labor costs and depreciation.

- **Gross Profit**

For the year ended December 31, 2019, 2020 and 2021, the Group has gross profit margins from sales and services of 32.84%, 35.92%, and 33.51%, respectively. Gross Profit could be classified by type of Power Plants as below.

Gross Profit	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	million baht	%	million baht	%	million baht	%
Biomass Power Plants						
Sales and service income	2,603.34	100.00	2,887.71	100.00	3,261.73	100.00
Costs of sales and service	1,690.84	64.95	1,792.92	62.09	2,175.23	66.69
Biomass Power Plant Gross Profit	912.50	35.05	1,094.79	37.91	1,086.50	33.31
Natural Gas Power Plant						
Sales and service income	2,067.84	100.00	1,814.47	100.00	1,965.24	100.00
Costs of sales and service	1,491.04	72.11	1,267.21	69.84	1,403.97	71.44
Natural Gas Power Plant Gross Profit	576.80	27.89	547.26	30.16	561.27	28.56
Municipal Solid Waste Power Plants						
Sales and service income	272.33	100.00	274.02	100.00	482.12	100.00
Costs of sales and service	136.20	50.00	130.44	47.60	220.46	45.73
Municipal Solid Waste Power Plants Gross Profit	136.13	50.00	143.58	52.40	261.66	54.27
Solar Energy Power Plants						
Sales and service income	7.12	100.00	11.39	100.00	17.83	100.00
Costs of sales and service	6.62	92.98	5.69	49.96	8.31	46.61
Solar Energy Power Plant Project Gross Profit	0.50	7.02	5.70	50.04	9.52	53.39
Sales and service income	4,950.63	100.00	4,987.59	100.00	5,726.92	100.00
Costs of sales and service	3,324.70	67.16	3,196.26	64.08	3,807.97	66.49
Total Gross Profit	1,625.93	32.84	1,791.33	35.92	1,918.95	33.51

Gross profit and gross profit margin of biomass power plants of 2019 were Baht 912.50 million and 35.05%, respectively. The gross profit of biomass power plants of 2020 increased from 2019 by Baht 182.29 million and gross profit margin increase to 37.91% because of the increase in revenue from electricity sales as the electricity units sold increased. Together with the recognition of revenue from sale of electricity from the biomass power plants that the Group acquired in August 2020. In addition, the Group has profit from external power plant maintenance services. Moreover, the Group could reduce biomass fuel cost through more efficient control of the cost. Gross profit of biomass power plants of 2021 decreased by Baht 8.92 million and gross profit margin decrease to 33.31% from the decreasing in sales from FiT Premium as the result of the expiration of FiT Premium period of three biomass power plants during the year as conditioned in the FiT power purchase agreements. In addition, the biomass power plants, which the Group acquired in the third quarter of 2020, although the Group had significantly improved the machinery's efficiency and cost reduction, the overall

performance still inferior to the Group own development biomass power plant. This was led to the decrease of gross profit margin of biomass power plant.

For the natural gas power plant project (AAA1), the main cost of the natural gas power plant project came from the cost of natural gas fuel. The gross profit of natural gas power plant project for 2019 was Baht 576.80 million and the gross profit margin was 27.89%. For 2020, the gross profit was Baht 547.26 million and gross profit was 30.16%. Gross profit of 2020 decreased by baht 29.54 million from 2019, due to the planned shutdown in the year 2020 then the revenue decreased. For 2021, the gross profit was Baht 561.27 million and the gross profit margin was 28.56%. Gross profit of 2021 increased by Baht 14.01 million from 2020 since there was planned shutdown in the year 2020 as mentioned above. However, gross profit margin for 2021 decreased from 2020, from 30.16% to 28.56% from increase in average natural gas price.

The Group's gross profit from municipal waste power plants in 2019, 2020 and 2021 were Baht 136.13 million, Baht 143.58 million and Baht 261.66 million, with the gross profit of 50.00%, 52.40% and 54.27% respectively. The increase in gross profit of municipal waste power plants was due to the increase in electricity sales and waste disposal revenue. And the Krabi Municipal Waste Power Plant, which began commercial operation in December 2020, which the Group had full-year revenue recognition for the first time in the year 2021. Most of the cost was amortization of service rights from the concession agreement which was not vary by electricity unit sold.

Gross profit solar power plant projects for 2019, 2020 and 2021 were Baht 0.50 million, Baht 5.70 million and Baht 9.52 million, respectively. With the gross profit of 7.02%, 50.04% and 53.39%, respectively.

Overall, the gross profit of the Group for the fiscal year ended December 31, 2019, 2020 and 2021 were equal to Baht 1,625.93 million, Baht 1,791.33 million and Baht 1,918.95 million, respectively. With the gross profit of 32.84%, 35.92% (excluding construction income under the concession agreement) and 33.51%, respectively, representing an average gross profit growth rate of 8.64% per year.

Selling & Administrative Expenses

For the year ended December 31, 2019, 2020 and 2021, the Group has administrative expenses of Baht 330.36 million, Baht 322.25 million and Baht 350.35 million, respectively. The proportion of total revenue, excluding other income, were 6.53%, 5.50% and 6.12%, respectively. In the year 2020 the administrative expenses decreased from the year 2019 by Baht 8.11 million or 2.45% due to the cost of preparation and registration in 2019 for IPO. Selling and administrative expenses of 2021 increased from 2020 by Baht 28.10 million or 8.72% from employee benefit expenses and pre-operation expenses as the result from the Group expansion and new project development.

Finance Costs

For the year ended December 31, 2019, 2020 and 2021, the Group had finance costs of Baht 412.57 million, Baht 106.32 million and Baht 141.37 million, respectively. This represented 8.17%, 1.82% and 2.47% of total revenue, excluding other income, respectively. Finance costs of the year 2020 decreased from the year 2019 by Baht 306.25 million or 74.23% from the repayment of the loan according to the repayment period and temporarily prepaying the loan. Resulting in lower financial cost. In addition, the banks considering reduction of the interest rate since the fourth quarter of 2019 for the Group and also a decrease in the Bank's Reference Loan Rate (MLR) in the first and second quarter of 2020. Finance costs of 2021 increased from 2020 by Baht 35.05 million or 32.97% from loan addition for the new investment projects in 2021.

Income Tax

For the year ended December 31, 2019, 2020 and 2021, the Company had corporate tax income of Baht 2.91 million, corporate tax expenses of Baht 42.61 million and corporate tax expenses of Baht 102.52 million, respectively. Income tax of the Group comprised of current tax, for the portion of profit which was not exempted from the BOI-privileges, and deferred tax from temporary difference from the change in balance of deferred tax assets or deferred tax liabilities at the end of period.

In 2020, the Group had income tax expenses increased from the year 2019 by Baht 45.52 million, due to an increase in profit which was not exempted tax, mainly was insurance claims compensation. There were differences in accounting and tax that affect the tax expenses. From recording expenses from temporary differences of finance lease receivables and from business acquisitions, including the effects of other temporary differences, the Group has therefore recorded deferred tax as expense for the year 2020 amounting to Baht 17.96 million.

In 2021, the Group had income tax expenses increased from the year 2020 by Baht 59.91 million, due to recording expenses from temporary differences of finance lease receivables and rights to service under concession arrangements, including the effects of other temporary differences. The Group has therefore recorded deferred tax as expense for the year 2021 amounting to Baht 74.68 million.

Net Profit

For the year ended December 31, 2019, 2020 and 2021, the Group had net profit of Baht 815.30 million, Baht 1,507.64 million and Baht 1,505.42 million, respectively. This represented a net profit margin of 16.13%, 25.73% and 26.29 %, respectively. For the year 2020, net profit increased by Baht 692.34 million or 84.92% compared to the year 2019, mainly due to the increase in revenue from sales and services of biomass power plants according to the number of electricity units sold. This is a result of the continuous operation of the power plants and the partially recognition of sales from the biomass power plants that the Group acquired during the year. In addition, the gross margin also increased by operating the machine more efficiently. Moreover, the cost of procurement and fuel consumption of biomass power plants can be controlled very well, as well as the substantial lower financial costs from the capital management received from the IPO, resulting in a decrease in interest-bearing debt. While the loan rate on interest-bearing debt is also lower.

For the year 2021, the net profit decreased by Baht 2.22 million or 0.15% from 2020, because of increasing in selling and administrative expenses for the Group expansion and new project development, increasing in finance costs from loan addition for the new investment projects and increasing in income tax expenses.

Financial Condition Analysis

Assets

For the year ended December 31, 2019, 2020 and 2021, the Company had total assets of Baht 14,145.18 million, Baht 16,429.69 million, and Baht 18,740.20 million, respectively. This showed increase of 16.15% and 14.06%, respectively. Major assets are land, property plant and equipment for operating power plants, account receivables under financial lease of the Natural Gas Power Plant's power purchase agreement and rights to service under Municipality Waste Management Project concession arrangement.

In 2020, total assets increased by Baht 2,284.51 million compared to the year 2019, or an increase of 16.15% due to an increase in cash and cash equivalents of Baht 410.97 million, finance lease receivables decreased by Baht 36.99 million from exchange rate adjustments, inventories increased by Baht 216.87 million. Restricted deposits decreased by Baht 221.04 million. Investment properties increased by Baht 20.66 million from purchase of land for power plant projects in the future. Property, plant and equipment increased by Baht 1,035.91 million which mainly due to businesses acquisition and the purchase of office buildings. Advance payment for construction and purchase of fixed assets decreased by Baht 99.67 million mainly due to the Krabi waste power plant project which was completed in December 2020. The right to service from the concession agreement increased by Baht 827.87 million from the rights of the Krabi waste power plant concession and amortization during the period. Rights of use assets increased by Baht 37.41 million from the adoption of the TFRS16, Lease, which the Group has previously classified as an operating lease. And deferred tax assets increased by Baht 29.85 million mainly from business acquisitions.

In 2021, total assets increased by Baht 2,310.51 million compared to 2020, or increased 14.06% due to cash and cash equivalents increased by Baht 407.86 million, trade and other receivables increased by Baht 240.02 million and receivables under finance lease increased by Baht 128.83 million from the adjustment of exchange rates. Inventories increased by Baht 129.55 million. Restricted deposits at financial institutions increased by Baht 158.01 million. Investment properties increased by Baht 65.83 million from purchase of land of future power plant projects. Property, plant and equipment increased by Baht 1,166.01 million from the new investment projects. Rights to service under concession arrangements decreased by Baht 84.29 million from amortization during the year.

- **Trade and other receivables**

For the year ended December 31, 2019, 2020 and 2021, the Group had trade and other receivables of Baht 819.99 million, Baht 829.02 million, and Baht 1,069.04 million, respectively. Or represented 5.80%, 5.05% and 5.70% of total assets, respectively. The debt collection period of the Group as at December 31, 2019, 2020 and 2021, were 57.88 days, 56.83 days and 56.21 days, respectively.

- **Receivables under Finance Lease**

For the year ended December 31, 2019, 2020 and 2021, the Group had current portion of receivables under finance lease of Baht 96.17 million, Baht 93.31 million and Baht 110.07 million, respectively. And had receivables under finance lease as long-term assets of Baht 3,197.15 million, Baht 3,163.02 million and Baht 3,275.09 million, respectively. The receivables under finance lease were recognized from the electricity Income under Power Purchase Agreement for AAA1 Project according to TFRIC 4. For the year ended December 31, 2019, 2020 and 2021, the receivables under finance lease accounted for 23.28%, 19.82% and 18.07% of total assets. respectively.

- **Property, Plant and Equipment**

For the year ended December 31, 2019, 2020 and 2021, the Group had property, plant and equipment of Baht 8,059.37 million, Baht 9,095.28 million and Baht 10,261.29 million, respectively. For the year 2020, an increase of Baht 1,035.91 million due to business acquisitions during the year and increased work in progress. For the year 2021, an increase of Baht 1,166.01 million from investment in new projects.

For the year ended December 31, 2019, 2020 and 2021, the property, plant and equipment accounted for 56.98%, 55.36% and 54.75% of total Assets, respectively.

Property, Plant, Equipment	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	million baht	%	million baht	%	million baht	%
Land	1,900.20	23.58	2,038.40	22.41	2,675.90	26.08
Land Improvement	429.29	5.33	482.25	5.30	614.64	5.99
Building & Building Improvement - Power Plant	558.90	6.93	682.30	7.50	757.46	7.38
Building & Building Improvement - Office	122.28	1.52	186.75	2.05	177.67	1.73
Machine & Equipment	4,410.90	54.73	4,749.27	52.22	5,336.67	52.01
Office equipment, Furniture & Fixture	9.91	0.12	12.70	0.14	14.45	0.14
Tool & Equipment	21.73	0.27	25.35	0.28	24.06	0.23
Vehicles	7.30	0.09	13.70	0.15	9.94	0.10
Construction Work-in-Process	598.86	7.43	904.56	9.95	650.50	6.34
Total Property, Plant, Equipment	8,059.37	100.00	9,095.28	100.00	10,261.29	100.00

For the year ended December, 31, 2019, 2020 and 2021, the Group had construction work-in-process of Baht 598.86 million, Baht 904.56 million and Baht 650.50 million, respectively. The Group had been building Klong Klung Biomass Power Plant (ACP4) and Sri Saket Biomass Power Plant (ALCP4). In 2020, there will be more work in progress according to the return of power purchase agreement, and also increased from investment in other new projects such as solar power plant projects. In 2021, the Group had work in progress for Klong Klung Power Plants (Project of BPP)

- **Rights to service under Concession Arrangement**

Rights to service under Concession Arrangement is the right awarded under the Concession to provide Waste Management by converting waste to electrical energy. During construction period, The Group recorded the waste as intangible assets (Rights to service under Concession Arrangement) in accordance with percentage of completion of the fair value of the assets (Construction Value of Municipality Solid Waste Power Plant) After commencing commercial operation, The Group will amortize the Rights to service under Concession Arrangement as expenses in the Profit and Loss Statement, using a straight-line method throughout the concession period. The Company will transfer the Power Plant building to Khon Kaen Municipality at the end of the concession. (Refer to Building Construction agreement to transfer the ownership to Khon Kaen Municipality Solid Waste Power Plant according to the Waste disposal and Waste to Energy Concession)

As of December 31, 2019, 2020 and 2021, the Group has a record of rights to provide services from the concession agreement of the municipal waste power plant project amounting to Baht 811.67 million, Baht 1,639.54 million and Baht 1,555.25 million, respectively. In 2020, the Group recognized the service rights from the concession agreement as an additional intangible asset as a consideration for the construction of assets under the concession agreement and amortize such rights throughout the contract period. The company

started commercial operating on 28 December 2020. In 2021, rights to service under concession arrangements decreased from amortization during the year

Liabilities

For the year ended December 31, 2019, 2020 and 2021, total liabilities were Baht 3,352.14 million, Baht 4,436.85 million and Baht 5,371.62 million, respectively. Total liabilities for 2020 increased by Baht 1,084.71 million or increase 32.36%, mainly due to an increase in short-term loans from financial institutions Baht 37.90 million, long-term loans from financial institutions increased by Baht 889.65 million. Trade and other payables increased by Baht 19.55 million. Lease liabilities increased by Baht 25.24 million from the adoption of TFRS16 'Leases'. Deferred tax liabilities increased by Baht 71.35 million and financial derivative liabilities increased by Baht 12.09 million from the recognition of the difference of the fair value of financial derivatives in TFRS 9 'Financial Instruments'. In 2021, total liabilities increased by Baht 934.77 million or 21.07%, mainly due to long-term loans from financial institutions increased by Baht 881.91 million from addition during the year. Deferred tax liabilities also increased by Baht 58.35 million.

• Trade and Other Payables

For the year ended December 31, 2019, 2020 and 2021, trade and other payables were Baht 249.42 million, Baht 268.97 million and Baht 327.80 million, respectively. Or equivalent to 7.44%, 6.06% and 6.10% of total liabilities, respectively. In 2020, trade and other payables increased by Baht 19.55 million, mainly due to an increase in creditors from the purchase of fixed assets in the amount of Baht 37.40 million, and accrued expenses of Baht 20.65 million, such as repairs and maintenance expenses and accrued bonus, etc., and a decrease in natural gas payable in the amount of Baht 42.16 million. In 2021, trade and other payables increased by Baht 58.83 million, mainly due to increase in natural gas payable in the amount of Baht 64.22 million, retention of Baht 31.69 million, decrease in other payable of Baht 12.48 million and accounts payable from the purchase of fixed assets in the amount of Baht 15.00 million.

For the year ended December 31, 2019, 2020 and 2021, the Group had a creditors payment period of 23.33 days, 14.08 days and 12.63 days, respectively.

Trade and Other Payables	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	million baht	%	million baht	%	million baht	%
Trade payables	145.19	58.21	104.84	38.98	162.31	49.51
Other payables	34.76	13.94	38.68	14.38	26.20	8.00
Accounts payable from purchase of fixed assets	11.20	4.49	48.60	18.07	33.60	10.25
Accrued expenses	53.38	21.40	74.03	27.52	70.94	21.64
Accrued interest expenses	0.52	0.21	0.43	0.16	0.61	0.19
Advance received	0.07	0.03	0.07	0.03	0.10	0.03
Retention	4.17	1.67	2.24	0.83	33.93	10.35
Employee guarantee	0.13	0.05	0.07	0.03	0.11	0.03
Total Trade and Other Payables	249.42	100.00	268.96	100.00	327.80	100.00

- **Long-terms Loans from Financial Institutions**

For the year ended December 31, 2019, 2020 and 2021, the Group had long-terms loans from financial institutions per following:

Long-terms Loans from Financial Institutions	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	million baht	%	million baht	%	million baht	%
Current Portion of Long-terms Loans from Financial Institutions (Net)	856.18	30.94	575.29	15.73	702.12	15.47
Long-terms Loans from Financial Institutions (Net)	1,911.32	69.06	3,081.86	84.27	3,836.94	84.53
Total Long-terms Loans from Financial Institutions	2,767.50	100.00	3,657.15	100.00	4,539.06	100.00

Long-terms loans from financial institutions were used for investment and construction of Company's Power Plants. In 2020 and 2021, the Group has an increase of long-term loans from financial institutions by Baht 889.65 million and Baht 881.91 million, respectively, or increase 32.15% and 24.11%, mainly due to entering into long-term and revolving credit agreements with financial institutions for development and operation of community waste-to-energy power plant project.

For the year ended December 31, 2019, 2020 and 2021, long-terms loans from financial institutions were 82.56%, 82.43% and 84.50% of total liabilities, respectively.

- **Provisions for Power Plant maintenance under concession arrangement**

For the year ended December 31, 2019, 2020 and 2021, provisions for power plant maintenance under concession arrangement were Baht 25.22 million, Baht 32.42 million and Baht 32.01 million, respectively. Such provision was requirement under the Waste Management and Converting of Waste to Electrical Energy Concession Arrangement that the contracted party oversees, maintain and repair assets under concession in good working condition throughout the concession period. The provisions were recorded with accurate calculation to ensure sufficient fund available. Provisions for power plant maintenance under concession arrangement for the year ended December 31, 2019, 2020 and 2021 were equivalent to 0.75%, 0.73% and 0.60 % of total liabilities, respectively.

Shareholders' equity

For the year ended December 31, 2019, 2020 and 2021, The Group had shareholders' equity of Baht 10,793.04 million, Baht 11,922.84 million and Baht 13,368.58 million, respectively. In 2020, shareholders' equity increased by Baht 1,199.80 million or 11.12% from the year 2019. In 2021, shareholders' equity increased by Baht 1,375.74 million or 11.47 % from the year 2020. These were due to the group of companies have a net profit, resulting in an increase in retained earnings.

For the year ended December 31, 2019, 2020 and 2021, the unappropriated retained earnings were Baht, 1,831.92 million, Baht 3,005.69 million and Baht 4,308.98 million, respectively. In addition, in 2020 and

2021, the Company has retained earnings allocated as legal reserve of Baht 26.03 million and Baht 45.23 million, respectively.

Equity	Consolidated Financial Statement for the year ended, December 31					
	2019		2020		2021	
	million baht	%	million baht	%	million baht	%
Paid-up Capital	5,088.00	47.14	5,088.00	42.42	5,088.00	38.06
Share Premium	3,896.01	36.10	3,896.01	32.49	3,896.01	29.14
Retained earnings-Appropriated-Legal reserve	-	-	26.03	0.22	45.23	0.34
Retained Earnings - unappropriated	1,831.92	16.97	3,005.69	25.06	4,308.98	32.23
Deficits from Business Combination under Common Control	(22.89)	(0.21)	(22.89)	(0.19)	(22.89)	(0.17)
Equity attributable to owners of the parent	-	-	-	-	13,315.33	99.60
Non-controlling interests	-	-	-	-	53.25	0.40
Total equity	10,793.04	100.00	11,992.84	100.00	13,368.58	100.00

Liquidity Analysis

Cash Flow Analysis	Consolidated Financial Statement for the year ended, December 31		
	2019	2020	2021
	million baht	million baht	million baht
Net Cash from Operation	1,618.60	1,894.52	1,868.65
Net Cash used in Investment	(826.12)	(1,644.46)	(2,013.66)
Net Cash in Financing	(825.05)	160.91	552.87
Net Cash and Cash Equivalents Increase (Decrease)	(32.57)	410.97	407.86
Cash or Cash Equivalent at beginning of the Year	104.49	71.92	482.89
Cash or Cash Equivalent at End of Year	71.92	482.89	890.75

Cash Flow from Operation

For the year ended December 31, 2019, 2020 and 2021, the Group had cash flow from operation of Baht 1,618.60 million, Baht 1,894.52 million and Baht 1,868.65 million, respectively.

For the year ended December 31, 2019, profit from operation before change in assets and operating liabilities were Baht 1,864.86 million, with 2 Solar Energy Power Plants commencing commercial operation. The Group had pre-tax profit of Baht 812.39 million, depreciation expenses of Baht 469.34 million and finance cost of Baht 412.57 million. Net cash used in operating assets and liabilities was Baht 244.57 million. Resulting in cash flow from operation of Baht 1,618.60 million.

For the year ended December 31, 2020, the Group had a profit from operating activities before changes in operating assets and liabilities amounted to Baht 2,232.51 million, with an increase in biomass power plant projects from the acquisition of 3 power plant projects. One additional commercial operation solar project and one more waste power plant from 2019 has started commercial operating. The Group had profit before tax Baht 1,550.25 million. Depreciation expenses of Baht 494.53 million and finance costs of Baht 106.32 million. However, the Group had cash flows used in the change of net working capital of Baht 313.16 million, resulting in the group of companies has net cash flow from operating activities in the amount of Baht 1,894.52 million.

For the year ended December 31, 2021, the Group had a profit from operating activities before changes in operating assets and liabilities amounted to Baht 2,266.38 million, with an increase in one more additional biomass power plant projects from 2020. The Group had profit before tax Baht 1,607.94 million. Depreciation expenses of Baht 578.05 million and finance costs of Baht 141.37 million. However, the Group had cash flows used in the change of net working capital of Baht 343.74 million, resulting in the group of companies has net cash flow from operating activities in the amount of Baht 1,868.65 million.

Cash Flow from Investing

For the year ended December 31, 2019, 2020, 2021, net cash flow used in investing activities were Baht 826.12 million, Baht 1,644.46 million and Baht 2,013.66 million, respectively.

For the year ended December 31, 2019, the Group had net cash used in investing activities of Baht 826.12 million, mainly from purchase of fixed assets of Baht 531.55 million, purchase of assets under concession arrangement of Baht 101.30 million and increase in restricted deposits of Baht 173.66 million.

For the year ended December 31, 2020, the Group had net cash used in investing activities of Baht 1,644.46 million, mainly due to the purchase of fixed assets amounting to Baht 655.36 million and assets under the concession arrangement of Baht 866.53 million. Purchase for the transfer of debt from the business acquisition of Baht 265.56 million and decrease in restricted deposits of Baht 251.25 million.

For the year ended December 31, 2021, the Group had net cash used in investing activities of Baht 2,013.66 million, mainly due to the purchase of fixed assets amounting to Baht 1,776.12 million and purchase of investment properties amounting to Baht 65.83 million and increase in restricted deposits of Baht 158.01 million.

Cash Flow from Financing

For the year ended December 31, 2019, the Group had cash flow used in financing of Baht 825.05 million. In 2020 and 2021, the Group had cash flow from financing of Baht 160.91 million and Baht 552.87 million, respectively.

For the year ended December 31, 2019, the Group had net cash flow used in financing amounting to Baht 825.05 million. The Company received cash from selling the new shares in Initial Public Offering (IPO) of Baht 4,405.01 million and used Baht 3,186.62 million to repay long-term loans, redeem debentures before maturity for Baht 1,500.00 million and repay short-term loans for Baht 141.65 million.

For the year ended December 31, 2020, the Group had net cash flows from financing activities of Baht 160.91 million. Net cash received from long-term loans from financial institutions and repayment amount

of Baht 579.66 million. Cash flow used from dividends payment to shareholders of the Company amounting to Baht 305.04 million.

For the year ended December 31, 2021, the Group had net cash flows from financing activities of Baht 552.87 million. Net cash received from long-term loans from financial institutions and repayment amount of Baht 894.71 million. Cash flow used for interest payment of Baht 124.96 million. Cash flow used from dividends payment to shareholders of the Company amounting to Baht 183.21 million.

Financial Ratio Analysis

Liquidity Ratio

Liquidity Ratio	Unit	Consolidated Financial Statement for the year ended, December 31		
		2019	2020	2021
Liquidity Ratio	Times	1.04	1.52	2.01
Debt Cycle	Days	57.88	56.83	56.21
Average Debt Payment	Days	23.33	14.08	12.63
Cash Cycle	Days	34.55	42.75	43.58

Remark: ¹ using 360 formula / (Sales & Service Income / Average Trade Receivable at beginning and end of year)

² using 360 formula / (Costs of Sales & Service / Average Trade Payables at beginning and end of year)

For the year ended December 31, 2019, 2020 and 2021, the Group had liquidity ratio of 1.04 times, 1.52 times and 2.01 times, respectively. In 2020, the liquidity ratio of the Group increased to 1.52 times due to an increase in current assets of Baht 406.63 million, mainly due to an increase in cash and cash equivalents of Baht 410.97 million. Inventories increased by Baht 216.87 million and a decrease of Baht 250.26 million in restricted deposits at financial institutions due within one year, while current liabilities decreased by Baht 160.48 million. Long-term loan from financial institution due within one year amounting to Baht 280.89 million.

In 2021, the liquidity ratio of the Group increased to 2.01 times due to an increase in current assets of Baht 830.68 million, mainly due to an increase in cash and cash equivalents of Baht 407.86 million. Trade and other receivables increased by Baht 240.02 million. Inventories increased by Baht 129.55 million. While current liabilities increased by Baht 114.46 million mainly from long-term loan from financial institution due within one year amounting to Baht 126.83 million.

For the year ended December 31, 2019, 2020 and 2021, the Group had cash collection period of 57.88 days, 56.83 days and 56.21 days, respectively. From 2019 to 2021, cash collection period has no significant changed.

For the year ended December 31, 2019, 2020 and 2021, the Group had average payment period of 23.33 days, 14.08 days and 12.63 days, respectively.

Profitability Ratio

Profitability Ratio	unit	Consolidated Financial Statement for the year ended, December 31		
		2019	2020	2021
Gross Profit Margin ¹	%	32.84	35.92	33.51
Operation Profit Margin ²	%	24.74	33.21	30.55
Net Profit Margin ³	%	16.36	30.23	26.29
Return on Equity ⁴	%	9.96	13.23	11.87

Remark: ¹ Calculate by Gross Profit from Sales & Service / Sales & Service Income

² Calculate by Operating Profit / Sales & Service Income

³ Calculate by Profit (Loss) for the period/ (Sales & Service Income + Construction Income under Concession + Other Income)

⁴ Calculate by weight-average of Registered Capital/ days, Return on Equity of 2019 was 12.85%

For the year ended December 31, 2019, 2020, 2021, return on equity were 9.96%, 13.23% and 11.87%, respectively. ROE of 2020 increase from 2019 mainly due to the higher profit from the greater number of electricity units sold. This is a result of the continuous operation of the power plant for a longer period of time and the recognition of partially sales from the biomass power plant that the Group has acquired in August 2020. Including more efficiently of operation and control the cost of procurement and fuel consumption of biomass power plants, as well as significantly reduced financial costs from the management of capital received from the IPO.

For 2021, ROE slightly decreased because of the net profit of 2021 is nearly to 2020 while had a higher equity compared to 2020.

Operation Efficiency Ratio

Operation efficiency Ratio	unit	Consolidated Financial Statement for the year ended, December 31		
		2019	2020	2021
Return on Assets ¹	%	5.82	9.86	8.56
Return on Fixed Assets ²	%	15.87	23.34	21.53

Remark: ¹ Calculate by Net Profit (Loss) / Average Total Assets

² Calculate by (Net Profit+ Depreciation) / Average Total Fixed Assets

For the year ended December 31, 2019, 2020 and 2021, return on assets were 5.82%, 9.86% and 8.56%, respectively. Return on fixed assets were 15.87%, 23.34% and 21.53%, respectively. The ROA of 2020 increase from 2019 from the increase of sales and services income. The ROA of 2021 slightly decreased because of the net profit of 2021 is nearly to 2020 while had a higher asset compared to 2020.

Financial Policy Ratio Analysis

Financial Policy Ratio	unit	Consolidated Financial Statement for the year ended, December 31		
		2019	2020	2021
Debt/ Equity	Times	0.31	0.37	0.40
Debt Service Coverage (Cash Basis)	Times	0.41	0.61	0.69
Interest-paying ratio	Times	4.07	20.98	15.40

For the year ended December 31, 2019, 2020 and 2021, Debt to Equity ratio were 0.31 times, 0.37 times and 0.40 times, respectively. For the year 2021, the debt-to-equity ratio has not changed significantly from 2020.

For the year ended December 31, 2019, 2020 and 2021, the Group's Debt Service Coverage (Cash Basis) were 0.41 times, 0.61 times and 0.69 times, respectively. In 2020, the ability to pay obligations (Cash basis) increased from the year 2019. In 2021, the ability to pay obligations (Cash basis) increased from the year 2020 due to the Group has cash flow from operating cash flow for 2021 nearly to 2020 while used for loan repayment and dividend payment less than 2020.

For the year ended December 31, 2019, 2020 and 2021, Interest-payment ratio were 4.07 times, and 20.98 times and 15.40 times, respectively. The decrease in 2021 resulted from increasing in finance costs from additional of loans for new investments and under construction projects.

5. Other Important Information

5.1 Reference

Securities Registrar: Ordinary Share

Company Name	Thailand Securities Depository Co., Ltd.
Head Office Location	93 SET Tower Ratchadaphisek Road, Din Daeng sub-district, Din Daeng, Bangkok 10400
Phone	02-229-2800
Fax	02-359-1259

Auditor

Company Name	PricewaterhouseCoopers ABAS Ltd.
Head Office Location	15th Floor Bangkok City Tower, 179/74-80 South Sathorn Rd., Thungmahamek, Sathorn, Bangkok 10120
Phone	02-344-1000
Fax	02-286-5050

5.2 Legal Disputes

As of December 31, 2021, the Group of companies had 3 cases of litigation cases and legal disputes that might have a negative impact on the Group's assets. Details are as follows;

Case No. 1: Advance Bio Asia Company Limited ("ABA") – Thoen Biomass Power Plant Project (ABA1)

On December 23, 2013, a group of people in Mae Thot sub-district, Thoen district, Lampang province, ("the Plaintiffs"), had filed a lawsuit against ABA as the defendant in the 6th case, to Chiang Mai Administrative Court, requesting that the court revoke the license to operate a power plant of ABA1 (Factory No. 4), without filing a claim for **financial damage**. During the court trial, the Plaintiffs filed a temporary protection request for the court to order the ABA to suspend operations and construction, in accordance with the license to operate a power plant (Factory No. 4) prior to the verdict. When the court had made an inquiry and had considered the ABA's clarification, it was of the opinion that, there was no sufficient reason to issue an order to suspend the operation and the construction. Therefore, the court has dismissed the request.

Subsequently, on March 30, 2016, the Chiang Mai Administrative Court ruled that, issuing a license to operate a power plant (Factory No. 4) to ABA was lawful and dismissed the case.

On April 29, 2016, the Plaintiffs filed an appeal against the decision of the Chiang Mai Administrative Court to the Supreme Administrative Court. On January 20, 2017, ABA had submitted an appeal, with the conclusion that the issuance of a license to operate a power plant (Factory No. 4) to ABA has been in accordance with the law, therefore requesting the Supreme Administrative Court to confirm in accordance with the judgment of the Chiang Mai Administrative Court, and to cancel the appeal of the Plaintiffs.

As of 31 December 2021, the case is still being considered by the Supreme Administrative Court.

As the Group believes that ABA has a higher chance of winning the cases, the Group has not made any provision regarding the said cases. However, Management of the Group places high importance on the outcome of the lawsuit, and any allegations that may occur in the future from the lawsuit. Litigation, and any actions that may adversely affect the Group, may have a material adverse impact on the Company's operations, financial condition and stock market prices. In addition to disclosing the contingent liabilities from litigation, as stated in the remark stated in the Group's financial statements

Case No. 2: Advance Agro Asia Company Limited ("AAA") - a Natural Gas Power Plant Project (AAA1)

On December 14, 2015, a group of people in Koh Khanun sub-district, Phanom Sarakham district, Chachoengsao ("the Plaintiffs"), had filed a lawsuit against AAA, as the 3rd defendant, to the Rayong Administrative Court, requesting the court to revoke the power plant operation license (Factory No. 4), and requested to withdraw the building construction notification, building modification, building demolition, re-locating the building, and changing the usage of the building, according to Article 39 bis of the Building Control Act 1979 (Notification of Building Construction (39 bis), of AAA1, without making a claim for damages in money. In addition, the Plaintiffs filed a request to the court to suspend the enforcement of the power plant business license. (Factory no. 4), building construction notification (39 bis), and to suspend construction and any other operations, according to the above-mentioned license of AAA1.

Subsequently, on March 31, 2016, the court made the inquiry and had considered the explanation of AAA. The court was of an opinion on the said case, as it had not yet appeared that the issuance of a license to operate a power plant (Factory No. 4), and the receipt for building construction (39 bis) was unlawful. Therefore, the court dismissed the request to suspend the enforcement of the order and to provide the temporary relief.

On April 8, 2020, the Rayong Administrative Court dismissed the case. After that on May 7, 2020, the plaintiffs filed an appeal with the Supreme Administrative Court.

As of December 31, 2021, the case was still under the consideration process by the Rayong Supreme Administrative Court.

As the Group believes that ABA and AAA have a higher chance of winning the cases, the Group has not made any provision regarding the said cases. However, Management of the Group places high importance on the outcome of the lawsuit, and any allegations that may occur in the future from the lawsuit. Litigation, and any actions that may adversely affect the Group, may have a material adverse impact on the Company's operations, financial condition and stock market prices. In addition to disclosing the contingent liabilities from litigation, as stated in the remark stated in the Group's financial statements

Case No. 3: Absolute Clean Engineering and Service Company Limited ("ACES"), Advance Bio Energy Company Limited ("ABE") and Ms. Jiratha Songmetta as a director – Mueang Buriram Power Plant Project (ACES1) and Don Mon Power Plant Project (ABE1)

Two indirect subsidiaries which the Group received the shares transferred from previous shareholders on 21 August 2020, and indirect subsidiaries' director were sued by villagers in Buriram at the Buriram Provincial Court on 29 September 2020. The lawsuit was filed after the shares had been transferred. The villagers claimed that the subsidiaries had violated the Enhancement and Conservation of the National Environmental Quality Act B.E. 2535

and the Public Health Act B.E. 2535 since 2012 to 2020. The damages claimed comprise Baht 129,415,000 together with interest at 7.5% per annum from the day after the filing date until the payment is completed. The claimed violated actions were occurred before the Group received the shares transferred from previous shareholders.

As at 31 December 2021, the case is under Buriram Provincial Court's consideration.

The action claimed to be an offense under the complaint was an event that occurred before the Company received the transfer of shares of ACES and ABE from the existing shareholders, and before Miss Jiratha Songmetta becomes a director of ACES and ABE. The Group believes that if the court gives a final judgment that ACES or ABE or Miss Jiratha Songmetta have to compensate for the damages, whether in full or in parts, the Company will be able to exercise the rights under the share purchase agreement demanding that the existing shareholders would pay back to the Company.

Litigation in which the Group of Companies are the Plaintiffs

On June 5, 2017, the Company's Subsidiaries, consisting of AAP, AAPP, ACP, ALCP, and ABA, which has a power purchase agreement with the 2016 FiT announcement (collectively referred to as "Plaintiffs"), filed a lawsuit against the National Energy Policy Council ("The Defendant No. 1"), Energy Regulatory Commission ("The Defendant No. 2"), and the Provincial Electricity Authority ("Defendant No. 3"), to the Central Administrative Court, to request for payment of damages from not receiving electricity income at the FiT Premium rate, from the period of January 24, 2015 to March 10, 2016, totaling THB 622,150,282.54. In addition, it was requested for the amendment of the resolution, the announcement, and the addition of the power purchase agreement of the prosecution, to receive FiT benefits, according to the 2015 FiT announcement. If the defendants were unable to proceed, it was requested to have the defendants No.1-3 to join, or on behalf, to pay for damages to the Plaintiffs, totaling THB 3,901,248,000.

On September 9, 2020, the Central Administrative Court decided to conclude that the 2016 FiT announcement only required a reduction of the purchase period for electricity in addition to the illegal COD period. In which the Central Administrative Court stated in the verdict that "... there are observations on the guidelines or methods of carrying out the judgment. In this regard, the defendant No. 2 (ERC) has proceeded to cancel the rules for further reduction of the purchase period of electricity. In addition to the reduction of the time period for which electricity is supplied to the commercial system according to Article 7 (2) of the Notification and to ensure compliance with the revised announcement..." As for other requests, including all such requests for compensation. The Central Administrative Court dismissed the case. The subsidiary company, the plaintiff, has filed an appeal with the Supreme Administrative Court in respect of the judgment dismissed.

As of December 31, 2021, all 8 cases are still in the process of the Supreme Administrative Court's consideration. As a result, there is a risk that the Supreme Administrative Court may not issue a ruling, or may order the defendants to pay for the compensation, or to proceed as requested by the Group, causing uncertainty over the payment of the said damages.



ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

Part 2: Corporate Governance

ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practice

The Board of Directors pays attention to the compliance to the law, objectives, regulations and resolution of the Board of Directors' meeting, as well as strictly following the Corporate Governance according to the guideline set by the Stock Exchange of Thailand which has been set as the guideline for Company operation to achieve the work efficiency and also bring transparency for the investors which will gain reliability for business operation of the Group to the Public. The policy on Corporate Governance covers 5 categories as follows:

Chapter 1 The Rights of Shareholders

The Company is aware and pays attention to basic rights of the shareholders as the investor of the asset and the owner of the Company, such as the right to purchase, sell, transfer the asset they are holding, rights to receive dividend from the profit of the Company, rights to receive adequate information, and rights in the Shareholders' meeting, right to share opinion, right to make decision on important issues of the Company, such as dividend allocation, appointment or dismissal of Director, appointment of Auditor, approval of important transaction and transaction that affect the business operation, direction of the Group, as well as the amendment to Memorandum of Association and Articles of Association of the Company, etc.

In this regard, the Company has the mission to support and facilitate the use of rights of shareholders as follows:

1. The Company will send the invitation letter together with the information for the meeting according to the agenda to the shareholders in advance and will advertise the meeting arrangement in the local newspaper before the meeting date not fewer than 7 days in advance or any other duration as stated by the law or relevant regulations. In addition, the Company will announce such information in the website of the Company before the Shareholders' meeting.
2. In case the shareholders cannot attend the meeting by themselves, the Company gives the opportunity for the shareholders to assign the proxy to the Company Independent Director or other person to attend the meeting on their behaves.
3. When arranging the Shareholders' meeting, the Company will use the place that is convenient for transportation and select the suitable date and time and arrange the meeting time adequately, in order to comply with the policy on facilitating the shareholders of the Company.
4. In Shareholders' Meeting, the Company gives opportunity to all shareholders to have equal rights to share opinion, suggestion or ask question in the agenda independently before voting in any agenda. The Directors and Management of the Company who are related to the agenda will attend the Shareholders' Meeting to provide answer to the meeting.
5. Before the Shareholders' Meeting, a shareholder or shareholders that own the share or voting rights not fewer than 5 percent of all voting rights of the Company can propose the agenda to the Board of Directors to list as the agenda in the Shareholders' meeting.

For the Annual General Meeting of Shareholders of the Company for the year 2022, the Company has allowed the shareholders to propose the agenda in advance from November 5, 2021 to January 14, 2022. There was no shareholder proposing any agenda for the 2022 Annual General Meeting of Shareholders.

6. After the Shareholders' Meeting ends, the Company will prepare the minutes of meeting that record the complete and correct information to the shareholders to verify.

Article 2 The Equitable Treatment of Shareholders

The Company intends to treat all shareholders equally, regardless of the major or minor shareholders, Management or Non-Management shareholders, Thai or foreign shareholders. The details are as follows:

1. In each Shareholder's Meeting, the Company will give an opportunity to all shareholders equally. Before the meeting start, the Chairman of the Meeting will explain the voting method and vote count of the shareholders to be done in each agenda and give an opportunity to all shareholders and the proxies who attend the meeting to show their opinion, suggestion and ask question in each agenda by giving adequate and suitable time. The Chairman of the Meeting will lead the meeting according to the agenda.
2. In the Director election, the Company will give an opportunity to the shareholders to use their right to vote for the Company Director individually. Apart from that, the Company will give an opportunity to the minor shareholders to propose the list of persons to hold the position of the Company Director in advance at an appropriate time together with the supporting data about the qualification and the consent from the person who is proposed.

For the Annual General Meeting of Shareholders of the Company for the year 2021, the Company has allowed the shareholders to propose the agenda in advance from November 5, 2021 to January 14, 2022. There was no shareholder proposing the list of persons to hold the position of the Company Director in advance for the 2022 Annual General Meeting of Shareholders.

3. The Company states that the Company Director must report their interest in any agenda at least before the consideration of the relevant agenda in the Board of Directors' meeting and record such interest in the minutes of the Board of Directors' meeting. Apart from that the Director who has significant interest in the agenda in the manner that cannot independently give their opinion, will be prevented from participating in such agenda of the meeting.
4. The Company has set a guideline for storage and prevention of the use of internal data that is significant and may affect the change of the asset price of the Company. The individual or organization that acknowledge of such internal data are prohibited from using such data to reveal to irrelevant organization or individual until such data has already been revealed to the public. Apart from that, the Company states that the Company Directors, Management, Officers and Employees of the Company and the Subsidiaries that are acknowledge of the internal data that is significant and may affect the change of the asset price of the Company, including the financial information, must refrain from trading the asset of the Company from the date that they are acknowledge of such data or on the last day of each quarter or the ending date of the accounting period of the Company (as the case may be) until the day that the financial statement or such internal data is published to the public for 24 hours. In the case that this

statement is violated, the Company will consider such violation as the disciplinary offense and will consider to punish the person as appropriate.

Chapter 3 Consideration on the Role of Stakeholders and Business Ethics

1) Consideration on the Role of Stakeholders

The Company and the Subsidiaries pay attention to the right of all stakeholders, regardless of the internal stakeholders, which are the shareholders and Officers or external stakeholders, which are partners, customers, etc. The Company and the Subsidiaries are aware that the support and opinion from all stakeholders will be useful for the business operation and development of the Company and the Subsidiaries. Therefore, the Company and the Subsidiaries will comply with the related law and regulations so that the rights of the stakeholders are properly taken care of. Apart from that, the Company and the Subsidiaries also consider on the rights of all stakeholders and business ethics according to the following guidelines:

- Shareholders** : The Company and the Subsidiaries will operate the business with transparency and efficiency and will intend to perform good performance and sustainable growth, in order to gain maximum benefits for the shareholders in long term. Apart from that, the Company will also reveal the information with transparency and reliability to the shareholders.
- Officers** : The Company and the Subsidiaries will treat all Officers equally, fairly, and give them appropriate return. Apart from that, the Company and the Subsidiaries also pay attention to the skill, knowledge and potential improvement of the Officers regularly. For example, arranging the course, seminar and training by giving opportunity to all Officers and try to motivate the knowledgeable Officers to stay with the Company and the Subsidiaries to further improve the organization. Furthermore, the Company and the Subsidiaries also set the guideline for anti-corruption and encourage all Officers to strictly comply to the related laws and regulations, such as the regulation preventing the use of internal data, etc.
- Partners** : The Company and the Subsidiaries have the partner selection process that allow the partners to compete on the same data and select the partners with fairness under the evaluation and selection criteria of the Company and the Subsidiaries. Apart from that, the Company and the Subsidiaries also enter into the agreement that is appropriate and fair for all contract parties and provide the monitoring system to ensure that the contract provisions are completely complied to and ensure that there shall be no corruption and inappropriate behavior in all procurement process. The Company and the Subsidiaries purchase products from the partners that meet the condition and comply with the agreement with the partners strictly, as well as keeping the information of partners confidential and will not use such information in an inappropriate way.
- Customers** : The Company and the Subsidiaries are responsible for the customers by maintaining the quality and standard of the service as well as responding to the customers' demand completely and thoroughly in order to focusing in gaining customers' satisfaction in long term. Apart from that, the Company and the Subsidiaries also

provide correct information about the services of the Company and the Subsidiaries, as well as providing the contact channel for the customers of the Company and the Subsidiaries to report the problems or the inappropriate service providing, so that the Company and the Subsidiaries can prevent and correct the problems related to the services of the Company and the Subsidiaries promptly as well as keeping the information of partners confidential and will not use such information in an inappropriate way.

- Lenders** : The Company and the Subsidiaries will comply with the conditions of the agreement with the lenders and will make repayment of the principle, interest and deal with the securities under relevant agreement.
- Competitors** : The Company and the Subsidiaries follow the framework of good competition with ethics and are in the legal framework, as well as supporting and encouraging the Independent and fair competition policy.
- Society and the public** : the Company and the Subsidiaries pay attention to and focus on safety to society, environment and quality of life of relevant persons of the operation of the Company and the Subsidiaries and also encourage the Officers of the Company and the Subsidiaries to have consciousness and responsibility towards environment and society. Apart from that, the Company and the Subsidiaries also strictly comply with the relevant law and regulations. In addition, the Company and the Subsidiaries try to participate in the activities to create and maintain the environment and society, as well as supporting the local culture of the place that the Company and the Subsidiaries operate the business.

Moreover, the stakeholders can ask about the details and report the complaint or the clue of the illegal action and incorrect financial report, defects in internal control system or breach of the business ethics of the Company and the Subsidiaries through Independent Director or Audit Committee of the Company. In this regard, the complaints and the clues reported to the Company will be kept confidential. The Independent Director or the Audit Committee will instruct to examine the information and seek solution (if any) and report to the Board of Directors further. Employees and stakeholders of all groups can submit complaints directly to the following address and email address;

1.1 By post to the specified of envelope to one of the whistleblowers as follows;

- Chairman of the Audit Committee (Independent Director)
- Company Secretary

By sending to the location for head office of the company as followed;

Absolute Clean Energy Public Company Limited
140/6 ITF Tower 7th Floor Silom Rd., Suriyawong, Bangrak,
Bangkok 10500

1.2 Email: Audit@ace-energy.co.th

2) Business ethics of the Group

Absolute Clean Energy Public Company Limited will run the business with honesty, morality, ethics and responsibility towards nation, religion, the King and comply with the laws and good moral and treat the stakeholders equally and fairly with transparency and Accountability. Apart from that, we will support the development of economics, society, community and environment, to be able to gain worthiness and value at present and in the future to the organization which will lead to stable and sustainable growth at international level.

1. Definition and Meaning

“Moral” refers to doctrine which is a way to behave or morality

“Ethics” refer to the good behavior that is stated for performing or taking action to other people with fairness.

“Business ethics” refers to the standard of the good behavior that is set up for the Directors, Managements and Officers to follow.

“Company” refers to Absolute Clean Energy Public Company Limited and the Subsidiaries that are under the supervision of the Company, for both the existing one in the present and those to be established in the future.

“Management” refers to Company Director, Executive Board, CEO, COO, Managers of Absolute Clean Energy Public Company Limited and the Companies that are under the supervision of the Company, for both the existing one in the present and those to be established in the future.

“Officers” refer to Officers and employee who work to get the wages from Absolute Clean Energy Public Company Limited and the Subsidiaries under the supervision of the Company, for both the existing one in the present and those to be established in the future.

The Company has a goal to make the Management and Officers at all level of the organization to be responsible for complying with this ethics. The Management must be responsible to create the standard and culture of ethics compliance of the organization by motivating and encourage the Officers to voluntarily comply with the ethics.

2. Persons who have obligation to follow the ethics

(A) Managements and Officers of the Company

(B) The Subsidiaries under the supervision of the Company or has the right to control existing business and those to be established in the future must accept and comply with the ethics of the Company.

(C) The Subsidiaries that are not under the supervision of the Company should accept and comply with the ethics of the Company.

(D) External parties who are the representative of the Company, such as consultant, representative and independent contract party must:

- Give consent to follow the ethics of the Company.
- Acknowledge about the ethics.
- Be taken an action, which may include terminating the contract, if the Company knows that any external party violates the ethics of the Company.

3. Actions that are consider violating the ethics

All Officers are responsible for following and encourage other people to follow the ethics of the Company. Taking the following actions is considered as violating the ethics and will be punished.

- (A) Do not follow the ethics
- (B) Suggest, support or encourage other people to not follow the ethics.
- (C) Ignore and be indifferent when seeing the violation or non-compliance to the ethics, in the case that the person knows, or should have known because it is related to the work under one's responsibility.
- (D) Do not cooperate or obstruct the investigation of the fact that there is a violation or non-compliance to the ethics.
- (E) Blame, rebuke or threaten the Officers who report the suspecting about the non-compliance to the ethics.
- (F) Unfair treatment to other people since the person reports the non-compliance to the ethics.

In this connection, the person who violate or breach the ethics must be disciplinary considered according to the regulations stipulated by the Company. Apart from that, the person may be punished according to the law if such action is illegal.

In addition, the company has established an anti-corruption and bribery policy. (Anti-Corruption and Bribery) and protection and fairness policy for employees who report information or give clues about fraud or non-compliance with the law, rules and regulations of the company and code of business conduct of the company and subsidiaries, having the intention of preventing and anti-corruption, which in addition to having the intention of preventing and anti-corruption. It also has the intention of providing fairness and protection to complainants who report corruption. Including individuals who cooperate in reporting and in the investigation process of corruption at the same time. Whereas the policy on protection and fairness for the employees who inform the information stipulate the method for making a complaint or reporting corruption clues that the complainant must notify in writing to the supervisor directly responsible or send an e-mail to the head of human resources department or the Company's internal audit supervisor.

Chapter 4 Disclosure and Transparency

1. The Company pays attention to the financial statements and financial information shown in the annual report. The Audit Committee will verify the quality of the financial report and internal control system including the disclosure of the important information adequately in the notes to the financial statement and report to the Board of Directors for acknowledgement. Apart from that, the Board of Directors also support the preparation of the explanation and Management Discussion and Analysis to support the disclosure of the financial statement in every quarter.
2. The Company will manage to disclose the information about each Director, role and responsibility of the Board of Directors and Sub-Committee of the Company, number of times of the meeting and the meeting attendance in the past at the headquarters of the Company.
3. The Company will reveal the Audit fee and non-Audit fee that the Auditor has given services to the Company and the Subsidiaries

4. The Company will manage to prepare the report of policy about Corporate Governance, Business Ethics, Risk Management policy and policy about responsibility towards Environment and Society that are approved in summary and the performance of the compliance to such policy, as well as in the case that such policy cannot be complied with, together with the reason.
5. The Board of Directors has a policy on the correct and complete disclosure of important information of the company. reliable, adequate, timely and transparent, including important general information that may affect the Company's securities prices. Investor Relations has been assigned to be a representative in communicating with institutional investors, shareholders. Including general analysts and the relevant government and can be found on the company's website, which is used as a channel for disseminating information such as information about the company Business information, financial information, Company news that affect investment decisions news notified to the Stock Exchange of Thailand, news of activities of the company, details of shareholder meetings, etc., which will help investors to track company information more conveniently.

The company has prepared a brief investor relations plan and such plans are subject to change depending on the occasion and suitability, which are detailed as follows;

5.1 Organize an analyst meeting once a quarter and in case analysts wish to inquire about additional matters, the company will invite analysts to meet with investor relations on a case-by-case basis.

5.2 Attend the Opportunity Day Activity, organized by Stock Exchange of Thailand every year.

5.2 Arrange roadshow both domestically and internationally at least once a year.

In 2021, even under the COVID-19 pandemic situation, the Company periodically organizes activities for analysts and investors as follows:

Activities in 2021	Times
Quarterly Analyst Meeting	4
Opportunity Day	4
Analysts and Investors Company Visit	13
Roadshow and Conference	2

Chapter 5 Responsibilities of the Board of Directors

1. Structure of the Board of Directors and Sub-Committee

The Board of Directors consists of people who have knowledge, ability and experience that can gain benefits to the Company and the Subsidiaries. They are people who have important roles in setting the policy and overview of the organization, as well as having an important role to supervise, examine and evaluate the performance of the Company and the Subsidiaries to be as planned.

The Board of Directors shall have at least 5 members and there shall be Independent Company Director not fewer than one-third of all Directors and must not be fewer than 3 persons in order to balance the consideration and voting in various subjects appropriately. In this connection, the Company Director has a period to hold the position not more than 3 years at a time according to the relevant laws. The Independent Director has a period to hold the position not more than 9 years, unless the Board of Directors sees that the person is appropriate to continue being the Independent Director of the Company further to maximize the benefits of the

Company. Apart from that, Directors and Managements of the Company can hold the position of the Directors or the Managements of the Subsidiaries and/or the Company in the group or other companies. But such position holding must be in accordance with the law and/or relevant regulations and must report to the Board of Directors' meeting for acknowledgement before each position holding.

Apart from that, the Board of Directors also appoints the Sub-Committee to help in Corporate Governance of the Company and the Subsidiaries as follows:

- (1) Audit Committee consist of at least 3 Independent Directors to perform the obligation to support the Board of Directors in compliance and examine the administration, internal control and compliance to the relevant laws, as well as examining the financial report, so that the operation and information disclosure of the Company are done with transparency and reliability.
- (2) Executive Board consist of at least 3 and not more than 10 members to perform the obligation to support the Board of Directors in the administration of the Company and the Subsidiaries to be in accordance with the policy, work plan, regulations and orders, as well as the target set under the framework assigned by the Board of Directors.
- (3) Nomination and Remuneration Committee consist of at least 3 and not more than 5 Directors to perform the obligation to nominate people with appropriate qualification to hold the position of the Directors and high level Managements, consider on the form and criteria of remuneration of the Company Directors, Chairman of the Executive Board, Sub-Committee, CEO and Company Secretary, in order to propose to the Board of Directors for approval and/or to propose to the Shareholders' meeting for approval (as the case may be).

Moreover, the Board of Directors may consider the appropriateness to appoint the Risk Management Working Group Directors to perform the obligation to support the Board of Directors in setting the risk Management policy for the whole organization, supervise to have the risk Management system or process to minimize the impact to the business of the Company and the Subsidiaries appropriately, set the criteria and guidelines for the operations as well as supervise the organization to operate and comply with the policies related to Corporate Governance and propose the risk Management report and suggestion to the Board of Directors.

The Company appoints a Company Secretary to perform the obligation about the arrangement of the Board of Directors' meeting and Shareholders' meeting, as well as supporting the work of the Board of Directors by giving suggestion about the law provision and regulations related to the performance of the Board of Directors, and also coordinate to comply with the resolution of the Board of Directors.

2. Roles, Obligations and Responsibility of the Board of Directors

The Board of Directors are responsible for the Shareholders about the operation of the Company and the Subsidiaries and has the obligation to set the policy and direction of the operation of the Company and the Subsidiaries, as well as supervise the administration to be in accordance with the target and guideline for long term benefit for the shareholders under the legal framework and business ethics. At the same time, the benefits of all stakeholders are also considered. In this regard, the details are as specified in the Board of Directors' Charter.

(1) Policy about Corporate Governance

The Company shall set the policy about Corporate Governance of the Company in writing to propose to the Board of Directors' meeting for approval of such policy. In this regard, the preparation of the Corporate Governance manual has the objective to be the guideline for the

Directors, Managements and Officers to comply with such policy. The Company will review the policy on yearly basis.

(2) Business Ethics

The Company and the Subsidiaries have the intention to run the business with transparency, moral, responsibility to stakeholders as well as the society and environment. The Company and the Subsidiaries has set the Code of Conduct in writing for the Board of Directors, the Managements and Officers to comply with as follows:

- (1) Ethics concerning responsibility towards shareholders
- (2) Ethics concerning relationship with customers
- (3) Ethics concerning relationship with partners, competitors and lenders
- (4) Ethics concerning responsibility towards Officers
- (5) Ethics concerning responsibility towards society and environment

In this regard, the Company and the Subsidiaries will announce and inform all Officers to acknowledge and strictly comply with.

(1) Conflict of interest

The Company and the Subsidiaries have a policy to carefully eliminate the issue of conflict of interest with honesty, rationale and independence under a good moral for the benefit of the Company and the Subsidiaries by stating that the person who is related or connected to the discussed subject shall reveal the information about their interest and the relevant person to the Company for acknowledgement and must not participate in the consideration and shall not have the approving authority in such matter.

The Company and the Subsidiaries have the policy on the related transaction and the items that have conflict of interest; complying to the law and related regulations.

(2) Internal control

The Company and the Subsidiaries provide the efficient internal control system for supervision and internal control both at the Management and operational level. The Company and the Subsidiaries have employed the external Internal Auditor to perform the examination and evaluation of the adequacy of the internal control system and report to the Audit Committee according to the Audit plan that has been set out.

(3) Risk Management

The Company and the Subsidiaries have set the policy of Risk Management for the whole organization and the compliance, so that there is a risk Management system or process to minimize the impact to the business of the Company and the Subsidiaries appropriately.

(4) Report of the Board of Directors

Audit Committee is responsible for examining the financial report. The Accounting Division and the Auditor will arrange a meeting and propose the financial report to the Board of Directors every quarter. The Board of Directors will be responsible for the consolidated financial statements of the Company and the Subsidiaries, as well as the financial information.

3. The Board of Directors' meeting and self-assessment

3. The Board of Directors' meeting and self-assessment

The Company arranges the Board of Directors' meeting at least every quarter and there shall be additional special meeting as necessary. The meeting agenda will be distinctly set in advance and there shall be an agenda to follow up the annual performance. The Company will send the invitation letter to all Directors in advance, at least 7 days before the meeting, so that the Board of Directors can study the information with adequate time before the meeting, unless in urgent case and there shall be a minute of meeting recorded and the documents approved shall be gathered for reference and Accountability. In each meeting, the Management and related persons shall participate to provide information and details for decision making correctly and timely.

When casting the vote in the Board of Directors' meeting, the resolution will be on the majority. One Director shall have one vote and the Directors who are the stakeholder in the agenda will not participate and will not use the right to cast the vote for the agenda. In this regard, in case the voting is tied, the Chairman of the meeting shall cast another vote as a final decision.

Apart from that, the Board of Directors encourages to have the performance assessment at least once a year to improve and correct the operation. The subjects of the meeting shall be set before such assessment in order to gather the opinion and propose to the meeting.

4. Remuneration

Remuneration of the Director is monthly remuneration and meeting allowance. In this regard, the remuneration of the Director must be in the average as compared to the same industry. The adequacy for the performance and responsibility of the Board of Directors shall also be considered. For the Managements, the remuneration will be given as salary and annual bonus by considering on the performance of the Company.

In this connection, the annual remuneration of the Board of Directors and Management in total must not be abnormally high as compared to the remuneration of the Director and Management in average of the listed Company in the Stock Exchange of Thailand and the maximum benefit of the shareholder will be mainly considered.

In this regard, the Company has appointed a Nomination and Remuneration Committee to consider in the form and criteria of remuneration payment for the Director to propose to Shareholders' meeting for approval.

5. Improvement of Company Director and Management

The Board of Directors has a polity to support and facilitate the training and providing knowledge to the related person in the Corporate Governance system of the Company, for example Company Director, Audit Committee, Management and Company Secretary, so that the operation is constantly improved. The training and knowledge provided may be conducted internally in the Company or use the outsourcing services.

In case there is a change of Directors or there is a new Director joining the Company, the Administration Division will prepare the document and data that are useful for the operation of the new Directors, as well as arranging the introduction of the business and the business operation of the Company and the Subsidiaries to the new Director.

The Board of Directors may arrange the work rotation as assigned based on expertise of the Managements and Officers by considering mainly on the appropriateness of work and time. The CEO will set the timeline and consider the performance of such work as the improvement and successor plan of the Company. In this regard, this is to improve the Management and Officers to have more knowledge and ability to work and to be able to work interchangeably.

In addition, the company has set a policy to find executives to succeed in important positions (Succession Plan) in order to prepare replacement or support for the position to have continuity in the appropriate management. It prepares the management to be able to support and be consistent with business expansion and to assess the potential and promote the development of knowledge and skills appropriately.

6.2 Company Code of Conduct

Scope of Application

The Company has established this Code of Conduct as a standard and it is applicable to executives and employees at all levels of Absolute Clean Energy Public Company Limited (“the Company”) and its subsidiaries. The executives and employees are to adhere to their duties as assigned, and they are encouraged to be good role models in performing their duties. Under the Code of Conduct, the executives and employees of the Company and its subsidiaries must be aware, understand, and strictly adhere to their duties. Each person’s performance must be efficient, open, and transparent and takes into account the best interests of the Company and its subsidiaries and is fair to all relevant stakeholder groups.

“Executive” means the Chief Executive Officer and executives in positions below the Chief Executive Officer to Department Director.

“Employee” means employees of the Company in a position lower than Department Director, both permanent employees, temporary employees, special contract employees, and contract employees.

Practices

1. Conflict of Interest Policy

1.1 Executives

After the Company has converted to a public limited company and has been listed in the SET, it must comply with the regulations of the Stock Exchange of Thailand, whereby the management must consider conflicts of interest in relation to connected transactions between the Company and its subsidiaries with prudence, honesty, rationale, and independence within a framework of good ethics. Taking into account the interests of the Company is the key to ensure that such transactions are reasonable and mainly for the benefit of the Company.

1.2 Executives and employees

1.2.1 Executives or employees must not do anything that conflicts with the Company's interests, whether directly or indirectly, by himself or jointly with others, whether due to contact with those involved the Company's trade such as business partners, customers, trade competitors, or from the use of opportunities or information obtained as employees for personal gain or from doing business in competition with the Company.

1.2.2 Executives or employees must maintain the Company's interests to the best of their ability.

1.2.3 Executives or employees must not be involved in any business that may affect benefit of the Company or in competition with the Company.

2. Policy on Preservation and Use of Assets and Information / Company Confidentiality

2.1 All methods, processes, ideas, as well as technical knowledge or any other knowledge and/or techniques relating to the business, work, or operations of the Company due to ideas, research, and/or any other actions due to the performance of duties and employment contracts of executives and employees in all cases shall be regarded as the intellectual property of the Company, regardless of whether it is registered or notified by law on intellectual property rights or not. It is forbidden to distribute it without permission of the CEO or a person assigned by the CEO in writing.

2.2 The executive or employee agrees to keep the Company's "trade secrets". all that has been known or had foreseen work for the company which will not be disclosed Forward to any unrelated and necessary person or make a copy. without permission including not to act or refrain from doing anything until causing the status and reputation of The company damages or causes damage to the company's business. Including throughout will not carry out contracts or become executives or employees or provide advice, consultation, assistance or any contract with any juristic person or business of a person who is a commercial competitor to the Company or conducting business of the same or similar nature as the business of the Company

For the purpose of interpreting this provision. "Trade Secrets" means trade information that is unknown, generally or otherwise inaccessible to individuals who would ordinarily relate to it. which is the information that has commercial benefits As it is confidential and information, the Company has taken appropriate measures to maintain it confidential. Trade secrets may be contained in the Company's regulations, contracts or other agreements. as set forth and will continue to exist or in accordance with the Trade Secret Act B.E. 2545 (including any amendments thereto) stipulates.

2.3 Confidentiality" of any customer's company, contractual party or business partner or any other person. which has been known or has been known as a result of working for the Company except for disclosure The information is as permitted by law or required by law, such as disclosing information under a court order. or by order of any other government official which is authorized by law.

2.4 The Company's executives or employees must be aware of the procedures Data Security Methods and comply with it to prevent confidential information from being unintentionally disclosed.

2.5 The Chief Executive Officer will approve the information to be taken or disclosed to the public.

2.6 Executives or employees must not work for other people. or any other organization which provides benefits during company working hours unless authorized by the Chief Executive Officer or the person assigned by the chairman

2.7 Executives or employees must not use or misuse the Company's Internet assets. for commercial purposes or personal benefit Other than for the benefit of the Company directly

2.8 Executives or employees must strictly adhere to and comply with the Company's information system policies such as

- Must not interfere with the privacy of others in any case
- Must not access confidential company information. It can be used only for the part that the executives or employees are responsible for directly.
- Must adhere to the rules and regulations governing the use of computer equipment and tools
- Must not enter data and document files. of other users without permission

- 2.9 Executives or employees must be aware of and comply with the guidelines for using computer systems and network systems Correct and appropriate
- 2.10 Do not install software. or recorded in the company's computer system
- 2.11 Do not bring the Company's software to any other person. This includes partners, contract parties, customers of the Company. and software implementation to install personally. It also includes using the Internet of employees or connecting to the Internet to data transfer propagation of pornography Sending and receiving information via electronic system (e-mail) that violates the law or copyright law. or contrary to the intent or purpose of the policy or procedure or the company's information system policy regulations or in violation of the Computer Crime Act B.E. 2550 (including any amendments thereto) or other laws
- 2.12 During the performance of the employment contract, executives or employees must refrain from doing any act that may cause the Company to be damaged as a result of data, news, and/or reports, or records, or false or inaccurate communication by any intentional means.
- 2.13 Executives or employees must not infringe the intellectual property of the Company and/or any other companies that have allowed the Company to take advantage of that intellectual property, either by contract and/or by any means, whether it is repetitive or publicly altered, or rent the original or copy it, whether for profit or not. If the executives or employees violate this Code of Conduct, the Company has the right to terminate their employment contracts immediately.
- 2.14 Executives or employees must use the Company's assets with care and be responsible for maintaining any tools or equipment provided by the Company. They should always be in good condition and executives or employees should contact relevant department for repair when the tools or equipment are damaged.
- 2.15 Executives or employees must not violate the rules or the order of the Company that may cause an accident or damage property of the Company.
- 2.16 Executives or employees must protect the Company's assets from being lost or destroyed, even if it is not under their direct responsibility.
- 2.17 Executives or employees must use the Company's equipment or assets for any other purposes than working for the Company.

3. Policy on Gift Giving or Receiving or Entertainment

- 3.1 Executives or employees must not demand, receive, or agree to receive money or any other benefits from business related parties.
- 3.2 Executives or employees may accept or give gifts according to tradition. The acceptance of the gift must not affect any business decision of the recipients.
- 3.3 If executives or employees receive a gift whose value is beyond the norm on a traditional occasion from a person involved in business with the Company, they must report to their supervisors in a hierarchical order.

4. Securities Trading and Inside Information Policy

- 4.1 Executives are obliged to report their securities holdings in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- 4.2 Company, subsidiaries and associated companies of the Company listed in the Stock Exchange of Thailand must comply with the law on the use of inside information by operating with equality and fairness to all

shareholders equally. In order to prevent illegal acts of personnel at all levels of the Company and of all family members who have known or may have received inside information not yet publicly available, the Company prohibits such persons from trading in shares, or soliciting others to buy or sell, or offer to buy or offer for sale shares of the Company's companies, subsidiaries and/or associated companies listed in the SET, either in person or through a broker, while still holding information that has not been released to the public. The Company and the Stock Exchange of Thailand regard such securities trading as speculative trading or gaining of advantages for individuals or groups of individuals. (Please refer to the Company's internal data usage policy for more details.)

- 4.3 The company has set up a security system in the workplace in order to protect confidential files and documents, and has taken limited actions. Access to non-public information that is made known only to those involved and necessary is therefore the responsibility of the owner of the information or the holder of the information that is not yet publicly disclosed. They must instruct those involved to follow the procedure and strict security. Any violation of the use of inside information will be subject to disciplinary action and/or law, as the case may be.

5. Control System Policy and Internal Audit and Accounting and Financial Reporting

- 5.1 Policy on control and internal audit set up an effective internal control and audit system under the audit of the internal auditors and the review of the Audit Committee.

- 5.2 In terms of policy on accounting and financial transactions, the Company's management is responsible for the preparation of financial reports that are accurate, complete, and timely, both annually and quarterly. The reports must be prepared according to accepted accounting standards

5.2.1 Accuracy of Recording

- The Company's records of all business transactions must be accurate, complete, and verifiable, without limitation or exception of any kind.
- Business postings and records must be truthful, without misrepresentation or misrepresentation or false list for any purpose.
- Personnel at all levels must conduct business transactions in accordance with rules and regulations of the Company. They must have supporting documents for business transactions that is complete and provides sufficient and timely useful information to enable those responsible for recording, preparing, and evaluating accounting and financial reports to record and prepare all types of accounting and financial transactions of the Company into the Company's accounting system with accurate and complete details.

5.2.2 Accounting and financial reports

- All executives or employees must not misrepresent, conceal information, or create false entries, whether it is business transaction information related to accounting and finance or operational transaction information.
- All management or employees should be aware that the accuracy of accounting and financial reports is the shared responsibilities of the Board of Directors, executives and employees.
- All executives or employees are responsible for the preparation and/or providing of information related to business transactions.

5.2.3 Best Practices Regarding Legal Compliance

- Personnel at all levels involved must comply with relevant regulations and requirements both in the country and/or abroad in order to keep the Company's accounting and financial records correct and complete.
- Personnel at all levels must adhere to the principles of integrity, impartiality, and integrity in record keeping.

6. Policy on Responsibility to Shareholders

- Perform duties with honesty and take any action with fairness to all shareholders.
- Report to shareholders on the status of the organization on a regular basis and completely truthfully.
- Report to shareholders on the future trends of the organization, both in positive and negative aspects with sufficient supporting reasons.

7. Policy on Treatment of Executives or Employees

- Provide fair compensation to executives or employees.
- Appointment and transfer of executives or employees including rewards and punishments must be carried out with honesty based on knowledge, competence, and suitability of executives or employees.
- Give importance to the development of knowledge, abilities, and skills of employees by providing thorough and consistent opportunities.
- Strictly comply with laws and regulations related to management or employees.

8. Policy on Behavior of Executives or Employees

- Perform duties with determination, honesty, and transparency.
- Respect the rights of executives or employees.
- Supervisors should represent themselves to be respected by employees, and employees should not do anything that disrespects their supervisor.
- Be disciplined and follow the rules of the Company and good traditions, whether specified in writing or not.
- Create and maintain an atmosphere of unity and solidarity among employees. Avoid any action which may affect the reputation of the Company or cause problems for the Company later.

Monitoring and Ensuring Compliance with the Code of Conduct

- 1) In the event that any violation of the law, rules, regulations, Codes of Conduct, or related company policies, or the allowing subordinates to have such violations, executives or employees must report directly to Human Resources who will act accordingly to the procedures set out in the policies and procedures and continue to work on the matter.
- 2) The Company will review the Code of Conduct every two (2) years to make it appropriate for the circumstances and changing business environment.

6.3 Significant Changes to Policies, Guidelines, and Systems of Corporate Governance in the Past Year

In 2021, the Company reviewed its charter and policies and made slight amendment without establishing a new charter and policies as follows:

1) Amendment to the charter of the Board of Directors in which the amended issues include: 1) The chairman of the Board and the Chief Executive Officer must not be the same person; 2) The Company's Directors must not hold directorships in more than 4 other listed companies; 3) Independent directors' term of office must not exceed 9 years without exception; 4) A meeting between non-executive directors without the management attending must be held at least once a year; 5) At least two-thirds of the Company's Directors must attend the Board of Directors' Meeting to constitute a quorum, and no less than two-thirds of the total number of Directors must be in the meeting each time the Board of Directors' are passing a resolution (in case of general agenda). In case of the agenda for consideration and approval of matters that concern Directors with conflicts of interest with the agenda, such Directors must not be present in the meeting during the consideration of such matters. An example is an agenda for approval of entering into connected transactions. Each time the Board of Directors the Company are casting votes on such an agenda, the number of directors in the meeting must not be less than that specified in case of general agenda minus the number of the Directors with conflicts of interest with such an agenda who must not be present in the meeting during the consideration of matters in such an agenda (in case of special agenda); and 6) The Board of Directors has the power to appoint the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Board of Directors and to determine the remuneration of such person as appropriate.

2) Amendment to the Audit Committee Charter in which the amended issues include: 1) The Audit Committee has duties and responsibilities in proposing the termination of the auditors of the Company, its subsidiaries, and/or associated companies; and 2) The Audit Committee has the power to appoint a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Board of Directors as appropriate and to determine the remuneration of such person in the total amount of not more than 5,000,000 baht per year.

3) Amendment to the Nomination and Remuneration Committee Charter in which the amended issue is that the Nomination and Remuneration Committee has the power to appoint a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Board of Directors as appropriate and to determine the remuneration of such person in the total amount of not more than 5,000,000 baht per year.

4) Amendment of the Executive Committee Charter in which the amended issue is that the Nomination and Remuneration Committee has the power to appoint a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Board of Directors as appropriate and to determine the remuneration of such person in the total amount of not more than 5,000,000 baht per year.

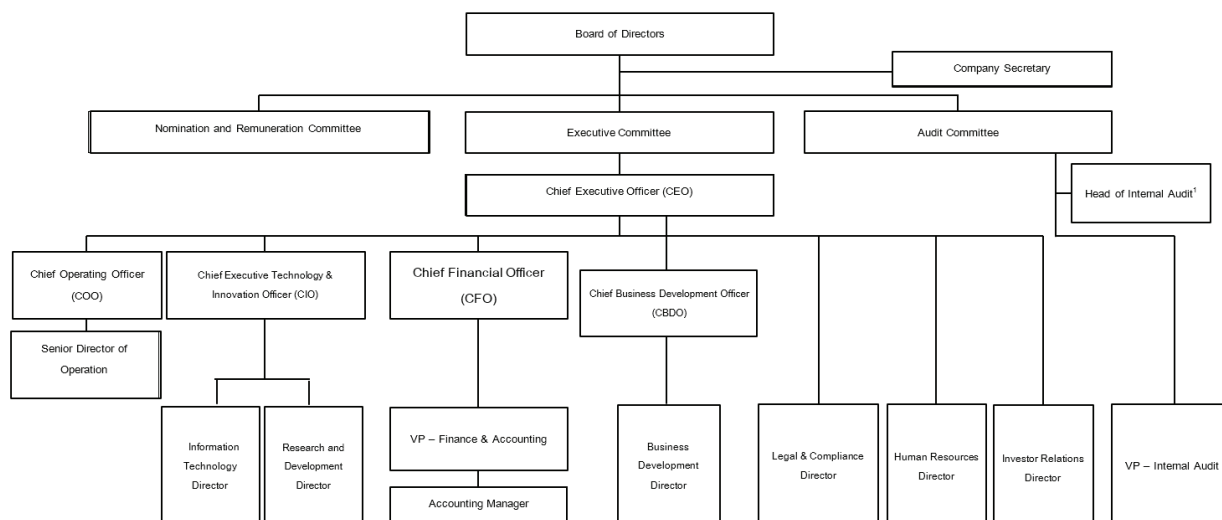
5) Amendment to the Principles on Trade Agreements with General Terms of Trade on transactions between the Company and/or its subsidiaries with Directors, Executives or related persons ("Connected Person"). The amended part concerns normal business transactions and transactions that support normal business and Connected Persons because the Company and/or its subsidiaries may have such amended transactions with Connected Persons in the future.

In addition, the Company attaches great importance to sustainable development as it is believed to maintain and create value for stakeholders in the long term. Although the Company has already implemented sustainability in the business processes of the Company and its subsidiaries, it still wishes to develop the sustainability operations of the Company and its subsidiary to be even more systematic, in line with international standards, and acceptable to the stakeholders. Therefore, in the Board of Directors Meeting No. 1/2022 on 28 February 2022, a resolution was passed to approve the establishment of the Sustainability and Risk Management Committee Charter in order to drive sustainable development of the Company. At the same time, another resolution was also passed to approve various relevant policies, namely Sustainability Management Policy, Environmental Management Policy, Human Rights Policy, Stakeholder Engagement Policy, Tax Practice Policy, and Biodiversity Policy.

7. Corporate Governance Structure and Information of Board of Directors, Sub-Committee, Management, Employees and Others

7.1 Corporate Governance Structure

Organization Structure of the Company for the year ended December 31, 2021



Note: The audit committee acknowledge to appoint Ms. Wanvimol Jongsureeyapat, the executive committee of P&L Internal Audit Co., Ltd. to be the Chairperson of the internal audit department, according to the resolution of the Audit Committee Meeting No.1/2018 on September 15, 2017.

Information of Board of Directors



Mr. Monton Sudprasert

Chairman of the Board of Directors /
Independent Director



Mr. Charoon Intachan

Director and Independent Director



Ms. Chonticha Chitraporn

Chairman of Audit Committee,
Director and Independent Director



Mr. Nuekrak Baingern

Director, Independent Director and
Member of the Audit Committee and
Member of the Nomination and
Remuneration Committee



Mrs. Patchanee Sutheevitanunt

Member of the Audit Committee,
Director Independent Director and
Chairman of the Nomination and
Remuneration Committee



Ms. Jiratha Songmetta

Director, Member of the Nomination and
Remuneration Committee and
Chairman of Executive Committee



Mr. Teerawut Songmetta

Director, Executive Director and
Chief Executive Technology &
Innovation Officer



Mr. Pornmett Songmetta

Director, Executive Director and
Chief Operating Officer



Mr. Tanavijit Ankapipatchai

Director, Executive Director and
Chief Financial Officer



Mr. Tanachai Bunditvorapoom

Director, Chief Executive Officer and
Executive Director



1. Mr. Monton Sudprasert

Chairman of the Board of Directors /
Independent Director

Position Appointment Date

28 April 2021 Chairman of the Board of Directors /
Independent Director

Age 61 years

Education Trainings and Seminar

- Bachelor of Engineering (Civil), King Mongkut's University Thonburi
- Master of Engineering (Sanitation), Chulalongkorn University
- Master of Public Administration, Chulalongkorn University
- National Defense College of Thailand class 2009
- Qualification Engineer in Civil Engineering
- Intermediate Executive Program, Class 9, Department of Public Works
- Senior Administrator Course, Class 48, Ministry of Interior
- Government Administration and Public Law Course, Class 6, King Prajadhipok's Institute
- OCSC scholarship, Thai Senior Executive Development Program at Nation Graduate Institute for Policy Studies (GRIPS), Japan.
- Training Courses for the Development of Senior Executives, Government Agency Executives Class 3

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2021 - Present	Chairman of the Board of Directors and Independent Director Absolute Clean Energy Public Company Limited
2012 - 2020	Director General Department of Public Works and Town & Country Planning
2010 - 2012	Deputy Director-General Department of Public Works and Town & Country Planning
2009 - 2010	Director of the Office of Urban Planning Support and Development Department of Public Works and Town & Country Planning
2008 – 2009	Inspector General, Department of Public Works and Town & Country Planning Department of Public Works and Town & Country Planning
2005 – 2008	Professional Engineer Level 9 (Civil Engineering), Bureau of Construction and System Engineering Department of Public Works and Town & Country Planning



2. Mr. Charoon Intachan
Director and Independent Director

Position Appointment Date

14 July 2018 Director and Independent Director

Age 78 years

Education Trainings and Seminar

- Ph.D. (Public Administration), Eastern Asia University
- Ph.D. (Public Administration), Western University
- M.A. (Political Science), Ramkhamhaeng University
- Barrister-at-law, The Thai Bar Association
- Bachelor of Laws, Thammasat University
- Director Certification Program DCP (176/2013), Thai Institute of Directors
- Training Course of Capital Market Academy (DMA 13), Thai Institute of Directors
- Top Executive Program in Commerce and Trade (TEPCot 4), Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2018 - Present	Director Independent Director Absolute Clean Energy Public Company Limited
2015 - Present	Director of Council of State Council of State
2015 - Present	Independent Director Bangkok Post Public Company Limited
2016 - 2018	Honorary Member Suratthani Rajabhat University Council
2014 - 2015	Constitution Drafting Committee The Secretariat of the House of Representatives
2013 - 2014	President of the Constitutional Court The Constitutional Court



3. Ms. Chonticha Chitraporn

Chairman of Audit Committee
and Independent Director

Position Appointment Date

29 June 2017 Chairman of Audit Committee
and Independent Director

Age 64 years

Education Trainings and Seminar

- Master Degree in Applied Economics, Faculty of Economics, University of Michigan, USA
- Master Degree in Language and International Trade, Faculty of Economics, Eastern Michigan University, USA
- Bachelor Degree in Accounting, Thammasat University, Thailand
- Director Accreditation Program (DAP 143/2017), Thai Institute of Directors
- Advanced Audit Committee Program AACP (33/2019), Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2020 - Present	Chairman of the Corporate Governance Committee, Audit Committee, Risk Management Committee, Independent Director Major Cineplex Group Public Company Limited
2017 - Present	Chairman of Audit Committee Independent Director Absolute Clean Energy Public Company Limited
2018 - 2021	Chairman of the Risk Management Committee, Audit Committee, Director and Independent Director Advance Life Assurance Public Company Limited
2018 - 2021	Director, Independent Director, and Audit Committee International Research Corporation Public Company Limited
2014 - 2020	Member of the Risk Management Committee Dhanarak Asset Development Company Limited



4. Mr. Nuekrak Baingern

Director, Independent Director and
Member of Audit Committee and
Member of the Nomination and
Remuneration Committee

Position Appointment Date

29 June 2017	Director, Independent Director and Member of Audit Committee
15 September 2017	Member of the Nomination and Remuneration Committee

Age 68 years

Education Trainings and Seminar

- MBA, Faculty of Administration, University of Detroit, Michigan, USA
- Bachelor of Commerce, Major in Marketing,
Chulalongkorn University, Thailand
- Director Accreditation Program (DAP 143/2017),
Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2017 - Present	Director, Independent Director, Audit Committee, Nomination and Remuneration Committee Absolute Clean Energy Public Company Limited
2018 - 2021	Chairman of the Audit Committee, Director and Independent Director Advance Life Assurance Public Company Limited
2014 - 2020	Managing Partner Punyapol Limited Partnership
2012 – 2016	Advisor - Project Management and Information Technology Advance Life Assurance Public Company Limited
2000 – 2012	Executive Vice President-Operation CIMB Thai Bank Public Company Limited



5. Mrs. Patchanee Sutheewitanan

Member of the Audit Committee,
Director and Independent Director
and Chairman of the Nomination and
Remuneration Committee

Position Appointment Date

29 June 2017	Member of the Audit Committee, Director and Independent Director
15 September 2017	Chairman of the Nomination and Remuneration Committee

Age 66 years

Education Trainings and Seminar

- MA in Counseling Psychology, Faculty of Psychology,
Spalding University, USA
- Bachelor of Liberal Arts, Psychology,
Thammasat University, Thailand
- Director Accreditation Program (DAP 143/2017),
Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

- None -

Family Relationship with Director and Executive

- None -

Work Experience

2017 - Present	Chairman of Nomination and Remuneration Committee, Audit Committee, Director, and Independent Director Absolute Clean Energy Public Company Limited
2018 - 2021	Director Advance Life Assurance Public Company Limited
2015 - 2016	Director Advance Life Assurance Public Company Limited
2013 - 2016	Executive Consultant Advance Life Assurance Public Company Limited



6. Ms. Jiratha Songmetta

Director, Member of the Nomination and Remuneration Committee and Chairman of Executive Committee

Former name

Ms. Siriwun Dumnernchanvanit Songmetta

Position Appointment Date

3 December 2015	Member of the Nomination and Remuneration Committee
15 September 2017	Chairman of Executive Committee

Age 63 years

Education Trainings and Seminar

- Bachelor of Business Administration, Ramkhamhaeng University
- Advanced Financial Management Course (Mini MBA), Thammasat University
- Director Certification Program (DCP 4/2000), Thai Institute of Directors
- The Rule of Law for Democracy (Class 2), 2014 The Office of the Constitutional Court
- The National Defence Course for The Joint State - Private Sector, (Class 22), 2010, National Defence Studies Institute / National Defence College
- The Programme for Senior Executives on Justice Administration Batch 13, 2009, National Justice Academy, Judicial Training Institute / Office of Judiciary
- Tax Law Certificate, 2009, Institute of Training, Research and Development for Tax Law / Central Tax Court

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

- None -

Family Relationship with Director and Executive

- Wife (status: divorce) of Pol.Gen.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares.
- Mother of Mr. Teerawut Songmetta, Director and Shareholder who owns 17.89% of the Company's shares.
- Mother of Mr. Nath Songmetta, Shareholder who owns 17.33% of the Company's shares.
- Mother of Mr. Pornmett Songmetta Director and Shareholder who owns 20.53% of the Company's shares.

Work Experience

Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Chairman of Executive Committee Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Member of the Nomination and Remuneration Committee Absolute Clean Energy Public Company Limited
Jun. 2012 - Present	Chairman of the Board of Directors Asian Clean Energy Company Limited
Dec. 2009 - Present	Chairman of the Board of Directors Advance Agro Asia Company Limited
Nov. 2013 - Present	Chairman of the Board of Directors Alliance Clean Power Company Limited
Nov. 2012 - Present	Chairman of the Board of Directors Advance Clean Power Company Limited
Nov. 2012 - Present	Chairman of the Board of Directors Advance Agro Power Plant Company Limited
Feb. 2014 - Present	Chairman of the Board of Directors Advance Asia Power Plant Company Limited
Nov. 2013 - Present	Chairman of the Board of Directors Advance Bio Asia Company Limited
Oct. 2016 - Present	Chairman of the Board of Directors Advance Farm Tree Company Limited
Oct. 2016 - Present	Chairman of the Board of Directors ACE Solar Company Limited
Oct. 2016- Present	Chairman of the Board of Directors Bio Power Plant Company Limited
Oct. 2018 - Present	Chairman of the Board of Directors Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
May 2018 - Present	Chairman of the Board of Directors Power Supply & Maintenance Service Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Provincial Renewable Energy (Thailand) Company Limited

Work Experience (Cont.)

Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy Siam Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy (North) Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Chairman of the Board of Directors Renewable Energy (Northeast) Company Limited
Aug 2020 - Present	Chairman of the Board of Directors Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
Aug 2020 - Present	Chairman of the Board of Directors Advance Bio Energy Company Limited
Aug. 2020 - Present	Chairman of the Board of Directors Advance Asia Energy Company Limited



7. Mr. Teerawut Songmetta

Director Executive director and
Chief Executive Technology &
Innovation Officer

Position Appointment Date

3 December 2015	Director
28 February 2018	Executive director
1 March 2018	Chief Executive Technology & Innovation Officer

Age 32 years

Education Trainings and Seminar

- Bachelor Degree, Industrial and Enterprise Systems Engineering, University of Illinois at Urbana Champaign, USA
- Director Accreditation Program (DAP 146/2018), Thai Institute of Directors

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

17.89%

Family Relationship with Director and Executive

- Son of Pol.Ge.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares and Mrs. Jiratha Songmetta, Director, Nomination and Remuneration Committee, and the Company Executive Chairman.
- Older brother of Mr. Nath Songmetta, Shareholder who owns 14.99% of the Company's shares.
- Older brother of Mr.Pornmett Songmatta, Director and Shareholder who owns 20.53% of the Company's shares.

Work Experience

Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Feb. 2018 - Present	Executive Director Absolute Clean Energy Public Company Limited
Mar. 2018 - Present	Chief Executive Technology & Innovation Officer Absolute Clean Energy Public Company Limited
Oct. 2018 - Present	Director Asian Clean Energy Company Limited
Nov. 2014 - Present	Director Advance Agro Asia Company Limited
Nov. 2014 - Present	Director Alliance Clean Power Company Limited

Work Experience (Cont.)

Nov. 2014 - Present	Director Advance Clean Power Company Limited
Nov. 2014 - Present	Director Advance Agro Power Plant Company Limited
Nov. 2014 - Present	Director Advance Asia Power Plant Company Limited
Nov. 2014 - Present	Director Advance Asia Power Plant Company Limited
Nov. 2014 - Present	Director Advance Bio Asia Company Limited
Oct. 2016 - Present	Director Advance Farm Tree Company Limited
Oct. 2016 - Present	Director ACE Solar Company Limited
Oct. 2016 - Present	Director Bio Power Plant Company Limited
Oct. 2018 - Present	Director Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
May 2018 - Present	Director Power Supply & Maintenance Service Company Limited
Mar. 2020 - Present	Director Provincial Renewable Energy (Thailand) Company Limited
Mar. 2020 - Present	Director Renewable Energy Siam Company Limited
Mar. 2020 - Present	Director Renewable Energy (North) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Northeast) Company Limited
Aug. 2020 - Present	Director Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
Aug. 2020 - Present	Director Advance Bio Energy Company Limited
Aug. 2020 - Present	Director Advance Asia Energy Company Limited



8. Mr. Pornmett Songmetta

Director, Executive Director and
Chief Operating Officer

Position Appointment Date

3 December 2015	Director
15 September 2017	Executive director
1 March 2018	Chief Operating Officer

Age 29 years

Education Trainings and Seminar

- Bachelor of International Business Management, International Program, Chulalongkorn University
- Director Accreditation Program (DAP 139/2017), Thai Institute of Directors
- Institute of Business and Industrial Development IBD (5/2018), Institute of Business and Industrial Development

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

20.53%

Family Relationship with Director and Executive

- Son of Pol.Ge.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares and Mrs. Jiratha Songmetta, Director, Nomination and Remuneration Committee, and the Company Executive Chairman.
- Younger brother of Mr. Teerawut Songmetta, Shareholder who owns 17.89% of the Company's shares.
- Younger brother of Mr. Nath Songmetta, Shareholder who owns 14.99% of the company's shares.

Work Experience

Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Executive Director Absolute Clean Energy Public Company Limited
Mar. 2018 - Present	Chief Operating Officer Absolute Clean Energy Public Company Limited
Oct. 2015 - Present	Director Asian Clean Energy Company Limited
July 2019 - Present	Chief Operating Officer Asian Clean Energy Company Limited
Feb. 2017 - Present	Director Advance Agro Asia Company Limited
Feb. 2017 - Present	Director Alliance Clean Power Company Limited

Work Experience (Cont.)

Apr. 2019 - Present	Chief Executive Officer Alliance Clean Power Company Limited
Mar. 2017 - Present	Director Advance Clean Power Company Limited
Apr. 2019 - Present	Chief Executive Officer Advance Clean Power Company Limited
Feb. 2017 - Present	Director Advance Agro Power Plant Company Limited
Apr. 2019 - Present	Chief Executive Officer Advance Agro Power Plant Company Limited
Feb. 2017 - Present	Director Advance Asia Power Plant Company Limited
Apr. 2019 - Present	Chief Executive Officer Advance Asia Power Plant Company Limited
Feb. 2017 - Present	Director Advance Bio Asia Company Limited
Apr. 2019 - Present	Chief Executive Officer Advance Bio Asia Company Limited
Feb. 2017 - Present	Director Advance Farm Tree Company Limited
July 2019 - Present	Chief Executive Officer Advance Farm Tree Company Limited
Feb. 2017 - Present	Director ACE Solar Company Limited
July 2019 - Present	Chief Executive Officer ACE Solar Company Limited
Feb. 2017 - Present	Director Bio Power Plant Company Limited
July 2019 - Present	Chief Executive Officer Bio Power Plant Company Limited
Oct. 2018 - Present	Director Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)

Work Experience (Cont.)

July 2019 - Present	Chief Executive Officer Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
May 2018 - Present	Director Power Supply & Maintenance Service Company Limited
July 2019 - Present	Chief Executive Officer Power Supply & Maintenance Service Company Limited
Mar. 2020 - Present	Director Provincial Renewable Energy (Thailand) Company Limited
Mar. 2020 - Present	Director Renewable Energy Siam Company Limited
Mar. 2020 - Present	Director Renewable Energy (North) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Northeast) Company Limited
Aug. 2020 - Present	Director Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
Dec. 2020 - Present	Chief Executive Officer Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
Aug. 2020 – Present	Director Advance Bio Energy Company Limited
Dec. 2020 – Present	Chief Executive Officer Advance Bio Energy Company Limited
Aug. 2020 – Present	Director Advance Asia Energy Company Limited
Dec. 2020 – Present	Chief Executive Officer Advance Asia Energy Company Limited



9. Mr. Tanavijit Ankapipatchai

Director, Executive Director and
Chief Financial Officer

Former name

Mr. Vijit Ankapipatchai

Position Appointment Date

3 December 2015	Director
15 September 2017	Executive Director
1 March 2018	Chief Financial Officer

Age 57 years

Education Trainings and Seminar

- Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University
- Directors Certification Program (Class DCP 45/2004), Thai Institute of Directors
- Orientation Course - CFO Focus on Financial Reporting, Class 1/2018

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

0.0%

Family Relationship with Director and Executive

- None -

Work Experience

Mar. 2018 - Present	Chief Financial Officer Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Executive Director Absolute Clean Energy Public Company Limited
Dec. 2015 - Present	Director Absolute Clean Energy Public Company Limited
Feb. 2017 - Present	Director Asian Clean Energy Company Limited
Jan. 2013 - Present	Director Advance Agro Asia Company Limited
Nov. 2013 - Present	Director Alliance Clean Power Company Limited
Nov. 2013 - Present	Director Advance Clean Power Company Limited
July 2006 - Present	Director Advance Agro Power Plant Company Limited

Work Experience (Cont.)

Feb. 2014 - Present	Director Advance Asia Power Plant Company Limited
Nov. 2013 - Present	Director Advance Bio Asia Company Limited
Jun. 2008 - Present	Director Advance Farm Tree Company Limited
July 2006 - Present	Director ACE Solar Company Limited
July 2006 - Present	Director Bio Power Plant Company Limited
Feb. 2018 - Present	Director Power Supply & Maintenance Service Company Limited
Feb. 2017 - Present	Director Advance Power Plant Company Limited
July 2006 - Present	Director Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
Jan. 2015 - Feb 2018	Co-Chief Executive Office Advance Agro Asia Company Limited
Mar. 2020 - Present	Director Provincial Renewable Energy (Thailand) Company Limited
Mar. 2020 - Present	Director Renewable Energy Siam Company Limited
Mar. 2020 - Present	Director Renewable Energy (North) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Central) Company Limited
Mar. 2020 - Present	Director Renewable Energy (Northeast) Company Limited
Aug 2020 – Present	Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
Aug 2020 - Present	Director Advance Bio Energy Company Limited
Aug. 2020 - Present	Director Advance Asia Energy Company Limited



10. Mr. Tanachai Bunditvorapoom

Director, Chief Executive Office
and Executive Director

Position Appointment Date

14 July 2018	Director
2 May 2017	Chief Executive Officer
16 September 2017	Executive Director

Age 49 years

Education Trainings and Seminar

- MBA (Finance), The National Institute of Development Administration
- Bachelor of Law (Business Law), Chulalongkorn University
- Bachelor of Engineering (Civil Engineering), Chulalongkorn University
- Director Leadership Certification Program (DLCP) Class 3/2021, Thai Institute of Directors Association
- Director Certification Program (DCP 252/2018), Thai Institute of Directors
- Board Nomination & Compensation Program (BNCP 6/2019), Thai Institute of Directors
- Advanced Master of Management Program, AMM (Class 6), Graduate School of Public Administration, National Institute of Development Administration
- TLCA Executive Development Program (EDP 9), Thai Listed Companies Association

Shareholding Ratio in the Company (%) (on 31 Dec 2021)

0.0%

Family Relationship with Director and Executive

- None -

Work Experience

Jul. 2018 - Present	Director Absolute Clean Energy Public Company Limited
Sep. 2017 - Present	Executive Director Absolute Clean Energy Public Company Limited
May 2017 - Present	Chief Executive Officer Absolute Clean Energy Public Company Limited
Aug. 2019 - Present	Director Asian Clean Energy Company Limited

Work Experience (Cont.)

Aug. 2019 - Present	Director Advance Agro Asia Company Limited
Aug. 2019 - Present	Director Bio Power Plant Company Limited
Aug. 2019 - Present	Director ACE Solar Company Limited
Aug 2020 - Present	Director Synergetic Auto Performance Public Company Limited
Aug 2020 - Present	Director Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
Aug. 2020 - Present	Director Advance Bio Energy Company Limited
Aug. 2020 - Present	Director Advance Asia Energy Company Limited
Feb. 2018 - Present	Director Synergetic Auto Performance Public Company Limited
Apr. 2018 - Present	Nomination and Remuneration Committee Synergetic Auto Performance Public Company Limited
Jun. 2012 - Apr. 2017	FSVP - Head of Investment Banking TISCO Securities Company Limited
Mar. 2011 - May 2012	Senior Vice President - Head of Investment Banking TISCO Bank Public Company Limited
Oct. 2003 - Feb. 2011	Assistant Managing Director Finansia Securities Limited

Board

Organization Structure for the year ended December 31, 2021, consists of the Board of Directors and 3 Sub-Committees consist of the Audit Committee, the Nomination and Remuneration Committee, and the Executive Board of Directors, with the details as follows:

Board of Directors

For the year ended December 31, 2021, the Board of Directors consisted of 10 Directors as follows:

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2021
1. Mr. Monton Sudprasert ¹	Chairman/Independent Director	4/10
2. Mr. Charoon Intachan	Director/Independent Director	10/10
3. Ms. Chonticha Chitraporn	Director/Independent Director/ Chairman of Audit Committee	10/10
4. Mrs. Patchanee Sutheevitan	Director/Independent Director/ Member of Audit Committee/ Chairman of Nomination and Remuneration Committee	10/10
5. Mr. Nuekrak Baingern	Director/Independent Director/ Audit Committee/ Nomination and Remuneration Committee	10/10
6. Mrs. Jiratha Songmetta	Director/ Chairman of Executive Committee/ Member of Nomination and Remuneration Committee	10/10
7. Mr. Tanavijit Ankapipatchai	Director/ Member of Executive Committee	10/10
8. Mr. Teerawut Songmetta	Director/ Member of Executive Committee	10/10
9. Mr. Pornmett Songmetta	Director/ Member of Executive Committee	10/10
10. Mr. Tanachai Bunditvorapoom	Director/ Member of Executive Committee/ Chief Executive Officer	10/10

Note: 1. In the 2021 Annual General Meeting of Shareholders of the Company held on 28 April 2021, a resolution was passed to approve the appointment of Mr. Monton Sudprasert as the Chairman of the Board of Directors and an Independent Director of the Company, in place of Mr. Pranai Suwanrath, and Mr. Monton Sudprasert has attended every Board of Directors' Meeting. since May 2021.

2. Mr. Charoon Intachan, Director of the Board of Directors / Independent Director, is convalescing from medical conditions that have prevented him from attending the Board of Directors' Meeting since September 2021

Director with Authorization

Director with Authorization are Mrs. Jiratha Songmetta, Mr. Tanavijit Ankapipatchai, Mr. Teerawut Songmetta, and Mr. Pornmett Songmetta. Two out of four Directors jointly sign and affix the Company's seal.

Components and appointment of the Board of Directors

Shareholders are the person who approve the appointment of Company Director.

The Board of Directors consist of Chairman, Vice Chairman (if any) and Directors. The number of the members shall be appropriate for the size of the business of the Company and the efficient operation. In total, there shall not be fewer than 5 persons, and not fewer than half of the Company Director must have domicile in Thailand. There shall be the Directors that are genuinely Independent from the Managements and free from the business relation or any other relation that may influence the use of discretion independently, at least one-third of the total number of Director and but not be fewer than 3 persons. The Chairman of the Board of Directors and the Chief Executive Officer must not be the same person.

The appointment of the Company Director must be in accordance with the Article of Association of the Company and the related laws. In this regard, it must be transparent and distinct. The consideration must include the educational background and work experience of the person. The details must be adequate for the advantage of decision making of the Board of Directors and shareholders.

Qualification of the Board of Directors

- 1) Company Director must be the person with knowledge and ability, honesty and morale in business operation and have enough time to use the knowledge and ability and perform duties for the Company.
- 2) Company Director must have qualification and must not be prohibited by law concerning public Company limited and the relevant laws. Apart from that Company Director must not have the characteristic that is suitable to gain reliability to administer the business with public shareholders as specified by the Capital Market Supervisory Board.
- 3) Company Director can hold the position of the Director in other Company but such Director position holding must not be the obstacles to perform the duty as the Director of the Company and must be in accordance with the guideline of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET"). However, if the Director holds a position in another company which is a company whose shares are listed on the Stock Exchange of Thailand. ("Listed Companies") The number of other listed companies where each director of the company may hold a position must not exceed 4 places.
- 4) Company Director must not run the business with the same condition or compete with the business of the Company or become the partner in an ordinary partnership or partner with unlimited liability in a limited partnership or be the Director of the private Company or other Company that run the business with the same condition and compete with the business of the Company, regardless of for one's benefit or for the benefit of other people, unless informing the Shareholders' meeting prior to the appointment.

- 5) Independent Director must have the independent qualification as specified by the Capital Market Supervisory Board and must be in accordance with the qualification of Audit Committee according to the notification of the Capital Market Supervisory Board and/or the Securities and Exchange Commission, concerning the qualification and scope of operation of the Audit Committee and must be able to take care of the benefits of all shareholders equally and must not cause conflict of interest. Moreover, the Independent Director must be able to attend the Board of Directors' meeting and provide opinion independently.

Scope, authority and responsibility

A. Scope, authority and responsibility of the Board of Directors

In addition to the main duty as a representative of the shareholders, the authority and responsibility of the Board of Directors are also as stipulated by laws, articles of incorporation, and resolutions passed in the shareholders' meeting, which include the following actions:

- 1) Perform duties with responsibility, carefulness and honesty by considering on the maximum benefits of the Company and must comply with the laws, objectives and regulations of the Company, as well as the Shareholders' meeting resolution. In this regard, the agenda that needs to be approved by the Shareholders' meeting before operation, such as the operation that is stipulated by law that the Shareholders' meeting resolution is required, the related transaction and the acquisition and selling of key asset, etc.
- 2) Determine and approve the vision, mission, target, guideline, policy and approving authority for the operation, business plan and budget of the Company and the Subsidiaries, as well as Monitoring and Supervision on the administration, Management and follow up the performance of the Managements of both the Company and the Subsidiaries to be in compliance with the policy, work plan and budget set out with efficiency and effectiveness according to the business policy.
- 3) Consider to approve the appointment of the person who is qualified and does not have the prohibited characteristic according to the Public Company Limited Act B.E. 2535 and the laws concerning stock and stock exchange, as well as the relevant rules and/or regulations to hold the position of the Director in case the position of the Director is vacant due to any reason other than periodically resign, unless the remaining period for position holding of such Director is fewer than 2 months.
- 4) Consider to appoint the Independent Director by considering on the qualification and prohibited characteristic of the Independent Director according to the laws concerning stock and stock exchange, notification of Capital Market Supervisory Board, as well as the notification on the relevant rules and/or regulations of SET or propose to the Shareholders' meeting for consideration on the appointment of Independent Director of the Company further.
- 5) Consider to appoint the Audit Committee with the qualification as specified by laws concerning Securities and Stock exchange, notification of Capital Market Supervisory Board, as well as the notification on the relevant rules and/or regulations of SET

- 6) Consider appointing the Executive Board by selecting from the Director and/or Management of the Company or the Subsidiaries or the external expert who has knowledge and ability that is a beneficial to the Company and the Subsidiaries, as well as setting the scope, authority, obligations and responsibility of the Executive Board.
- 7) Consider to appoint the other Sub-Committee, as well as setting the scope, authority, obligations and responsibility to assist in the operation of the Board of Directors.
- 8) Consider appointing the CEO or the top Management of the Company and Company Secretary that has the qualification as specified by law and consider on setting the remuneration of the CEO or the Top Management.
- 9) Consider to determine and change the name of the Directors who are authorized to sign on behalf of the Company.
- 10) Appoint other person to operate the Company under the supervision of the Board of Directors or authorized such person to have the authority and/or within the time specified by the Board of Directors, which the Board of Directors may cancel, revoke, change or amend such authority later. In this regard, the authorization must be done as the resolution of the Board of Directors in the form of minutes of meeting and the scope of authority given to the authorized person must be clearly specified.
- 11) Consider to approve the acquisition and sale of the asset and/or the related transaction, except when such transaction must be approved by the Shareholders' meeting. In this regard, such approval will be in accordance with the notification of the Capital Market Supervisory Board and/or notification, rules and/or regulations of SET.
- 12) Consider to approve the interim dividend payment to the shareholders, when the Company has enough profit to do so and report the dividend payment to the Shareholders' meeting for acknowledgement in the next Shareholders' meeting.
- 13) Prepare the annual report of the Board of Directors and consolidated financial statements as well as the financial statement only for the business of the Company at the end of the accounting period of the Company which has been Audited by the Auditor in order to show the financial status and the performance in the preceding year and propose to the Shareholders' meeting for consideration and approval.
- 14) Consider to select and comment on the list of Auditors of the Company and the Subsidiaries and/or the Joint venture and consider to determine the appropriate remuneration as proposed by the Audit Committee before proposing to the Shareholders' meeting in the Annual General Meeting for consideration and approval.
- 15) Take action to make the Company and the Subsidiaries and/or the Joint Venture utilize the accounting system that is appropriate and efficient and provide the efficient internal control system and internal Audit system.
- 16) Consider to set the Risk Management policy for the whole organization and supervise in order to provide the Risk Management system or process. There shall be a supporting measure and controlling method to reduce the impact to the business of the Company and the Subsidiaries appropriately.

- 17) Set the policy about Corporate Governance and Anti-Corruption policy in all aspects of the Company and the Subsidiaries and/or the Joint venture according to the good governance in writing, at least according to the guideline set by SET and/or Capital Market Supervisory Board and apply such policy efficiently to ensure that the Company and the Subsidiaries are responsible for all relevant persons with fairness.
- 18) Company Director is responsible for reporting their shareholding and the interest of relevant persons to the Company for acknowledgement. Apart from that, there must be a report on the shareholding of the Management and relevant persons as well as the Directors and relevant persons and Management and relevant persons of the Subsidiaries as well.
- 19) Authorize one or more of the Company Directors or any other person to take any action on behalf of the Board of Directors, which shall be under the control of the Board of Directors or may authorize such person to have the authority as the Board of Directors seen appropriate and within the timeline that the Board of Directors seen appropriate. The Board of Directors may cancel, revoke, change or amend such authority later. In this regard, such authorization must not have the characteristic of the authorization that such person can consider and approve the transaction that the person or people who may have conflict or interest or may have conflict of interest in any aspect which may occur to the Company or the Subsidiaries or the Joint venture as defined in the notification of Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any other notification of the relevant organization, unless it is the approval of the transaction that is in accordance with the policy and criteria that the Board of Directors has considered and approved.
- 20) Supervise to ensure that there is a disclosure of the role and obligation of the Board of Directors and Sub-Committee, number of the meeting and number of time that each Director attend the meeting in the preceding years and report the performance of the Board of Directors and all Sub-Committees.
- 21) Support the Directors and Managements of the Company and the Subsidiaries to attend the seminars of the Thai Institute of Directors in the course related roles and responsibility of Director and Management.
- 22) Follow up and supervise the Management and operations of the Company the Subsidiaries and/or the Joint venture (*mutatis mutandis*) to be in compliance with the policy set out by the Company, the laws related to business operation, as well as the laws concerning stock and stock exchange, notification of Capital Market Supervisory Board, regulations of the Stock Exchange of Thailand, *mutatis mutandis*, to the extent that it does not contradict or conflict with other laws.
- 23) Consider to appoint the representative to be the Director and Management in the Subsidiaries and/or the Joint venture at least according to the ratio of shareholding in the Subsidiaries and/or the Joint venture of the main business, unless there is any legal limitation or conditions of the co-investment with the government sector or any other cases as stated by the laws concerning Securities and Stock Exchange, notification of Capital Market Supervisory Board, regulations of the Stock Exchange of Thailand. In this connection, the Director and Management of the Subsidiaries mentioned above that are appointed or proposed, must be the person with

qualification, roles, obligations and responsibility as specified by relevant law, and shall not have the characteristic that is not reliable according to the notification of the Capital Market Supervisory Board, concerning the characteristic that is not reliable of the Director and Management of the Company.

- 24) In the case that the Subsidiaries agree to do the transaction that is related to the person who is related to the Subsidiaries, or the transaction of the acquisition or sale of the assets of the Subsidiaries according to the criteria set in the notification of the Capital Market Supervisory Board and/or the notification of the Stock Exchange of Thailand (as the case may be). The Company and the Subsidiaries must follow the criteria and the method as set out in the notifications, before conducting the transaction, *mutatis mutandis*. The Subsidiaries must follow the criteria and the method as set out in the notifications in the same manner as the Company is the one who conducts such transaction.

In this regard, such transaction needs to be approved by the Board of Directors' meeting and/or Shareholders' meeting of the Company according to the notification of the Capital Market Supervisory Board and/or the notification of the Securities and Exchange Commission. The Company and the Subsidiaries shall consider the size of the transaction compared to the consolidated financial statements of the Company.

- 25) Monitor the Subsidiaries and/or the Joint venture to disclose the important information, such as the financial status and work performance, related transaction and the transaction that may have the conflict of interest, the list of acquisition or sale of the significant asset and any other items that are important which is not the normal transaction of the Subsidiaries or the Joint venture, etc. In this regard, the revelation of such information must be adequate, complete and correct within the time specified by the Company and correspond with the criteria of the relevant organization.

- 26) The Board of Directors must provide to the Subsidiaries and/or the Joint venture that runs the main business with internal control system that is suitable and concise enough for preventing the fraud that may occur to the Subsidiaries and/or the Joint venture. Apart from that the Subsidiaries and/or the Joint venture should have a distinct work system to show that the Subsidiaries and/or the Joint venture have an adequate system in information disclosure for the significant transaction according to the stipulated criteria consistently and reliably. Plus, there must be a channel for the Director and Management of the Company to be able to efficiently get the information of the Subsidiaries and/or the Joint venture for supervising the work performance and financial status, transaction between the Subsidiaries and/or the Joint venture and the Director and/or Management of the Subsidiaries and/or the Joint venture and the significant transaction of the Subsidiaries and/or the Joint venture. Apart from that, the Board of Directors must provide the Subsidiaries and/or the Joint venture the examination mechanism for such work system in the Subsidiaries and/or the Joint venture. The internal Auditor team and Independent Director of the Company must be able to access the information directly and there must be a report of such work system examination for the Audit Committee and the Board of Directors to ensure that the Subsidiaries and/or the Joint venture has complied with the work system efficiently and regularly.

- 27) The Board of Directors has the authority to appoint a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Board of Directors as appropriate and to determine the remuneration, allowances, welfare, amenities and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Board of Directors as appropriate.

In the event that the Board of Directors has appointed any person to be the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Board of Directors, the information of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Board of Directors should be disclosed in the annual report to show that they are independent without any conflict of interest.

B. Scope of Duties and Responsibilities of the Chairman of the Board of Directors

- 1) To be the chairman of the board of directors meeting Effectively control Board meetings. And is the deciding vote at the Board of Directors meeting in case of equal votes.
- 2) Supervise, monitor and ensure that To perform duties of the Board of Directors efficiently and achieve the objectives and main goals of the organization.
- 3) Ensure all company directors take part in fostering an ethical corporate culture and good corporate governance.
- 4) Set the agenda for the Board of Directors' meetings in consultation with the Chief Executive Officer. And there are measures to take care that important matters are included in the agenda of the meeting
- 5) Allocate sufficient time for management to present the matter and sufficient for the directors to discuss the main issues thoroughly. And encouraging the Company's directors to exercise their discretion to give opinions without restrictions.
- 6) Communicate important information To the Board of Directors for acknowledgment
- 7) Maintain good relationships between executive directors and non-executive directors and between the Board of Directors and the Management

The Meeting

- 1) The meeting is scheduled at least four times per year, with a scheduled meeting date in advance for the whole year, and special meetings may be held as needed. In addition, there shall be a meeting between the non-executive directors without the management attending at least 1 time per year.
- 2) For the year 2021, the Board of Directors meeting No. 1/2021 held on February 19, 2021 resolved to determine the date of the Board of Directors' meeting in advance throughout the year 2021.
- 3) The Chairman of the Board of Directors and the Chairman of the Executive Committee will oversee and approve the agenda of the meeting.
- 4) The company secretary is responsible for sending the meeting invitation letter together with the agenda and meeting documents to the directors at least 7 days in advance so that the directors have time to study in advance of the meeting.

- 5) The Chairman of the Board of Directors acts as the chairman of the meeting and is responsible for allocating sufficient time for each agenda item for directors to independently discuss and express their opinions on important issues, taking into account the interests of shareholders and stakeholders. fairness.
- 6) In a committee meeting, a person who has a significant stake in the matter to be considered must leave the meeting during the consideration of that matter.
- 7) Voting shall be made by a majority of votes, and if there are members of the committee opposing such resolution, the objection shall be recorded in the meeting minutes.
- 8) In considering any matter, the director has the right to request to review or examine relevant documents or request the relevant management to attend the meeting to clarify additional information.
- 9) The company secretary is responsible for taking notes and preparing the minutes of the meeting within 14 days, keeping minutes of meetings, supporting documents, and monitoring the Board of Directors to perform their duties in accordance with the laws, regulations and resolutions of the shareholders' meeting, as well as coordinating with those Related

Quorum

At a meeting of the Board of Directors, the presence of not less than two-thirds of the total number of Company Directors is required to constitute a quorum at the time of the Board of Directors' resolution. At least two-thirds of the total number of directors.

In the event that it is an agenda to consider approving the matters that the Company's directors who are interested in the said agenda have to leave the meeting during the consideration of such matters, for example, the agenda to approve the entering into a connected transaction, etc. The said director must have at least not less than the meeting of the Company. The number of company directors as specified in the second paragraph minus the number of company directors who are interested in the said agenda, who must leave the meeting during the consideration of the matter.

In the event that the Chairman of the Board of Directors is not present at the meeting or is unable to perform his duties, in the event that the Vice Chairman of the Board is present, the Vice Chairman of the Board of Directors shall preside over the meeting. At such meeting or being unable to perform duties, the directors present at the meeting shall elect one of the Company's directors to chair the meeting, the decision of the meeting shall be made by a majority vote. One director of the company has one vote, except that a director who has interests in any matter has no right to vote on that matter, if the votes are equal, the chairman of the meeting is the judge.

7.3 Sub-Committee Information

Audit Committee

For the year ended December 31, 2021, the Audit Committee consisted of 3 Directors as follows:

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2021
1. Ms. Chonticha Chitraporn	Chairman of Audit Committee	12/12
2. Mrs. Patchanee Sutheevitan	Member of Audit Committee	12/12
3. Mr. Nuekrak Baingern	Member of Audit Committee	12/12

Note:

- Ms. Chonticha Chitraporn has sufficient knowledge and experience to review the creditability of financial statements.
- Mr. Somchai Jiapiyasakul acts as the Secretary of the Audit Committee.

Composition and Appointment of the Audit Committee

- 1) The Board of Directors appoints the Audit Committee by selecting and nominating the Company's Directors, at least 3 of whom are Independent Directors.
- 2) The Audit Committee or the Board of Directors selects 1 Audit Committee member to be the Chairman of the Audit Committee.
- 3) At least 1 Audit Committee member must be knowledgeable about and experienced in accounting and/or finance to be able to audit the reliability of the financial statements. They must have prior knowledge of the causes of changes in financial reporting and must be able to put questions directly to the issues and interpret and evaluate the results of the answers received.
- 4) The Audit Committee can appoint the Audit Committee Secretary who is responsible for assisting in operations and coordinating with the Audit Committee regarding meeting appointments, meeting agenda preparation, meeting documents submission, meeting minute formulation, and other tasks as assigned. The Audit Committee has the authority to determine the remuneration (meeting allowances) for the Audit Committee Secretary as considered appropriate.

Qualifications of the Audit Committee

- 1) Having been appointed by the Board of Directors or in the shareholders' meeting of the Company (as the case may be) and must not be Directors assigned by the Board of Directors to make decisions on operations of the Company, the Parent Company (that has control over the Company's business), Subsidiaries, Associated Companies, same-level subsidiary, major shareholders, or controlling person. They also must not currently be the director of the parent company, subsidiary, or same-level subsidiary of listed companies only.
- 2) Holding no more than 1 % of total voting shares of the Company, the Parent Company, Subsidiaries, Associated Companies, major shareholders, or controlling person, including the shareholding of persons related to the Independent Directors

- 3) Not currently be or never been the Company's executive Directors, workers, employees, salaried consultants, or controlling parties of the Company, the Parent Company, Subsidiaries, Associated Companies, same-level subsidiary, major shareholders, or controlling person, unless it has been at least 2 years after they have held the position prior to the appointment date.
- 4) Not related by blood with or legally registered as fathers, mothers, spouses, siblings, children, and spouses of children of other Directors, Executives, major shareholders, controlling parties, or persons who will be nominated as Directors, Executives, or controlling parties of the Company or Subsidiaries.
- 5) Not currently having or never had any relations with the Company, the Parent Company, Subsidiaries, Associated Companies, major shareholders, or controlling person in the way that such relation may impede them from having independent views. Also, they should not currently be or never be significant shareholders or controlling persons for persons having business relations with the Company, the Parent Company, Subsidiaries, Associated Companies, major shareholders, or controlling person, unless it has been at least 2 years after they have held the position prior to the appointment date.

Business relationship under paragraph one includes making trade transactions that are normally carried out for business operations, leasing or renting real estate, transactions relating to assets or services, giving or receiving financial assistance by accepting, lending, guaranteeing, or placing assets as collateral for liabilities, and other similar circumstances that cause the Company or the counterparty debt obligations to be paid to the other party on which the amount is from 3 percent of the Company's net tangible assets or from 20 million baht or more, whichever is lower.

In this regard, the calculation of such debt obligations shall be in accordance with the method for calculating the value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions as appropriate. However, debt obligations incurred during one year prior to the date the business relationship with the same person was formed shall also be included in the calculation.

- 6) Not currently being or never been the auditor of the Company, the Parent Company, Subsidiaries, Associated Companies, major shareholders, or controlling person, Also, they should not currently be or never be significant shareholders, controlling persons, or partners of auditing firms which the auditors of the Company, the Parent Company, Subsidiaries, Associated Companies, major shareholders, or controlling person are under, unless has been at least 2 years after they have held the position prior to the appointment date.
- 7) Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than THB 2 million per year from the Company, the Parent Company, Subsidiaries, Associated Companies, major shareholders, or controlling person. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers, unless it has been at least 2 years after they have held the position prior to the appointment date.

- 8) Not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.
- 9) Not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1 percent of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.
- 10) Not under any conditions that may impede the person from having independent views towards the company's operations.
- 11) Having duties in the same manner as stipulated in the Notification of the Stock Exchange of Thailand Re: Qualifications and Scope of Work of the Audit Committee.
- 12) Having sufficient knowledge and experience to perform the duty of an audit committee. There must be at least one audit committee member, who is sufficiently knowledgeable and experienced to review the reliability of financial statements.

For the benefit of paragraph 6) and 7) the word "partner" means a person assigned by an auditing firms or professional service providers to sign the audit report or professional service reports (as the case may be) on behalf of that juristic person.

In the event that the person the Company appointed as an Audit Committee Member has or has had a business relationship or provides or has provided professional service in excess of the value specified under paragraph 5) or 7), the Company shall be relieved of the prohibition on having or having had a business relationship or received or having received professional services in excess of such value only when the Company has provided an opinion of the Board of Directors showing that it has considered in accordance with Section 89/7 of the Securities and Exchange Act B.E. 2535 (including any amendments thereof) that the appointment of such persons does not affect the performance of duties and independent opinions, and has disclosed the following information in the notice of the shareholders' meeting in the agenda to consider the appointment of the Audit Committee:

- 12.1) Nature of business relationship or professional service that causes such a person's qualifications to not meet the specified criteria;
- 12.2) reasons and necessity to retain or appoint such a person as an audit committee; and
- 12.3) Opinion of the Board of Directors on the proposal to appoint such a person as an independent director.

Scope, authority and responsibility of Audit Committee

A. Audit Committee has the following authorities:

- 1) Having the authority to examine and investigate as necessary in the matters with the indication that there may be significant impact towards the reputation, financial status and work performance of the Group, as well as the benefit that the shareholders should receive, such as:
 - The transaction that may cause conflict of interest
 - Suspect or assume that there may be a fraud or abnormality or defect in the internal control system of the Company or the Subsidiaries

- Suspect that there may be law violation concerning stock and stock exchange, regulations of the Stock Exchange or laws related to the business of the Group.
- 2) Having the authority to seek independent opinion from any other professional consultant when it is required by using the Company expense to make the operation under their responsibility success well. In this connection, the Audit Committee is responsible for report the result of the Audit and Investigation to the Board of Directors for correction within the time the Audit Committee seen appropriate. However, if the Audit Committee sees that such corrective action is ignored without an appropriate reason, one of the Audit Committee members may report it to the Securities and Exchange Commission and/or the Stock Exchange of Thailand. In this regard, the authority of Audit Committee will not include the authority that make the Audit Committee or the person who is authorized by the Audit Committee be able to vote or give opinion to the issue that the Audit Committee or the representative of the Audit Committee or the person who may cause conflict according to the definition by the notification of Capital Market Supervisory Board to be the Shareholder or have the conflict of interest with the Company or the Subsidiaries.
 - 3) The Audit Committee has the authority to appoint a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Audit Committee as appropriate and to determine the remuneration, allowances, welfare, amenities and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Audit Committee as appropriate. The total amount of remuneration, allowances, welfare, amenities, and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Audit Committee must not exceed 5 million baht/year. Any exceeded amount must be presented to the Board of Directors for approval

After having appointed a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Audit Committee, or determined the remuneration, allowances, welfare, amenities, and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Audit Committee, the Audit Committee must report to the Board of Directors for acknowledgment. The information and details of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Audit Committee should be disclosed in the annual report to show that they are independent without any conflict of interest.

B. Audit Committee has the following obligations and responsibility:

- 1) Ensure the Company to have the correct financial report and reveal adequate information with the coordination with Auditor and Management who are responsible for preparing the financial report on quarterly and annual basis. Audit Committee may suggest the Auditor to verify or examine any transaction that is necessary and significant during the Audit of the Company.
- 2) Ensure the Company and the Subsidiaries to have internal control system and internal Audit system that are appropriate and effective. The verification shall be done together with the Auditor and the internal Auditor and consider the independence of the internal Audit division, as well as the approval to consider to appoint the relocation, employment termination and determine the remuneration of the Head of internal Audit division or any other division that is responsible for internal Audit, as well as approving the internal Audit plan as well as assigning the internal Audit officer to support the Audit Committee operation.

- 3) Ensure to make the Company comply with the laws concerning stock and stock exchange, regulations of SET and laws related to business of the Company and the relevant standard.
- 4) Consider selecting, proposing and/or terminate the appointment of the Auditor of the Company and the Subsidiaries and/or the Joint venture and propose the remuneration of such Auditor by considering on the reliability, adequacy of the resourced, amount of Auditing work of such Audit Company, as well as the experience of the personnel assigned to conduct the Audit the Company. Apart from that, Audit Committee must participate in the meeting with the Auditor without the administration division joining the meeting at least one a year.
- 5) Consider providing opinion about conducting the relevant transaction or the transaction that may have conflict of interest of the Company and/or the Subsidiaries according to the law provision and relevant criteria and regulations of SET. In this regard, this is to ensure that such transaction is reasonable and have highest benefit to the Company.
- 6) Prepare the report of Audit Committee by revealing in the annual report of the Company. Such report shall be signed by the Chairman of the Audit Committee and the report should be consist of at least the following information:
 - 6.1) Opinion about the correctness, completeness, reliability of financial report of the Company and the Subsidiaries
 - 6.2) Opinion about the adequacy of the internal control system of the Company and the Subsidiaries.
 - 6.3) Opinion about the compliance to the laws concerning stock and stock exchange, regulations of SET or laws related to business of the Company and the Subsidiaries.
 - 6.4) Opinion about the appropriateness of the Auditor
 - 6.5) Opinion about the statement that may have conflict of interest of the Company and the Subsidiaries.
 - 6.6) the Number of the Audit Committee meeting and the attendance of each Audit Committee member.
 - 6.7) Opinion or notice in overall that the Audit Committee has obtained from the operation according to the charter.
 - 6.8) Any other report that the shareholders and the investor in general should know under the scope of authority and responsibility from the Board of Directors.
- 7) Verify and give opinion about the policies related to the authority of the Audit Committee, such as the accounting policy, Corporate Governance policy and responsibility towards the society and anti-corruption policy, etc.
- 8) Review the process of Corporate Governance and responsibility towards society, including the anti-corruption process.
- 9) Perform any other tasks as assigned by the Board of Directors with approval from the Audit Committee.

Audit Committee Reporting

Audit Committee has obligation and responsibility in the activity report of the Audit Committee or other obligations as assigned by the Board of Directors. The report of Audit Committee will pay attention to the Board of Directors, Shareholders and Investors in general because such report will show Independent and straightforward opinion of the Audit Committee and the Board of Directors can be confident that the Administrative Division has operate carefully and pays attention to the benefits of all shareholders equally.

1. Report to the Board of Directors

1.1 Report the activities done regularly, so that the Board of Directors is acknowledge of the activity of the Audit Committee

- Minutes of Audit Committee's meeting which specify the opinion of the Audit Committee in various matters and the Chairman of the Audit Committee shall be the one who record the minutes of Audit Committee's meeting for the Board of Directors' meeting in the next meeting for acknowledgement
- Summary of the activities done during the year
- Report on the opinion to the Financial Report, Internal Audit and Internal Audit process
- Any other report that the Board of Directors should be acknowledged of

1.2 Report the finding immediately so that the Board of Directors can seek for corrective action in timely manner

- Report conflict of interest
- Suspect or assumption that there may be fraud or abnormality or the important defect in the internal control system
- Suspect of violation against laws or regulations of SET
- Any other report that the Board of Directors should be acknowledged of

2. Report to the government agency

If the Audit Committee has reported to the Board of Directors about the significant impact to the financial status and work performance and has discussed with the Board of Directors and Managements that there must be a correction, once the due date is reached, if the Audit Committee found that the correction is ignored without an appropriate reason, one of the Audit Committee members may report it to the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

3. Report to the shareholders and investor in general

The activities done during the year according to the obligation and responsibility that is assigned by the Board of Directors which has been signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

Nomination and Remuneration Committee

For the year ended December 31, 2021, the Nomination and Remuneration Committee consisted of 3 Directors as follows:

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2021
1. Mrs. Patchanee Sutheevitan	Chairman of Nomination and Remuneration Committee	3/3
2. Miss Jiratha Songmetta	Member of Nomination and Remuneration Committee	3/3
3. Mr. Nuekrak Baingern	Member of Nomination and Remuneration Committee	3/3

Note: - Mr. Chainart Buathong acts as the Secretary for the Nomination and Remuneration Committee

Composition and Appointment of the Nomination and Remuneration Committee

- 1) The Nomination and Remuneration Committee is appointed by the Board of Directors with the number of the members as the Board of Directors considers appropriate, which will consist of the Company Directors and/or qualified people. The Nomination and Remuneration Committee should have no fewer than 3 and no more than 5 members.
- 2) Nomination and Remuneration Committee members are not required to be the Directors of the Company.
- 3) The Chairman of the Nomination and Remuneration Committee is appointed by the Board of Directors.
- 4) The Chairman of the Nomination and Remuneration Committee and most members of the Nomination and Remuneration Committee should be Independent Directors, not be the Chairman of the Board of Directors or Chairman of other sub-committees, and have enough time to perform the assigned duties.
- 5) The Nomination and Remuneration Committee can appoint 1 employee of the Company as the Nomination and Remuneration Committee Secretary to assist in its operation regarding meeting appointments, meeting agenda preparation, meeting documents submission, and meeting minute formulation. The Nomination and Remuneration Committee has the authority to determine the remuneration (meeting allowances) for the Nomination and Remuneration Committee Secretary as considered appropriate.
- 4) The Nomination and Remuneration Committee has the authority to appoint a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Nomination and Remuneration Committee as appropriate and to determine the remuneration, allowances, welfare, amenities and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Nomination and Remuneration Committee as appropriate. The total amount of remuneration, allowances, welfare, amenities, and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Nomination and Remuneration Committee must not exceed

5 million baht/year. Any exceeded amount must be presented to the Board of Directors for approval

After having appointed a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Nomination and Remuneration Committee, or determined the remuneration, allowances, welfare, amenities, and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Nomination and Remuneration Committee, the Nomination and Remuneration Committee must report to the Board of Directors for acknowledgment. The information and details of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Nomination and Remuneration Committee should be disclosed in the annual report to show that they are independent without any conflict of interest.

Qualifications of the Nomination and Remuneration Committee

- 1) The Nomination and Remuneration Committee members must have knowledge, capability and experience that benefit the performance of the Nomination and Remuneration Committee. They must carry out business with honesty, integrity, and business ethics and have enough time to deliver their knowledge, capability and performance to the Company.
- 2) The Nomination and Remuneration Committee members must have qualifications without any prohibited characteristics under the Civil and Commercial Code, Securities and Exchange Act, and any other relevant laws.
- 3) The Nomination and Remuneration Committee members must have qualifications and not have any prohibited characteristics under the law governing public limited companies. Securities and Exchange Law and any other relevant laws
- 4) The Nomination and Remuneration Committee member cannot engage in business as a partner or a director in another juristic person with the same nature and/or competing with the business of the Company and/or Subsidiaries and/or Associated Companies, whether for their own benefit or for the benefit of others, unless declared in the Board of Directors' meeting or the Company's shareholders' meeting prior to the resolution of appointment (as the case may be).

Scope, authority and responsibility of Nomination and Remuneration Committee

A. Nomination

- 1) Set the policy, criteria and method to recruit the Company Director, Sub-Committee, the Directors of the Subsidiaries, Company Secretary and Top Management (CEO) by considering on the appropriateness of the number, structure and component of the Board of Directors. Determine the qualification of the Director to propose to the Board of Directors and/or seek approval from the Shareholders' meeting as the case may be.

- 2) Consider on the Nomination, selection and propose the list of people with appropriate qualification, knowledge, expertise to assign them to hold the position of the Company Director, Sub-Committee, the Directors of the Subsidiaries, Company Secretary and Top Management (CEO). Apart from that, consider on the profile of such person that they have all qualification as specified by the relevant laws and does not disagree or conflict with the laws related to the business of the Company.
- 3) Consider determining the policy for Nomination of Management to be the successor in an important position (Succession Plan)
- 4) Review the criteria and method to recruit the Director to propose to the Board of Directors before the Nomination of the Director who reach the duration of position holding
- 5) In the case that Nomination and Remuneration Committee propose the name of the Director who reach the duration to hold the position again, the Nomination and Remuneration Committee will consider the performance of such Director and the performance and contribution as well as the record of the participation in the Board of Directors' meeting and Shareholders' meeting must be proposed to the shareholders for consideration too.
- 6) Prepare the development plan for the Company Director to develop the knowledge of the existing Company Director and the new Company Director, so that they can understand the business of the Company and the Subsidiaries, roles and responsibility of the Company Director and the important developments, such as economic and industry situation, regulations or laws related to the business of the Company and the Subsidiaries, etc.
- 7) Other operations as assigned by the Board of Directors with approval from the Nomination and Remuneration Committee

B. Consideration on remuneration

- 1) Prepare the policy and criteria to determine the remuneration and other benefits of the Board of Directors, Sub-Committee, as the Directors of the Subsidiaries, Company Secretary and Top Management (CEO) for proposing to the Board of Directors and/or seek approval from the Shareholders' meeting as the case may be.
- 2) Determine the remuneration as necessary and appropriate in monetary and non-monetary form to the Board of Directors for each individual in each year by considering the appropriateness and the experience, role, obligation, responsibility, contribution, work performance of the Company and the Subsidiaries and compare to the Company in the same industry and the expected benefits from the Director, and comply with the long term strategy and goal of the Company and connect to the value that the Company created for the shareholders for proposal to the Board of Directors for consideration and proposal to the Shareholders' meeting for approval.
- 3) Determine the guideline for the performance evaluations of Board of Directors, Sub-Committee, the Board of Directors of the Subsidiaries, Company Secretary and Top Management (CEO) for consideration on the annual remuneration

- 4) Reveal the policy about the determination of remuneration and reveal the remuneration in various forms and prepare the report of the determination of remuneration in the annual report of the Company
- 5) Determine the bonus and annual increment rate of the Management and Officers which may be considered from the performance of the Company and the Subsidiaries
- 6) Consider the salary structure and other benefits of the organization
- 7) Take other actions as assigned by the Board of Directors with the approval from the Nomination and Remuneration Committee

In this regard, the assignment of obligation and responsibility of the Nomination and Remuneration Committee, regarding less of by authorization or Sub-authorization that make the assignee of the Nomination and Remuneration Committee be able to approve the transaction the oneself or the person who may have conflict of interest (as defined in the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization) have the stake holding have other conflict of interest with the Company or the Subsidiaries and/or the relevant companies, Nomination and Remuneration Committee shall not have the approving authority in such matter. It shall be proposed to the Board of Directors' meeting and/or Shareholders' meeting (as the case may be) for approval. Apart from that, such authorization must be done in writing or record as the resolution of Nomination and Remuneration Committee in the minutes of meeting and specify the scope of authority of the assignee and the duration of the assignment.

Nomination and Remuneration Committee Reporting

The Nomination and Remuneration Committee must report its performance to the Board of Directors and actions taken in the previous year based on its responsibilities to shareholders in the annual report with at least the following details:

- 1) The number of meetings held;
- 2) The number of times each member of the committee attended the meeting; and
- 3) Remuneration for Nomination and Remuneration Committee

Executive Committee

For the year ended December 31, 2021, the Executive Director Board consisted of 6 Directors as follows:

Name	Position	Number of meeting attended / Number of meeting (after appointed as Directors)
		2021
1. Miss. Jiratha Songmetta	Chairman of Executive Committee	11/11
2. Mr. Teerawut Songmetta	Member of Executive Committee	11/11
3. Mr. Pornmett Songmetta	Member of Executive Committee	11/11
4. Mr. Tanavijit Ankapipatchai	Member of Executive Committee	11/11
5. Mr. Tanachai Bunditvorapoom	Member of Executive Committee	11/11
6. Pol.Lt.Gen. Dr. Adul Narongsak ¹	Member of Executive Committee	11/11

Note: - Pol.Lt.Gen. Dr. Adul Narongsak is an executive Director who is not an employee or Executive of the Company or any subsidiary companies

- Mr. Chainart Buathong acts as the Secretary for the Executive Director Board

¹ The Company Directors who are not the Directors and Executive by the definition of SEC are responsible to prepare reports of changes in holding securities and futures ("Report Form") according to the Executive Securities holding report (section 59) and have to report to the Company Secretary within 3 days every time there is a change in the holding of the Company's Securities. After receiving the report, the Company Secretary will present the report to the Board of Directors in the next Board of Directors meeting.

Components and appointment of Executive Committee

- 1) Appoint by the Board of Directors with the number that the Board of Directors seen appropriate. The Executive Committee shall consist of Company Director and/or Management of the Company. In this regard, the Executive Board should have no fewer than 5 members and not more than 10 members.
- 2) Executive Committee does not need to be the Company Director or the Company Officers. The outsider who has appropriate qualification and does not have conflict of interest with the Company, the Executive Committee should specify the appropriate reason and necessity for the consideration to appoint clearly.
- 3) The Board of Directors will select one of the Executive Committee members to be the Chairman of the Executive Committee. In the case that the Board of Directors seen appropriate, one or more of the Executive Committee members may be selected to be the Vice Chairman of the Executive Committee.
- 4) Chairman of the Executive Committee may be the same person as the CEO.
- 5) The Executive Committee can appoint an Officer of the Company to be the Secretary of the Executive Committee to facilitate the operation of the Managements about the meeting appointment, agenda preparation, delivering the meeting document and recording the minutes of meeting. In this regard, the Executive Committee has authority to determine the remuneration (meeting allowance) for the Secretary of the Executive Committee as seen appropriate.

Qualification of the Executive Committee

- 1) Executive Committee must be the person who have knowledge, ability and experience that is useful for the business operation of the Company with honesty, morality and good governance and have enough time to give knowledge, ability and work for the Company at best effort.
- 2) Executive Committee must be the person who is qualified and does not have the prohibited characteristic according to the law concerning Public Company Limited and laws concerning Securities and Stock Exchange, and/or other relevant laws.
- 3) Executive Committee cannot run the business, be the partner or be the Director in other juristic person with the same condition and/or be the competitor with the business of the Company and/or the Subsidiaries and/or the Joint venture, regardless of for one's own benefit or benefit of other person, unless notified the Board of Directors' meeting or Shareholders' meeting of the Company prior to the appointment (as the case may be).

Scope, authority and responsibility of Executive Committee

- 1) Run the business and operate the Company and the Subsidiaries according to the objective, regulations, policy, rules, requirement, order and resolution of the Board of Directors' meeting and/or Shareholders' meeting of the Company under the relevant law.
- 2) Consider the proposal of the Administrative Division to determine the structure of the organization, vision, mission, target, policy direction, business strategy, business operation of the Company and the Subsidiaries, work plan, investment for business expansion, public relation, financial planning, annual report, budget as well as annual budget, human resource Management, investment in information technology for proposal to the Board of Directors' meeting for consideration.
- 3) Having the authority to appoint the working group to run the business or the administration of the Company and/or the Subsidiaries and/or the Joint venture and determination of the authority, duty and responsibility of the working group as well as the supervision to make the operation of the appointed working group achieve the policy and target.
- 4) Provide suggestion, advice and determine the guideline for the policy and authority of the CEO and special working group
- 5) Monitor the work performance of the Company and the Subsidiaries to be in accordance with the policy and the target approved by the Board of Directors and supervise the operation to have good quality and efficiency.
- 6) Consider on annual budget allocation as proposed by the Administrative Division before the consideration and approval by the Board of Directors
- 7) Having the authority to approve the financial expenses for the operation that is normal transaction of the business of the Company, but not more than the budget approved by the Board of Directors
- 8) Study the possibility of the new projects and consider approving the participation in the bidding, as well as the operation in the projects as seen appropriate, including the legal actions related to such matter until completion. In this regard, such authority shall be in accordance with the

approving authority set by the Board of Directors and comply with the law provision concerning security and security exchange.

- 9) Approve the important investment as specified in the annual expense budget as assigned by the Board of Directors or as the Board of Directors has approved in principle.
- 10) Having the authority to approve the borrowing, financial transaction with the bank or the financial institution for supporting the normal operation, such as opening bank account, closing bank account, offering the loan of the Company and/or the Subsidiaries, seeking credit limit or apply for loan of the Company according to the approving authority table as approved from the Board of Directors.
- 11) Consider and monitor the work performance of the Company and/or the Subsidiaries and propose the interim dividend payment or annual dividend payment to propose to the Board of Director for approval.
- 12) Determine the structure of the organization, administration authority as well as appoint, employ, relocate, terminate employment, determine the wages, remuneration, bonus of Officers at Management level, from Director of the division or equivalent upwards, except for the CEO.
- 13) Having the authority to authorize other person to take an action under the supervision of the Executive Board or authorize the person to have the authority as the Executive Board seen appropriate and within the time that Executive Board seen appropriate. The Executive Board may cancel, revoke, change or amend the authorized person or such authorization as seen appropriate.
- 14) Having the authority to appoint the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Executive Committee as seen appropriate and authorized to determine the remuneration, allowance, welfare, facility and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Executive Committee as seen appropriate. The total amount of remuneration, allowances, welfare, amenities, and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Executive Committee must not exceed 5 million baht/year. Any exceeded amount must be presented to the Board of Directors for approval.

After having appointed a Chairman of the Advisory Board, an Advisor, or an Advisory Board of the Board of Directors, or determined the remuneration, allowances, welfare, amenities, and other expenses of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Board for Directors, the Executive Committee must report to the Board of Directors for acknowledgment. The information and details of the Chairman of the Advisory Board, the Advisor, or the Advisory Board of the Board of Directors should be disclosed in the annual report to show that they are independent without any conflict of interest.

- 15) Having the authority to appoint Managements of the Company to perform all positions, except for the CEO which requires the approval from the Board of Directors, as well as be able to authorize any person to take action on its behalf in any matter under the responsibility and obligation as Executive Board as seen appropriate.

- 16) Executive Board or Chairman of Executive Board is authorized to all for Executive Board meeting and/or determine the regulations of the meeting as seen appropriate.
- 17) In case the Chairman of the Executive Board cannot perform the obligation, the Chairman of the Executive Board shall appoint the person in charge to perform duty on their behalf on case by case basis. The person in charge shall have equal authority as Chairman of the Executive Board.
- 18) Approve the authorization to operate administration for the Management according to the regulations.
- 19) Supervise the Company to have the internal control system that is suitable, concise and efficient by coordinating with the Audit Committee.
- 20) Propose the list of people who have appropriate qualification to the Board of Directors for considering to appoint as the Director and/or Management in the Subsidiaries and/or the Joint venture at least according to the ratio of shareholding of the Company, as well as determining the compliance policy of the Subsidiaries and/or the Joint venture to propose to the Board of Directors for approval
- 21) Other operation as assigned by the Board of Directors.

Authority of the Chairman of Executive Committee

- 1) The Chairman of Executive Committee must take action to comply with the obligation and responsibility mentioned above efficiently and effectively.
- 2) Having the authority to take action according to the policy of Executive Committee which is under the law, condition, rules and regulation the Company.
- 3) Supervising the business operation according to the policy assigned by the Executive Committee
- 4) Considering amending and improving the work regulations as appropriate to the Executive Committee for approval
- 5) Taking other action as assigned by Executive Committee

In this regard, the assignment of obligation and responsibility of the Executive Board, regardless of by authorization or Sub-authorization that make the assignee of the Executive Board be able to approve the transaction the oneself or the person who may have conflict of interest (as defined in the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization) have the Shareholding have other conflict of interest with the Company or the Subsidiaries and/or the relevant companies, Executive Board shall not have the approving authority in such matter. It shall be proposed to the Board of Directors' meeting and/or Shareholders' meeting (as the case may be) for approval. Apart from that, such authorization must be done in writing or record as the resolution of Executive Board in the minutes of meeting and specify the scope of authority of the assignee and the duration of the assignment.

Executive Committee Reporting

The Executive Committee must report its performance to the Board of Directors and actions taken in the previous year based on its responsibilities to shareholders in the annual report with at least the following details:

- 1) The number of meetings held;
- 2) The number of times each executive attended the meeting; and
- 3) Remuneration for the Executive Committee

7.4 Management Executive

Executive Board

For the year ended December 31, 2021, the Company had 6 Executives as follows:

Name	Position
1. Mr. Tanachai Bunditvorapoom	Chief Executive Officer
2. Mr. Teerawut Songmetta	Chief Executive Technology & Innovation Officer
3. Mr. Pornmett Songmetta	Chief Operating Officer
4. Mr. Tanavijit Ankapipatchai	Chief Finance Officer
5. Ms. Sadudta Navaskul	VP-Finance & Accounting
6. Ms. Wannee Sukpiboonrut	Accounting Manager

Scope, authority and responsibility of CEO

- 1) Supervise, administer, operate and perform the normal tasks according to the normal business for the benefit of the Company and the Subsidiaries, as well as the benefit of the Group in overall, to be in accordance with the objectives and regulations, as well as rules, resolution, policy, work plan and budget as specified by the Executive Board, the Board of Directors and/or Shareholders' meeting resolution under the relevant law and authority specified by the Board of Directors and/or Executive Board.
- 2) Supervise the business and/or administer the daily work of the Company and the Subsidiaries, as well as the report of work performance of the Company and the Subsidiaries, suggest the alternative and measures that comply with the policy to the Executive Board and/or the Board of Directors.
- 3) Prepare and present policy on business, business plan, business expansion, human resource Management, vision, mission, target, business planning, business strategy, public relation, annual report, annual budget of the Company and the Subsidiaries as well as the group in overall, for using in the business operation and set the administration authority for proposing to the Executive Board and/or the Board of Directors.

- 4) Examine, monitor and evaluate the work performance of Management Division and Administrative Division of the Company and the Subsidiaries, as well as the Joint venture that are invested in regularly and propose the suggestion on the solution to the obligations, so that the Management and Administrative Division can operate according to the strategy and business planning to comply with the policy and goal of the Company and the Subsidiaries, as well as reporting to the Board of Directors every quarter.
- 5) Issue the order, rules, notification and memorandum of understanding to ensure that the operation of the Company and the Subsidiaries are in accordance with the policy and for the benefit of the Group, as well as to maintain the discipline in the organization.
- 6) Be the representative of the Company or the Group as well as have the authority to assign any person to contact with the external organization, which include the government agencies and other regulators.
- 7) Determine the structure of the organization, administration, including the selection, develop and train, employment, appointment, relocation and termination of employment, of the officer, and determine the wages, salary, remuneration, bonus and welfare of Officers under the framework and policy set by the Board of Directors.
- 8) Having the authority to appoint and remove the officer or employee in the position lower than the Management.
- 9) Negotiate and enter into contract and/or transaction related to the normal business operation of the Company under the authorization and limitation of money as specified in the approving authority table approved by the Board of Directors.
- 10) Have approving authority for the expense in normal business operation of the Company according to the approving authority table considered and approved by the Board of Directors, such as asset purchase, loan applying for loan from the financial institution, important investment and conduct other transaction for the benefit of the Company, which the approving authority is the normal transaction of the business.
- 11) Perform other obligation as assigned by Executive Board or the Board of Directors.

In this regard, in any operation that the CEO or the assignee to perform the obligation and responsibility of CEO, or the person who may have conflict of interest (as defined in the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization) have the stake holding have other conflict of interest with the Company or the Subsidiaries and/or the relevant companies, CEO shall not have the approving authority in such matter. It shall be proposed to the Board of Directors' meeting and/or Shareholders' meeting (as the case may be) for approval, unless it is the approval of the normal business operation and normal trading condition as stated in the notification of Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant organization.

Report of changes in the holdings of securities of Directors and Executives of the Company in 2021

Name	Number of Shares / Changes		Number of Shares increase (decrease) during the year
	For the year ended December 31, 2020	For the year ended December 31, 2021	
Board of Directors Name			
1. Mr. Monton Sudprasert, spouse and underage child	- -	- -	- -
2. Mr. Charoon Intachan, spouse and underage child	- -	- -	- -
3. Ms. Chonticha Chitraporn, spouse and underage child	- -	- -	- -
5. Mrs. Patchanee Sutheevitan, spouse and underage child	- -	- -	- -
6. Mr. Nuekrak Baingern, spouse and underage child	- -	- -	- -
7. Mrs. Jiratha Songmetta, spouse and underage child	- -	- -	- -
Executive Committee Name			
1. Mr. Tanavijit Ankapipatchai, spouse and underage child	20 -	20 -	- -
2. Mr. Teerawut Songmetta, spouse and underage child	1,820,563,120 -	1,820,563,120 -	- -
3. Mr. Pornmett Songmetta, spouse and underage child	2,088,884,200 -	2,088,884,200 -	- -
4. Mr. Tanachai Bunditvorapoom, spouse and underage child	- -	- -	- -
5. Ms. Sadudta Navaskul, spouse and underage child	- -	- -	- -
6. Ms. Wannee Sukpiboonrut, spouse and underage child	- -	- -	- -

Executive's Remuneration

Monetary Remuneration

For the fiscal year ending December 31, 2021, the Company had the expenses for the executives as follows:

Type of Renumeration	Total Expenses for Executives (baht)
	For the Fiscal Year Ending December 31, 2021
Number of Executives (Person)	4
Salary, Bonus, Provident Fund, and Other Benefits (baht) ¹	20,286,970

Note: ¹ Renumeration for the executives did not include the VP-finance & accounting and the accounting manager.

Non-monetary Remuneration

-None-

7.5 Employees

The Group's Employees

Number of Employees

For the year ended December 31, 2021, the Group has a total number of 828 employees (excluding the executives) with the details as follows:

Company	Number of Employee (Person)		
	For the year ended December 31, 2019	For the year ended December 31, 2020	For the year ended December 31, 2021
1. Operation Department	438	605	648
2. Executive Department	12	12	11
3. Finance/Accounting Department	62	76	69
4. Business Development Department	18	24	27
5. Purchasing & Performance Development Department	18	14	15
6. Legal Department	5	7	6
7. Information Systems and Technology Department	13	18	17
8. Human Resource Department	25	26	25
9. Internal Audit Department	11	11	9
10. Investor Relations Department	0	1	1
11. Public Coordination Department	23	0	0
Total	625	794	828

Number of male employees and number of female employees

As of December 31, 2021, the Group has a total of 644 male employees, representing 78% of the total number of employees, and a total of 184 female employees, representing 22% of the total number of employees.

Employee's Remuneration

For the year ended December 31, 2021, the Group has a total number of 828 employees (excluding the executives). The total employee's remuneration (excluding the executives) is 314,529,787.78 baht. The remuneration includes salary, bonus, provincial fee, position fee, and other benefits.

Provident Fund

The 6/2018 Board of Directors meeting on June 19, 2018, approved the establishment of a provident fund for all employees in the Group, under the Management of Siam Commercial Bank Asset Management Co., Ltd. with the objective to be a welfare for employees who are considered an important resource of the Group.

Number of employees attending provident fund

As of December 31, 2021, the Group has employees participating in Provident fund program totaling 305 employees, representing 37 percent of the total number of employees.

Employee turnover statistics

As of December 31, 2021, the Group has a statistics of employee turnover at 20%.

Labor Disputes

The Group does not have any significant labor disputes with the Group's operation in the past 3 years.

Staff Development Policy

The Group considers the staff development significant because the Group believes that the human resources are valuable to the sustainable growth of the development of the organization. As a result, the Group's employee will be trained and developed to have values and capabilities to operate systematically and continuously for the advance in career path and long-term growth of the company.

The staff development policy aims to increase knowledge, skill, and good attitudes for the job through company's 3 courses, which are

- 1) Pre-Service Training, a training course aims to prepare the trainees before taking over the job to have knowledge and skill to work efficiently to the assigned tasks. The content of the training would comprehensively focus on necessary aspects for the detailed work. Usually, the courses in the training would be about orientation such as the corporate introduction, the corporate culture, welfares and pays, and basic course work.
- 2) In-Service Training, a training course aims to increase the knowledge, skill and attitudes for the trainees to work more efficiently, to solve the work problems caused by the trainees themselves, or to prepare the trainees for the change in working field. The course is conducted in many different forms such as on the job training, classroom training, and self-learning or E-Learning.

- 3) Pre-Promotion Training, a course aims to increase the knowledge in Executive, leadership, people Executive, etc. for the trainees to efficiently have role competency. In other words, it is a course to prepare the trainees for the promotion.

7.6 Other Information

Company Secretary

The 1/2018 Board of Directors meeting (after transformation) on July 19, 2018, appointed Mr. Chainart Buathong as the Company Secretary (details of the Company Secretary are shown in the attachment 1) The Company Secretary is required to graduate from law or accounting, or undergo a training course related to the work of the Company Secretary. The Company Secretary has the following responsibilities:

1. Inform the resolutions and policies of the Board of Directors and shareholders to relevant executives, as well as giving advice and preliminary recommendations to the Board, in accordance with the Company's regulations and Corporate Executive practices.
2. Prepare and store the following documents:
 - 1) Director registration
 - 2) Board meeting notice, Board meeting report, and the Company's annual report
 - 3) Shareholders meeting notice, and the meeting report
3. Instruct the Directors and executives to do the Executive Securities holding report, keep the report, send the copies to the chairman and the Chairperson of audit committee
4. Arrange the shareholders meeting and Board of Directors meeting, to be in accordance to the law, the company regulations, charter of each committee, and the code of conduct, as well as recording the meeting minutes and monitoring the implementation of the resolutions from the meeting
5. Ensure the disclosure of information and report for the relevant department
6. Oversee the business of the Board of Directors and coordinate between the Board and the Executives, as well as providing news and information to Directors regarding issues related to the company's business operations and reporting significant changes to the Company's Directors
7. Arrange the assessment of the Board and individual's performance, and report the assessment to the Board of Directors
8. Perform any actions to ensure the compliance with the Securities and Exchange law, as well as other laws and relevant regulations
9. Perform other activities that the company has assigned

Investor Relations Department

Mr. Jiraroj Charemrungjiranont – Senior Investor Relations Manager

Email: IR@ace-energy.co.th Tel: 065-986-4103

Audit Fee

The Group makes payment to PricewaterhouseCoopers ABAS Ltd. and Audit and Advisory Services Co., Ltd. as the Auditor and the Company that gives opinion to the financial statement of the Company and the Subsidiaries. The details of the payments for the accounting period ended December 31, 2019, 2020 and 2021 are as follows:

Audit Fee	For the Accounting Period Ended		
	December 31, 2019 (Baht)	December 31, 2020 (Baht)	December 31, 2021 (Baht)
The Company	2,850,000	2,190,000	2,125,000
The Subsidiaries and the indirect Subsidiaries	16,217,500	11,862,000	7,775,000
Total	19,067,500	14,052,000	9,900,000

The individual and business related to the Auditor and the office of the Auditor are not the individual and business related to the Company.

Non-Audit Fee

For the fiscal year ended December 31, 2019, 2020 and 2021 the Company did not have Non-Audit Fee

8. Corporate Governance Report

8.1 Summary of the Performance of the Board of Directors in the past year

Performance Assessment of the Board of Directors and sub-committees

Board of Directors arrange for the performance appraisal of the Board of Directors and sub-committees annually. The Board of Directors and the Audit Committee arrange 2 types of assessments were provided As a Whole-Assessment and Individual Self-Assessment. The Nomination and Remuneration Committee and the Executive Committee In this regard, the Company has organized one type of evaluation, ie Board evaluation (As a Whole) for the Board consider the performance of the Board of Directors and sub-committees and operational problems for improving work efficiency by the self-assessment process of the Board of Directors. And that sub-committee, Company Secretary and the secretary of the sub-committee will send the assessment form. All directors 'assessment will be sent to the Company Secretary and secretary of sub-committees to process and summarize scores and report to the sub-committee meetings and the meeting of the Board of Directors for acknowledgment.

The main subject in the performance assessment can be summarized as follows:

	Self-assessment as a whole				Self-assessment for individual	
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive committee	Board of Directors	Audit Committee
1) Structure and qualification of Board of Directors	✓	✓	✓	✓	✓	✓
2) Meeting	✓	✓	✓	✓	✓	✓
3) Roles, obligations and responsibility of Board of Directors	✓	✓	✓	✓	✓	✓
4) Other matters, such as relation between the Board of Directors and the self-development of Director and Management development	✓					

Assessment Results

In 2021 Board of Directors assessment results and the sub-committees are as follows;

- (1) The overall performance evaluation of the Board of Directors of all topics is at the level of excellence with the total score of all topics, representing 98.75% and the individual performance appraisal results in all topics at the level of excellence by getting the average overall score of all topics, representing 99.49%

- (2) The overall performance evaluation of the Audit Committee in all topics is at the level of excellence with the total score of all topics, representing 95.00% and the individual performance appraisal results in all topics at the level of excellence by getting the average overall score of all topics, representing 95.45%
- (3) The overall performance evaluation of the Nomination and Remuneration Committee in all topics is at the level of excellence by getting the average overall score of all topics, representing 97.37%
- (4) The overall performance evaluation of the Executive Committee in all topics is at the level of excellence by getting the average overall score of all topics, representing 97.22%

Directors and Executive's Remuneration

Monetary Remuneration

The Annual General Shareholders Meeting and the Board of Directors meeting has approved the remuneration for the Board of Directors, and sub-committees consisting of the Audit Committee, Nomination and Remuneration Committee, and the Executive Board of Directors, with the details as follows:

(1) Meeting fee and monthly salary

Board of Directors	Meeting Attendance	Meeting Allowance (Baht/time)	Monthly Salary (Baht/month)
	2021 ¹	2021 ¹	2021 ¹
Board of Directors			
- Chairman	7 / 7	30,000	30,000
- Directors	10 / 10	25,000	25,000
Audit Committee			
- Chairperson of Audit Committee	12 / 12	25,000	-
- Audit Committee Member	12 / 12	20,000	-
Nomination and Remuneration Committee			
- Chairperson of Nomination and Remuneration Committee	3 / 3	25,000	-
- Nomination and Remuneration Committee Member	3 / 3	20,000	-
Executive Board			
- Chief Executive Officer	11 / 11	25,000	-
- Executive Director	11 / 11	20,000	-

Note: ¹ The Company's Annual General Shareholder Meeting on April 28, 2021 approved the remuneration of the Board of Directors and Sub-Committee including the Board of Executive Directors for 2021.

In this regard, the conditions for paying meeting allowances and monthly salaries are as follows:

- 1) Directors that hold various positions in various committees would receive the salary for the highest position only.
- 2) The Audit Committee and the Chairperson of Audit Committee would receive the salary as a Director.
- 3) Directors that receive the salary as the Company's employee would not receive the salary as a Director again.

- 4) The remunerations approved by the shareholders' meeting shall remain in effect until the next shareholders' meeting resolves to amend or change otherwise.

(2) Bonus

At the 2021 Annual General Meeting of Shareholders on April 28, 2021, the resolution was resolved to approve the remuneration to directors from the Company's operating results for the year ended December 31, 2021 in an amount not exceeding 1,000,000 baht. For the bonus remuneration of the Directors shall be considered after the 2021 results are announced and presented to the shareholders' meeting for further approval.

For the fiscal year ending December 31, 2021, the Company had expenses for the payment for the Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Executive Board of Directors, with the details as follows:

Name	Total Expenses for Directors Remuneration (Baht) For the Fiscal Year ending December 31, 2021				
	Board of Director	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Total
1. Mr. Monton Sudprasert	453,000	-	-	-	453,000
2. Mr. Charoon Intachan	560,000	-	-	-	560,000
3. Mrs. Jiratha Songmetta	660,000	-	60,000	275,000	995,000
4. Ms. Chonticha Chitraporn	660,000	300,000	-	-	960,000
5. Mrs. Patchanee Sutheevitan	660,000	240,000	75,000	-	975,000
6. Mr. Nuekrak Baingern	660,000	240,000	60,000	-	960,000
7. Mr. Tanavijit Ankapipatchai	360,000	-	-	220,000	580,000
8. Mr. Teerawut Songmetta	360,000	-	-	220,000	580,000
9. Mr. Pornmett Songmetta	360,000	-	-	220,000	580,000
10. Mr. Tanachai Bunditvorapoom	360,000	-	-	220,000	580,000
11. Pol.Lt.Gen. Dr.Adul Narongsak	-	-	-	220,000	220,000
Total	5,093,000	780,000	195,000	1,375,000	7,443,000

Non-monetary Compensation

-None-

Approving authority

Approving authority of the Company and the Subsidiaries

The Company has specified that the Board of Directors has approving authority in various matters of the Company according to the scope of obligation specified by law, regulations of the Company, the Board of Directors' charter and Shareholders' meeting resolution, as well as the revision of the strategy in the operation on

yearly basis and revise the work plan, annual budget, investment plan, cost of investment, as well as the budget of operating expenses of the Company, monitoring and work performance assessment according to the plan. The approvals that are important, while the Management is responsible for managing the activities of the Company as assigned by the Board of Directors and approve the transaction that is in the annual budget as approved by the Board of Directors.

Supervising the operation of the Subsidiaries and the Joint venture

- 1) The Board of Directors has an obligation to monitor and supervise the administration and operation of the Subsidiaries and/or the Joint venture (*mutatis mutandis*), to be in accordance with the policy specified by the Company, the laws related to business operation, as well as the laws concerning stock and stock exchange, notification of Capital Market Supervisory Board, regulations of the Stock Exchange of Thailand, *mutatis mutandis*, to the extent that it does not disagree or conflict with other laws.
- 2) The Board of Directors has obligation to appoint the representative to be the Director and Management in the Subsidiaries and/or the Joint venture at least according to the ratio of shareholding in the Subsidiaries and/or the Joint venture of the main business and there must be a code of conduct or regulations, so the submission of such person must be approved by the Board of Directors' meeting. The scope of obligation and responsibility of the representative who is appointed to hold the position of the Director and Management in the Subsidiaries must be clearly specified and there must be the result of the consideration of Director and Management in the Board of Directors' meeting of the Subsidiaries in an important issue must obtain the approval from the Board of Directors' meeting in advance, except for the case that there is limitation by other law or the condition about joint investment with government agency or in any other cases according to the laws concerning security and security exchange, notification of Capital Market Supervisory Board or regulations of the Stock Exchange of Thailand. In this regard, the Director and Management of the Subsidiaries and/or the Joint venture mentioned above that are appointed or proposed must be a qualified person with roles, obligations and responsibility as defined by the relevant law, and there shall not have the characteristic that is not reliable according to the notification of the Capital Market Supervisory Board, concerning the characteristic that is not reliable of the Director and Management of the Company.
- 3) The Board of Directors has an authority to take action to make the Subsidiaries and/or the Joint venture to have internal control system, risk Management system and anti-corruption system, as well as setting the standard for work performance monitoring system of the Subsidiaries and/or the Joint venture efficiently, regularly and precisely enough to ensure that the operations of the Subsidiaries and/or the Joint venture will be in accordance with the work plan, budget, policy of the Company, as well as the laws and notification on Corporate Governance of the registered Company as well as the notification, regulations and criteria related to Capital Market Supervisory Board the Securities and Exchange Commission and the Stock Exchange of Thailand genuinely and continuously. Apart from that, the Board of Directors also have the

obligation to monitor the Director and Management of the Subsidiaries and/or the Joint venture to comply with the roles and responsibility specified by law.

- 4) The Board of Directors is responsible for monitoring the Subsidiaries and/or the Joint venture to reveal significant information, such as information about financial status and work performance, relevant transaction, and the items that may have conflict of interest of the Subsidiaries and/or the Joint venture, the item acquired and sold which are significant asset and any other items that are important, normal transaction of the Subsidiaries and/or the Joint venture, etc. In this regard, the disclosure of such information must be adequate, complete, correct and be on time as specified by the Company and comply with the criteria of the related organization.
- 5) In the case that the Subsidiaries agree to conduct the transaction that is related to the related person of the Subsidiaries or the transaction related to the acquisition or sale of the asset of the Subsidiaries according to the criteria specified in the notification of Capital Market Supervisory Board and/or the notification of the Stock Exchange of Thailand (as the case may be). The Company and the Subsidiaries must comply with the criteria and method as specified by such notification before conducting the transaction, mutatis mutandis. The Subsidiaries must comply with the criteria and method as specified by such notification in the same manner as the Company has conducted such transaction on one own.
- 6) In this regard, such transaction requires the approval from the Board of Directors' meeting and/or Shareholders' meeting of the Company according to the notification of Capital Market Supervisory Board and/or the notification of the Securities and Exchange Commission and/or relevant laws. The Company and the Subsidiaries shall consider the size of the transaction as compared to the consolidated financial statements of the Company.

Scope of authorization and responsibility of the Director and Management of the Subsidiaries and the Joint venture

The Company Sub-Committee and/or the Joint venture have authority, obligation and responsibility in managing the Subsidiaries and/or the Joint venture to comply with the law, objectives and regulations of the Subsidiaries and/or the Joint venture as well as the resolution of Sub-Committee's meeting and/or the Joint venture Shareholders' meeting resolution of the Subsidiaries and/or the Joint venture with honesty and be careful to keep the benefits of the Subsidiaries and/or the Joint venture. The operation of the Director and Management of the Subsidiaries and/or the Joint venture shall have the scope, authority and responsibility as specified by the Board of Directors. The Director and Management of the Subsidiaries and/or the Joint venture shall have the discretion to consider and vote in the Board of Directors' meeting of the Subsidiaries and/or the Joint venture concerning general administration and normal operation of the Subsidiaries and/or the Joint venture as the Director and Management of the Subsidiaries and/or the Joint venture seen appropriate for maximum benefit of the Subsidiaries and/or the Joint venture and shareholders, as follows:

- 1) Director and Management of the Subsidiaries and/or the Joint venture must follow the obligation and responsibility as specified by law and follow the work plan budget and policy of the Company.
- 2) Director and Management of the Subsidiaries and/or the Joint venture must reveal the important information, such as information about financial statement and performance, related transaction and the

transaction that may have conflict of interest with the Subsidiaries and/or the Joint venture, the transaction of acquisition or sale of the significant asset and any other items that are important, which is not normal operation of the Subsidiaries and/or the Joint venture to the Company for acknowledgement, adequately, completely, correctly and in timely manner, mutatis mutandis. In this regard, the Board of Directors of the Subsidiaries considers the related transaction acquisition or sale of the significant asset and any other important transaction that is not normal operation of the Subsidiaries. The related notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission shall be enforcing, mutatis mutandis.

3) Director and Management of the Subsidiaries must reveal and deliver the information of the stake holding of oneself and person who may have conflict¹ to Board of Directors of the Company and the Subsidiaries and/or Company Secretary who are aware of the relation and transaction of the Subsidiaries or the Company in the manner that it may cause conflict of interest and avoid the transaction that may cause conflict of interest with the Subsidiaries or the Company. The Board of Directors of the Subsidiaries has obligation to report such information to the Board of Directors of the Company for acknowledgement in the time as specified by the Company as the information for consideration to make decision or approve. Such consideration must focus in the overall benefit of the Subsidiaries and the Company.

In this regard, Director and Management of the Subsidiaries and the Joint venture must not participate in approving the subject that they are the stake holder or may have the conflict of interest.

The following action is the action which make the Director, Management or people who may have conflict of the Subsidiaries and the Joint venture, receive monetary return other than those normally get or is the cause making the Subsidiaries or the Joint venture or the Company suffer from damage, it shall be considered that such actions have conflict against the benefit of the Subsidiaries or the Joint venture or the Company significantly.

- (A) The transaction between the Subsidiaries and Director, Management or people who may have conflict of the Subsidiaries, does not comply the criteria of the relevant transaction.
- (B) Maximize the benefit of data use of the Company or the Subsidiaries or the Joint venture the they are aware of for the benefits of one's or other people, unless the information is announced to the public.
- (C) The use of asset or business opportunity of the Company or the Subsidiaries or the Joint venture in the same manner as the Company or the Subsidiaries or the Joint venture take action and violate criteria or the general operation rules as the Securities and Exchange Commission, or Capital Market Supervisory Board specified.

4) Director and Management of the Subsidiaries and/or the Joint venture must report the business operation plan, business expansion, large scale investment project, as well as the joint investment with other entrepreneur to the Company through the report of monthly performance and explain or deliver the supporting document of such case, in the case that the Company request.

5) Director and Management of the Subsidiaries and/or the Joint venture must submit the information or document related to the operation of the Company as requested and as appropriate.

¹

According to the notification of the Capital Market Supervisory Board No. GorJor. 17/2551 concerning the determination of the definition in the notification about the issuance and offer to sell the security on 15 December 2018, the definition "person who may have conflict" is (1) Director or Management (2) major shareholder (3) person with supervising power (4) person with blood relation by marriage or the legal registration with the person in (1) (2) or (3), which are father, mother, married couple, siblings, child or the person who is married to the child (5) any juristic person that people in (1) (2) or (3) hold the share or have the supervising power or have interest in any way, regardless of directly or indirectly.

6) Director and Management of the Subsidiaries and/or the Joint venture must explain or deliver the supporting document to the Company in the case that the Company found the significant issue.

7) Director, Management, Officers, employee or the assignee of the Subsidiaries and/or the Joint venture, as well as the spouse and minor child of the person must not use the internal information of the Company or the Subsidiaries and/or the Joint venture, both those obtained from the compliance with obligation in a way, which have or may have significant impact to the Company or the Subsidiaries or the Joint venture for benefit of oneself or other people, regardless of directly and indirectly and regardless of there is a return or not.

8) Director, Management or people who may have conflict of the Subsidiaries will be able to conduct the transaction with the Subsidiaries only when such transaction is approved by Sub-Committee and/or Board of Directors of the Company or the shareholders of the Subsidiaries and/or shareholders of the Company (as the case may be) according to the size of the transaction as calculated by using the criteria in the notification of the related transaction and the related criteria of Capital Market Supervisory Board and The Securities and Exchange Commission, mutatis mutandis. In this regard, except when the transaction is the trading agreement in the same manner that people should do with the contract party in general in the same situation, with the bargaining power that is free from the influence that the person is in the position of Director, Management or people who may have conflict (as the case may be) and is the trading agreement approved by the Board of Directors or possible according to criteria approved by the Board of Directors.

9) Director and Management of the Subsidiaries and/or the Joint venture must provide appropriate internal control that is suitable and concise enough for preventing the fraud that may occur to the Subsidiaries and/or the Joint venture. Apart from that the Subsidiaries and/or the Joint venture should have a distinct work system to show that the Subsidiaries and/or the Joint venture have an adequate system in information disclosure for the significant transaction according to the stipulated criteria consistently and reliably. Plus, there must be a channel for the Director and Management of the Company to be able to get the information of the Subsidiaries and/or the Joint venture for supervising the work performance and financial status, transaction between the Subsidiaries and/or the Joint venture and the Director and/or Management of the Subsidiaries and/or the Joint venture and the significant transaction of the Subsidiaries and/or the Joint venture efficiently. Apart from that, the Board of Directors must provide the Subsidiaries and/or the Joint venture the examination mechanism for such work system in the Subsidiaries and/or the Joint venture. The internal Auditor team and Independent Director of the Company must be able to access the data directly and there must be a report of such work system examination for the Audit Committee and the Board of Directors to ensure that the Subsidiaries and/or the Joint venture has complied with the work system efficiently and regularly.

In this regard, to comply with policy on supervision of the operation of the Subsidiaries and the Joint venture, the following cases, of the Subsidiaries must be approve by Board of Directors of the Company and/or Shareholders' meeting of the Company (as the case may be) before getting approval from Board of Directors or the Shareholders' meeting of the Subsidiaries (as the case may be).

- The subject that must be consider and approve from the Shareholders' meeting of the Company with the voting not fewer than three-fourth (3/4) of all votes of the shareholders attended meeting and has the right to vote:

- (1) In case the Subsidiaries agree to do the transaction with the related person of ACE or the Subsidiaries or the transaction related to the acquisition or sale of the asset of the Subsidiaries. In this regard, it must be in the case that when calculating the size of the transaction that the Subsidiaries will conduct as compared to the size of ACE using the criteria of calculation as specified in the related announcement of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, *mutatis mutandis*, it shall be in the criteria that the Shareholders' approval from meeting of ACE is required.
- (2) Capital increase by issuing more share of the Subsidiaries and the share allocation, including the decrease of the registered capital and/or the paid up share of the Subsidiaries which is not comply with the original ratio of shareholding of the shareholders or the other operation in the same manner which make the ratio of shareholding of ACE and/or the use of voting right of ACE directly and indirectly in the Shareholders' meeting of the Subsidiaries, regardless in any stage decreased to lower than the ratio specified in the law enforced with the Subsidiaries, which make ACE lose the controlling power over such the Company. In this regard, it must be in the case that when calculating the size of the transaction as compared to the size of ACE, it is in the criteria that require the approval from Shareholders' meeting of ACE using the criteria of calculation of transaction size as specified in the relevant notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, *mutatis mutandis*.
- (3) The business close down of the Subsidiaries. In this regard, this shall be only when calculating the size of the business of the Subsidiaries to be closed own as compared to ACE using the criteria of calculation of transaction size as specified in the relevant notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, *mutatis mutandis*, it is in the criteria that require the approval from Shareholders' meeting of ACE.
- (4) Any other transaction that is not normal business transaction of the Subsidiaries and it is the transaction that has impact on the Subsidiaries significantly. In this regard, this shall be only when calculating the size of the business of the Subsidiaries to do the transaction as compared to ACE using the criteria of calculation of transaction size as specified in the relevant notification of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, *mutatis mutandis*, it is in the criteria that require the approval from Shareholders' meeting of ACE.
- (5) Amendment to the regulations of the Subsidiaries in the subject that may significantly affect the financial status and work performance of the Subsidiaries, including but not limited to, the amendment of regulations of the Subsidiaries that affect the right to vote of the Company in the Board of Directors meeting of the Subsidiaries and/or Shareholders' meeting of the Subsidiaries, etc.

- The subject to be considered and approved by the Board of Directors' meeting
 - (1) Appointment or proposal of the name of the person to be the Director and Management in the Subsidiaries at least at the ratio of shareholding of ACE in the Subsidiaries. The Director and Management that ACE appoint or propose the name shall have the discretion to consider voting in the Board of Directors meeting of the Subsidiaries in the subject related to the administration in general and normal business operation of the Subsidiaries as the Director and Management seen appropriate for the maximum benefit of ACE and the Subsidiaries (as the case may be). In this regard, except for the subject that is determined to be considered and approved by the Shareholders' meeting of ACE. In this regard, Director and Management of the Subsidiaries that is appointed must be the person who is listed in the Director and Management listing system of the Company issued the security (White List) and have the qualifications, roles, obligations and responsibility as specified by relevant law. Apart from that, there shall not have the characteristic that is not reliable according to the notification of the Capital Market Supervisory Board, concerning the characteristic that is not reliable of the Director and Management of the Subsidiaries.
 - (2) Consideration on annual dividend payment and interim dividend payment (if any) of the Subsidiaries, except when the case that the Subsidiaries pay dividend in total for the whole year not fewer than the amount specified in the total annual budget of each Subsidiary.
 - (3) The amendment of the regulations or the Subsidiaries, except for the following cases:
 1. Amendment of the regulations concerning the capital increase according to the ratio of shareholding which is in accordance with the annual budget of each Subsidiary and/or
 2. Amendment of the regulations in significant matter which must be approved by Shareholders' meeting of ACE
 - (4) Approval of annual budget of the Subsidiaries, unless specified in the manual of approving authority and operation of the Subsidiaries
 - (5) Appointment of the Auditor of the Subsidiaries especially for the case that the Auditor is not in a Full Member Audit office in the same network as the Auditor of ACE which is not complied with the policy on Auditor appointment of ACE, in which the Auditor of the Subsidiaries must be under the Audit office in the same network as the Auditor of ACE.
 - (6) Capital increase by issuing capital increase shares of the Subsidiaries and allocate the share and decrease the Registered Capital and/or paid up capital of the Subsidiaries which does not comply to the ratio of original shareholding of shareholders or the other operation in the same manner which make the ratio of shareholding of ACE and/or the use of voting right of ACE directly and indirectly in the Shareholders' meeting of the Subsidiaries, regardless in any stage decreased to lower more than 10 (ten) percent of the paid up capital of the Subsidiaries or the total vote of the Subsidiaries (as the case may be), except when it is already in the business plan or annual budget of the Subsidiaries which granted approval from the Board of Directors of ACE.

- (7) The item in A to D of this clause are the significant transaction and when it is conducted, it will cause significant impact to the financial status and work performance of the Subsidiaries. Therefore, before the Board of Directors meeting of the Subsidiaries and Director who is appointed by ACE to hold the position in the Subsidiaries will vote on this matter, the Director must grant the consent from the Board of Directors of ACE about such matter first. In this regard, it must be in the case that when calculating the size of the transaction that the Subsidiaries will conduct as compared to the size of ACE using the criteria of calculation as specified in the related announcement of Capital Market Supervisory Board and the notification of the Securities and Exchange Commission (as the case may be) to enforce, mutatis mutandis, it shall be in the criteria that the Shareholders' approval from meeting of ACE is required for the following.
1. In case of the Subsidiaries agree to enter into the transaction with the related person of ACE or the Subsidiaries or the transaction related to acquisition or sale of the asset of the Subsidiaries, including but not limited to the following cases:
 - (1) The transfer or waive of the benefits as well as the waive of the right to claim available to the person who cause damage to the Subsidiaries
 - (2) Sale or transfer of the entire business or the significant part to other people
 - (3) Purchase or get the business transfer of the other Company to be owned by the Subsidiaries
 - (4) Entering into, amendment, or terminate the agreement related to the business rental of the Subsidiaries entirely or partially in the important part. Assigning other people to manage the business of the Subsidiaries or the merger of the Subsidiaries of other people with the objectives to share the profit and loss.
 - (5) Rent or rent out the business or asset of the Subsidiaries entirely or partially in the important part.
 2. Borrowing, lending, giving credit, providing guarantee, entering into legal transaction that make the Subsidiaries have to bear more financial liability or providing financial assistance in other manners to other people and is not the normal transaction of the Subsidiaries, except for the borrowing between ACE and the Subsidiaries or between the Subsidiaries and other Subsidiaries of ACE.
 3. Close down the business of the Subsidiaries
 4. Other transaction that is not normal transaction of the Subsidiaries and are the transaction that affect the Subsidiaries significantly.

In this connection, the scope, authority and responsibility of the Director and Management of the Subsidiaries and/or the Joint venture above has been set out in the regulations of the Subsidiaries and effective from the day that the Board of Directors has resolution to approve both before and after the Company has registered in the Stock Exchange of Thailand, to the extent that the Company still keep the status as the registered Company in the Stock Exchange of Thailand and the Company still have the controlling power in the Subsidiaries. In this regard, the definition of controlling power shall be in accordance with laws concerning stock and stock exchange.

Monitoring to ensure compliance with corporate governance policies and practices

Policy on the supervision of Internal Information

- 1) Give knowledge to Director and Management of the Company about the obligation to report the asset holding of oneself, spouse and child who is a minor to the Securities and Exchange Commission according to the guideline given in Section 59 and penalty section 275 of the Security and Security Exchange Act B.E. 1992 (as amended)
- 2) State that the Director and Management of the Company, as well as the spouse and the child who is a minor prepare and reveal the report of asset holding and report of the change of asset holding to the Company to the Securities and Exchange Commission according to Section 59 and penalty section 275 of the Security and Security Exchange Act B.E. 1992 (as amended) and deliver the copy of report to the Company Secretary on the same day as the report is submitted to the Securities and Exchange Commission.
- 3) The members of Sub-Committee, such as Executive Board, Nomination and Remuneration Committee, Management, Officers and employee of the Company, the Subsidiaries and/or the Joint venture that are acknowledge of the internal information must comply with the rule stated in Clause 4 strictly. The **“Internal information”** refers to the fact which is significant which affect or may affect the change of the asset price of the Company and the fact that has not been revealed to the public. In this regard, example of the event or fact that are considered as internal information are:
 - (A) The joint investment, merger or acquisition of the business
 - (B) The announcement to pay or not to pay the dividend or the announcement of profit or loss
 - (C) The change to the par value and stock dividend payment
 - (D) The accusation or loss of the important trading
 - (E) The launch of new product, important development about the resource, technology, product and market or the important finding about natural resource
 - (F) The change of the power to control or significant change in the Board of Directors and Management
 - (G) The call for divestment of asset
 - (H) The borrowing at the significant amount to the financial status and work performance
 - (I) The issuance of capital increase share at an important amount by offering to sell for general public
 - (J) Important legal dispute
 - (K) Purchasing or selling important asset
 - (L) Important change in investment payment
 - (M) Change of objectives of the Company
 - (N) Important dispute about labour, Sub-contractor, supplier of the Company
 - (O) Preparation of the proposal to purchase the security of other Company
 - (P) Change of policy and accounting

- 4) The Sub-Committee members such as Executive Board, Nomination and Remuneration Committee, Management, Officers and employee of the Company the Subsidiaries and/or the Joint venture who are acknowledge of the internal information are prohibited from trading the stock of the Company during the following period.

1. From the day that the internal information is known until the date that the Company has disclose such information to the public, according to the guideline of the notification of the Stock Exchange of Thailand concerning guideline on the disclosure of the information of the listed Company on 30 April 1993, and in the period of 24 hours after the Company has revealed the internal information to the public
2. From the last day of each quarter or the last day of the accounting period of the Company (as the case may be) until the day that the Company reveal the financial statement for such accounting period of the Company to the public and in 24 hours period after the Company has revealed the financial statement for such accounting period of the Company to the public.

Apart from that, the person related to the internal information must not reveal such information to other people until the information is informed to the Stock Exchange of Thailand. In this regard, if there is any violation of the rules mentioned above, the Company will consider it as the disciplinary offense according to the work regulations of the Company and there will be a punishment as appropriate to the case, ranging from verbal warning, warning in writing, probation to termination of employment.

Comply with the Corporate Governance in other aspects

Corporate Governance principles that the company has complied

The Company has always realized and valued the importance of corporate governance practices in 2020, the Company has complied with the following important corporate governance principles as followed

- (1) Promoting and facilitating the exercise of shareholders' rights by allowing shareholders to propose agenda for the 2022 Annual General Meeting of Shareholders of the Company in advance from 5 November 2021 until 14 January 2022
- (2) Equitable treatment of all shareholders by providing opportunities for shareholders to nominate qualified persons for consideration and appointment at the regular shareholders' meeting of the Company in 2022 as a director of the Company Advance from 5 November 2021 until 14 January 2022
- (3) Development of Company Directors and Executives in 2021, Company Directors and the management has participated in the training and seminars in courses organized by external institutions as follows.

- (1) Miss Chonticha Chitraporn Chairman of Audit Committee/Director/Independent Director, Mrs. Patchanee Suthewitanan Chairman of the Nomination and Remuneration Committee/Director/Independent Director/Member of the Audit Committee and Mr. Nuekrak Baingern Director/Independent Director/Audit Committee/Nomination and Remuneration Committee attended the Audit Committee meeting of listed companies organized by the Securities and Exchange Commission

(2) Mr. Tanachai Bunditvorapoom Director/Member of Executive Committee/CEO attended the following seminar courses:

- i. Director Leadership Certification Program (DLCP) Class 3/2021, Thai Institute of Directors Association
- ii. Advanced Master of Management Program, AMM (Class 6), Graduate School of Public Administration, National Institute of Development Administration

Corporate Governance principles has not been fully implemented.

The items that have not been fully implemented	Reason
Development of all Company Directors and Executives by promoting and facilitating the participation of seminars organized by external institutions.	Due to the situation of the coronavirus outbreak 2019 (COVID-19), that continues to be severe, the Company may not be able to act for the Company's directors. and management can fully participate in seminars organized by external institutions in 2021, except the online seminars. The Company assist promoting and facilitating the Board of Directors and executives can attend only 4 persons for 3 courses because of the company recognize the importance of safety and reduce the risk of infection from the epidemic.

8.2 Audit Committee Report

The Audit Committee of Absolute Clean Energy Public Company Limited ("the Company" or "ACE") was appointed by the Board of Director. The Committee comprises independent directors who are qualified and have sufficient knowledge and experience to validate the Company's financial statements. They have complete qualifications in accordance with the rules and regulations of the Securities and Exchange Commission. There are 3 members of the Audit Committee:

1. Ms. Chonticha Chitraporn Chairman of Audit Committee
2. Mr. Nuekrak Baingern Member of Audit Committee
3. Mrs. Patchanee Suthewitanan Member of Audit Committee

Mr. Somchai Chia-piyasakul acts as the secretary of the Audit Committee

The Audit Committee has performed its duties independently in the scope and responsibility assigned by the Board of Directors, as specified in the Audit Committee charter which is in line with the regulations of the Stock Exchange of Thailand. There is a review and encouragement for the Company to follow the principles of good corporate governance. The Company should conduct business with the principles of good governance, transparency, honesty and integrity. Management should give importance to responsibility to the environment, society and shareholders for stable and sustainable growth and development by taking into account the maximum benefit of the shareholders. In the year 2021, the Audit Committee held a total of 12 meetings with executives, related employees, internal auditor and the external auditor and the meeting with the Auditor and Internal Auditor without the Management Team 1 time. The essence of the Audit Committee's performance can be summarized as follows:

Review of Financial Statements

The Audit Committee has reviewed quarterly financial statements, the separate annual financial statements of the Company and consolidated financial statements including related party transactions. By meeting with the auditor and executives involved in the preparation of financial statements in order to make sure that financial statements have been prepared in accordance with legal requirements and the generally accepted accounting standards. There is an internal control system that is suitable for the preparation of accounting reports. There is sufficient and appropriate disclosure of financial information in all material areas and is beneficial to users of the financial statements.

Connected Transaction of the Company on a Quarterly and Annual basis

The Audit Committee has reviewed Connected Transactions on a quarterly and annually basis to ensure that the transactions are appropriate and reasonable and protects the Group's benefits as well as complying with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

Review of Adequacy and Appropriateness of the internal control system

The Audit Committee has reviewed the sufficiency of the internal control system of the Company and subsidiaries by reviewing the audit report of the internal auditor and the auditor's report. There was no significant issue or errors. Businesses were conducted in accordance with the policy and the specified line of command. Management has followed the recommendations, showing that the Company has appropriate internal control systems to conduct business. The Audit Committee believes the Company has an adequate internal control system suitable for the size of the business and the current condition of the Company. The system carefully monitors and oversees the Company's operations to protect the company and subsidiaries' assets from the misuse by directors, executives or employees or without authority. It also provides adequate control of connected transactions.

Risk Management

The Audit Committee places emphasis on the risk management of the organization by having the internal audit department prepare the risk management audit plan to have management and internal controls are adequate and appropriate, especially the risks related with business operations that may affect the business and the company's performance which the Audit Committee considered that the top Management has given importance to risk management by analyzing and assessing risk factors including communicating information about risks thoroughly within the organization

Supervision of the internal audit department

The Audit Committee has overseen the operations of the internal audit department by considering and approving the annual internal audit plan to ensure that the annual audit plan covers the Group's internal control system, and is consistent and suitable for different characteristics in each phase of the business operation. The Audit Committee has considered the results of internal audits and monitors to be in accordance with the annual internal audit plan of the internal audit department.

The Company's Good corporate governance operations

The Audit Committee has placed importance on the operations in accordance with the good corporate governance (CG Code 2017) of the company. The implementation of good corporate governance of the company is considered to be appropriate in terms of operations plans, social and environmental responsibility including sustainability policy. This is an operation to create value for both the Company's shareholders and all stakeholder groups, including disadvantaged people by promoting the well-being of local communities, societies and natural environments. The goals are to make those practices sustainable and complying with good governance, risk management by taking care of the interests of the stakeholders, employee and the environment, based on the ESG framework (Environment, Social, Government).

Consideration and propose the appointment of the Auditor for the year 2021

The Audit Committee has selected the auditors of the company by considering qualifications, independence of auditors, expertise, experience, performance, scope of inspection guidelines, including the appropriateness of compensation. The Audit Committee, therefore proposed to the Board of Directors meeting to request approval at the shareholders' meeting to appoint Mr. Krit Chatchavalwong, Certified Public Accountant No.5016 and/or Miss Sinsiri Tungsombat, Certified Public Accountant No.7352 and / or Mr. Vichien Gingmontri, Certified Public Accountant No.3977 from Pricewaterhouse Cooper ABAS Company Limited as the auditor of the Company for the year 2021. The auditors listed above is the auditors approved by the Securities and Exchange Commission and has experience, knowledge, and ability that are appropriate for the audit of the Group's financial statements


Consideration to acknowledge the use of revised financial reporting standards, effective for the accounting period beginning on or after January 1, 2021

The Audit Committee is informed of significant changes to the revised financial reporting standards, effective for the accounting period beginning on or after 1 January 2021 including the preparation of the company to ensure that the company will be able to start using financial reporting standards correctly and on time and consider the company have accounting policies that are consistent with the revised financial reporting standards.

Evaluation of the performance of the Audit Committee

The Audit Committee has evaluated the performance of the Audit Committee and each member of Audit Committee to ensure that the operations of the Audit Committee are carried out efficiently to support and promote good corporate governance of the company. From the evaluation, the Audit Committee has complete qualifications and perform duties efficiently and in accordance with the scope of duties and responsibilities specified in the audit committee charter. In summary, the Audit Committee has performed according to the duties and responsibilities assigned by the Board of Directors and as specified in the charter of the audit committee by using knowledge and ability with caution, prudence and sufficient independence as well as giving opinions and recommendations creatively for the benefit of all stakeholders. The Audit Committee is of the opinion that the Board of Directors, executives, and employees at various levels of the Company are committed to performing their duties in order to achieve the Company's and their professional goals efficiently and effectively. The Company has an appropriate risk management system, good corporate governance policy as well as suitable, concise and sufficient internal control systems.

From the performance of duties of the Audit Committee, in the year 2021 as reported above, it is believed that the Company prepares financial reports that are accurate, complete, reliable, and in accordance with generally accepted accounting standards. There are a risk management system and internal control system that are appropriate for the nature of the business. The group of companies, has good corporate governance that takes into account the responsibility to the environment, society, and shareholders with the goal of creating stable and sustainable growth.

A handwritten signature in Thai script, which reads "รศ. ชอนติชา ชิตราพร" (Ms. Chonticha Chitraporn).

(Ms. Chonticha Chitraporn)
Chairman of Audit Committee

9. Internal Control and Connected Transaction

9.1 Internal Control

Company's Internal Control System

The Group recognizes and places high importance to the Management of good Internal Control Systems, to support the operations of the Group in an efficient manner, with adequate and comprehensive Internal Control Systems in all areas, to comply with relevant laws, rules, and regulations. The Board of Directors has provided an effective and sufficient Check & Balance Mechanism to protect, to supervise, and to maintain the Group's assets, by establishing a hierarchy of authority, delegation of authorities, duties, And Responsibilities, to provide management at the executive level and staff levels with appropriate checks and balances. A written operational procedure will be established, and an independent Internal audit department will be in place to review the operations of the units in the group according to the established regulations, and will report directly to the Audit Committee. In addition, the Company and the subsidiaries have appropriate and concise Internal Controls and Internal audit Systems, to prevent fraud that may occur to the Group, with a clear System that can be inspected, and is consistent with guidelines of the Stock Exchange of Thailand.

At the Board of Directors Meeting No. 1/2022, held on February 28, 2022, with all members of the Audit Committee participating, the Board of Directors had evaluated the Internal Control System by querying information from the Company's management, with referencing from Internal Control audit reports, and from follow-up reports of Internal Control audit, that were audited and prepared by P&L Interactive Audit Company Limited, and P&L IT Audit Company Limited, (collectively referred to as "P&L"). The Board of Directors had considered and evaluated the Internal Control System of the Group in 5 areas, according to the Committee of Sponsoring Organizations of the Tread-way Commission (COSO), which had revised the framework in May 2013, with adjustments to be suitable for Thai listed companies. The main questions are still divided into 5 parts, which are the same as the previous COSO guidelines, namely 1) the Controlled environment, 2) the risk assessment, 3) the Control measures, 4) the information and communication Systems, and 5) the reporting and tracking System. In this regard, each part has been expanded into 17 sub-principles, consisting of the following items;

1) Control Environment

The Company encourages and promotes a good Internal Control environment, by defining the goals and directions of its business, specifying corporate governance, code of conduct, and operational manuals in writing, which have been communicated to all levels of employees to be informed and to strictly comply. Penalty will be imposed if there are any violations. There will be a clear organizational structure, and a check and balance mechanism. There is an independent Internal audit department that reports directly to the Audit Committee, overseeing and reviewing support operations, creating a good Internal Control environment, covering the following principles;

- 1.1 The organization demonstrates adherence to the values of integrity and ethics.
- 1.2 The Board of Directors are independent from Management in providing oversight and the development of Internal Control.

- 1.3 Management will provide a reporting structure, assigning appropriate authority, and accountability, for the organization to achieve its objectives, under the oversight of the board.
- 1.4 The organization demonstrates a commitment to motivation, development, and retention of knowledgeable personnel.
- 1.5 The organization requires the personnel to perform duties with the responsibilities in Internal Control, to achieve the objectives of the organization.

2) Risk Assessment

The Company has set up a risk management System, via the establishment of Risk Management Working Group, that will be responsible for setting the policy framework and risk management guidelines, in accordance with the COSO guidelines, with the responsibility to determining guidelines and measures to limit risks, in order to limit any damages that may occur, and with duties to promote the implementation of risk management policies throughout the organization to cover the following principles;

- 2.1 The organization shall specify objectives clearly and adequately, in order to identify and to assess risks related to the achieving the objectives of the organization.
- 2.2 The organization will identify and analyze all types of risks that may impact the achievement of the organizational objectives in a comprehensive way.
- 2.3 The organization will consider the likelihood of corruption in assessing the risk of achieving the organization's objectives.
- 2.4 The organization will be able to identify and to assess any changes that may impact the Internal Control System.

3) Control Activities

The Company has established regulations and framework for approval of transactions that are clear and in writing, with proper segregation of duties and mutual review. The Company has specified the conditions for related transactions as connected transactions, or as transactions that may have conflicts of interest, by having the Internal audit department conduct an investigation, and will monitor compliance with the law and Regulations, which cover the following principles;

- 3.1 The organization will have Control measures to reduce the risk of not achieving the objectives at an acceptable level.
- 3.2 The organization will choose and develop general Control with technology Systems, to support the achievement of objectives.
- 3.3 The organization will organize Control activities through policies, which define expectations and procedures, so that those policies can be implemented.

4) Information and Communication

The Company has established an ongoing information System, and has provided effective means of communication, to ensure the sufficiency of important information to support decision-making of the Board of Directors and the Executives. In this regard, documents and data will be collected, and will determine the appropriate storage period of time, to comply with the legal requirements. The quarterly and annual financial

statements are reviewed and audited by the Company's auditors. Sufficient and timely information is disclosed for the best interest of shareholders, investors, and users of financial statements. There will be Internal and external communication systems, so that the personnel will be informed of all the information used for operations, which covers the following principles;

- 4.1 The organization will have relevant and quality information, in order to support Internal Control in the course of its operations.
- 4.2 The organization will communicate information within the organization, including objectives and responsibilities for Internal Control, which are necessary to support the Internal Control to be carried out as planned.
- 4.3 The organization will communicate with external agencies, regarding issues that may affect Internal Control.

5) Monitoring Activities

The Company will monitor the performance against the business goals (KPI), and will report the results as well as analyze the cause of the variances in order to fix the solutions within the appropriate time to the management and the board of directors. For the Internal Control System, the Company has specified that the Internal audit department is responsible for the audit, and will report to the audit committee regularly at an appropriate time, which will cover the following principles;

- 5.1 The organization will monitor and evaluate the Internal Control, to ensure that the Internal Control is complete and appropriate.
- 5.2 The organization will assess and communicate timely deficiencies in Internal Control to responsible parties, including senior management and the board as appropriate.

The Board of Directors is of the opinion that, the Group's Internal Control and Internal audit Systems are sufficient and appropriate. The Group has provided sufficient personnel, which can implement the System efficiently, with Internal Control Systems, in monitoring and overseeing the operations of the group, to protect the assets of the group from the Directors, or the Executives, which may be misused, or used without authorization, including transactions with persons whom may have conflicts, and connected persons adequately. In addition, the Board of Directors will approve the evaluation form for the adequacy of the Company's Internal Control System, which is prepared in accordance with the SEC's assessment.

Appointment of Chief of Internal Audit

The Company has hired P&L as an Internal auditor, by appointing Ms. Wannawimon Jongsuriyaphat, to be Chief of Internal Audit. The Audit Committee is of the opinion that, the Chief of Internal Audit has appropriate educational background, experiences, and trainings, with a great understanding of the Company's activities and the operations of The Group, and is of the opinion that the Chief of Internal Audit is suitable to perform these duties appropriately and adequately. In this regard, consideration, approval, appointment, removal, and transfer of the Chief of Internal Audit of the Company, must obtain approval from the Audit Committee.

Inspection & Review of Internal Control System & Risk Management

The Company has hired P&L in order to inspect the group's Internal Control Systems, by inspecting the Internal Control Systems, IT General Control, and general Controls for supervising the operations to ensure compliance with Law since 2017 to present, which has been reported to the audit committee, at the meeting of the audit committee in 2018 2019 2020 and 2021. The Internal Control System audits are categorized into 7 main Systems as follows;

1. Revenue Cycle System
2. Expense Cycle System
3. Fixed Asset Management System
4. Human Resource Management System
5. Inventory Management System
6. Risk Management
7. The Internal Control System Sufficiency Assessment (COSO)

As for the operations relating to the Internal Control Systems of the group companies, the Internal auditors will examine, and assess the adequacy of the Internal Control Systems of the group companies, circulating in 7 major work Systems (87 sub-Systems), Which can be summarized as follows;

Main Operation System	Operational Sub-System
1. Revenue Cycle System	<ol style="list-style-type: none">1. Policies, regulations, and procedures regarding revenue cycle2. Authority, authorization, and signature samples3. Preparation of the Business Plan4. Customer registration5. Setting service fees, contracts, and agreements6. Recording of receivables, and receiving payments7. Control of proof of bank balances8. Check-On-Hand Control9. Analyzing aging of receivables, and setting up allowance for doubtful accounts10. Sales tax11. Withholding tax12. Defining the right to access information System information
2. Expense Cycle System	<ol style="list-style-type: none">1. Policies, regulations, and operating procedures, regarding expense cycle Systems2. Authority, authorization, and signature samples3. Control of expenditure budgets4. Selection process, new seller registration, and annual evaluation of same sellers5. Purchase request process (PR)6. Procurement process7. Procurement contract process8. Products receiving process9. Record of accounts payable

Main Operation System	Operational Sub-System
	<ul style="list-style-type: none"> 10. Payment of debt 11. Check payment Control 12. Paying aging analysis (AP Aging) 13. Controlling petty cash 14. Control of advance payment 15. Proof of bank deposit amount (Bank Reconciliation) 16. Purchase tax Control 17. Withholding tax 18. Assigning the authorization to access the information System
3. Fixed Asset Management System	<ul style="list-style-type: none"> 1. Establishing policies, regulations, and operational procedures regarding fixed asset management processes 2. Establishing the scope of authority and knowledge of the operation 3. Control of authority, approval authority, and signature samples 4. Control of the purchase process for fixed assets 5. Control of fixed asset registration 6. Controlling of depreciation calculation steps 7. Control of lease assets 8. Control of sales, discontinuance, donation of fixed assets, and removal from fixed asset Control accounts 9. Control of the procedure for counting fixed assets 10. Control of procedures for taking assets out of the Company 11. Control of asset transfer procedures between individuals or departments 12. Control of machine repair and maintenance procedures 13. Control of insurance procedures for fixed assets 14. Control the process of determining the right to access the information System
4. Human Resource Management System	<ul style="list-style-type: none"> 1. Policies, regulations, and procedures regarding human resource management 2. Organization chart, organization structure, scope of authority, knowledge and understanding in operations, and personnel planning 3. Authorization, approval authority, and sample signatures 4. Recruitment and employment 5. Compensation Control 6. Benefits Control 7. Salary Control 8. Operational Control 9. Evaluation 10. Personnel development 11. Termination and resignation 12. Defining the authorization to access the information System 13. Others

Main Operation System	Operational Sub-System
5. Inventory Management System	1. Policies, regulations, and procedures regarding warehouse management 2. Authorization, approval authority, and samples of signatures 3. Procedure for receiving products 4. Product distribution process 5. Counting of inventories 6. Control and overseeing of warehouse safety 7. Compliance with relevant laws 8. Defining the right to access the information System
6. Risk Management	6.1 Enterprise Risk Management Policy 6.2 Risk Management Structure and Responsibilities <ol style="list-style-type: none"> 1) Risk Management Structure 2) Roles and Responsibilities in Risk Management 3) Risk Management Committee 6.3 Organizational risk management process <ol style="list-style-type: none"> 1) Objective Setting 2) Event Identification 3) Risk Assessment 4) Risk Response 6.4 Control Activities 6.5 Monitoring Activities
7. The Internal Control System Sufficiency Assessment (COSO)	7.1 The organization demonstrates its commitment to values of integrity and ethics 7.2 The Committee is independent from the management and responsible for oversight and development of internal control operations 7.3 Management has established the reporting structure, determining the appropriate authority and responsibility for the organization to achieve its objectives, under the supervision of the Board of Directors 7.4 The organization demonstrates a commitment to motivating developing and maintain competent personnel 7.5 The organization requires personnel to have duties and responsibilities in internal control to achieve the objectives of the organization <u>Risk Assessment</u> 7.6 The organization has clearly defined objectives to be able to identify and assess various risks related to the achievement of organizational objectives 7.7 The organization can identify and analyze all types of risks that may affect the achievement of objectives comprehensively throughout the organization 7.8 The organization has considered the potential for fraud in assessing the risks to achieve objectives of the organization 7.9 The organization can identify and assess changes that may affect its internal control system

Main Operation System	Operational Sub-System
	<p><u>Control Activities</u></p> <p>7.10 The organization has control measures that could reduce the risk of failure to achieve the organization's objectives to an acceptable level.</p> <p>7.11 The organization selects and develops general control activities with a technological system to support the achievement of objectives</p> <p>7.12 The organization provides the control activities through policy which defines the expectations and procedures that the policy can be practical applied</p> <p><u>Information & Communication</u></p> <p>7.13 The organization has relevant and qualified information to support the internal control to be able to practice as specified</p> <p>7.14 The organization communicates within organization, including the objectives and responsibilities of internal control necessary to support the internal control function</p> <p>7.15 The organization communicates with external agencies about issues that may affect internal control</p> <p><u>Monitoring Activities</u></p> <p>7.16 The organization monitors and evaluations the internal control activities to ensure that the internal control continues to operate in a complete and appropriate manner</p> <p>7.17 The organization assesses and communicates deficiencies in internal control in a timely manner to those responsible, including senior management and the board of directors as appropriate.</p>

For operations regarding Internal Control Systems under the head of IT General Control, P&L had audited and evaluated the adequacy of the Internal Control System, in 14 areas of general Control in information technology, which can be summarized as follows;

Main Operation System	Operational Sub-System
1. General Control in information technology	<p>1. Information security policy</p> <p>2. Information security structure</p> <p>3. Human resource security</p> <p>4. Property management</p> <p>5. Access Control</p> <p>6. Data encryption</p> <p>7. Physical and environmental security</p> <p>8. Security and security for operation</p> <p>9. Security for data communication</p> <p>10. Procurement, development, and System maintenance</p> <p>11. Relations with external service providers</p> <p>12. Management of information security incidents</p> <p>13. Information management to create business continuity</p> <p>14. Consistency</p>

For operations regarding Internal Control Systems, general Control and oversight of operations in accordance with the law, P&L had conducted an audit, and evaluated the adequacy of the Internal Control System, regarding the 9 areas of general Control for regulatory compliance, which can be summarized as follows;

Main Operation System	Operational Sub-System
1. General Control in overseeing operations to ensure compliance with the law	1.1 Policies, regulations, and procedures of the Legal Department 1.2 Guidelines for overseeing operations in accordance with regulations, procedures, and relevant laws 1.3 Organization structure of the Legal Department, and related departments 1.4 Scope and authority of the legal department, and related parties 1.5 Important laws relating to power plants 1.6 Compliance with the Public Limited Companies Act 1992 1.7 Compliance with the regulations of the Stock Exchange of Thailand 1.8 Preparation of a contract to Control contracts, and related important documents 1.9 The environment, safety, data storage, and important documents

In an overall review of the Internal Control System by P&L, it can be concluded that the Group has complied with the established Internal Control System. The Group has sufficient, significant Internal Control, which will enable the Group to achieve the following objectives:

1. To increase the efficiency and effectiveness of the group operations.
2. To increase the confidence of senior management, that the Group has reliable information Systems, and there will be no significant errors.
3. To ensure that the group companies have sufficient Internal Control Systems, and that employees work in accordance with the specified Internal Control Systems.

Observation from the Auditor

PricewaterhouseCoopers ABAS Company Limited ("PwC"), Auditor, with permission obtained from the group of companies, has no observations regarding Internal Control and accounting Systems, for the fiscal year ending 31 December 2021.

9.2 Connected Transactions

Companies / Related Persons

Company	Nature of Business	Relationship Category
Global Wood Chip Company Limited ("GWC")	Production and distribution of wood chips, logs, and bark and weighing service	GWC is a company under common control with the Group of Companies.
Chaiyo Supply Chain Company Limited ("SSC")	Production and distribution of wood chips, logs, and bark	SSC is a company under common control with the Group of Companies. Mr. Tanavijit Ankapitchai is a Joint Director
Sri Ban Phai Company Limited ("SBP")	Production and distribution of wood chips, logs, and bark	SBP is a company under common control with the Group of Companies.
Global Wood Chip Trading Company Limited ("GWT")	Production and distribution of wood chips, logs, and bark	GWT is a company under common control with the Group of Companies.
Agro Energy Supply Company Limited ("AES")	Manufacturing and distributing fuel chips	AES is a company under control of the Group
Siam Agro Industry Products Trading Company Limited ("SAIPT")	Timber distribution business	SAIPT is a company under common control with the Group of Companies.
Advance Alliance Logistics Company Limited ("AAL")	Freight business	AAL is a company under common control with the Group of Companies.
Nam Phong Smile Company Limited ("NPS")	Production and distribution of tap water and industrial raw water	NPS is a company under common control with the Group of Companies.
Advance Utility Company Limited ("AUT"), (Former: Boon Bandal Rung Ruang Company Limited ("BBR"))	Production and distribution of tap water and industrial raw water	AUT is a company under common control with the Group of Companies.
Advance Asian Company Limited ("AAS")	Agricultural seedling production and agricultural seedlings business	AAS is a company under common control with the Group of Companies.
Advance Energy Development Company Limited ("AED")	Engineering service business, renovation service, repair and maintenance of factory buildings	AED is a company under common control with the Group of Companies.
Ascender Limited ("ASD")	Machinery Distribution Business	ASD is a company under common control with the Group of Companies.
Goodwill Innovation and Engineering Company Limited ("GIE")	Construction Business	GIE is a company under common control with the Group of Companies.
AED Fabrication Company Limited ("AEDF")	Metal structure manufacturing business for construction and industrial work, manufacturing machinery, equipment, and parts	AEDF is a company under common control with the Group of Companies.

Company	Nature of Business	Relationship Category
Advance Asia Fiber Company Limited ("AAF")	Manufacture of solid fiber-board	AAF is a company under common control with the Group of Companies.
Triple A Board Company Limited ("TAB")	Manufacture of plywood and veneer	TAB is a company under common control with the Group of Companies. Mr. Pornmet Songmetta, TAB Director, and Company's Director and Major Shareholder
Advance Professional Training Company Limited ("APT")	Training and services business	APT is a company under common control with the Group of Companies.
CSR & GRM Management Company Limited ("CSRGRM")	Management consultancy services business	CSRGRM is a company under common control with the Group of Companies.
24 Mansion Company Limited ("24M")	Room and Mansion Business	24M is a company under common control with the Group of Companies.
Suan Mai Chaiyo Company Limited ("SMS")	Eucalyptus Plantation Business	SMS is a company under common control with the Group of Companies.
Chaiyo Smile Company Limited ("SS")	Real estate development business, for sale or rent	SS is a company under common control with the Group of Companies.
Rice For Health Company Limited ("RFH")	Rice Distribution Business	RFH is a company under common control with the Group of Companies.
Sinil Rice Company Limited ("SNR")	Production and distribution of cosmetic products & Distribution of rice and rice-derived products	SNR is a company under common control with the Group of Companies.
Advance Carbon Security Venture Company Limited ("ACSV")	Management Consultancy Services	1. ACSV is a company under common control with the Group of Companies. 2. ACSV is 95.99% held by Songmetta Group, of the registered and paid-up capital 3. Two Directors of ACSV, being a major shareholder and director of the company, namely Mr. Theerawut Songmetta and Mr. Pornmett Songmetta. There is 1 major shareholder of the company, namely, Mr. Natt Songmetta
Asia Boiler Company Limited ("ABL") (Former: Clean Biofuel Company Limited ("CBF"))	Property Development Business	ABL is a company under common control with the Group of Companies.
Mr. Wirachai Songmetta	-	ACE major shareholder in the proportion of 22.43% of paid-up registered capital
Mr. Natt Songmetta	-	ACE major shareholder in the proportion of 14.99% of paid-up registered capital
Mr. Teerawut Songmetta	-	ACE Director and major shareholder in the proportion of 17.89 % of paid-up registered capital
Mr. Pornmett Songmetta	-	ACE Director and major shareholder in the proportion of 20.53% of paid-up registered capital
Ms. Jiratha Songmetta	-	Chairman of the Executive Committee, Director of the Board, and Director of the Nomination and Remuneration Committee
Mr. Tanavijit Ankapipatchai	-	Executive Management, Director, and Executive Director

Company	Nature of Business	Relationship Category
Miss Jintana Songmetta	-	A close relative of Songmetta Group, ACE Major Shareholder
Mr. Suthep Songmetta	-	A close relative of Songmetta Group, ACE Major Shareholder
Miss Wanicha Noimanop	-	Executive of the subsidiary
Mr. Chavalit Sakuldamrongpanich	-	Director of a related company
Mr. Chaian Thongsinkasem	-	Director of a related company
Miss Preeyaporn Suwanphop	-	Director of a related company
Miss Suphamat Thanthath	-	Director of a related company
Mr. Pasin Chokplasin	-	A person under the control of the Songmetta group

(1) The Raw Materials Fuel Purchases of Subsidiary

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Purchase of raw materials & transportation costs for biomass fuels			<p>1. Procurement of Biomass Fuel Raw Materials</p> <p>Formerly, ACP, AAPP, ALCP and AAP entered into long-term purchase agreements for all types of biomass fuels with GWC and / or SSC and / or SBP (collectively, the "Fuel Seller Company") to use as fuel for power plants. It is in accordance with the terms of the credit agreement with the financial institution, which the subsidiary agrees to purchase biomass fuel from fuel suppliers at approximately and at the price specified in the agreement. The Company also requires the selling company to guarantee the quality of the fuel by guaranteeing the cost of fuel, electricity generation for ACP, ALCP and AAP subsidiaries, while AAPP does not set cost insurance prices. But guarantees the minimum delivery quantity or the full-year fuel heating cost as stipulated in the contract. If the fuel supplier cannot deliver the minimum amount of fuel to achieve the required heat The fuel seller company agrees to pay a fine according to the difference in the fuel price under the contract. Subsequently, ACP, AAPP, AAP, and ALCP subsidiaries agreed to amend the said agreement, with the approval of the financial institution, which will grant the purchase price of bark biomass fuel not higher than the market price that will calculate from cost plus margin, and will cancel the insurance price conditions for the cost of biomass fuel. The aforementioned subsidiaries will be able to purchase all types of biomass fuels with other non-related fuel suppliers, including the minimum delivery amount, or minimum calorific value per year, in order to control the quality of fuels.</p>	<p>The Audit Committee's opinion</p> <p>This transaction is necessary and appropriate, since it is a normal business transaction of the Group, will be a transaction with general trading conditions, and fuel will be an important raw material for power generation. Entering into a long-term contract with GWC, SSC and SBP, which is a major fuel producer and distributor, will provide the subsidiary with a portion of the fuel for long-term power generation, while the purchase price is set to not be higher than the market price, which is a reasonable price.</p>
<ul style="list-style-type: none"> • GWC • SAIPT • AAF • TAB • AES • SSC • GWT • SBP 	361,087 15,079 161 3,966 132,774 19,049 13,070 8,082	95,421 362 192 958 537,229 22,509 9,797 12,832		
Total	<u>553,268</u>	<u>679,300</u>		
Account Payable				
<ul style="list-style-type: none"> • GWC • TAB • AAF • SAIPT • GWT • SSC • SBP • AES 	5,163 91 137 92 386 646 286 11,320	6,162 - - - 541 1,118 884 5,354		
Total	<u>18,121</u>	<u>14,059</u>		

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
			<p>In addition, the subsidiaries that operate biomass power plants purchase biomass fuels, from related companies without a contract of sale, such as GWT, AAF, TAB, and SAIPT with prices comparable to the market price. Other types of fuels such as wood chips, logs, sawdust, wood dust, plywood, waste wood, and energy plants, are by-products from the production process and the high calorific value, which the factories of the companies involved are located in the vicinity of Power plants, power plants of the subsidiaries have therefore purchased these fuels to be used to generate electricity.</p> <p>(2) <u>Transportation Procurement of Fuel Raw Materials</u></p> <p>The subsidiaries operating the Biomass Power Plant business, hiring related companies such as GWC, SSC, GWT and SBP will transport the fuel purchased from third parties to the power plant. The transportation fee will be charged at a price close to the market price. As the said related company has its own transportation and truck business, it is ready to provide service and has expertise in Power Plant routes. Fuel transportation costs will depend on the fuel type and distance.</p>	

(2) The subsidiaries bought water for usage in Power Plant operations and management

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Purchase of water for use in operations of Power Plant <ul style="list-style-type: none"> NPS (ALCP3) AUT (AAPP2) Total	2,770 <u>3,362</u> <u>6,132</u>	2,954 <u>2,333</u> <u>5,287</u>	<p>The ALCP subsidiary purchased raw water from NPS for usage in the electricity generation process of the ALCP3 waste Power Plant project. Since the project area is not enough to dig a pond, ALCP has to buy raw water from NPS by entering into a long-term raw water purchase agreement. (Details of the raw water sales contract in the important contract section), where the raw water contract price is close to the market price.</p> <p>In addition to the said transaction, AAPP purchased raw water, industrial water (RO water), and tap water, from AUT, a related company. Most raw water purchases are temporary items, during which the water in the Power Plant ponds cannot be used. The Company has terminated the contract with AUT since October 2021 because ABP's subsidiary has entered into a transaction to purchase pond from AUT.</p>	<p>The Audit Committee's opinion</p> <p>This transaction is necessary and appropriate, since it is necessary to produce electricity, and related companies will be able to supply water to power plants in times of shortage. In addition, the water rates purchased from related companies are close to or cheaper than the market price and is a transaction with general trade conditions.</p>
Accounts Payable <ul style="list-style-type: none"> NPS (ALCP3) AUT (AAPP2) Total	268 <u>367</u> <u>635</u>	252 — <u>252</u>		

(3) The subsidiary procures construction and installation services for machinery, construction contracting, repair and maintenance of power plants, and purchase of fixed assets.

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Procurement and installation of machinery under machinery installation agreement (EPC) <ul style="list-style-type: none"> AED ASD AEDF Total	171,348 148,852 <u>626,481</u> <u>946,681</u>	148,531 46,069 <u>58,879</u> <u>253,479</u>	AED is an expert in procurement, installation, and testing of equipment and machinery for power plants, with experience in building power plants of the group from the outset, including ACP1, ACP2, ALCP1, ALCP2, ALCP3. AAPP1, AAPP2, AAP1, and ABA1. In addition, AED is well-equipped with personnel and equipment, and has the knowledge and capability to build power plants in the form specified by the Group, thus providing the ability to use fuel efficiently. In 2020, ACP4 and ALCP4 will pay for the equipment procurement and installation service (EPC) to AED and ASD according to the work progress.	The Audit Committee's opinion The transaction is reasonable because AED and ASD have experience in the construction of power plants. In addition, the service fee for the machinery installation contract of AED and ASD is comparable to the market price, when compared with 3 bidding companies. The company has carried out all the steps of the new investment project that has been approved by the Board of Directors meeting.
Retention Deposit <ul style="list-style-type: none"> AED - Khlong Khung Power Plant Project 	-	31,650		
Construction under power plant construction contract (Civil work) <ul style="list-style-type: none"> GIE Total	<u>211,168</u> <u>211,168</u>	- =	GIE is the civil construction builder for Khlong Khung Power Plant Project. Considering that GIE is an expert in constructing many power plants for the Group. In 2020, ACP4 paid for the construction of the power plant under the power plant construction contract to GIE for the ACP4 power plant project.	The Audit Committee's opinion This transaction is reasonable, since GIE has experience in Power Plant construction. In addition, the service fee under the construction contract of GIE is a price that is comparable to the market price, when compared by bidding from 3 operators. In addition, the company has complied the investment procedures, which have been approved by the Board of Directors in its entirety.
Purchase of fixed assets <ul style="list-style-type: none"> AEDF AED CSRGRM GWC SBP SSC GWT GIE ACIP and Ms. Jintana Songmetta AUT and Mr. Teerawuth Songmetta Total	12,763 71,593 24,152 287 11 - - 107,851 - - <u>216,657</u>	2,431 270 36,497 239 40 38 6 282,741 117,472 190,179 <u>629,913</u>	The Company has a list of assets for machinery and spare parts for 3 types of work: Fabricated Duct, Fabricated Structure, and Fabricated Equipment from AEDF for use in power plant maintenance and renovation work for Every project on an annual basis. And its subsidiaries, ALCP, BPP, and ACES, have entered into a project feasibility study agreement with CSRGRM. In addition, GIE is a power plant contractor and has tools and equipment ready to work. Experienced in land improvement work and can deliver the work within the specified time The subsidiary therefore leases heavy machinery for land improvement to prepare the area for the construction of the ACP4, ALCP6 power plant project and the Phen waste landfill project.	The Audit Committee's opinion The said asset price is reasonable, as AED and AEDF have the potential to procure tools and equipment at a cheaper price than buying from a third party, benefit the company. Advance payment to AEDF, in order to produce machinery and equipment in the manner specified by the company at the rate of 30% is a reasonable rate, as it is close to the rate that the company pays advance to external companies, according to the

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Fixed assets payable			For the year 2021, NCE has entered into a land purchase transaction with ACIP and Ms. Jintana Songmetta to be used as the location of the Chiang Wang Community Waste Power Plant Project. ABP and its subsidiary entered into a purchase transaction of 28 plots of land and buildings, total area of 235-3-46 rai with AUT and Mr. Teerawut Songmetta to use as a construction site for a community solid waste management project, Waste to Energy (WTE) closed system. For the year 2020, the Company has purchased ITF office with AED for use in operations.	market price with general commercial conditions. In addition, the purchase of other assets, such as containers, hardboard sheets, and automobiles, is reasonably priced that is comparable to the market price. The price of the land purchase transaction with ACIP and Ms. Jintana Songmetta and the land purchase transaction with AUT and Mr. Teerawut Songmetta are reasonable because the said price is comparable to the average land appraisal price from 2 independent appraisers. It has been approved by the SEC. Therefore, it can be considered that the transaction is reasonable and beneficial to the group of companies.
<ul style="list-style-type: none"> AEDF AED CSRGRM Total	- 33,902 -	1,547 - 14,162		
Advance Payment for purchase Assets and Repair Costs				
<ul style="list-style-type: none"> AEDF CSRGRM Total	1,316 10,815	45 6,274		
	12,131	6,319		
Purchase Transaction of Intangible Assets				
<ul style="list-style-type: none"> APT 	-	2,187	The Group has a purchase transaction of intangible assets in the type of ERP system from APT to be used as an information system for collecting data of APT. In addition, APT is a service provider to install ERP systems and have tools and equipment promptly to work and can deliver the service within the specified time. The subsidiary therefore hired APT to install the system for the group of companies.	The Audit Committee's opinion The transaction is reasonable, because APT has the potential to provide equipment at a lower cost than other third parties, benefit to the company. Therefore, it can be considered that transaction is reasonable and beneficial to the Group of Companies.
Repairing machinery and equipment Expense				
<ul style="list-style-type: none"> AEDF 	526	-	In 2020, the subsidiaries have hired AEDF, which is the manufacturers or assemblers that have an expertise in the machinery of biomass power plants. The subsidiaries that operate the Biomass Power Plant has hired to repair the machinery and equipment, in which the subsidiary's employees are unable to operate. The hiring of AEDF to repair machinery and equipment, in some cases, the subsidiary will pay advance down payment to AEDF to order equipment for production of machinery and equipment, at the rate of 30%, which is close to the rate that the company has made advance payments to external companies	The Audit Committee's opinion transaction is a normal business transaction, and occurs as necessary in the Group's business operations, with most transaction prices being lower than the prices compared to third parties. Therefore, it is considered that the transaction the said transaction is reasonable and beneficial to the Group.

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Installation Expense of solar rooftop systems and equipment <ul style="list-style-type: none"> • AED - Solar Rooftop 	-	-	A subsidiary company, ACE SOLAR hired AED to build and install a solar power generation system for distribute electricity to the private person and another related company, which is Advance Asia Fiber Company Limited (AAF), in which ACE SOLAR has entered into a power purchase agreement as a seller with these two companies. The Group Company considers that AED has knowledge, capability and experience in the construction and installation of biomass power plant machinery of the Company's group. Which has the same electrical connection model as a solar power plant. In addition, AED offers a lower price than other contractors as well as offering a 2-year warranty.	The Audit Committee's opinion The transaction is reasonable, as AED has experience in power plant construction and the service fee according to the contract for the installation of solar rooftop systems and equipment is lower than the service fee of other contractors, with all conditions according to the requirements of ACE SOLAR
Retention Deposit <ul style="list-style-type: none"> • AED - Solar Rooftop 	227	227		
Purchase spare parts <ul style="list-style-type: none"> • AEDF • GWT • GWC • SSC Total 	61,490	63,311	Subsidiaries hire AEDF to manufacture machinery and equipment because such company has expertise in manufacturing machinery and equipment according to the specified requirements, such as fabrication duct work, fabrication structure, and fabrication equipment for use in Power plant maintenance and improvement work for every project	The Audit Committee's opinion This transaction is a normal business transaction, and occurs as necessary in the Group's business operations, with most transaction prices being lower than the prices compared to third parties. Therefore, it is considered that the transaction the said transaction is reasonable and beneficial to the Group.
Advance payment for the purchase of spare parts <ul style="list-style-type: none"> • AEDF 	-	2,903		
Accounts Payable - Purchase of spare parts <ul style="list-style-type: none"> • AEDF 	457	48		

(4) The subsidiary procures other services.

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Fuel weighing service fee • GWC	1,440	2,619	The subsidiaries, ACP, AAPP, and AAP, employ GWC to weigh various fuels for use as feedstock for power generation. The projects under this transaction (ACP1, ACP2, AAPP1, AAPP2 and AAP1) are projects with GWC located next to the power plants. which can be compared with the market price	The Audit Committee's opinion This transaction is supporting the normal business of the Group of the Company and occur according to the necessity of business operations This was because it was the company's managerial decision not to invest in fixed assets but to employ weighing services from GWC, which already has scales and a plant located next to the power plant. general business and comparable to third party rates Therefore, it can be considered that the transaction is reasonable and beneficial to the Group of Companies.
Payable for fuel weighing service • GWC	-	210		
Transportation cost of machinery, equipment • GWT • SSC • GWC • SBP • SNL Total	419 162 1,147 27 <u>2</u> <u>1,757</u>	167 189 1,637 17 - <u>2,010</u>	Subsidiaries hired GWT SSC GWC SBP and SNL to transport machinery and equipment since those companies are also engaged in transportation business and have a service-vehicles ready to serve with the group of companies as well as having expertise in routes due to the regular transportation of fuel to power plants while the shipping cost is comparable to that of outsiders.	The Audit Committee's opinion The transaction is supporting normal business of the group of companies and occurs as necessary for business operations, with general trading conditions. The transportation service fee of the related company is also cheaper than the service fee charged by a third party. Therefore, it can be considered that the transaction is reasonable and beneficial to the Group of Companies.
Payable – Transportation Expenses • GWT • SSC • GWC Total	12 15 <u>72</u> <u>99</u>	19 2 <u>16</u> <u>37</u>		

(5) The Company and subsidiaries have leased assets for usage in the operations.

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Office building rental and utility fees			<p>The Group will enter into office building lease agreements, various utility services agreements and the use of office equipment from AED</p> <p>1) ITF Building, 7th floor, with a total rental area of approximately 652 square meters. ITF Building is located on Silom Road, near the Skytrain station, which is a suitable location for the office of the group company. The rental period is from 1 February 2019 to 31 January 2022. There will be a condition to extend the lease for 3 years each time if there is no party not wanting to renew the contract, and there will be a new rental rate equal to the last year rental which is comparable to third parties. The lease agreement has been canceled during the year 2020.</p> <p>2) Khlong San office building, located on the 2nd floor, with a total rental area of approximately 150 square meters and 3rd floor, with a total rental area of approximately 170 square meters. The objective is to use as an additional office building of the Group. In this regard, the rental period will be from 1 August 2018 to 31 July 2021. There is a condition to extend the lease for 3 years each time, if none says that they do not wish to renew the contract, and will set a new rental rate equal to the last year rental. The rental rates and utility fee (eg water, electricity) which are comparable to the third party.</p>	<p>The Audit Committee's opinion</p> <p>This is a transaction supporting normal business of the group of companies and occurs as necessary for business operations. The rental and service rates are comparable to the market prices and the terms of the lease is a general trading condition. Therefore, it can be considered that the transaction is reasonable and beneficial to the group of companies.</p>
<ul style="list-style-type: none"> AED 	880	804		
<ul style="list-style-type: none"> GWC 	<u>30</u>	<u>-</u>		
Total	<u>910</u>	<u>804</u>		
Payable - Office building rental				
<ul style="list-style-type: none"> GWC 	88	-		
Prepaid office building rental fee				
<ul style="list-style-type: none"> GWC 	166	-		
Land Rental Fee			<p>BPP entered into a long-term lease agreement with Mr. Teerawut Songmetta, amounting to 14-0-57 rai, to be the site of the Klong Khlung SPP Hybrid Project (BPP3) with a lease term of 23 years, with a one-time payment of the rent on the date of registration of the right, which BPP paid leasehold registration fee.</p> <p>BPP entered into a long-term lease agreement with SS for the amount of 40-3-4.1 rai with a lease term of 23 by paying the full rental fee once on the date of registration of the leasehold right, which BPP paid leasehold registration fee.</p> <p>The land rental rate is determined from the method of estimating the annual rental rate from the market price of the land.</p>	<p>The Audit Committee's opinion</p> <p>This is a transaction supporting normal business of the group of companies and occurs as necessary for business operations. The rental and service rates are comparable to the market prices and the terms of the lease is a general trading condition. Therefore, it can be considered that the transaction is reasonable and beneficial to the group of companies.</p>
<ul style="list-style-type: none"> Mr. Teerawut Songmetta 	132	129		
<ul style="list-style-type: none"> SS 	<u>382</u>	<u>373</u>		
Total	<u>514</u>	<u>502</u>		
Accrued and Rental Fee				
<ul style="list-style-type: none"> Mr. Teerawut Songmetta 	178	178		
Land Rental Fee paid in advance				
<ul style="list-style-type: none"> Mr. Teerawut Songmetta 	3,019	2,890		
<ul style="list-style-type: none"> SS 	<u>8,702</u>	<u>8,330</u>		
Total	<u>11,721</u>	<u>11,220</u>		

(6) Subsidiaries purchase other goods and services.

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Management fee for biomass fuel and housekeeping services <ul style="list-style-type: none"> GIE 	72,334	101,585	A subsidiary operating a biomass Power Plant has hired GIE to manage biomass fuels and provide housekeeping services under the contract period of 1 year and 2 months, and the 9-year contract which was expired on 31 December 2021. There is a renewal condition from 1 Jan 2022 – 31 December 2022, with the scope of employment as follows 1. Preparation, classification, mixing, and feeding of biomass fuel into the electricity generation process 2. Transporting the ashes from the production process to the landfill pond within the project 3. Office housekeeping services	The Audit Committee's opinion This is a normal business transaction of the Group, to reduce the cost of personnel management of the Group, with pricing (Total expenses), comparable to the operations of its own subsidiaries. Therefore, the said transaction is considered reasonable and beneficial to the Group.
Other payables - Management fees for biomass fuels and housekeeping services <ul style="list-style-type: none"> GIE 	5,513	5,457		
Energy Fee <ul style="list-style-type: none"> AAS 	1,994	152	The subsidiary purchased energy from AAS, for self-cultivation and to distribute to farmers in nearby communities, as a trial planting, as an alternative fuel in the future, to plant within the Power Plant area, as a buffer zone of Power plants, and for community relations activities, because AAS is a company doing agricultural research, and has a comparable trading price with external vendors.	The Audit Committee's opinion This transaction is a normal business support transaction of the Group, and occurs as needed in the course of business, with the same energy source price that AAS sells to other parties. (Company under common control of the major shareholder). Therefore, the said transaction is considered reasonable and beneficial to the Group.
Payable for energy fee <ul style="list-style-type: none"> AAS 	90	-		
Staff Training Fees <ul style="list-style-type: none"> APT 	1,684	1,345	The company and its subsidiaries have hired APT to train staff, because APT runs training and training services for employees in the Songmetta Group. The training rates will be comparable to the training rates for companies within the Songmetta Group, and lower than the rates comparable to third parties.	The Audit Committee's opinion This transaction is a normal business support transaction of the Group, and will occur as necessary in the course of business operations. The training fee is cheaper than the training fee provided by outsiders and APT determines the training fee at the same level as the price offered to others. (Company under the control of the major shareholder). Therefore, the said transaction is considered reasonable and beneficial to the Group.
Payable for Staff Training Fees <ul style="list-style-type: none"> APT 	26	-		

(7) Subsidiaries distribute electricity

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Revenue from electricity distribution			The subsidiary company will distribute electricity produced to related parties for use in various factories. For example, wood chopping plants, hardboard board factories, and plywood factories, as well as distributing electricity for temporary operations, such as offices, and weighing rooms, as the Power Plant will have the remaining production capacity from obtaining Distribute electricity to PEA and EGAT from using in the factory. Therefore, the subsidiary has sold excess electricity to the related companies such as TAB, AAF, GWC, AUT, AAS and AES.	The Audit Committee's opinion This transaction is a normal business transaction of the Group. The electricity tariff that the Group will charge from the related company is the electricity price that is referenced from the PEA's announcement, so this transaction is reasonable and beneficial to the Group.
• TAB	5,101	5,051		
• AAF	3,727	8,726		
• GWC	15,408	12,980		
• AUT	348	271		
• AAS	952	870		
• AES	<u>3,051</u>	<u>9,508</u>		
Total	<u>28,587</u>	<u>37,406</u>		
Accrued electricity income				
• TAB	324	495		
• AAF	267	1,401		
• AUT	28	-		
• GWC	1,066	1,283		
• AAS	79	204		
• AES	<u>912</u>	<u>705</u>		
Total	<u>2,676</u>	<u>4,088</u>		
Receivable from electricity distribution				
• TAB	1,955	2,719		
• GWC	1,052	-		
• AAF	301	893		
• AUT	29	-		
• AAS	-	70		
• AES	<u>1,104</u>	<u>738</u>		
Total	<u>4,441</u>	<u>4,420</u>		

(8) The subsidiary distributes the steam.

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Revenue from steam sales • TAB	13,237	8,381	<p>AAA sell steam to TAB, which is located near AAA1 power plants, because the Group has steam generated from electricity generation processes. Therefore, AAA sell the said steam for use in the business of the related companies, with the following details:</p> <p>AAA1 sells low-pressure steam to TAB for use in the Veneer Plywood project, which is located next to the power plant, with a short-term contract of 1 year, from the first day of steam trading, the price is set at THB 700/ton of steam in the first year, and the price will increase every year at the rate of 1% per year. The revenue from the said steam distribution will be additional revenue from the excess capacity from the power plant, with a gross margin of approximately 40</p>	<p>The Audit Committee's opinion</p> <p>This transaction is a normal business transaction of the Group, which is considered the most efficient use of machinery that the Group has in place. In the past, the production of steam for distribution is mainly the use of excess production capacity from the sale to PEA. Therefore, the said sale of electricity creates additional return for the Group. In addition, TAB's steam cost is calculated from the estimated cost of steam cost plus 40% of the cost. Therefore, the said transaction is considered reasonable and beneficial to the Group.</p>
Receivable – revenue from stream • TAB	714	790		
Receivable from steam sales • TAB	3,476	4,537		

(9) The subsidiary distributes other products and services.

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
Income from land rental • AAS • GWC	307 -	310 37	<p>Subsidiaries, including ACP, AAP, and ACW allow AAS to lease land to use as seedling plantations, office locations, and for other uses in the AAS business, that will enter into a 1-year land lease agreement, and with the terms renewed for 1 year each time, if there is no one party notifying either party to renew the contract with the details as follows;</p> <ul style="list-style-type: none"> • ACP2 power plant, rental area of 57.23 rai • AAP1 Power Plant, rental area 31.57 Rai • PSPR1 power plant, rental area 115.69 rai <p>The contract will have a rental fee of THB 1,500 per rai per year, which is comparable to the rental rates of nearby areas. In 2021, ALCP has provided GWC to lease additional land in Ban Bueng.</p>	<p>The Audit Committee's opinion</p> <p>This transaction is a normal business support transaction of the Group, and will occur as a business transaction is necessary, with the rental price fixed at a rate not higher than general market prices, when compared to similar areas, and in the vicinity. Therefore, it can be considered that the said transaction is reasonable and beneficial to the Group.</p>
Accrued income from land rental • AAS	55	58		
Land rental income received in advance • AAS • GWC	57 -	57 30		
Revenue from repair and maintenance of machinery • GWC	270	-	<p>In 2020, the subsidiary company has entered into operation and maintenance agreements with power plants. In this regard, the subsidiary has provided repair and maintenance services to a related company, GWC.</p>	<p>The Audit Committee's opinion</p> <p>This is a normal business support transaction of the Group of Companies and occurs as necessary to operate the business. The purchase</p>

Item	Transaction Size (Thousand THB)		Necessity & Transaction Rationale	Opinion of the Audit Committee
	2020	2021		
				price is cheaper than the third party's comparable price, which is comparable to that of third parties that the Group of Companies. Used to service in other projects Therefore, it can be considered that such transactions are reasonable and beneficial to the Group of Companies.
Revenue from consulting services Install and improve machines <ul style="list-style-type: none"> • AAF • AEDF • AES Total	- - =	156 620 <u>370</u> <u>1,146</u>	In 2021, the subsidiary has provided consulting services, install and improve machines to related companies, AAF, AEDF and AES.	The Audit Committee's opinion This is a normal business support transaction of the Group of Companies and occurs as necessary to operate the business. The purchase price is cheaper than the third party's comparable price, which is comparable to that of third parties that the Group of Companies. Used to service in other projects Therefore, it can be considered that such transactions are reasonable and beneficial to the Group of Companies.

1. Measures & Procedures for Approving of Related Party Transactions

The Board of Directors Meeting No. 1/2018 (after the transformation), on July 19, 2018, issued a resolution approving from the Audit Committee Meeting No. 11/2018, on July 11, 2018, considered Approval of policies and procedures for related party transactions, which will be effective from July 19, 2018 onwards, in order for the related party transactions between the company and its subsidiaries and individuals, or juristic persons to There may be conflicts of the company, will be transparent, and to safeguard the interests of the Company and its subsidiary companies, which can be summarized as follows;

The transaction between the company or the related company and / or subsidiary company will be in accordance with the rules and regulations of the Securities and Exchange Act B.E. 1992 (including the amendment), and the announcement of the Capital Market Supervisory Board, At Tor Chor No. 21/2008, regarding the rules for related party transactions, together with the announcement of the Stock Exchange of Thailand, regarding the disclosure of information and the operation of Related companies, including the rules and regulations of the Securities and Exchange Commission, and relevant stock exchanges, as well as compliance with the requirements regarding disclosure of related party transactions, in the notes to the financial statements that have been Audited by the auditor of the company, and the annual registration statement (Form 56-1) as well.

In the event that the law requires the company to receive approval from the board of directors, and/or the shareholders' meeting prior to engaging in any related party transactions, the company will arrange for the Audit Committee to comment on the said transaction. Opinions of the Audit Committee will be presented to the meeting of the Board of Directors, or shareholders, as the case may be, to ensure that, entering into the proposed transaction is going to be in the best interest of the company. In this matter, to approve the related transaction or the related party transactions, the directors, executives, and shareholders, with whom have interests in that matter, will not attend the meeting, will not participate in the approval process, and will not have the right to vote on items in which they have vested interests.

If there is a related party transaction, or a related transaction of the company or subsidiary, with a person who may have a conflict of interest, has a vested interest, or may have a conflict of interest in the future, the Audit Committee will provide an opinion on the necessity of the transaction, and the price suitability of that transaction. In this regard, will be considered from various conditions, in accordance with normal business operations in the industry, and will be compared with the prices of third parties or market prices. If the audit committee does not have expertise in considering the related transactions, or the related party transactions that may occur, the company will appoint an independent expert, or the company's auditor to give an opinion on the related party transactions, or in the said related party transactions, in order to be used in the decision of the Board of Directors, the Audit Committee, or the shareholders, as the case may be. Directors who are stakeholders will not have the rights to vote on the said transaction, and will disclose the related transaction, in the notes to the financial statements audited, or reviewed by the company's auditor.

In this regard, the Board of Directors Meeting No. 1/2018 (after the transformation) on 19 July 2018, the Board of Directors Meeting No. 8/2019 on August 19, 2019, the Board of Directors meeting No. 11/2019 on 25 December 2019, the Board of Directors Meeting No. 2/2020 on 24 February 2020, the Board of Directors Meeting No. 3/2020 on March 4, 2020 the Board of Directors Meeting No. 7/2020 on 10 August 2020, the Board of Directors Meeting No. 8/2020 on 15 October 2020, the Board of Directors Meeting No. 2/2021 on 25 February 2021, the Board of Directors Meeting No. 5/2021 on 28 May 2021, the Board of Directors Meeting No. 7/2021 on 10 September 2021, the Board of Directors Meeting No. 9/2021 on 16 December 2021 and the Board of Directors Meeting No. 10/2021 on 28 December 2021 respectively, have approved the principle of the related party transactions (The applicable version, and the revised version). In the event that there are general trading conditions, or there will be a trade agreement in the same manner that a reasonable person should do with a general contractor in the same manner, with the power to negotiate a trade in the same manner that a reasonable person should do with general counterparts in the same situation, with the bargaining power without influence in their status as Directors, executives, and related parties (depending on the case), consisting of 22 items as follows:

- 1) Distribution of electricity and / or steam
- 2) Purchase of raw materials for biomass fuels from bark of eucalyptus
- 3) The purchase of raw materials for biomass fuel, wood chips
- 4) The purchase of raw materials for biomass fuels such as wood chips, wood dust, and pieces of work
- 5) Purchase of water for use in the production process
- 6) Procurement of services for weighing biomass fuel as raw material
- 7) Hire of transportation
- 8) Rental and hire, truck, trailer, and heavy equipment
- 9) Rental or rental of real estate, with a lease term not exceeding 3 years
- 10) Training service outsourcing
- 11) Hiring a biomass fuel management, and / or housekeeper service

- 12) Contracting for repair and maintenance of machinery
- 13) Purchase of assets, and / or hiring to create items, for maintenance
- 14) Purchasing of eucalyptus seedlings
- 15) Project feasibility study
- 16) Public relations of the project and public participation
- 17) Application for permission according to legal requirements
- 18) Old waste handling services into production processes and ashes to be disposed of
- 19) Outsourcing of information technology services for ERP software to install (Implement), maintain (Maintenance), develop additional work systems (Customize) and solve problems (Work Order)
- 20) Procurement and distribution of spare parts and equipment
- 21) Outsourcing service engineering design Supply of machinery and equipment installation of machinery and equipment and construction (EPC Contractor) for the construction of the power plant project
- 22) Lease or lease property with a lease term of not more than 3 years.

However, the Company and its subsidiaries do not have a policy to provide financial assistance, to receive financial assistance, and to provide guarantees to related persons.

If there is a transaction that is a general trade agreement that is not a general trade condition, it must be considered and commented by the Audit Committee, before being presented to the Board of Directors, and/or at the shareholders' meeting, for further consideration and approval. In this regard, it shall comply with the laws governing securities and exchange, and regulations, announcements, orders, and regulations of the Capital Market Supervisory Board, the Stock Exchange of Thailand, and the Office of the Securities and Exchange Commission, including the compliance, in disclosing information of related party transactions. If the Audit Committee is not skilled in considering the connected transaction, the company will appoint an independent expert, or the company's auditor will provide an opinion on the related party transactions, in order to support the decision of the Audit Committee, and/or the Board of Directors, and/or Shareholders, as the case may be, to ensure that the transaction is necessary and reasonable with due regard to the company's benefits

2. Future Trends of Related Party Transactions

The company and/or subsidiaries, will have ongoing transactions, with persons who may have conflicts in the future, at least according to the resolution of the Board of Directors Meeting No. 1/2018 (after transformation), on 19 July 2018, which had approved in principle for the related party transactions. If there are general trading conditions as specified in Item 1, the Group has a policy to enter into transactions with normal business nature, or transactions to support normal business, to have general trade conditions, will be able to compare and can be referenced to the same nature and business conditions as doing business with other parties, including setting prices and transaction terms to be clear, to be fair, and to not cause the transfer of benefits.

In addition, the Group has additional policies regarding future related party transactions, such as land procurement policy, and engineering design service provider policy, procurement of machinery and equipment, and EPC Contractor. Both policies have been approved by the Audit Committee Meeting No. 2/2018 (after transformation), on 5 September 2018, and approved by the Board of Directors Meeting No. 4/2018. (After transformation), on 17 September 2018, with details as follows;

2.1 The land procurement policy sets guidelines for the purchase of land from connected persons, using the land price calculation formula, which consists of direct costs of land acquisition and general commission rates in the market. The said price of land must not be higher than the value of land assessed by an independent appraiser approved by the SEC. The Group may appoint or assign connected persons as brokers to gather land, or lease land from connected persons. However, the commission rate, or the rental rate must not be higher than the commission rate in the market, or the rental rate that the Group must pay to outsiders, if the land has characteristics, amount, conditions, and the conditions of time that are similar.

In the future, the Group will use the contract to buy land directly with land owners, or will hire a land broker to act on behalf, which is expected to be a third party only.

2.2 The EPC Contractor Procurement Policy establishes an open, EPC Contractor-based approach to procurement, taking into account the group's benefits. The Group will try to avoid hiring a related party transactions as an EPC Contractor in all cases, except where it is necessary and unavoidable; the Group may allow the connected person to be one of the bidders. This must be in accordance with the rules of the bidding process, or the selection of the EPC Contractor used by the Group with third parties. Such transactions must be in accordance with the company's related party transactions policy and relevant laws, and those who are interested in the said transaction will not be able to approve or vote on the said matter.

However, if the machinery installation contract (EPC) has not yet started, which the Group has made with connected persons in the past, the Group will negotiate to reach a mutual agreement on termination of the contract. If it has been partially completed but not yet completed, the Group will allow the connected persons to complete the process under the condition that, the project owner must be refunded to the PPA, or with written certainty that will be returned PPA, so the rest of the work can be performed under the EPC contract.

The Group realizes the importance of making related party transactions, especially those without general trading conditions, such as the construction of a subsidiary's power plant, land purchase. The Group has therefore determined a method for selecting Power Plant contractors appropriately and fairly with other contractors, by comparing the prices, technology used, trade conditions, experience, and business size of the contractor, for the best interest of the group of companies. If the company will enter into any related party transactions, or future related transactions, the group will operate in accordance with the laws, rules, and notifications of the Capital Market Supervisory Board, and announcements specified by the Securities and Exchange Commission.

However, when considering the past related party transactions, the amount and total value of the transactions tend to decrease continuously, due to the decrease in the proportion of the amount of biomass fuel purchased from the Group, which is expected to be left with necessary transactions only.

3. Affidavit of Major Shareholder Group

In addition, in order to prevent potential conflicts of interest, the Songmetta Group, a director, and or a major shareholder of the company, has issued a letter confirming the company, dated 29 November 2018, with the essence of the following certifications

1. Songmetta Group will not operate on its own, or proceeding through the connected persons, or any other persons, will act in the following manner

1.1) To operate a competing business, and / or to compete in the core business of the group.

1.2) To act in a manner that is considered to be a participant in the management of any other juristic person, which operates a business of the same or similar nature, or similar, or is a competition, or runs a business competition with the main business of the Group of Companies, but will not cut the rights of minor shareholders, or holders of securities of any kind less than, or equal to 2%. In this regard, the parts of related persons shall be included as well.

1.3) To persuade, or attempt to persuade Directors, Executives, consultants, employees, employees of the Group, to resign, or to terminate work, services, employment for the Group's core business.

1.4) To persuade, or attempt to persuade customers under the group's core business, to cease being a customer under the Group's core business, or to reduce purchases or use of services under the group's core business.

2. Songmetta Group has agreed to report the ownership interests within 3 business days, from the date the information is changed, to the Company Secretary, and Company Secretary to provide the Stakeholder Report to the Company's Audit Committee, and/or the Board of Directors as deemed appropriate.

3. If the Songmetta Group engages in a competing business, and / or operates in competition with the Group's core business, before signing a certification letter, the Songmetta Group agrees to carry out the sale, sale, And the transfer of ownership (de jure) of the aforementioned business to a company or subsidiary specified by the company, within a period of 180 days, from the date the Group made a written notice to the Songmetta Group, except for holding shares in Advance Power Plant Co., Ltd. ("APP"), must be sold within 180 days, from the date of knowing the result of requesting to return the power purchase agreement. The purchase price must be a reasonable price according to the criteria for entering into the related party transaction, including the need to proceed in accordance with relevant laws and regulations.

If the Group denies exercising the above rights, the Songmetta Group will proceed to dispose of the ownership of the competing business to anyone other than the Songmetta Group, or persons connected to the Songmetta Group within 360 days, from the date the Group declined, according to the announcement of the related party transaction. The price and conditions agreed to sell to other parties must not be lower price, and / or have better conditions than the purchase price and trading conditions agreed with the company.

4. If the Songmetta Group receives an opportunity or any business proposal that may conflict with the group's core business, the Songmetta Group will first offer the business opportunity or proposal to the company for consideration. If the resolution of the Board of Directors 'meeting, or the resolution of the shareholders' meeting of the company, as the case may be, according to the related party transaction criteria, which are independently convened by the Songmetta Group, and the persons related to the Songmetta Group are not Participated in consideration, and had not voted on the said agenda, will have a resolution explicitly refusing to invest in that project, and will allow the Songmetta Group to invest in the said project. Songmetta Group will consider self-investing, must abide by the relevant laws and regulations, and Article 86 of the Public Limited Company Act.

If later on, Songmetta Group intends to dispose of the above investment to other investors. Songmetta Group will agree to give the Group the right to consider, and / or the right of first purchase (Right of First Refusal) according to the purchase price and the conditions of sale as further agreed, must proceed in accordance with the relevant rules and criteria for entering into the transaction, or the disposal of assets, and the criteria for entering into related party transactions strictly.

5. Songmetta Group (any one) has agreed to terminate the obligations under the letter of guarantee in all respects. From the following;

5.1 Termination from being a Director and Executive of the group company.

5.2 The holding of ordinary shares in the company will be less than, or equal to 5% of the paid-up capital of the company.

However, if any person in the Songmetta Group has acted in violation of the above endorsement, the person who violated the certification will be liable, and will have a duty to comply with the conditions specified in the certification. The remaining of Songmetta Group, whom have not acted or did not participate in any violation of the guarantee, will not be held liable in any way.

The above measures have been established to eliminate conflicts of interest, and to protect the best interests of shareholders, after being listed on the stock exchange, to comply with the regulations on related party transactions of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.



ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

Part 3: Financial Statements

ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED

Report of the Board of Directors' Responsibilities for the Financial Statements

The Board of Directors of Absolute Clean Energy Public Company Limited ("The Company") is responsible for the consolidated financial statements of the Company and subsidiaries and the separate financial statements of the Company for the period ended December 31, 2021. The report was prepared in accordance with Thai Financial Reporting Standards and consistently used and appropriate accounting policies and practices. The report also includes the disclosure of sufficient important information in the notes accompanying the financial statements, as well as providing sufficient and appropriate internal control and risk management systems to ensure a reliable accounting information. The financial statements have been audited and unconditionally certified by an independent certified auditor.

The Board of Directors have appointed the Audit Committee, consisting of three independent directors, to supervise and review the reliability and accuracy of financial reports and financial statements, as well as the related-party transactions, the internal control, the internal audit and the risk management systems by discussing and meeting with the internal auditor and the company external auditor, as shown in the report of the Audit Committee which is already included in this report.

The Board of Directors hold the opinion that the Company's internal control and internal audit system can assure that the consolidated financial statements of the Company and subsidiaries and the separate financial statements of The Company for the year ended December 31, 2021, were prepared in accordance with Thai Financial Reporting Standards by using regularly used and appropriate accounting policies.



(Mr. Monton Sudprasert)

Chairman of the Board of Directors



(Ms. Jiratha Songmetta)

Chairman of Executive Committee

28 February 2022

Independent Auditor's Report

To the shareholders and the Board of Directors of Absolute Clean Energy Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Absolute Clean Energy Public Company Limited ("the Company") and its subsidiaries ("the Group") the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRS").

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determined one key audit matter: Impairment assessment of property, plant and equipment of the indirect subsidiaries. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Impairment assessment of property, plant and equipment</p> <p>Refer to Note 7 c) Impairment of Property, Plant and Equipment and Note 18 Property, Plant and Equipment, (net) to the financial statements.</p> <p>As of 31 December 2021, the Company had property, plant and equipment (PPE) (net) amounting to Baht 10,261.29 million, equivalent to 54.78% of total assets in the consolidated financial statements.</p> <p>Management tests impairment of PPE when there is an indicator that PPE may be impaired in the following events:</p> <ul style="list-style-type: none"> • failure to comply with the terms of power purchase agreement • disputes that may affect the operation of projects or power purchase agreement • discrepancies in operating results from forecasts <p>The impairment test is performed at level of cash-generating unit ("CGU") which is a group of PPE used in the Group's power plant business by calculating the recoverable amount (the higher of fair value less costs to dispose or value-in-use) of cash-generating unit. Management applies significant judgment in identifying cash-generating units and setting various assumptions, such as estimating selling price of electricity per unit, power plant capacity, operating costs, capital structure, growth rate and discount rate used to discount cash flow projections.</p> <p>In 2021, management found impairment indicators of PPE used in the biomass power plant business of two indirect subsidiaries with a total value of Baht 612.32 million. This was because the discrepancies in operating results from the forecasts. From the impairment test, management found that the recoverable amount of PPE was higher than the book value. Therefore, the allowance for PPE impairment of the indirect subsidiaries was not recognised this year.</p> <p>I focused on the impairment test because the determination of the recoverable amount estimate required many computational assumptions. In addition, the determination of such assumptions was subject to management's significant judgments in assessing the feasibility of future business plans.</p>	<p>I performed the following procedures to assess the impairment test conducted by management.</p> <ul style="list-style-type: none"> • Evaluating the appropriateness of any impairment indicators conducted by management and identifying cash-generating units. • Discussing with management to understand their assumptions for the impairment test. Also, assessing the consistency of impairment test procedures and the assumptions used by management. • Inquiring management about the key assumptions used by them in testing the impairment of the subsidiaries' PPE, especially information related to the estimated selling price of electricity per unit, power plant capacity, operating costs, capital structure, growth rate and discount rate. This included comparing key assumptions with relevant contracts, external sources and approved business plans. • Evaluating the business plans' reasonableness by comparing the 2021 plan against the actual results. • Evaluating the discount rate by considering and comparing it with information from companies in the same industry that can be referenced from publicly available information whether the discount rate used by management was within acceptable limits. • Testing the sensitivity analysis of key assumptions to assess the possible impact of changes in the assumptions. <p>From the above procedures, I found the key assumptions made by management in evaluating the recoverable amount were reasonable and consistent with the supporting evidence.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

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

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

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

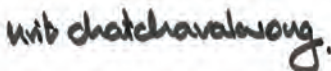
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

PricewaterhouseCoopers ABAS Ltd.



Krit Chatchavalwong

Certified Public Accountant (Thailand) No. 5016

Bangkok

28 February 2022

Statements of Financial Position

As at 31 December 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	10	890,748,583	482,892,545	4,755,328	13,569,645
Trade and other receivables	12	1,069,039,049	829,014,273	2,450,846	1,895,435
Current portion of receivable under finance lease (net)	13	110,073,198	93,311,714	-	-
Inventories	14	531,632,539	402,075,975	-	-
Value added tax (net)	15	53,909,836	33,941,900	-	1,155,466
Short-term derivative assets	41.3	104,598	-	-	-
Short-term loan to an indirect subsidiary	40 b)	-	-	-	120,000,000
Other current assets		16,412,307	-	-	-
Total current assets		2,671,920,110	1,841,236,407	7,206,174	136,620,546
Non-current assets					
Restricted deposits at financial institutions	11	435,613,863	277,601,630	-	-
Receivable under finance lease (net)	13	3,275,085,106	3,163,021,714	-	-
Investments in subsidiaries	16	-	-	9,326,999,980	8,999,999,980
Investment property (net)	17	210,684,140	144,851,100	-	-
Property, plant and equipment (net)	18	10,261,292,954	9,095,282,011	69,999,009	70,438,512
Advance payments for constructions and purchases of fixed assets		95,179,273	53,506,627	-	14,580
Rights to service under concession arrangement (net)	19	1,555,248,520	1,639,536,935	-	-
Right-of-use assets (net)	20	36,577,391	37,406,032	6,334,854	5,380,021
Intangible assets from power purchase agreement	21	16,000,060	-	-	-
Intangible assets (net)	22	58,479,551	49,545,486	1,778,919	1,996,820
Deferred tax assets (net)	23	69,572,435	85,906,170	735,103	699,179
Other non-current assets	24	54,547,108	41,794,136	4,527,745	2,099,860
Total non-current assets		16,068,280,401	14,588,451,841	9,410,375,610	9,080,628,952
Total assets		18,740,200,511	16,429,688,248	9,417,581,784	9,217,249,498

The accompanying notes are an integral part of these consolidate and separate financial statements

Statements of Financial Position

As at 31 December 2021

		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	25	214,500,000	265,300,000	-	-
Trade and other payables	26	327,803,617	268,963,404	8,536,895	10,380,568
Current portion of					
- Liabilities under finance lease agreements (net)	29	1,662,838	1,330,493	1,239,906	816,379
- Long-term loans from financial institutions (net)	30	702,118,153	575,293,722	-	-
Provision for power plant maintenance under concession arrangement	28	26,608,975	32,326,916	-	-
Value added tax (net)	15	42,276,829	36,343,079	355,708	-
Accrued income tax		6,780,642	11,213,900	-	-
Short-term derivative liabilities	41.3	-	12,093,276	-	-
Other current liabilities	27	5,444,011	9,865,383	715,508	643,832
Total current liabilities		1,327,195,065	1,212,730,173	10,848,017	11,840,779
Non-current liabilities					
Provision for power plant maintenance under concession arrangement	28	5,400,543	86,685	-	-
Liabilities under finance lease agreements (net)	29	24,905,061	24,467,539	5,405,113	4,596,269
Long-term loans from financial institutions (net)	30	3,836,935,824	3,081,863,600	-	-
Deferred tax liabilities (net)	23	168,238,895	109,893,444	-	-
Employee benefit obligations	31	8,947,511	7,813,701	3,675,518	3,495,896
Total non-current liabilities		4,044,427,834	3,224,124,969	9,080,631	8,092,165
Total liabilities		5,371,622,899	4,436,855,142	19,928,648	19,932,944

The accompanying notes are an integral part of these consolidate and separate financial statements

Statements of Financial Position

As at 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
10,975,999,960 ordinary shares				
of Baht 0.50 per share	5,487,999,980	5,487,999,980	5,487,999,980	5,487,999,980
Issued and fully paid-up share capital				
10,175,999,960 ordinary shares				
of Baht 0.50 each	5,087,999,980	5,087,999,980	5,087,999,980	5,087,999,980
Share premium	3,896,006,978	3,896,006,978	3,896,006,978	3,896,006,978
Retained earnings				
- Appropriated - legal reserve	45,225,834	26,025,834	45,225,834	26,025,834
- Unappropriated	4,308,984,695	3,005,687,275	368,420,344	187,283,762
Deficit from business combination under common control	(22,886,961)	(22,886,961)	-	-
Equity attributable to owners of the parent	13,315,330,526	11,992,833,106	9,397,653,136	9,197,316,554
Non-controlling interests	53,247,086	-	-	-
Total equity	13,368,577,612	11,992,833,106	9,397,653,136	9,197,316,554
Total liabilities and equity	18,740,200,511	16,429,688,248	9,417,581,784	9,217,249,498

The accompanying notes are an integral part of these consolidate and separate financial statements

Statements of Comprehensive Income

For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Sales of goods and services	34	5,315,885,461	4,586,364,478	80,880,000	75,280,000
Revenue from finance lease under Power Purchase Agreement		411,035,336	401,233,134	-	-
Revenue from construction under a concession arrangement		-	870,545,684	-	-
Cost of sales and services	34	(3,807,969,251)	(3,196,266,562)	(61,332,557)	(55,173,748)
Cost of construction under a concession arrangement		-	(870,545,684)	-	-
Gross profit		1,918,951,546	1,791,331,050	19,547,443	20,106,252
Net gain (loss) on exchange rate		155,757,750	18,768,243	(1,414)	-
Dividend income from a subsidiary		-	-	395,999,999	671,034,998
Gain from business acquisition		-	2,178,074	-	-
Net gain (loss) on forward contract		12,197,874	(12,093,276)	-	-
Other income	35	12,750,686	178,637,026	28,331	2,401,254
Profit before expenses		2,099,657,856	1,978,821,117	415,574,359	693,542,504
Administrative expenses		(350,349,632)	(322,254,790)	(31,957,109)	(37,951,235)
Finance costs	37	(141,373,462)	(106,319,758)	(269,933)	(73,274)
Profit before income tax		1,607,934,762	1,550,246,569	383,347,317	655,517,995
Tax income (expense)	38	(102,517,118)	(42,605,837)	59,981	13,978
Profit for the year		1,505,417,644	1,507,640,732	383,407,298	655,531,973
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
- Remeasurements of post-employment benefit obligations	31	(20,315)	(3,209,298)	120,287	(2,409,088)
- Income tax on item that will not be reclassified to profit or loss	23	4,063	641,860	(24,057)	481,818
Total item that will not be reclassified to profit or loss		(16,252)	(2,567,438)	96,230	(1,927,270)
Other comprehensive income (expense) for the year net of tax		(16,252)	(2,567,438)	96,230	(1,927,270)
Total comprehensive income for the year		1,505,401,392	1,505,073,294	383,503,528	653,604,703

The accompanying notes are an integral part of these consolidate and separate financial statements

Statements of Comprehensive Income

For the year ended 31 December 2021

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Profit (loss) attributable to:					
Owners of the parent		1,505,680,618	1,507,640,732	383,407,298	655,531,973
Non-controlling interests		(262,974)	-	-	-
		<u>1,505,417,644</u>	<u>1,507,640,732</u>	<u>383,407,298</u>	<u>655,531,973</u>
Total comprehensive income (expense)					
attributable to:					
Owners of the parent		1,505,664,366	1,505,073,294	383,503,528	653,604,703
Non-controlling interests		(262,974)	-	-	-
		<u>1,505,401,392</u>	<u>1,505,073,294</u>	<u>383,503,528</u>	<u>653,604,703</u>
Earnings per share					
- owners of the parent					
Basic earnings per share (Baht per share)	39	<u>0.15</u>	<u>0.15</u>	<u>0.04</u>	<u>0.06</u>

The accompanying notes are an integral part of these consolidate and separate financial statements

For the year ended 31 December 2021

The accompanying notes are an integral part of these consolidated and separate financial statements

Statements of Changes in Equity

For the year ended 31 December 2021

Separate financial statements (Baht)					
		Retained earnings (deficits)			
	Issued and fully paid-up share capital	Share premium	Appropriated - legal reserve	Unappropriated	Total equity
	5,087,999,980	3,896,006,978	-	(135,015,300)	8,848,991,658
Opening balance as at 1 January 2020					
Change in equity for the year 2020					
Dividend paid	32	-	-	(305,279,807)	(305,279,807)
Legal reserve		-	26,025,834	(26,025,834)	-
Total comprehensive income for the year		-	-	653,604,703	653,604,703
Closing balance as at 31 December 2020	5,087,999,980	3,896,006,978	26,025,834	187,283,762	9,197,316,554

Separate financial statements (Baht)						
Issued and fully paid-up share capital			Retained earnings (deficits)			
Note	Share premium	Appropriated - legal reserve	Unappropriated	Total equity		
Opening balance as at 1 January 2021	3,896,006,978	26,025,834	187,283,762	9,197,316,554		
Change in equity for the year 2021						
Dividend paid	-	-	(183,166,946)	(183,166,946)		
Legal reserve	-	19,200,000	(19,200,000)	-		
Total comprehensive income for the year	-	-	383,503,528	383,503,528		
Closing balance as at 31 December 2021	3,896,006,978	45,225,834	368,420,344	9,397,653,136		

The accompanying notes are an integral part of these consolidated and separate financial statements

Absolute Clean Energy Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		1,607,934,762	1,550,246,569	383,347,317	655,517,995
Adjustments					
Gain from business acquisition		-	(2,178,074)	-	-
Unrealised (gain) loss on exchange rate of receivable under finance lease agreement		(147,031,491)	4,804,658	-	-
Unrealised (gain) loss on forward contracts		(12,197,874)	12,093,276	-	-
(Reversal of) loss from impairment					
- Land	18	(1,191,550)	-	-	-
- Damaged fixed assets on fire	18	-	(804,388)	-	-
Depreciation	18, 20	578,051,809	494,530,318	5,511,888	3,754,528
Loss on write-off - fixed assets	18	11,337,628	14,428,816	-	-
Amortisation	19, 22	89,153,001	46,860,116	217,901	182,180
(Reversal) Provision for power plant maintenance under concession arrangement	28	(404,083)	7,192,946	-	-
Employee benefit obligations	31	1,113,495	926,198	299,909	69,893
Dividend income from a subsidiary	40 b)	-	-	(395,999,999)	(671,034,998)
Interest income	35	(1,661,311)	(1,530,609)	(28,331)	(102,852)
Gain on fix assets disposal	35	-	(81,237)	-	-
Gain on sales of short-term investments	35	(98,731)	(298,648)	-	-
Finance costs	37				
- Interest expense from loans		126,390,216	93,955,147	-	-
- Commitment fee		1,253,585	4,192,548	-	-
- Amortisation of prepaid transaction cost for borrowing		12,592,298	7,289,431	-	-
- Interest expense from liabilities under finance lease agreements		1,137,363	882,632	269,933	73,274
		2,266,379,117	2,232,509,699	(6,381,382)	(11,539,980)
Changes in working capital					
- Trade and other receivables		(255,625,741)	100,211,522	(555,553)	(678,807)
- Receivable under finance lease		18,206,615	32,181,007	-	-
- Inventories		(129,556,564)	(205,149,648)	-	-
- Value added tax		(14,034,186)	(17,269,106)	1,511,174	3,588,965
- Other non-current assets		(309,588)	(3,083,016)	(1,200)	(142,172)
- Trade and other payables		42,005,075	(222,023,697)	(1,804,236)	427,364
- Other current liabilities		(4,421,372)	1,969,783	71,676	(3,358,946)
Cash generated from (used in) operating activities before interest income received and income tax paid		1,922,643,356	1,919,346,544	(7,159,521)	(11,703,576)
Interest income received		1,662,276	1,612,942	28,473	103,344
Income tax paid		(55,656,925)	(26,438,435)	(2,426,685)	(1,700,683)
Net cash generated from (used in) operating activities		1,868,648,707	1,894,521,051	(9,557,733)	(13,300,915)

The accompanying notes are an integral part of these consolidate and separate financial statements

Absolute Clean Energy Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Restricted deposits at financial institutions (increase) decrease	11	(158,012,233)	251,248,036	-	-
Net cash received from sales of short-term investments		98,731	298,648	-	-
Net cash received from fixed asset disposal		-	5,342,863	-	-
Payments for addition investment in a direct subsidiary	16	-	-	(327,000,000)	(160,000,000)
Payments for business acquisition		-	(83,870,087)	-	-
Cash received from short-term loans from an indirect subsidiary		-	-	120,000,000	-
Payments on debt transfer		-	(265,555,320)	-	(120,000,000)
Cash received from dividend income from a subsidiary	40 b)	-	-	395,999,999	671,034,998
Payments for purchases of					
- Investment property	17	(65,833,040)	(20,662,625)	-	-
- Fixed assets		(1,776,115,783)	(655,362,781)	(3,771,390)	(72,593,592)
- Rights to service under a concession arrangement		-	(866,531,556)	-	-
- Intangible assets	22	(13,798,651)	(2,444,107)	-	-
Payment for borrowing cost of rights to service under a concession arrangement		-	(6,921,849)	-	-
Net cash generated from (used in) investing activities		(2,013,660,976)	(1,644,458,778)	185,228,609	318,441,406
Cash flows from financing activities					
Cash received from short-term loans from financial institutions	25	1,718,300,000	-	-	-
Payments on short-term loans from financial institutions	25	(1,769,100,000)	(2,080,961)	-	-
Payments on liabilities under lease liabilities	29	(1,471,381)	(3,800,147)	(1,008,877)	(339,741)
Interest expense from lease liabilities	37	(1,137,363)	(882,632)	(269,933)	(73,274)
Cash received from long-term loans from financial institutions	30	1,492,233,243	1,854,238,757	-	-
Payments on long-term loans from financial institutions	30	(597,524,093)	(1,274,577,838)	-	-
Payments on direct borrowing cost	30	(17,780,000)	(15,383,682)	-	-
Payments on finance costs - interest paid		(124,955,716)	(91,564,300)	-	-
Cash received from change in shareholding in indirect subsidiaries	16.1	27,500,000	-	-	-
Cash received from non-controlling interest from increase in share capital in an indirect subsidiary		10,010,000	-	-	-
Dividend paid to the Company's shareholders	26, 32	(183,206,383)	(305,039,336)	(183,206,383)	(305,039,336)
Net cash generated from (used in) financing activities		552,868,307	160,909,861	(184,485,193)	(305,452,351)
Net increase (decrease) in cash and cash equivalents		407,856,038	410,972,134	(8,814,317)	(311,860)
Cash and cash equivalents at the beginning of the year		482,892,545	71,920,411	13,569,645	13,881,505
Cash and cash equivalents at the end of the year	10	890,748,583	482,892,545	4,755,328	13,569,645
Non-cash transactions					
Payables from the purchases of fixed assets	26	33,601,743	48,597,617	-	-
Retentions	26				
- Fixed assets		33,931,505	2,239,827	-	-

The accompanying notes are an integral part of these consolidate and separate financial statements

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

1 General information

Absolute Clean Energy Public Company Limited ("the Company") incorporates as a public limited company listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand.

The address of the Company's registered office is 140/6 ITF Tower 7th floor, Silom Road, Suriyawong, Bangrak, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

The Group's principal business operations are operating biomass, municipal solid waste, natural gas, and solar energy power plants.

The Company's principal business operation is investing in Asia Clean Energy Company Limited at 100 percent. Asia Clean Energy Company Limited has invested in 19 subsidiaries as described in Note 16.

The consolidated and separate financial statements were approved by the Company's authorised directors on 28 February 2022.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

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

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting

3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and are relevant and have impacts to the Group

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity, and
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 3, Business combinations amended the definition of 'a business' which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

c) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments disclosures: amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBORs. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

d) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amended to definition of 'materiality'. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

The amended financial reporting standards do not have material impact on the Group.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

3.2 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and are relevant to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7 and TFRS 16 provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the statement of income. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

Moreover, TFRS 7 requires additional disclosure about:

- The nature and extent of risks arising from the IBOR reform to which the entity is exposed to.
- How the entity manages those risks.
- The entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The Group's management considered that the impact of adoption of these standards is not significant to the Group.

4 Accounting policies

4.1 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

c) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

4.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises:

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

4.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's and the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

4.4 Cash and cash equivalents

In the consolidated and separate statements of cash flows, cash and cash equivalents includes cash on hand, cheque on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from date of acquisition and are not used as collateral.

In the consolidated and separate statements of financial position, bank overdrafts are shown in current liabilities.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

4.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.7 g).

4.6 Inventories

Inventories comprise of fuel raw materials, consumable materials and spare parts which are stated at cost less allowance for slow-moving and obsolete inventories.

Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of inventory, such as import duties and transportation charges, less all attributable discounts. Allowance is made, where necessary for slow-moving and obsolete inventories which recognised as cost of sales.

4.7 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on a) business model for managing the asset and b) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI) as follows.

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

- FVOCI: Financial assets that are held for a) collection of contractual cash flows which comprises of only principal and interest; and b) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except a) for the recognition of impairment gains or losses b) interest income using the effective interest method, and c) foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

f) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently measured to their fair value at the end of each reporting period. The changes in the fair value is recognised to other gains (losses).

g) Impairment

The Group assesses on a forward looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables which the adoption of this financial reporting standard does not have a significant impact to the Group.

4.8 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

The Group's investment property is land held for rental yield and land which is currently undetermined future use.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

4.9 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and provision for impairment of assets. Initial cost included purchase price, both cash and cash equivalent cash price, and other direct cost related to assets acquisition to be located or get ready of their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land and land not used in operation has not been depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost of each asset to their residual value over the estimate useful lives as follows:

Land improvement	5 - 25 years
Building and building improvement - Power plant	5 - 25 years
Building and building improvement - Office	5 - 20 years
Machinery and equipment	4 - 25 years
Tool and equipment	3 - 10 years
Office equipment, furniture and fixture	3 - 5 years
Vehicle	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 4.12).

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains/(losses) - net' in profit or loss.

4.10 Service concession arrangements

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it, operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates that services that the operator must provide with the infrastructure, to whom it must provide them, and service fee and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognised at its fair value of a financial asset or an intangible asset.

The Group shall recognise financial assets to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. If the operator is paid for the construction services partly by a financial asset and partly by an intangible asset it is necessary to account separately for each component of the operator's consideration. Revenue and costs relating to operation services shall be recognised when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element shall be recognised and measured at the best estimate of expenditure that would be required to settle the present obligation at the end of the reporting period.

Currently, the Group has recognised service concession arrangements as intangible assets (Note 4.11 and Note 19).

4.11 Intangible assets

Rights to service under concession arrangements

Rights to service under concession arrangements is the rights obtained from the concession arrangement to provide waste management service and to convert solid waste into electrical energy. According to accounting policy no. 4.10, rights to service under concession arrangements is amortised as expense in statement of comprehensive income using straight-line method throughout the period of 20 - 25 years specified in the contract.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Rights to use transmission line

Rights to use transmission line is cost paid to acquire the rights to use transmissions.

Rights to use transmission line is stated at historical cost less accumulated amortisation. Amortisation is calculated using straight-line method over contract period of 20 to 25 years.

Rights to use gas pipe

Rights to use gas pipe are expenses paid in order to acquire the rights to use gas pipe.

Rights to use gas pipe is stated at historical cost less accumulated amortisation. Amortisation is calculated using straight-line method over contract period of 25 years.

Rights to use water pipe

Rights to use water pipe are expenses paid in order to acquire the rights to use water pipe.

Rights to use water pipe is stated at historical cost less accumulated amortisation. Amortisation is calculated using straight-line method over contract period of 25 years.

Computer software

Computer software is recognised as intangible asset and is amortised over their estimated useful lives, which does not exceed 3 to 10 years.

4.12 Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate 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. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.13 Accounting for long-term leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

4.14 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation/modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated/modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take 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 capitalisation.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

All other borrowing costs are recognised as expense in the period in which they are incurred.

The capitalisation rate used to determine the amount of borrowing cost to be capitalised is a weighted average interest rate applicable to the outstanding borrowings during the year. Where funds are borrowed specifically for the acquisition, construction or production of assets, the amount of borrowing costs eligible for capitalisation on the asset is determined at the actual borrowing cost incurred on the borrowing during the period less any investment income on the temporary investments of those borrowings.

4.16 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.17 Employee benefits

a) Post-employment

The Group's employee benefits are in a form of defined benefit plans.

Retirement benefits

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

b) Contribution - provident fund

The Group has set up a provident fund in accordance with the Provident Fund Act B.E. 2530, and registered its membership with a mutual fund. The Ministry of Finance approved the registration of the provident fund on 19 July 2018. The fund's assets are separate from the Group's assets and are managed by a fund manager.

According to the provident fund policy, employees contribute 2% of their salaries and the Group will contribute another 2% of employees' salaries to the provident fund. The Group appointed the licensed fund manager to manage the provident fund in accordance with the Ministerial Regulation No. 2 issued under the Provident Fund Act B.E. 2530.

The Group's contributions to the provident fund are recorded as expenses in the statement of comprehensive income for the period.

c) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

4.18 Provisions

Provision for power plant maintenance under concession arrangement and other provisions are recognised 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 the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Provisions exclude the provisions for employee benefits. The accounting policy for employee benefit is mentioned in Note 4.17.

4.19 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

4.20 Revenue recognition

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer as details below.

Revenue from sales of electricity

- (a) Revenue under the PPA which are not classified as lease
 - Energy Payments are recognised at a point in time when the controls over the products are transferred to the customers at destinations as stated in the agreements. The revenue from Energy Payments are recognised based on transaction price net of output tax, rebates and discounts.
- (b) Revenue under the Power Purchase Agreements which are classified as lease
 - Finance lease income under the Power Purchase Agreements is recognized on an effective interest method over the period of the agreements, adjusted with change in accounting estimate from a reduction in cash flow which fluctuates with other factors such as production units.
 - Service income under the finance lease agreements related to the Power Purchase Agreements is recognized when the service has been rendered. Service income comprises of Energy Payments received from receivables under finance lease related to the Power Purchase Agreements.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Revenue from sales of steam

Revenue from sales of steam is recognised at a point in time when the controls over the products are transferred to customers at destinations as stated in the agreements. The revenue are recognised based on transaction price net of output tax, rebates and discounts.

Revenue from rendering of services

- The Group recognises revenue from rendering services at a point in time when services are performed for a customer that satisfy a performance obligation. This includes revenue from waste management services.
- The Group recognises revenue from rendering services over time when services are performed for a customer that satisfy a performance obligation. This includes revenue from construction under concession arrangement.

Other income recognised in accordance with the criteria as follows:

- Management income is recognised based on accrual basis under the relevant contracts
- Interest income is recognised using the effective interest rate method
- Rental income is recognised on a straight-line basis over the rental contract period
- Dividend income is recognised when the right to receive payment is established
- Other income is recognised as risk and reward is transferred

4.21 Finance costs

Finance costs comprise interest expense from loan from financial institutions, loans from related parties, amortisation of direct cost related to loans, interest expense from liabilities under lease liabilities and commitment fee.

4.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends and interim dividend are approved by the Board of Directors.

4.23 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- The amount determined in accordance with the expected credit loss model under TFRS 9; and
- The amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

4.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

The Group carried out the operation only in Thailand, information is only presented according the operating segment.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

5 Financial risk management

Financial risk factors

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for the Group.

5.1 Market risk

a) Foreign exchange risk

The operation of the Group is subject to foreign exchange risk from various currencies since the Group purchased and imported most of the machines from overseas. Most transactions are carried in US dollars. The Group protects this foreign exchange risk by entering into foreign currency forward contracts (Note 41.3). However, as at 31 December 2021, the Group has no account payables in foreign currency. For local sales, most transactions are in Thai Baht and are not subject to foreign exchange rate risk except the foreign exchange risk from receivable under finance lease agreement from EGAT (Note 13). A component of this agreement is denominated in foreign currency. This foreign exchange risk arises from a change in foreign exchange rate used to calculate the monthly capacity payment due from EGAT. As at 31 December 2021, The Group had receivable under finance lease agreement of US Dollars 43.5 million, equivalent to Baht 1,446.5 million (2020 : US Dollars 43.9 million, equivalent to Baht 1,312.9 million) which if the exchange rate has increased or decreased by 3%, it will affect to receivable under finance lease agreement in amount of Baht 43.4 million (2020 : Baht 39.4 million).

b) Interest rate risk

Since the Group has no interest bearing assets with significant value, income and cash flow from operating activities of the Group are not affected by interest rate fluctuation.

However, the Group has a risk of interest rate fluctuation that may happen in the future, since the Group mostly has long-term loans from financial institution which directors estimate that the interest rate risk will not affect the Group. Plus, the Group has a plan to change the term of loan agreement or find new source of financing that provides low interest burden to compensate for existing loan.

5.2 Credit risk

Credit risk arises from cash and cash equivalents, as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

b) Impairment of financial assets

The Group and the Company has 2 types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Short-term loan to indirect subsidiaries

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Trade receivables and other receivables

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets

Short-term loans to indirect subsidiaries

Short-term loans to indirect subsidiaries measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

Financial asset measured at fair value through profit or loss (FVPL)

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss (FVPL). The maximum exposure at the end of the reporting period is the carrying amount of these investments.

5.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalent, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

Liquidity risk might increase if the customer has not repaid the debt to the Group on time. To control the level of liquidity risk, the Group has assessed the customer credit ability intermittently.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Outstanding balances of financial assets, financial liabilities, interest rates and contractual undiscounted amount of financial liabilities as at 31 December 2021 and 2020 are as follows:

	Carrying amounts of assets/liabilities					Consolidated financial statements					Contractual undiscounted amounts of financial liabilities				
	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht		Fixed interest rate Baht	Floating interest rate Baht	Non-interest bearing rate Baht	Total Baht	Interest rate %	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht	
As at 31 December 2020															
Financial assets															
Cash and cash equivalents	482,892,545	-	-	482,892,545		-	482,416,690	475,855	482,892,545	0.05 to 0.30					
Trade and other receivables	806,120,909	-	-	806,120,909		-	-	806,120,909	806,120,909	-					
Restricted deposits at financial institutions	277,601,630	-	-	277,601,630		-	277,601,630	-	277,601,630	0.05 to 0.50					
Receivable under finance lease (net)	93,311,714	160,696,884	3,002,324,830	3,256,333,428		3,256,333,428	-	-	3,256,333,428	12.60					
Total financial assets	1,659,926,798	160,696,884	3,002,324,830	4,822,948,512		3,256,333,428	760,018,320	806,596,764	4,822,948,512						
Financial liabilities															
Short-term loans from financial institutions	265,300,000	-	-	265,300,000		-	265,300,000	-	265,300,000	MLR - 2.50	265,300,000	-	-	265,300,000	
Trade and other payables	268,893,092	-	-	268,893,092		-	-	268,893,092	268,893,092	-	268,893,092	-	-	268,893,092	
Lease liabilities (net)	1,330,493	24,467,539	-	25,798,032		25,798,032	-	-	25,798,032	4.25 to 4.53	2,329,630	10,461,105	25,049,469	37,840,204	
Long-term loans from financial institutions	575,293,722	2,614,468,358	467,395,242	3,657,157,322		-	3,657,157,322	-	3,657,157,322	MLR - 1.25 to 2.50					
- Cash outflows of loans principal											588,138,800	2,633,546,840	467,767,388	3,689,453,028	
- Cash outflows of interest											99,257,785	256,547,050	47,239,080	403,043,915	
Total financial liabilities that are not derivatives	1,110,817,307	2,638,935,897	467,395,242	4,217,148,446		25,798,032	3,922,457,322	268,893,092	4,217,148,446		1,223,919,307	2,900,554,995	540,055,937	4,664,530,239	
Derivative financial instruments															
(Cash inflows)/from forward contract	(268,836,436)	-	-	(268,836,436)		-	-	-	-		(268,836,436)	-	-	(268,836,436)	
Cash outflows from forward contract	280,929,712	-	-	280,929,712		-	-	-	-		280,929,712	-	-	280,929,712	
Total derivatives	12,093,276	-	-	12,093,276		-	-	-	-		12,093,276	-	-	12,093,276	
Total financial liabilities	1,122,910,583	2,638,935,897	467,395,242	4,228,241,722		25,798,032	3,922,457,322	268,893,092	4,217,148,446		1,236,012,583	2,900,554,995	540,055,937	4,676,623,515	

The Group is considering early repayment of long-term loans from financial institutions of an indirect subsidiary totalling Baht 14,962,693 in time band 'between 1 and 5 years' of contractual undiscounted amounts of financial liabilities in the year 2021.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Carrying amounts of assets/liabilities					Consolidated financial statements					Contractual undiscounted amounts of financial liabilities				
	Carrying amounts of assets/liabilities					Carrying amounts of assets/liabilities					Contractual undiscounted amounts of financial liabilities				
	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht		Fixed interest rate Baht	Floating interest rate Baht	Non-interest bearing rate Baht	Total Baht	Interest rate %	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht	
As at 31 December 2021															
Financial assets															
Cash and cash equivalents	890,748,583	-	-	890,748,583		-	889,912,653	835,930	890,748,583	0.05 to 0.13					
Trade and other receivables	1,042,713,944	-	-	1,042,713,944		-	-	1,042,713,944	1,042,713,944	-					
Restricted deposits at financial institutions	435,613,863	-	-	435,613,863		-	435,613,863	-	435,613,863	0.05 to 0.50					
Receivable under finance lease (net)	110,073,198	191,631,867	3,083,453,239	3,385,158,304		3,385,158,304	-	-	3,385,158,304	12.60					
Total financial assets	2,479,149,588	191,631,867	3,083,453,239	5,754,234,694		3,385,158,304	1,325,526,516	1,043,549,874	5,754,234,694						
Financial liabilities															
Short-term loans from financial institutions	214,500,000	-	-	214,500,000		-	214,500,000	-	214,500,000	MLR - 2.50	214,500,000	-	-	214,500,000	
Trade and other payables	327,703,101	-	-	327,703,101		-	-	327,703,101	327,703,101	-	327,703,101	-	-	327,703,101	
Lease liabilities (net)	1,662,838	8,657,357	16,247,704	26,567,899		26,567,899	-	-	26,567,899	4.25 to 4.53	2,405,030	12,145,517	23,207,114	37,757,661	
Long-term loans from financial institutions	702,118,152	2,076,939,196	1,759,996,629	4,539,053,977		-	4,539,053,977	-	4,539,053,977	2.75 to MLR - 2.50					
- Cash outflows of loans principal											706,091,291	2,098,395,099	1,849,675,788	4,654,162,178	
- Cash outflows of interest											136,172,962	391,376,941	245,229,798	772,779,701	
Total financial liabilities that are not derivatives	1,245,984,091	2,085,596,553	1,776,244,333	5,107,824,977		26,567,899	4,753,553,977	327,703,101	5,107,824,977		1,386,872,384	2,501,917,557	2,118,112,700	6,006,902,641	
Derivative financial instruments															
(Cash inflows)/from forward contract	(15,829,018)	-	-	(15,829,018)		-	-	-	-		(15,829,018)	-	-	(15,829,018)	
Cash outflows from forward contract	15,724,420	-	-	15,724,420		-	-	-	-		15,724,420	-	-	15,724,420	
Total derivatives	(104,598)	-	-	(104,598)		-	-	-	-		(104,598)	-	-	(104,598)	
Total financial liabilities	1,245,879,493	2,085,596,553	1,776,244,333	5,107,720,379		26,567,899	4,753,553,977	327,703,101	5,107,824,977		1,386,767,786	2,501,917,557	2,118,112,700	6,006,798,043	

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

As at 31 December 2020

Financial assets

Cash and cash equivalents
Trade and other receivables

Total financial assets

Financial liabilities

Trade and other payables
Lease liabilities (net)

Total financial liabilities that are not derivatives

	Carrying amounts of assets/liabilities				Separate financial statements					Contractual undiscounted amounts of financial liabilities			
					Carrying amounts of assets/liabilities								
	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht	Fixed interest rate Baht	Floating interest rate Baht	Non-interest bearing rate Baht	Total Baht	Interest rate %	Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht
	13,569,645 189	- -	- -	13,569,645 189	- -	13,328,097 -	241,548 189	13,569,645 189	0.10 -				
	13,569,834	-	-	13,569,834	-	13,328,097	241,737	13,569,834					
	10,380,568 816,379	- 4,596,269	- -	10,380,568 5,412,648	- 5,412,648	- -	10,380,568 -	10,380,568 5,412,648	- 4.25	10,380,568 1,011,178	- 4,128,710	- 979,162	10,380,568 6,119,050
	11,196,947	4,596,269	-	15,793,216	5,412,648	-	10,380,568	15,793,216		11,391,746	4,128,710	979,162	16,499,618

	Carrying amounts of assets/liabilities				Separate financial statements					Contractual undiscounted amounts of financial liabilities			
					Carrying amounts of assets/liabilities								
					Fixed interest rate Baht	Floating interest rate Baht	Non-interest bearing rate Baht				Total Baht	Interest rate %	
Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht							Within 1 year Baht	1-5 years Baht	Over 5 years Baht	Total Baht
4,755,328	-	-	4,755,328	-	4,552,438	202,890	4,755,328	0.05					
300,047	-	-	300,047	-	-	300,047	300,047	-					
5,055,375	-	-	5,055,375	-	4,552,438	502,937	5,055,375						
8,536,895	-	-	8,536,895	-	-	8,536,895	8,536,895	-		8,536,895	-	-	8,536,895
1,239,906	5,405,113	-	6,645,019	6,645,019	-	-	6,645,019	4.25		1,510,654	5,855,786	-	7,366,440
9,776,801	5,405,113	-	15,181,914	6,645,019	-	8,536,895	15,181,914			10,047,549	5,855,786	-	15,903,335

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

6 Fair value

The Group presents financial assets and liabilities that are measured at fair value in each level including fair value of financial assets and financial liabilities, excluding financial assets and liabilities measured at amortised cost where their carrying value approximated fair value, as follows:

Consolidated financial statement	Separate financial statement
Financial assets	Financial assets
<ul style="list-style-type: none"> - Cash and cash equivalents - Restricted deposits at financial institutions - Trade and other receivables - Receivable under finance lease 	<ul style="list-style-type: none"> - Cash and cash equivalents - Trade and other receivables - Short-term loan to an indirect subsidiary
Financial liabilities	Financial liabilities
<ul style="list-style-type: none"> - Short-term loans from financial institutions - Trade and other payables - Lease liabilities 	<ul style="list-style-type: none"> - Trade and other payables - Lease liabilities

The analysis of financial instruments carried and disclosed at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair values of long-term loans from financial institutions (net) and forward contracts are disclosed in Note 30 and 41.3.

		Fair value disclosure	
		Consolidated financial statements	
		2021	2020
		Baht	Baht
	Notes	Level	
Statement of financial position as at 31 December			
Investment property	17	2	216,569,310
Long-term loans from financial institutions	30	2	4,273,491,528
Forward contracts	41.3	2	104,598
			(12,093,276)

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as the date end of the report.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

7 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements 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.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The result of accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Fair value of certain financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in note 41.3.

b) Impairment of investment property

The Group has assessed the impairment of land for rent when there is any indicator that book amount of the property would not be realized or when book amount of the property exceeded recoverable amount the management carried out the assessment by considering rental income and fluctuation in value of land in located area (Note 17).

c) Property, plant and equipment

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the plant and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment loss in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenue and expenses relating to the assets subject to the review (Note 18).

d) Useful life of intangible asset

The Group estimates the useful life of power purchase agreements to be at least 7 years based on the remaining power purchase agreement period. However, the actual useful life may be shorter or longer than the determined life, depending on the indirect subsidiaries' readiness in extension of the power purchase agreements.

e) Deferred Income tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

f) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers a) the underlying asset condition and/or b) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

g) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g., term.

h) Employee benefit obligations

The present value of employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate.

The Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 31.

i) Provisions

The Group has liabilities that may arise from being sued for damages. The management uses judgment of assess the outcome of the case in which the Group has been charged. If the management considers that there may be damaged occurred, the Group recorded a provision for losses that might arise in such circumstances. If management determines and believes that the Group will not be damaged, the Group does not record contingent liabilities as at the end of accounting period.

j) Impairment of investments in subsidiaries and related assets

The Group tests impairment of investments in subsidiaries and related assets when events or changes in circumstances indicate that the carrying value of the investment is higher than its recoverable amounts by applying the value-in-use model or fair value less costs of disposal. The value-in-use model involves management's significant judgments with respect to the future operating results of business, projected cash flows, appropriate discount rate to be applied to the projected cash flows. Key assumptions applied in the value-in-use model or fair value less costs of disposal are electricity tariff, assumed capacity of the power plants, growth rate, expected changes to operating expenditures, and the discount rate to be applied to the projected cash flows.

8 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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

9 Segment information

[illegible]

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Certain part of consolidated statement of financial position as at 31 December 2021 and 2020 (Baht)							
	Biomass power plants		Solid waste power plants		Natural gas power plant		Solar energy power plant	
	2021	2020	2021	2020	2021	2020	2021	2020
Segment assets	10,628,909,427	9,536,734,685	2,168,573,023	1,768,190,324	4,654,800,877	4,277,506,962	327,491,568	17,779,774,895
Unallocated assets								15,860,889,533
Consolidated total assets								960,425,616
Segment liabilities	1,619,288,667	2,065,828,796	940,267,613	963,940,010	2,587,910,726	1,227,180,681	8,176,935	18,740,200,511
Unallocated liabilities								16,429,688,248
Consolidated total liabilities								5,155,643,941
								215,978,958
								5,371,622,899
								4,436,855,142

The Group has two main customers whose combine revenue for the year ended 31 December 2021 is 98.14% of total revenues (2020: 97.17%). These customers are the Provincial Electricity Authority, purchasing from the biomass power plants and the solid waste power plants, and the Electricity Generating Authority of Thailand, purchasing from the biomass power plant and the natural gas power plant.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash on hand	186,254	228,409	-	-
Cash at banks - current accounts	206,442	247,446	202,890	241,548
- savings accounts	889,912,653	482,416,690	4,552,438	13,328,097
Cheque on hand	443,234	-	-	-
	890,748,583	482,892,545	4,755,328	13,569,645

Cash at banks - savings accounts as at 31 December 2021 carries interest at the rates of 0.05% to 0.13% per annum (2020 : 0.05% to 0.30% per annum).

11 Restricted deposits at financial institutions

Restricted deposits at financial institutions which are savings accounts as at 31 December 2021 and 2020 as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Guarantee for long-term loans from financial institutions (Note 30)				
- Cash at bank	435,177,363	276,801,630	-	-
Guarantee for electricity usage (Note 42.1)				
- Cash at bank	436,500	800,000	-	-
	435,613,863	277,601,630	-	-

The Group's restricted deposits at financial institutions as at 31 December 2021 amounting to Baht 435,177,363 (2020 : Baht 276,801,630) are savings accounts reserved with financial institutions for receiving payment under the Power Purchase Agreements, which have been pledged as securities for loans from financial institutions with sufficient reserves for the repayment of principal, interest and repair and major maintenance reserve accounts. These reserves are retained from revenue received from the sales of electricity. However, withdrawals of cash from each deposit must be made with the financial institutions' approval.

Restricted deposits at financial institutions as at 31 December 2021 and 2020 have interest rates as follows:

	Interest rate (% per annum)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash at bank - savings accounts	0.05 to 0.50	0.05 to 0.50	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

12 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivable				
- Billed				
- Provincial Electricity Authority	317,157,509	288,269,148	-	-
- Electricity Generating Authority of Thailand	174,303,331	107,280,109	-	-
- third party	11,086,141	7,921,377	-	-
- related party (Note 40 a))	9,091,403	7,917,744	-	-
	511,638,384	411,388,378	-	-
- Unbilled				
- Provincial Electricity Authority	318,581,003	290,135,821	-	-
- Electricity Generating Authority of Thailand	168,550,836	77,979,608	-	-
- third party	934,406	899,273	-	-
- related party (Note 40 a))	4,743,334	3,390,121	-	-
	492,809,579	372,404,823	-	-
Total trade accounts receivable	1,004,447,963	783,793,201	-	-
Other accounts receivable				
- third party	3,473,051	492,362	300,000	-
- related party (Note 40 a))	9,642,641	5,882,170	-	-
Accrued interest income				
- third party	14,786	15,751	47	189
Accrued land rental income				
- related party (Note 40 a))	58,003	54,925	-	-
Advance payment				
- employees	695,133	207,466	286,386	-
- related party (Note 40 a))	188,340	-	-	-
Advance payment for repair and maintenance of machinery				
- third party	8,974,165	4,326,077	-	-
- related party (Note 40 a))	777,477	3,086,107	-	-
Prepaid insurance expenses	10,020,499	9,546,099	297,449	266,046
Prepaid expenses	5,669,491	5,727,615	1,566,964	1,629,200
Deposits received within 1 year	25,077,500	15,882,500	-	-
Total	1,069,039,049	829,014,273	2,450,846	1,895,435

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Outstanding trade accounts receivable as at 31 December 2021 and 2020 can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivable				
- Provincial Electricity Authority				
- Billed				
Not yet due	317,157,509	288,269,148	-	-
- Unbilled	318,581,003	290,135,821	-	-
	635,738,512	578,404,969	-	-
- Electricity Generating Authority Of Thailand				
- Billed				
Not yet due	17,310,007	-	-	-
- Unbilled	19,484,759	-	-	-
	36,794,766	-	-	-
- Third party				
- Billed				
Not yet due	11,086,141	7,921,377	-	-
- Unbilled	934,406	899,273	-	-
	12,020,547	8,820,650	-	-
- Related party (Note 40 a))				
- Billed				
Not yet due	2,788,405	3,703,457	-	-
Over due less than 3 months	6,302,998	4,214,287	-	-
- Unbilled	4,743,334	3,390,121	-	-
	13,834,737	11,307,865	-	-
Receivable from service under Power Purchase Agreement				
- Electricity Generating Authority of Thailand				
- Billed				
Not yet due	156,993,324	107,280,109	-	-
- Unbilled	149,066,077	77,979,608	-	-
	306,059,401	185,259,717	-	-
Total	1,004,447,963	783,793,201	-	-

The Group's credit term for trade accounts receivable - not yet due is 30 days.

13 Receivable under finance lease (net)

During the year ended 31 December 2017, Advance Agro Asia Company Limited, an indirect subsidiary, completed the construction of a natural gas power plant in Chachoengsao and started selling electricity to the Electricity Generating Authority of Thailand. The Group's management assessed the Power Purchase Agreement in accordance with TFRIC 4 "Determining whether an arrangement contains a lease" and found that the agreements are finance lease. Therefore, the Group's management derecognised building and equipment and recognised to receivables under finance lease net of unearned financial income. Revenue from sales of electricity under Power Purchase Agreement will be recognised as revenue from finance lease agreement under Power Purchase Agreement and revenue from service under Power Purchase Agreement and are included in sales of goods and services.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Receivable under finance lease	9,439,622,914	9,408,527,198	-	-
<u>Less</u> Unearned financial income	(6,054,464,610)	(6,152,193,770)	-	-
	3,385,158,304	3,256,333,428	-	-
<u>Less</u> Current portion (net)	(110,073,198)	(93,311,714)	-	-
	3,275,085,106	3,163,021,714	-	-
<u>Less</u> Due over 1 year but not over 5 years	(191,631,867)	(160,696,884)	-	-
Over 5 years but not over 25 years	3,083,453,239	3,002,324,830	-	-

As at 31 December 2021, the Group had receivable under finance lease which had not yet received the payments for 2 months amounting to Baht 75,105,099 (2020 : not yet received the payment for 2 months amounting to Baht 63,988,488).

Minimum receivables under finance lease as at 31 December 2021 and 2020 are as follow:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Due for payment				
Due within 1 year	523,866,568	490,550,107	-	-
Due over 1 year but not over 5 years	1,795,045,877	1,706,246,479	-	-
Due over 5 years but not over 25 years	7,120,710,469	7,211,730,612	-	-
	9,439,622,914	9,408,527,198	-	-

14 Inventories

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Fuel raw materials	425,301,982	292,624,559	-	-
Consumable materials	16,725,565	10,638,617	-	-
Spare parts	89,604,992	98,812,799	-	-
	531,632,539	402,075,975	-	-

The cost of inventories recognised as expenses and included in cost of sales amounting to Baht 2,532,171,912 (2020 : Baht 2,084,668,904).

15 Value added tax (net)

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Value added tax receivables	54,185,964	29,287,709	-	945,149
Value added tax payables	(7,376,171)	(7,676,513)	(444,556)	-
Undue input tax	1,571,858	10,102,775	88,848	210,317
Undue output tax	(36,748,644)	(34,115,150)	-	-
	11,633,007	(2,401,179)	(355,708)	1,155,466
Presented as assets (net)	53,909,836	33,941,900	-	1,155,466
Presented as liabilities (net)	(42,276,829)	(36,343,079)	(355,708)	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

16 Investment in subsidiaries

Investment in subsidiaries as at 31 December 2021 and 2020 comprise the following:

Direct subsidiary	Located in/ Incorporated in	Nature of business	Registered share capital		Paid-up share capital		Percentage of shareholding		Separate financial statements			
			2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 %	2020 %	Cost method		Dividend income	
									2021 Baht	2020 Baht	2021 Baht	2020 Baht
Asia Clean Energy Company Limited	Thailand	Hold investments	9,500,000,000	9,000,000,000	9,327,000,000	9,000,000,000	100.00	100.00	9,326,999,980	8,999,999,980	395,999,999	671,034,998
									9,326,999,980	8,999,999,980	395,999,999	671,034,998

The movement of investment in subsidiaries for the year ended 31 December 2021 and 2020 are as follows:

	Separate financial statements	
	2021 Baht	2020 Baht
Opening book amount	8,999,999,980	8,839,999,980
Addition	327,000,000	160,000,000
Closing book amount	9,326,999,980	8,999,999,980

Additional investment in a direct subsidiary

During the year ended 31 December 2021, the Extraordinary General Meeting approved to increase its share capital totalling Baht 500,000,000 by issuing 50,000,000 ordinary shares at Baht 10.00 per share. The indirect subsidiary called for paid-up share capital totalling 50,000,000 shares at Baht 6.54 per share, totalling Baht 327,000,000.

During the year ended 31 December 2020, the Board of Directors of Asia Clean Energy Company Limited called for paid-up share capital which was held by the shareholders totalling 250,000,000 shares (at par value of Baht 10 per share), from the paid-up of Baht 9.36 per share to the paid-up of Baht 10 per share, totalling Baht 160,000,000.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

All indirect subsidiaries owned by Asia Clean Energy Company Limited are as follows:

Indirect subsidiaries	Located in/ Incorporated in	Nature of business	Registered share capital		Paid-up share capital		Percentage of shareholding		Cost method		Dividend Income - Asia Clean Energy Company Limited	
			2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
			Baht	Baht	Baht	Baht	%	%	Baht	Baht	Baht	Baht
Advance Clean Power Company Limited	Thailand	Electricity generation at Chonburi, Roi – Et, Kanchanaburi and Kamphaeng Phet	2,000,000,000	2,000,000,000	1,778,650,000	1,690,300,000	100.00	100.00	1,778,649,980	1,690,299,980	194,502,948	151,955,998
Advance Agro Power Plant Company Limited	Thailand	Electricity generation at Surin and Nakhon Ratchasima	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	100.00	100.00	999,999,970	999,999,970	129,999,996	40,291,709
Advance Farm Tree Company Limited	Thailand	Hold the Power Purchase Agreement at Armat Charoen	10,000,000	10,000,000	7,600,000	7,000,000	100.00	100.00	7,599,946	6,999,950	-	-
Alliance Clean Power Company Limited	Thailand	Electricity generation at Nong Khai, Ubon Ratchathani, Khon Kaen, and Krabi	2,720,000,000	1,970,000,000	2,397,700,000	1,970,000,000	100.00	100.00	2,399,400,000	1,971,700,000	381,829,697	235,406,398
Advance Agro Asia Company Limited	Thailand	Electricity generation at Chachoengsao	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000	100.00	100.00	1,500,000,000	1,500,000,000	343,499,993	323,061,493
Advance Asia Power Plant Company Limited	Thailand	Electricity generation at Khon Kaen	575,000,000	575,000,000	567,200,000	567,200,000	100.00	100.00	568,570,000	568,570,000	69,198,398	53,951,848
Advance Bio Asia Company Limited	Thailand	Electricity generation at Lampang	750,000,000	750,000,000	699,500,000	690,500,000	100.00	100.00	661,500,000	652,500,000	120,992,996	133,266,496
ACE Solar Company Limited	Thailand	Solar energy generation at Chonburi, Nakhon Ratchasima and Samut Sakorn	380,000,000	320,000,000	338,000,000	305,360,000	100.00	100.00	336,700,000	304,060,000	-	-
Bio Power Plant Company Limited	Thailand	Hold the land and Power Purchase Agreement at Lopburi, Kamphaeng Phet and Nakhon Ratchasima	650,000,000	250,000,000	350,000,000	175,000,000	100.00	100.00	348,200,000	173,200,000	-	-
Power Supply and Maintenance Service Company Limited	Thailand	Power plant maintenance Service	330,000,000	50,000,000	164,400,000	30,000,000	100.00	100.00	164,399,970	29,999,970	17,652,395	-
Absolute Clean Water Company Limited	Thailand	Hold the land and Power Purchase Agreement at Prachinburi	200,000,000	200,000,000	180,299,000	128,559,000	100.00	100.00	176,330,980	124,590,980	-	-
Advance Asia Energy Company Limited	Thailand	Electricity generation at Nakhon Ratchasima	650,000,000	650,000,000	540,120,000	540,120,000	100.00	100.00	499,079,983	499,079,983	72,916,197	-
Advance Bio Energy Company Limited	Thailand	Electricity generation at Buriram	500,000,000	159,375,000	500,000,000	159,375,000	100.00	100.00	340,640,938	15,938	-	-
Absolute Clean Engineering and Service Company Limited (Formerly named Satuek Biomass Company Limited)	Thailand	Electricity generation at Buriram	590,000,000	166,250,000	555,592,000	166,250,000	100.00	100.00	389,358,625	16,625	-	-
Provincial Renewable Energy (Thailand) Company Limited	Thailand	Investment in community power plant	220,000,000	30,000,000	77,500,000	20,250,000	100.00	100.00	77,499,970	20,249,980	-	-
Renewable Energy (Central) Company Limited	Thailand	Investment in community power plant	150,000,000	28,000,000	58,500,000	25,424,000	100.00	100.00	58,499,970	25,423,973	-	-
Renewable Energy (North) Company Limited	Thailand	Investment in community power plant	150,000,000	20,000,000	75,000,000	18,000,000	100.00	100.00	74,999,970	17,999,973	-	-
Renewable Energy (Northeast) Company Limited	Thailand	Investment in community power plant	120,000,000	44,000,000	63,000,000	22,000,000	100.00	100.00	62,999,970	21,999,985	-	-
Renewable Energy Siam Company Limited	Thailand	Investment in community power plant	120,000,000	44,000,000	63,000,000	25,100,000	100.00	100.00	62,999,970	25,099,970	-	-
											10,507,430,242	8,631,807,277
											1,330,592,620	937,933,942

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The Group's management has reviewed the allowance for impairment of investment in subsidiaries. The allowance for impairment of such investment is based on the past and prospective future performance of subsidiaries, including other factors (if any).

All shares of a subsidiary and indirect subsidiaries, totalling 6 companies have been pledged as collateral for loans from financial institutions (Note 25 and 30).

16.1 Change in shareholding in indirect subsidiaries

The sale of shares of National Clean Energy Company Limited to a related party

Alliance Clean Power Company Limited has entered into the share sales and purchase agreement with Advance Alliance Logistics Company Limited, a related party. The contract is effective on 22 April 2021 which is the bid award date of municipal solid waste power plant project. Alliance Clean Power Company Limited sold the shares of the subsidiary totalling 5,500,000 shares (par value of Baht 10.00, paid-up of Baht 2.50), which is 10.00% of total shareholding, at Baht 2.50 per share, totalling Baht 13,750,000. The sales of shares of the subsidiary results in decreasing of Alliance Clean Power Company Limited's ownership interest in the subsidiary from 100% to 90% which does not result in loss of control in the subsidiary and the change in non-controlling interest from this transaction is equal to the fair value of the consideration received. Alliance Clean Power Company Limited had already received the payment in full amount.

The sale of shares of Absolute Power Plant Company Limited to a related party

Alliance Clean Power Company Limited has entered into the share sales and purchase agreement with Advance Alliance Logistics Company Limited, a related party. The contract is effective on 7 May 2021 which is the bid award date of municipal solid waste power plant project. Alliance Clean Power Company Limited sold the shares of the subsidiary totalling 5,500,000 shares (par value of Baht 10.00, paid-up of Baht 2.50), which is 10.00% of total shareholding, at Baht 2.50 per share, totalling Baht 13,750,000. The sales of shares of the subsidiary results in decreasing of Alliance Clean Power Company Limited's ownership interest in the subsidiary from 100% to 90% which does not result in loss of control in the subsidiary and the change in non-controlling interest from this transaction is equal to the fair value of the consideration received. Alliance Clean Power Company Limited had already received the payment in full amount.

On 16 August 2021, at the Board of Directors' Meeting of Absolute Power Plant Company Limited, the Board of Directors approved for additional calls for paid-up share capital from Alliance Clean Power Company Limited totalling 49,490,000 shares, at Baht 1.82 per share, totalling Baht 90,071,800 and from Advance Alliance Logistics Company Limited totalling 5,500,000 shares, at Baht 1.82 per share, totalling Baht 10,010,000. Absolute Power Plant Company Limited had already received the payment for additional calls for paid-up share capital in full amount.

16.2 Change in company name of an indirect subsidiary

Absolute Clean Engineering and Service Company Limited (formerly named Satuek Biomass Company Limited) - an indirect subsidiary

On 31 August 2021, at the Extraordinary General Meeting of the indirect subsidiary approved the indirect subsidiary to change the company name from Satuek Biomass Company Limited to Absolute Clean Engineering and Service Company Limited. The indirect subsidiary registered with the Ministry of Commerce in September 2021.

16.3 Dividend payment

During the year ended 31 December 2021, the Board of Directors of Asia Clean Energy Company Limited paid dividends to shareholders according to the portion of share paid-up, totalling Baht 395,999,999 (and has allocated a net profit as a legal reserve in the amount of Baht 136,500,000).

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

17 Investment property (net)

The Group's investment property (net) is land for rent and land held for a currently undetermined future use which has movements for the years ended 31 December 2021 and 2020 as follows:

	Consolidated financial statements		
	Land for rent Baht	Land held for a currently undetermined future use Baht	Total Baht
As at 1 January 2020			
Cost	40,416,137	89,889,425	130,305,562
<u>Less</u> Provision for impairment	(6,117,087)	-	(6,117,087)
Net book amount	34,299,050	89,889,425	124,188,475
For the year ended 31 December 2020			
Opening net book amount			
Addition	34,299,050	89,889,425	124,188,475
Reversal of provision for impairment	-	20,662,625	20,662,625
Closing net book amount	34,299,050	110,552,050	144,851,100
As at 31 December 2020			
Cost	40,416,137	110,552,050	150,968,187
<u>Less</u> Provision for impairment	(6,117,087)	-	(6,117,087)
Net book amount	34,299,050	110,552,050	144,851,100
For the year ended 31 December 2021			
Opening net book amount	34,299,050	110,552,050	144,851,100
Additions	-	65,833,040	65,833,040
Closing net book amount	34,299,050	176,385,090	210,684,140
As at 31 December 2021			
Cost	40,416,137	176,385,090	216,801,227
<u>Less</u> Provision for impairment	(6,117,087)	-	(6,117,087)
Net book amount	34,299,050	176,385,090	210,684,140
Fair value as at 31 December 2021	36,160,000	180,409,310	216,569,310
Fair value as at 31 December 2020	36,160,000	114,581,000	150,741,000

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The Group assessed the provision for impairment of land for rent by comparing the net book value with the recoverable amount (the higher of the value in use or fair value less cost of disposal) calculated at the cash-generating unit level, which is each plot of land for rent. The recoverable amount determined based on the fair value less cost of disposal was appraised by Landmark Consultant Company Limited (2020: Landmark Consultant Company Limited), an independent valuer with a recognised relevant professional qualification and adequate experience in appraising land value with the same nature and in the same vicinity as the appraised land using the market approach (2020: using market approach).

The provision for impairment of land for rent for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements
	Impairment of land for rent of indirect subsidiaries Baht
- Advance Clean Power Company Limited	(5,172,087)
- Advance Asia Power Plant Company Limited	(945,000)
	(6,117,087)

As at 31 December 2021 and 2020, the Group's investment property at cost of Baht 30,891,137 have been mortgaged and pledged to secure long-term loans from financial institutions (Note 30).

The fair value of the Group's investment property as at 31 December 2021 was assessed by an independent valuer, with a recognised relevant professional qualification and adequate experience in appraising land with the same nature and in the same vicinity as appraised land, using the market approach (2020 : using market approach). The fair value of Baht 216,569,310 (2020 : Baht 150,741,000), has been defined as level 2 in the fair value hierarchy for investment property.

The amount recognised in profit and loss from investment property for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements	
	2021 Baht	2020 Baht
Rental income - a related party	133,204	133,282

The Group has no direct cost from investment property for the years ended 31 December 2021 and 2020.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

18 Property, plant and equipment (net)

	Consolidated financial statements									
	Building and building improvement		Building and building improvement - Office		Machinery and equipment		Tool and equipment		Office equipment and furniture	
	Land Baht	Land improvement Baht	- Power plant Baht	- Office Baht	Baht	Baht	Baht	Baht	Baht	Baht
As at 1 January 2020										
Cost	1,916,689,605	543,130,390	792,248,954	160,812,141	6,307,768,258	39,278,959	26,596,457	9,629,831	627,531,856	10,423,686,451
Less Accumulated depreciation	-	(113,172,728)	(233,344,078)	(38,529,689)	(1,896,731,871)	(17,554,222)	(16,684,656)	(2,333,272)	-	(2,318,350,516)
Allowance for impairment	(16,487,070)	(664,211)	-	-	(140,177)	-	-	-	(28,676,715)	(45,968,173)
Net book amount	1,900,202,535	429,293,451	558,904,876	122,282,452	4,410,896,210	21,724,737	9,911,801	7,296,559	598,855,141	8,059,367,762
For the year ended 31 December 2020										
Opening net book amount	1,900,202,535	429,293,451	558,904,876	122,282,452	4,410,896,210	21,724,737	9,911,801	7,296,559	598,855,141	8,059,367,762
Additions	27,074,707	71,647,005	3,485,432	73,277,866	273,943,046	8,528,543	6,418,317	3,969,000	325,509,533	793,833,449
Transfer in from business acquisition	116,386,888	10,175,599	163,339,930	688,507	450,287,956	2,743,604	903,616	4,397,666	4,670,080	753,593,846
Transfer in (out)	-	2,077,500	497,512	-	21,517,190	380,912	-	-	(24,473,114)	-
Disposals - Cost	(5,261,625)	-	-	-	(420,000)	-	-	-	-	(5,681,625)
- Accumulated depreciation	-	-	-	-	419,999	-	-	-	-	419,999
Write-offs - Cost	-	-	-	-	(61,487,182)	-	-	-	-	(61,487,182)
- Accumulated depreciation	-	-	-	-	47,058,366	-	-	-	-	47,058,366
Depreciation charges	-	-	-	-	(393,089,488)	(8,022,470)	(4,535,428)	(1,963,790)	-	(492,626,992)
Reversal of loss from impairment of damaged fixed assets on file	-	(31,603,571)	(43,908,598)	(9,503,647)	-	-	-	-	-	-
	-	664,211	-	-	140,177	-	-	-	-	804,388
Closing net book amount	2,038,402,505	482,254,195	682,299,152	186,745,178	4,749,266,274	25,355,326	12,698,306	13,699,435	904,561,640	9,095,282,011
As at 31 December 2020										
Cost	2,054,889,575	627,030,494	959,551,828	234,778,514	6,991,609,268	50,932,018	33,918,390	17,996,497	933,238,355	11,903,944,939
Less Accumulated depreciation	-	(144,776,299)	(277,252,676)	(48,033,336)	(2,242,342,994)	(25,576,692)	(21,220,084)	(4,297,062)	-	(2,763,499,143)
Allowance for impairment	(16,487,070)	-	-	-	-	-	-	-	(28,676,715)	(45,163,785)
Net book amount	2,038,402,505	482,254,195	682,299,152	186,745,178	4,749,266,274	25,355,326	12,698,306	13,699,435	904,561,640	9,095,282,011

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Consolidated financial statements									
	Land Baht	Land improvement Baht	Building improvement - Power plant Baht	Building and building improvement - Office Baht	Machinery and equipment Baht	Tool and equipment Baht	Office equipment and furniture Baht	Vehicle Baht	Construction in progress and machines under installation Baht	Total Baht
For the year ended 31 December 2021										
Opening net book amount	2,038,402,505	482,254,195	682,299,152	186,745,178	4,749,266,274	25,355,326	12,698,306	13,699,435	904,561,640	9,095,282,011
Additions	553,850,257	104,562,436	4,918,197	756,945	316,822,344	8,091,182	7,678,120	192,600	754,266,860	1,751,138,941
Transfer in (out)	82,460,197	65,569,049	128,481,718	358,832	726,163,381	581,630	33,674	-	(1,003,648,481)	-
Write-offs - Cost	-	-	-	-	(32,245,286)	-	(3,700)	(650,000)	(4,678,244)	(37,577,230)
- Accumulated depreciation	-	-	-	-	25,841,107	-	3,699	394,796	-	26,239,602
Depreciation charges	-	(37,746,220)	(58,238,258)	(10,193,211)	(449,174,451)	(9,972,825)	(5,961,061)	(3,695,894)	-	(574,981,920)
Reversal of loss from impairment	1,191,550	-	-	-	-	-	-	-	-	1,191,550
Closing net book amount	2,675,904,509	614,639,460	757,460,809	177,667,744	5,336,673,369	24,055,313	14,449,038	9,940,937	650,501,775	10,261,292,954
As at 31 December 2021										
Cost	2,691,200,029	797,161,979	1,092,951,743	235,894,291	8,002,349,707	59,604,830	41,626,484	17,539,097	679,178,490	13,617,506,650
Less Accumulated depreciation	-	(182,522,519)	(335,490,934)	(58,226,547)	(2,665,676,338)	(35,549,517)	(27,177,446)	(7,598,160)	-	(3,312,241,461)
Allowance for impairment	(15,295,520)	-	-	-	-	-	-	-	(28,676,715)	(43,972,235)
Net book amount	2,675,904,509	614,639,460	757,460,809	177,667,744	5,336,673,369	24,055,313	14,449,038	9,940,937	650,501,775	10,261,292,954

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Separate financial statement			
	Building and building improvement - Office Baht	Tool and equipment Baht	Office equipment and furniture and fixture Baht	Total Baht
As at 1 January 2020				
Cost	-	-	2,171,873	2,171,873
<u>Less</u> Accumulated depreciation	-	-	(930,213)	(930,213)
Net book amount	-	-	1,241,660	1,241,660
For the year ended 31 December 2020				
Opening net book amount	-	-	1,241,660	1,241,660
Additions	70,528,201	-	2,050,811	72,579,012
Depreciation charge	(2,481,233)	-	(900,927)	(3,382,160)
Closing net book amount	68,046,968	-	2,391,544	70,438,512
As at 31 December 2020				
Cost	70,528,201	-	4,222,684	74,750,885
<u>Less</u> Accumulated depreciation	(2,481,233)	-	(1,831,140)	(4,312,373)
Net book amount	68,046,968	-	2,391,544	70,438,512
For the year ended 31 December 2021				
Opening net book amount	68,046,968	-	2,391,544	70,438,512
Additions	-	177,570	3,608,400	3,785,970
Depreciation charge	(2,821,129)	(31,039)	(1,373,305)	(4,225,473)
Closing net book amount	65,225,839	146,531	4,626,639	69,999,009
As at 31 December 2021				
Cost	70,528,201	177,570	7,831,084	78,536,855
<u>Less</u> Accumulated depreciation	(5,302,362)	(31,039)	(3,204,445)	(8,537,846)
Net book amount	65,225,839	146,531	4,626,639	69,999,009

As at 31 December 2021, the Group pledged property, plant and equipment (including land, buildings and machineries which are under Power Purchase Agreements classified as receivable under finance lease and the right to service under concession arrangement) at the cost of Baht 13,029,772,706 (31 December 2020 : Baht 13,048,451,722) as collaterals against loans from financial institutions (Note 25 and 30). Under the term of the loan agreements, the Group is required to mortgage and pledge land, building, and machineries as collaterals with the financial institutions.

As at 31 December 2021, the cost of fully depreciated buildings and equipment that are still in used as included in the financial statements were Baht 589,893,346 (2020 : Baht 333,932,956).

Impairment of land not used in operation

In 2021 and 2020, the Group's management assessed the progress of the proposal to cancel the termination of the Power Purchase Agreements and to reinstate the Power Purchase Agreements and extend the scheduled commercial operation date of indirect subsidiaries (Note 44.10) and plan to grow energy crops to be used as fuel materials for power plant. The Group's management also considered indicators of provision for impairment of land not used in operation that has purpose for constructing a power plant construction under the mentioned dispute. The Group assessed the impairment of land not used in operation by comparing the net book value with the recoverable amount (the higher of the value in use or fair value less cost of disposal) calculated at the cash-generating unit level, which is each plot of land upon management decision. The recoverable amount is determined based on the fair value less cost of disposal as appraised by Landmark Consultant Company Limited, (2020: Landmark Consultant Company Limited) an independent valuer holding a recognised relevant professional qualification with adequate experience in appraising the value of land with the same nature and in the same vicinity, using the market approach (2020 : market approach). The fair value has been defined as level 2 in the fair value hierarchy.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

As at 31 December 2021, the Group owned land not used in operation, with a net book value of Baht 650,336,598 (Cost of Baht 665,632,118 less provision for impairment of Baht 15,295,520). The land is intended to be used for the construction of power plants. The Group is in the process of submitting a proposal for the cancellation of terminated power purchase agreements and the return of power purchase agreements, together with an extension of commercial operation date (Note 44.10) and a plan to grow energy crops to be used as fuel materials for power plant in the future. Therefore, the land is not considered as investment property and is included in property, plant and equipment in the consolidated financial statements.

Impairment of design cost for power plant construction - Alliance Clean Power Company Limited

In 2021 and 2020, the Group's management assessed the progress of the proposal to cancel the termination of the Power Purchase Agreement and to return of Power Purchase Agreement, together with an extension of the commercial operation date of an indirect subsidiary (Note 44.10) and the Group's management also considered indicators of provision for impairment of construction in progress of Alliance Clean Power Company Limited which is the owner of the project. As at 31 December 2021, an indirect subsidiary invested in this project amounting of Baht 278,115,649 including machinery and equipment under the installation agreement amounting of Baht 249,438,934 and design cost for power plant construction under subcontractor agreement amounting of Baht 28,676,715. (2020 : invested in this project amounting of Baht 270,906,860 including machinery and equipment under the installation agreement amounting of Baht 242,230,145 and design cost for power plant construction under subcontractor agreement amounting of Baht 28,676,715.)

For the part of machines and equipment under installation, the Group engaged Panns Integrated Property Company Limited, an independent valuer holding a recognised relevant professional qualification with adequate experience in appraising the value of asset. There is no indicator that the progress of machines and equipment under installation is not in line with the Group's payments. There is also no indicator of obsolescence or physical defect. However, if the project owner could not retrieve the Power Purchase Agreement, the Group considers that the assets could be used for other projects which is currently in the process of negotiating the return for the Power Purchase Agreements with the arbitration committee (Note 44.10). Thus, the Group did not recognise provision for impairment.

For the part of construction design of the power plant, if the indirect company which is a project owner could not retrieve the Power Purchase Agreement, the Group considered that adapting the design plan to other projects is highly not probable because the design plan is specific to the project and is not highly probable to apply to other projects. Thus, the Group recognised provision for impairment amounting of Baht 28,676,715 (2020 : Baht 28,676,715).

The movement of impairment of land and fixed assets for the year ended 31 December 2021 is as follows:

	Consolidated financial statements		
	2020 Baht	Reversal (Additions) Baht	2021 Baht
Loss on impairment of land not used in operation held by indirect subsidiaries			
- Alliance Clean Power Company Limited	(7,635,000)	-	(7,635,000)
- Advance Bio Asia Company Limited	(7,376,800)	1,191,550	(6,185,250)
- Bio Power Plant Company Limited	(1,475,270)	-	(1,475,270)
	(16,487,070)	1,191,550	(15,295,520)
Loss on impairment of design cost for power plant construction by an indirect subsidiary			
- Alliance Clean Power Company Limited	(28,676,715)	-	(28,676,715)
	(28,676,715)	-	(28,676,715)
Total	(45,163,785)	1,191,550	(43,972,235)

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

19 Rights to service under concession arrangement (net)

The first contract : Waste management services agreement with Khon Kaen municipality

On 18 August 2011, Alliance Clean Power Company Limited, an indirect subsidiary, entered into a contract with Khon Kaen municipality to provide waste management services to convert solid waste into electrical energy for a 20-year period starting from the date of contract signing. As specified in the contract, the indirect subsidiary must construct a plant and install a waste disposal system on the leased area in Khon Kaen municipality. When the contract ends, building, machines and equipment will be transferred to Khon Kaen municipality without any charges. The indirect subsidiary has to comply with any relevant conditions specified in the agreement.

The Group's management assessed the agreement in accordance with TFRIC 12 'Service Concession Arrangements'. As a result, the Group's management recognised the right to service under the concession arrangement as an intangible asset amounting to Baht 886,850,976. This was considered to be compensation for the construction of assets under the concession arrangement. The Group's management has amortised the rights throughout the concession period.

The second contract : Waste management services agreement with Krabi municipality

On 22 February 2019, Alliance Clean Power Company Limited, an indirect subsidiary, entered into contract with Krabi municipality to provide waste management services to convert solid waste into electrical energy for a 25-year period started from the date of contract signing. As specified in the contract, the indirect subsidiary must construct a plant and install a waste disposal system on the leased area in Krabi municipality. When the contract ends, building, machines and equipment will be transferred to Krabi municipality without any charges. The indirect subsidiary has to comply with any relevant conditions as specified in the agreements.

The Group's management assessed the agreement in accordance with TFRIC 12 'Service Concession Arrangements'. As a result, the Group's management recognised the right to service under the concession arrangement as an intangible asset amounting to Baht 975,181,768. This was considered to be compensation for the construction of assets under the concession arrangement and will be amortized throughout the contract period.

Also, the indirect subsidiary is required to recognise provision for power plant maintenance under the concession arrangements in order to maintain the assets and to provide the service as specified in the concession arrangement (Note 28).

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The movements of rights to service under concession arrangement of the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements
	Rights to service under concession arrangements
	Baht
As at 1 January 2020	
Cost	991,487,060
<u>Less</u> Accumulated amortisation	<u>(179,818,680)</u>
Net book amount	<u>811,668,380</u>
For the year ended 31 December 2020	
Opening net book amount	811,668,380
Addition during the year	863,198,400
Borrowing cost	7,347,284
Amortisation during the year	<u>(42,677,129)</u>
Closing net book amount	<u>1,639,536,935</u>
As at 31 December 2020	
Cost	1,862,032,744
<u>Less</u> Accumulated amortisation	<u>(222,495,809)</u>
Net book amount	<u>1,639,536,935</u>
For the year ended 31 December 2021	
Opening net book amount	1,639,536,935
Amortisation during the year	<u>(84,288,415)</u>
Closing net book amount	<u>1,555,248,520</u>
As at 31 December 2021	
Cost	1,862,032,744
<u>Less</u> Accumulated amortisation	<u>(306,784,224)</u>
Net book amount	<u>1,555,248,520</u>

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

20 Right-of-use assets (net)

For the year ended 31 December 2020

Opening net book amount
 Adjusting items upon adoption of TFRS 16 as of 1 January 2020
 Addition during the period
 Change and obligation under finance leases
 Depreciation charge

Closing net book amount

As at 31 December 2020

Cost
 Less: Accumulated depreciation

Net book amount

For the year ended 31 December 2021

Opening net book amount
 Addition during the period
 Depreciation charge

Closing net book amount

As at 31 December 2021

Cost
 Less: Accumulated depreciation

Net book amount

For the year ended 31 December 2021, depreciation expense is presented as an administrative expense for the consolidated financial statements amounting to Baht 3,069,889 and the separate financial statements of Baht 1,286,415.

Payments associated with short-term leases and leases of low-value assets are recognised as an expense in profit or loss on a straight-line basis. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture. The rental expenses for years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements			Separate financial statements		
	Land leasehold Baht	Building Baht	Total Baht	Building Baht	Total Baht	Total Baht
For the year ended 31 December 2020						
Opening net book amount	-	-	-	-	-	-
Adjusting items upon adoption of TFRS 16 as of 1 January 2020	24,007,254	5,114,483	29,121,737	1,487,616	1,487,616	1,487,616
Addition during the period	4,788,795	3,825,840	8,594,635	3,364,103	3,364,103	3,364,103
Change and obligation under finance leases	692,316	900,670	1,592,986	900,670	900,670	900,670
Depreciation charge	(1,211,867)	(691,459)	(1,903,326)	(372,368)	(372,368)	(372,368)
Closing net book amount	28,256,498	9,149,534	37,406,032	5,380,021	5,380,021	5,380,021
As at 31 December 2020						
Cost	29,468,365	9,840,993	39,309,358	5,752,389	5,752,389	5,752,389
Less: Accumulated depreciation	(1,211,867)	(691,459)	(1,903,326)	(372,368)	(372,368)	(372,368)
Net book amount	28,256,498	9,149,534	37,406,032	5,380,021	5,380,021	5,380,021
For the year ended 31 December 2021						
Opening net book amount	28,256,498	9,149,534	37,406,032	5,380,021	5,380,021	5,380,021
Addition during the period	-	2,241,248	2,241,248	2,241,248	2,241,248	2,241,248
Depreciation charge	(1,394,849)	(1,675,040)	(3,069,889)	(1,286,415)	(1,286,415)	(1,286,415)
Closing net book amount	26,861,649	9,715,742	36,577,391	6,334,854	6,334,854	6,334,854
As at 31 December 2021						
Cost	29,468,365	12,082,241	41,550,606	7,993,637	7,993,637	7,993,637
Less: Accumulated depreciation	(2,606,716)	(2,366,499)	(4,973,215)	(1,658,783)	(1,658,783)	(1,658,783)
Net book amount	26,861,649	9,715,742	36,577,391	6,334,854	6,334,854	6,334,854
Rental expenses	412,350	2,184,814	-	-	-	372,214

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

21 Intangible assets from power purchase agreement

On 23 September 2021, 18 indirect subsidiaries were selected by the Energy Regulatory Commission to participate in the Community Power Plants for Local Economy Project. Participation in the project has conditions for the indirect subsidiaries to share benefits with local enterprise companies and communities surrounding the power plant. The benefits-sharing are detailed below:

1. Giving preferred stocks 10% of the registered capital of the indirect subsidiary to the community enterprise companies. According to the pre-agreed rate, the preferred stocks receive dividends at the minimum amount every year. If such an indirect subsidiary does not announce dividend payment to a community enterprise company in any year, the community enterprise company will receive accumulated dividends for the years that are not declared until the indirect subsidiary announces the dividend payment. The indirect subsidiary must pay all accrued dividends until the amount is fully paid to ordinary shareholders.
2. Other benefits for the communities surrounding the power plant should be agreed upon between the indirect subsidiary and the power plant communities. The objectives are for the benefit of community development and social welfare.

During the year 2021, the aforementioned indirect subsidiaries gave preferred stocks to the community enterprise company in the amount of 10% of the registered capital totalling Baht 16,000,060. As at 31 December 2021, the indirect subsidiaries recorded such transaction as intangible assets from power purchase agreement which will be amortised over the power purchase agreement term.

The indirect subsidiaries signed the power purchase agreements under power producer's part of the agreements on 14 February 2022. The agreement is still being internally processed by the Provincial Electricity Authority.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

22 Intangible assets (net)

	Consolidated financial statements						
	Rights to use gas pipe	Rights to use transmission line	Rights to use Water pipe	Power Purchase Agreement	Computer software	Computer software under installation	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
As at 1 January 2020							
Cost	1,240,000	60,235,783	-	-	415,185	2,179,000	64,069,968
Less: Accumulated amortisation	(129,027)	(15,485,359)	-	-	(171,216)	-	(15,785,602)
Net book amount	1,110,973	44,750,424	-	-	243,969	2,179,000	48,284,366
For the year ended 31 December 2020							
Opening net book amount	1,110,973	44,750,424	-	-	243,969	2,179,000	48,284,366
Additions during the year	-	2,444,107	-	-	-	-	2,444,107
Transfer in (out)	-	-	-	-	2,179,000	(2,179,000)	-
Transfer in from business acquisition	-	-	-	3,000,000	-	-	3,000,000
Amortisation during the year	(44,640)	(3,676,281)	-	(141,490)	(320,576)	-	(4,182,987)
Closing net book amount	1,066,333	43,518,250	-	2,858,510	2,102,393	-	49,545,486
As at 31 December 2020							
Cost	1,240,000	62,679,890	-	3,000,000	2,594,185	-	69,514,075
Less: Accumulated amortisation	(173,667)	(19,161,640)	-	(141,490)	(491,792)	-	(19,968,589)
Net book amount	1,066,333	43,518,250	-	2,858,510	2,102,393	-	49,545,486
For the year ended 31 December 2021							
Opening net book amount	1,066,333	43,518,250	-	2,858,510	2,102,393	-	49,545,486
Additions during the year	-	4,257,623	7,497,428	-	1,614,600	429,000	13,798,651
Amortisation during the year	(44,816)	(3,795,370)	(247,466)	(388,298)	(388,636)	-	(4,864,586)
Closing net book amount	1,021,517	43,980,503	7,249,962	2,470,212	3,328,357	429,000	58,479,551
As at 31 December 2021							
Cost	1,240,000	66,937,513	7,497,428	3,000,000	4,208,785	429,000	83,312,726
Less: Accumulated amortisation	(218,483)	(22,957,010)	(247,466)	(529,788)	(880,428)	-	(24,833,175)
Net book amount	1,021,517	43,980,503	7,249,962	2,470,212	3,328,357	429,000	58,479,551

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Separate financial statements		
	Computer software Baht	Computer software under installation Baht	Total Baht
As at 1 January 2020			
Cost	-	2,179,000	2,179,000
<u>Less</u> Accumulated amortisation	-	-	-
Net book amount	-	2,179,000	2,179,000
For the year ended 31 December 2020			
Opening net book amount	-	2,179,000	2,179,000
Transfer in (out)	2,179,000	(2,179,000)	-
Amortisation during the year	(182,180)	-	(182,180)
Closing net book amount	1,996,820	-	1,996,820
As at 31 December 2020			
Cost	2,179,000	-	2,179,000
<u>Less</u> Accumulated amortisation	(182,180)	-	(182,180)
Net book amount	1,996,820	-	1,996,820
For the year ended 31 December 2021			
Opening net book amount	1,996,820	-	1,996,820
Amortisation during the year	(217,901)	-	(217,901)
Closing net book amount	1,778,919	-	1,778,919
As at 31 December 2021			
Cost	2,179,000	-	2,179,000
<u>Less</u> Accumulated amortisation	(400,081)	-	(400,081)
Net book amount	1,778,919	-	1,778,919

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

23 Deferred tax assets/(liabilities) (net)

Deferred tax assets/(liabilities) (net) as at 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Deferred tax assets:	100,345,717	109,510,085	735,103	699,179
Deferred tax liabilities:	(199,012,177)	(133,497,359)	-	-
Deferred tax assets/(liabilities) (net)	(98,666,460)	(23,987,274)	735,103	699,179
Deferred tax assets/(liabilities) (net) which presented in statement of financial position				
- Deferred tax assets (net)	69,572,435	85,906,170	735,103	699,179
- Deferred tax liabilities (net)	(168,238,895)	(109,893,444)	-	-
	(98,666,460)	(23,987,274)	735,103	699,179

Deferred tax assets/(liabilities) as at 31 December 2021 and 2020 calculated from the temporary differences using tax rate of 20%.

The movements of deferred tax assets/(liabilities) (net) for the years ended 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance for the year	(23,987,274)	17,517,320	699,179	203,383
Charged/(credited) to profit or loss (Note 38)	(74,683,249)	(17,960,356)	59,981	13,978
Transfer in from business acquisition	-	(24,186,098)	-	-
Charged/(credited) to other comprehensive income	4,063	641,860	(24,057)	481,818
Closing balance for the year	(98,666,460)	(23,987,274)	735,103	699,179

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The Group recognises deferred tax assets for tax loss and carry forward to the extent that realisation of the related tax benefit through the future taxable profit is probable.

	Consolidated financial statements			
	Increase (decrease) in			
	1 January 2021 Baht	Profit or loss Baht	Other comprehensive income Baht	31 December 2021 Baht
Deferred tax assets				
Provision for impairment of investment property	1,223,418	-	-	1,223,418
Provision for impairment of land not used in operation	3,297,414	-	-	3,297,414
Difference between book value and fair value from business acquisition	15,961,039	(2,659,545)	-	13,301,494
Provision for impairment of construction in progress	5,735,343	-	-	5,735,343
Difference in depreciation charge between accounting base and tax base of plant and equipment	46,990,791	(4,730,648)	-	42,260,143
Difference in amortisation charge between accounting base and tax base of rights to use transmission line	472,468	122,660	-	595,128
Provision for service under concession arrangements	6,482,720	(80,817)	-	6,401,903
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	1,418,285	480,673	-	1,898,958
Derivative liabilities	2,418,655	(2,418,655)	-	-
Employee benefit obligations	1,544,130	222,699	4,063	1,770,892
Elimination	298,879	(75,600)	-	223,279
Taxable loss carried forward	23,666,943	(29,198)	-	23,637,745
	109,510,085	(9,168,431)	4,063	100,345,717
Deferred tax liabilities				
Receivables under finance lease (net)	(57,155,649)	(54,635,103)	-	(111,790,752)
Difference in depreciation charge between accounting base and tax base of plant and equipment	-	(398,173)	-	(398,173)
Difference book value of rights to service under concession arrangement between accounting base and tax base	(13,605,833)	(9,444,271)	-	(23,050,104)
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	(22,285)	21,190	-	(1,095)
Difference in finance costs of transaction cost for borrowing between accounting base and tax base	(13,164,424)	(1,037,541)	-	(14,201,965)
Derivative assets	-	(20,920)	-	(20,920)
Difference between book value and fair value from business acquisition	(49,549,168)	-	-	(49,549,168)
	(133,497,359)	(65,514,818)	-	(199,012,177)
Deferred tax assets (net)	(23,987,274)	(74,683,249)	4,063	(98,666,460)

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Consolidated financial statements				
			Increase/ (decrease) in		
	1 January 2020 Baht	Addition from Business acquisition Bah	Profit or loss Baht	Other comprehensive income Baht	31 December 2020 Baht
Deferred tax assets					
Allowance for impairment of investment property	1,223,418	-	-	-	1,223,418
Allowance for impairment of fixed assets on fire	160,878	-	(160,878)	-	-
Allowance for impairment of land not used in operation	3,297,414	-	-	-	3,297,414
Difference between book value and fair value from business acquisition	-	16,930,134	(969,095)	-	15,961,039
Provision for impairment of construction in progress	5,735,343	-	-	-	5,735,343
Difference in depreciation charge between accounting base and tax base of plant and equipment	36,110,365	-	10,880,426	-	46,990,791
Difference in amortisation charge between accounting base and tax base of rights to use transmission line	349,470	-	122,998	-	472,468
Provision for service under concession arrangements	5,044,131	-	1,438,589	-	6,482,720
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	326,217	-	1,092,068	-	1,418,285
Derivative liabilities	-	-	2,418,655	-	2,418,655
Employee benefit obligations	735,641	-	166,629	641,860	1,544,130
Elimination	374,478	-	(75,599)	-	298,879
Taxable loss carried forward	14,496,759	18,424,090	(9,253,906)	-	23,666,943
	67,854,114	35,354,224	5,659,887	641,860	109,510,085
Deferred tax liabilities					
Receivables under finance lease (net)	(31,989,509)	-	(25,166,140)	-	(57,155,649)
Difference book value of rights to service under concession arrangement between accounting base and tax base	(8,482,639)	-	(5,123,194)	-	(13,605,833)
Difference in finance costs of long-term loans from financial institutions between accounting base and tax base	(96,073)	-	73,788	-	(22,285)
Difference in finance costs of transaction cost for borrowing between accounting base and tax base	(9,768,573)	-	(3,395,851)	-	(13,164,424)
Difference between book value and fair value from business acquisition	-	(59,540,322)	9,991,154	-	(49,549,168)
	(50,336,794)	(59,540,322)	(23,620,243)	-	(133,497,359)
Deferred tax assets (net)	17,517,320	(24,186,098)	(17,960,356)	641,860	(23,987,274)

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

	Separate financial statements		
	Increase/ (decrease) in		
	1 January 2021 Baht	Profit or loss Baht	Other comprehensive income Baht
31 December 2021 Baht			
Deferred tax asset			
Employee benefit obligations	699,179	59,981	(24,057)
Deferred tax assets (net)	699,179	59,981	(24,057)
	Separate financial statements		
	Increase/ (decrease) in		
	1 January 2020 Baht	Profit or loss Baht	Other comprehensive income Baht
31 December 2020 Baht			
Deferred tax asset			
Employee benefit obligations	203,383	13,978	481,818
Deferred tax assets (net)	203,383	13,978	481,818

As at 31 December 2021 and 2020, the Group does not recognise deferred tax assets from taxes loss carried forward to offset with future taxable profit as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Taxes loss due to expire				
- 2021	-	270,905,443	-	-
- 2022	143,296,565	281,295,084	-	-
- 2023	270,948,467	332,573,884	-	26,990,575
- 2024	248,975,476	396,576,816	32,196,695	176,932,613
- 2025	176,754,325	165,328,386	-	13,757,297
- 2026	42,549,750	-	12,323,558	-
	882,524,583	1,446,679,613	44,520,253	217,680,485
Deferred tax asset (if record)	176,504,917	289,335,923	8,904,051	43,536,097

The Group recognises deferred tax assets for tax loss and carry forward to the extent that realisation of the related tax benefit through the future taxable profit is probable.

24 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Prepaid withholding tax	35,197,449	11,807,651	4,127,368	1,700,683
Prepaid transaction cost for borrowing	-	26,546,414	-	-
Advance payment for leasehold registration fee	193,339	202,389	-	-
Deposits	19,156,320	3,237,682	400,377	399,177
	54,547,108	41,794,136	4,527,745	2,099,860

During 2020, an indirect subsidiary prepaid long-term loan and entered into loan agreement amendment. The indirect subsidiary has a prepaid transaction cost for borrowings as at 31 December 2020 in the amount of Baht 26,546,414 presented as other non-current assets.

During 2021, a direct subsidiary is entering into credit agreement and has a prepaid transaction cost for borrowing as at 31 December 2021 in the amount of Baht 16,412,307 presented as other current assets.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

25 Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Promissory notes	214,500,000	265,300,000	-	-

Outstanding promissory notes as at 31 December 2021 are promissory notes denominated in Thai Baht and are secured by the same collateral as the long-term loans from financial institutions (Note 30). The promissory notes have an interest rate at MLR% minus 2.50% per annum and are due for repayment within 90 days (31 December 2020: interest rates of MLR% minus 2.50% to MLR% per annum and are due for repayment within 90 days).

The movements of promissory notes for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance for the year	265,300,000	227,400,000	-	-
Transfer in from business acquisition	-	39,980,950	-	-
Additions during the year	1,718,300,000	1,856,400,000	-	-
Repayments during the year	(1,769,100,000)	(1,858,480,950)	-	-
Closing balance for the year	214,500,000	265,300,000	-	-

26 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts payable				
- third party	147,729,740	86,450,675	-	-
- related party (Note 40 a))	14,575,668	18,388,791	-	-
Other accounts payable				
- third party	16,831,316	32,540,746	518,524	734,390
- related party (Note 40 a))	9,373,576	6,140,549	-	-
Accounts payable from purchases of fixed assets				
- third party	17,893,225	14,695,554	-	-
- related party (Note 40 a))	15,708,518	33,902,063	-	-
Accrued expenses	43,346,832	32,965,726	1,817,337	3,905,707
Accrued bonus	9,703,095	15,000,000	6,000,000	5,500,000
Accrued director remuneration (Note 40 a))	202,200	17,000	-	-
Accrued repair and maintenance expense				
- third party	17,481,893	25,806,314	-	-
Accrued interest expense				
- financial institutions	611,667	432,896	-	-
Dividend payable	201,034	240,471	201,034	240,471
Advance received				
- space rental - third party	13,158	13,158	-	-
- land rental - a related party (Note 40 a))	87,358	57,154	-	-
Retention				
- third party	2,054,466	2,012,788	-	-
- related party (Note 40 a))	31,877,039	227,039	-	-
Employee guarantee	112,832	72,480	-	-
	327,803,617	268,963,404	8,536,895	10,380,568

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

27 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Accrued withholding tax	4,278,194	5,731,810	672,408	603,732
Accrued social security fund	1,165,817	1,103,573	43,100	40,100
Accrued guarantee expense	-	3,030,000	-	-
	5,444,011	9,865,383	715,508	643,832

28 Provision for power plant maintenance under concession arrangement

The movements of provision for power plant maintenance under concession arrangement for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance for the year	32,413,601	25,220,655	-	-
Additional provision	12,536,942	7,192,946	-	-
Reversal of provision	(12,941,025)	-	-	-
Closing balance for the year	32,009,518	32,413,601	-	-
<u>Less</u> Current portion	(26,608,975)	(32,326,916)	-	-
Closing balance for the year	5,400,543	86,685	-	-

29 Leases liabilities (net)

Lease liabilities (net) as at 31 December 2021 and 2020 are from assets rental agreements as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Lease liabilities	37,757,661	37,840,204	7,366,440	6,119,050
<u>Less</u> Deferred interest expense	(11,189,762)	(12,042,172)	(721,421)	(706,402)
Present value of lease liabilities	26,567,899	25,798,032	6,645,019	5,412,648
<u>Less</u> Current portion (net)	(1,662,838)	(1,330,493)	(1,239,906)	(816,379)
	24,905,061	24,467,539	5,405,113	4,596,269

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The movements of leases liabilities (net) for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance for the year	25,798,032	557,404	5,412,648	-
Adjusting items upon adoption of TFRS 16 as of 1 January 2020	-	18,241,980	-	1,487,616
Cashflows:				
Additions during the year	2,241,248	10,187,621	2,241,248	4,264,773
Repayments during the year	(2,608,744)	(4,071,605)	(1,278,810)	(413,015)
Changes in non-cash transactions:				
Interest paid on liabilities under finance lease agreements	1,137,363	882,632	269,933	73,274
Closing balance for the year	26,567,899	25,798,032	6,645,019	5,412,648

As at 31 December 2021 and 2020, minimum payments to be made in subsequent years are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Due				
Within 1 year	2,405,030	2,329,630	1,510,654	1,011,178
Later than 1 year but not later than 5 years	12,145,517	10,461,105	5,855,786	4,128,709
Later than 5 years	23,207,114	25,049,469	-	979,163
	37,757,661	37,840,204	7,366,440	6,119,050

30 Long-term loans from financial institutions (net)

Outstanding balances of long-term loans from financial institutions (net) as at 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Long-term loans from financial institutions	4,584,162,178	3,689,453,028	-	-
Effect from effective interest rate method calculation	9,489,317	6,980,003	-	-
<u>Less</u> Prepaid transaction cost for borrowings	(54,597,518)	(39,275,709)	-	-
Long-term loans from financial institutions (net)	4,539,053,977	3,657,157,322	-	-
<u>Less</u> Current portion (net)	(702,118,153)	(575,293,722)	-	-
	3,836,935,824	3,081,863,600	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The movements of long-term loans from financial institutions (net) for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance for the year	3,657,157,322	2,767,499,681	-	-
Cashflow:				
Additions during the year	1,492,233,243	1,854,238,757	-	-
Transfer-in from business acquisition	-	291,615,938	-	-
Repayments during the year	(532,561,400)	(546,592,543)	-	-
Prepayments	(64,962,693)	(727,985,295)	-	-
Transaction cost from borrowings	(17,780,000)	(15,383,682)	-	-
Change in non-cash transactions:				
Amortisation of prepaid transaction cost from borrowings	12,592,298	7,714,866	-	-
Reclassify prepaid transaction cost from borrowings	(10,134,107)	19,375,975	-	-
Effect from effective interest rate method calculation	2,509,314	6,673,625	-	-
Closing balance for the year	4,539,053,977	3,657,157,322	-	-

On 5 February 2021, ACE Solar Company Limited, an indirect subsidiary, entered into long-term credit facilities agreement with a financial institution in the total amount of Baht 52,000,000 for constructing the solar rooftop projects. As at 31 December 2021, the indirect subsidiary has not used credit facility yet.

On 15 February 2021, Advance Agro Power Plant Company Limited, an indirect subsidiary, made a loan payment before the due date at some portion to a financial institution totalling Baht 64,962,693.

The minimum payment under long-term loan agreements from financial institutions as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Due within 1 year	706,091,291	588,138,800	-	-
Due later than 1 year but not later than 5 years	3,560,817,099	2,633,546,840	-	-
Due later than 5 years	317,253,788	467,767,388	-	-
	4,584,162,178	3,689,453,028	-	-

Outstanding balances of long-term loans from financial institutions as at 31 December 2021 and 2020 comprise the following:

	2021 Baht	2020 Baht
Subsidiaries		
Asia Clean Energy Company Limited	147,500,000	92,500,000
Advance Clean Power Company Limited	667,230,388	812,018,388
Advance Agro Power Plant Company Limited	39,115,491	174,078,184
Alliance Clean Power Company Limited	1,243,304,299	1,368,933,256
Advance Agro Asia Company Limited	2,337,072,000	1,050,000,000
Advance Asia Power Plant Company Limited	149,940,000	191,923,200
	4,584,162,178	3,689,453,028

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The requirements and conditions for long-term loans from local financial institutions as at 31 December 2021 and 2020 comprise the following:

Direct subsidiary - Asia Clean Energy Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
1	47.5	92.5	Payment for paid-up share capital of Advance Bio Asia Company Limited and company's financial support	180.0	Prime rate minus 2.50% per annum from 14 February 2020 which is the day the loan first withdrawn to maturity date. Later, on 24 February 2021, there was the 1st amendment to credit agreement specifying a new interest rate. The new conditions were: 1) From the day the loan first withdrawn to 23 February 2021: Prime rate minus 2.5% per annum. 2) After 24 February 2021: interest rate 2.75% per annum.	Agreement dated 28 January 2020, monthly repayment for principal and interests at the last business day after the first drawdown, totally 48 installments.	Loans contract no. 1 is secured: 1) by the Advance Bio Asia Company Limited's land, buildings, and machines (Note 18) 2) by business collateral registration of Advance Bio Asia Company Limited's machines and savings account 3) by all of the Advance Bio Asia Company Limited's registered share capital (Note 16) 4) by transfer the rights on Power Purchase Agreement ("PPA") of Advance Bio Asia Company Limited 5) by Absolute Clean Energy Public Company Limited
2	100.0	-	Payment for paid-up share capital of other subsidiaries for developing projects under the loan applicants' business development plans	1,300.0	MLR interest rate minus 2.35% per annum	Agreement dated 22 December 2021, monthly repayment for principal and interests at the last business day after the first drawdown, totally 60 installments.	Loans contract no. 2 is secured: 1) by all of the 5 indirect subsidiaries' registered share capital which are Advance Clean Power Company Limited, Advance Agro Power Plant Company Limited, Alliance Clean Power Company Limited, Advance Agro Asia Company Limited and Advance Asia Power Plant Company Limited. 2) by the companies' bank account's original books 3) by transfer the rights of dividend received 4) by promissory notes 5) by subordinated loans agreements

Total 147.5 92.5

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Clean Power Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
1	290.7	374.8	To refinance from existing loan	874.0	MLR minus 0.50% to 1.00% per annum Then, there was the 5 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 25 February 2015, monthly repayment for principal and interests at the last business day after the first drawdown, totally 120 installments.	Loans contract no. 1 and no. 2 are secured: 1) by the company's land, buildings, and machines (Note 17 and 18) 2) by the company's and Shaiyo AA Company Limited's, a related party, directors. However, the agreement dated 11 April 2018, the guarantee by the company's and the related party's directors have been cancelled. 3) by all of the company's registered share capital (Note 16) 4) by the company's bank account's original books (Note 11) 5) by transfer the rights on Power Purchase Agreement ("PPA") 6) by the power of attorney to receive payments from PPA 7) by transfer the rights on the agreements of power plants at Ban Bueng, Chonburi, Pon Thong, Roi-et and Bo Phloi, Kanchanaburi. 8) by prepare the insurance policy 9) by the company's permitted investments (if any) 10) by transfer rights on land rental only for loan contract no. 2 11) by bank guarantee's claim only for loan contract no. 2 12) by Collateral Deposit Agreement
2	376.5	437.3	To pay for the biomass power plant construction, Bo Phloi	659.0	Credit facility for biomass power plant construction bears an interest rate at MLR minus 0.50% to 0.75% per annum. Then, there was the 2 nd amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 6 September 2016, monthly repayment for principal and interests at the last business day after the first drawdown, totally 120 installments.	

Total 667.2 812.1

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Agro Power Plant Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
1	39.1	99.1	Payment for power plant construction in Chokchai, Chokchai, Nakhon Ratchasima	520.0	MLR to MLR minus 1.00% per annum Then, there was the 8 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 11 October 2011, repayments for interest is based on monthly basis since next month end after first loans agreement withdrawn. The 2 nd amendment agreement dated 28 March 2013, repayment for principal in every 3 months since June 2013 to September 2022. The 4 th amendment to agreement dated 22 April 2015, repayments for interest is based on monthly basis since April 2015 to September 2022.	Loans contract no. 1 and no. 2 are secured: 1) by the company's land, buildings and machines (Note 18) 2) by the company's director. However, the agreement dated 11 April 2018, the guarantee by the company's director was cancelled. 3) by all of the company's registered share capital (Note 16) 4) by the company's bank account's original books (Note 11) 5) by transfer the rights claiming to external parties to the financial institution 6) by prepare the insurance policy 7) by Collateral Deposit Agreement
2	-	75.0	Payment for power plant construction in Tanee, Prasat, Surin	540.0	MLR to MLR minus 1.00% per annum Then, there was the 8 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 11 October 2011, repayments for interest is based on monthly basis since next month end after first loans agreement withdrawn. The 2 nd amendment agreement dated 28 March 2013, repayment for principal in every 3 months since March 2013 to March 2022. The 4 th amendment to agreement dated 22 April 2015, repayments for interest is based on monthly basis since April 2015 to March 2022.	
Total	39.1	174.1					

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
1 a)	152.1	196.4	Repayment of loan and interest for power plant construction in Si Chiang Mai, Nong Khai	480.0	MLR minus 1.00% per annum Then, there was the 4 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 15 January 2015, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made in total 120 monthly installments from January 2015 to December 2024.	Loans contract no. 1 a) and 1 b) are secured: 1) by the company's land, buildings and machine (Note 18) 2) by all of the company's registered share capital (Note 16) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the rights on supply and installation power plant equipment agreement 6) by transfer the rights on insurance contracts by the company's director and Shaiyo AA Company Limited, which is a related party. However, the agreement dated 11 April 2018, the guarantee by the company's and related party's directors have been cancelled. 8) by the company's bank account's original books (Note 11) 9) by the company's permitted investments (if any). 10) by Collateral Deposit Agreement
1 b)	213.5	279.6	For power plant construction in Srirachong, Ubon Ratchathani	545.0	MLR minus 1.00% per annum Then, there was the 4 th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 15 January 2015, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made in total 120 monthly installments since July 2015 and repaid total withdrawn amount within August 2025.	

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
2	168.6	268.7	For municipal solid waste power plant construction in Nonthon, Mueang, Khon Kaen	615.0	MLR minus 1.00% per annum Then, there was the 2 nd amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 4 December 2015, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made in total 84 monthly installments since 3 months after COD or October 2016 whichever comes first and repaid total withdrawn amount within 87 months after COD or 99 months after first repayment or October 2023 whichever comes first.	Loans contract no. 2 are secured : 1) by the company's machines and equipment (Note 18) 2) by all of the company's registered share capital (Note 16) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the leasehold right under buildings and property rental, land rental and waste management service by generating electricity agreements, and power plant supply and installation equipment 6) by transfer the rights on insurance contracts 7) by the company's director and Shaiyo AA Company Limited and Global Woodchip Trading Company Limited, which are related parties. However, the agreement dated 11 April 2020, the guarantee by the Company's and the related parties' directors were cancelled. 8) by transfer the company's bank account's original books (Note 11) 9) by the company's permitted investments (if any) 10) by agreement to be provided financial supports by Advance Agro Power Plant Company Limited, Advance Asia Power Plant Company Limited and Advance Clean Power Company Limited which are subsidiaries of Asia Clean Energy Company Limited (Note 42.2) 11) by Collateral Deposit Agreement

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
3 a)	685.7	605.9	For municipal solid waste power plant construction in Sathai, Mueang, Krabi	706.0	MLR minus 2.50% per annum from 11 September 2020, the day the loan first withdrawn to 1 year after the commercial operation date which is 28 December 2020. After that, MLR minus 1.25% per annum shall be applied	Agreement dated 2 June 2020, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made in total 115 monthly installments since 6 months after COD or February 2022 whichever comes first and repaid total withdrawn amount within 10 years after COD or 11 years 5 months from signing date whichever comes first.	Loans contract no. 3 a) and 3 b) are secured : 1) by the company's machines and equipment (Note 18) 2) by all of the company's registered share capital (Note 16) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the leasehold right under buildings and property rental, land rental and waste management service by generating electricity agreements, and power plant supply and installation equipment 6) by transfer the rights on insurance contracts 7) by Asia Clean Energy Company Limited, parent company 8) by transfer the company's bank account's original books (Note 11) 9) by the company's permitted investments (if any) 10) by agreement to be provided financial supports by Asia Clean Energy Company Limited, the parent company (Note 42.2) 11) by Collateral Deposit Agreement 12) transferred the right by of subordinated loan pledged promissory notes
3 b)	23.4	18.3	To pay value added tax for municipal solid waste power plant construction in Sathai, Mueang, Krabi	23.4	MLR minus 2.50% per annum from 11 September 2020, the day the loan first withdrawn onwards	Agreement dated 2 June 2020, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal repayment is made within 2 years since COD or 3 years 5 months from signing date whichever comes first.	
Total	1,243.3	1,368.9					

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
1	2,377.1	1,050.0	<p>Payment for power plant construction in Koh Khanun, Phanom Sarakham, Chachoengsao</p> <p>Later, there is amended credit facilities agreement dated 17 February 2020 which divided the credit facilities to additional 2 credit facilities.</p> <p>1) Tranche D for repayment of loan to Asia Clean Energy Company Limited which is effective from 17 February 2020 to December 2021</p> <p>2) Tranche E for repayment of Tranche D which is effective from January 2022 to December 2033</p>	2,940.0	<p>MLR minus 0.50% - 1.00% per annum</p> <p>Then, there was the waiver letter No.AAA-FA012/2019 dated 1 July 2019 specifying a new interest rate. The conditions were:</p> <p>1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.00% per annum</p> <p>2) After 2 years: MLR minus 1.50% per annum</p> <p>Later, there is amended credit facilities agreement dated 17 February 2020 which the interest rate is as follows:</p> <p>1) Tranche D's interest rate is MLR minus 2.50%</p> <p>2) Tranche E's interest rate is MLR minus 2.50% since January 2022 to December 2023 and then, MLR minus 1.50% until the end of contract</p>	<p>The contract dated 3 April 2015 with monthly interest payment starting from 6 months after COD date. The first repayment of principal is no later than 30 June 2017.</p> <p>At the Board of Directors' Meeting of Advance Agro Asia Company Limited No. 10/2562 on 12 December 2019, the Board of Directors had approved to prepay a loan to a financial institution which is in accordance with the loan agreement dated 3 April 2015. The prepayment was made using cash received from short-term loan from Asia Clean Energy Company Limited. However, under the condition that Advance Agro Asia Company Limited has to amend the loan agreement made with a financial institution so that the Group do not have a risk regarding the readiness of the sources of funds to be used in investing in new project according to the objectives of using the proceeds from the sale of newly issued shares offered to the public for the first time of the Company. On 26 December 2019, Advance Agro Asia Company Limited partly prepaid the long-term loan of Baht 2,240 million and on 17 February 2020, Advance Agro Asia Company Co., Ltd. had entered into the loan amendment agreement dated 3 April 2015 with the full repayment of the remaining long-term loan.</p> <p>From amended credit facilities agreement dated 17 February 2020, the Company must repay loan for Tranche D until the outstanding balance of the loan is equal to Tranche E by December 2021 and must draw down Tranche E totalling Baht 2,337 million on 1 January 2022. The principal repayment of Tranche E is made in total 144 monthly installment from January 2022 to December 2033.</p>	<p>Loans contract no. 1 and 2 are secured:</p> <ol style="list-style-type: none"> 1) by the company's land, buildings and machines (Note 18) 2) by the Company's director and Shaiyo AA Company Limited which is related party. However, the agreement dated 11 April 2018, the guarantees by the Company's director and the related party have been cancelled. 3) by transfer the rights on EPC contract, O&M, Leasing contract, Gas Purchase Agreement and Power Purchase Agreement with Electricity Generating Authority of Thailand (EGAT) (Note 16) 4) by the company's bank account's original books (Note 11) 5) by transfer the rights claiming from external parties to the financial institution 6) by prepare insurance contracts
Total	2,377.1	1,050.0					

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Asia Power Plant Company Limited

Contract no.	Outstanding loans		Loans purpose	Facilities (Million Baht)	Interest rate	Repayment conditions	Guarantees and collaterals
	2021 (Million Baht)	2020 (Million Baht)					
1 a)	121.9	156.0	Refinance loan from existing loan	358.5	MLR minus 1.00% per annum Then, there was the 5th amendment to credit agreement specifying a new interest rate. The new conditions were: 1) 2 years from the signing date of the underwriter's appointment for the execution of IPO process: MLR minus 2.50% per annum 2) After 2 years: MLR minus 1.75% per annum	Agreement dated 25 February 2015, repayment for interest is on monthly basis since the month the loan first withdrawn. The principal is repaid in 120 monthly installments from March 2015 to February 2025.	Loans contracts no. 1 a) and 1 b) are secured: 1) by the company's land, buildings and machines (Note 17 and 18) 2) by all of the company's registered share capital (Note 16) 3) by transfer the rights on Power Purchase Agreement ("PPA") 4) by the power of attorney to receive payments from PPA 5) by transfer the rights on agreement related to power plant at Namphong, Khon Kaen 6) by transfer the rights in insurance contracts 7) by the company's director and Shaiyo AA Company Limited, which is a related party. However, the agreement dated 11 April 2018, the guarantee by the company's and the related party's directors were cancelled. 8) by the company's bank account's original books (Note 11) 9) by the Company's permitted investments (if any). 10) by Collateral Deposit Agreement
1 b)	28.1	35.9	Repayment of interest, bank fee and other expenses from refinance and loan to Asia Clean Energy Company Limited for financial support in other projects	82.5			
Total	150.0	191.9					
	4,584.2	3,689.5					

The Group is subject to the terms of loan agreements, which require each company to mortgage, and pledge land, buildings and machines as collaterals, and restricted deposits at the financial institutions to be reserved for the repayment of principal and interest on loans. These reserves were from revenue received from the sales of electricity (Note 11). In addition, the Group is required to transfer right in Power Purchase Agreement and insurance policy to the financial institutions. Besides, the Group can comply with debt covenant which require the Group to maintain financial ratios, proportion of shareholding of management and other conditions specified in each loan agreement.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

The carrying amount and fair value of long-term loans as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Long-term loans - carrying amount	4,539,053,977	3,657,157,322	-	-
Long-term loans - fair value	4,273,491,528	3,531,678,844	-	-

The fair values of long-term loans are based on discounted cash flow using a discount rate based upon the borrowing rate, referred to commercial bank rate, which the management expects that it would be available to the Group at the statement of financial position date. The fair values are within level 2 of the fair value hierarchy.

The Group's interest rates risks from loans are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Loans at floating interest rates	4,584,162,178	3,689,453,028	-	-

The effective interest rates as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 %	2020 %	2021 %	2020 %
Loans from financial institutions	2.75 to 4.02	3.02 to 4.05	-	-

Unused credit facilities

The Groups unused credit facilities as at 31 December 2021 and 2020 comprise the following:

	Consolidated financial statement									
	2021					2020				
	Bank overdrafts Baht	Promissory notes Baht	Letters of guarantee Baht	Long-term loans Baht	Letters of guarantee and short-term loans Baht	Bank overdrafts Baht	Promissory notes Baht	Letter of guarantees Baht	Long-term loan Baht	Letters of guarantee and short-term loans Baht
Floating interest rates	-	-	-	-	3,743,482,288	-	-	-	-	3,262,987,335
- Due within 1 year	50,000,000	285,347,575	19,466,231	1,252,000,000	-	50,000,000	254,547,575	20,035,131	1,536,881,243	-
- Due later than 1 year	50,000,000	285,347,575	19,466,231	1,252,000,000	3,743,482,288	50,000,000	254,547,575	20,035,131	1,536,881,243	3,262,987,335

Separate financial statement

As at 31 December 2021 and 2020, the Company has no loan agreement with a financial institution. Therefore, there is no unused credit facilities.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

31 Employee benefit obligations

The amounts recognised in the statements of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Present value of unfunded obligations	8,947,511	7,813,701	3,675,518	3,495,896

Movements of employee benefit obligations for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance for the year	7,813,701	3,678,205	3,495,896	1,016,915
Current service cost	993,715	867,670	248,979	54,571
Interest cost	119,780	58,528	50,930	15,322
	8,927,196	4,604,403	3,795,805	1,086,808
Remeasurement of employee benefit obligations				
(Gain)/loss from change in demographic assumption	(171,844)	5,853,182	649	2,123,211
(Gain)/loss from change in financial assumption	(959,701)	162,375	(427,165)	72,442
(Gain)/loss from change in experience	1,151,860	(2,806,259)	306,229	213,435
	20,315	3,209,298	(120,287)	2,409,088
Closing balance for the year	8,947,511	7,813,701	3,675,518	3,495,896

Principal actuarial assumptions used for employee benefit obligations are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate (%)	1.94	1.36	1.94	1.36
Expected future salary increase (%)	4.61	5.91	4.61	5.91
Staff turnover rate (%)	0.00 to 100.00	0.00 to 100.00	0.00 to 100.00	0.00 to 100.00

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Sensitivity analysis for principal actuarial assumptions as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		
	2021		
	Effect on employee benefit obligations due to		
	Change in assumption	Increase from change in assumption Baht	Decrease from change in assumption Baht
Discount rate	0.50%	(219,213)	233,992
Salary increase rate	0.50%	211,647	(200,676)
Staff turnover rate	0.50%	(235,789)	160,177
Consolidated financial statements			
2020			
Effect on employee benefit obligations due to			
	Change in assumption	Increase from change in assumption Baht	Decrease from change in assumption Baht
Discount rate	0.50%	(209,261)	223,800
Salary increase rate	0.50%	201,329	(190,674)
Staff turnover rate	0.50%	(227,704)	142,090

The above sensitivity analysis is based on a change in one of assumptions while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The calculation method for sensitivity analysis of the defined benefit obligation which affect the principal actuarial assumptions is the same method as the calculation of retirement benefit obligation recognised in the statement of financial position at the end of accounting period.

The methods and types of assumptions used in preparing the sensitivity analysis do not change from the previous year.

The Group has various risks related to employee retirement benefits. The significant risk is the change in the real rate of return of bond. The decrease in real rate of return from government bond resulted of increase in employee benefit obligations.

The weighted average duration of the defined benefit obligation of the Group is 10 years (2020 : 10 years).

The analysis of undiscounted retirement benefits' maturity as at 31 December 2021 and 2020 comprises the following:

	Post-employment benefit (Baht)	
	Consolidated financial statements	
	2021 Baht	2020 Baht
Due within 1 year	3,496,555	2,983,116
Due later than 1 year but not later than 5 years	3,898,503	3,952,469
Due later than 5 years	7,284,532	4,074,576
	14,679,590	11,010,161

32 Dividend

On 28 April 2021, at the Annual General Shareholders' Meeting of the Company, the shareholders approved the payment of dividend from the Company's operating result during April to December 2020 and unappropriated retained earnings as at 31 December 2020 to shareholders at Baht 0.018 per share, amounting to Baht 183,166,946. The dividend was paid to shareholders on 13 May 2021.

On 15 May 2020, at the Board of Directors' Meeting No.4/2563, the Board of Directors approved a payment of interim dividend from the unappropriated retained earnings as at 31 March 2020 at a rate of Baht 0.03 per share, amounting to Baht 305,279,807. The dividend was paid to shareholders on 15 June 2020.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

33 Legal Reserve

According to Public Limited Company Act, the Company must appropriate part of its annual net profits to reserve fund in an amount of not less than five percent of the annual net profits with the deduction therefrom the amount representing the accumulated loss carried forwards (if any) until this reserve fund reaches the amount of not less than ten percent of the registered capital, unless a greater amount of the reserve fund is required by the articles of association of the company or other laws. The legal reserve is non-distributable, and must be approved by the Annual General Meeting of Shareholder.

As at 31 December 2021, unappropriated retained earnings for the consolidated financial statements includes legal reserve of 9 subsidiaries amounting to Baht 791,153,899 (31 December 2020 : legal reserve of 8 subsidiaries amounting to Baht 515,014,269).

34 Sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Sales of electricity				
- Provincial Electricity Authority	3,396,682,680	2,771,252,491	-	-
- Electricity Generating Authority of Thailand	25,527,753	-	-	-
- third party	10,159,350	8,821,113	-	-
- related party (Note 40 b))	37,406,156	28,586,518	-	-
Revenue from power plant maintenance service				
- third party	-	47,807,753	-	-
Sales of electricity - FIT Premium	114,441,905	152,874,824	-	-
Revenue from service under				
a Power Purchase Agreement	1,540,768,277	1,394,899,070	-	-
Adder	131,983,008	128,622,547	-	-
Revenue from waste management				
- third party	50,535,469	40,263,551	-	-
Sales of steam				
- related party (Note 40 b))	8,380,863	13,236,611	-	-
Management service income				
- related party (Note 40 b))	-	-	80,880,000	75,280,000
	5,315,885,461	4,586,364,478	80,880,000	75,280,000

Sales of FIT Premium electricity is support revenue from the Provincial Electricity Authority (PEA) for projects which are 1) biomass power plants entering into Power Purchase Agreements with the PEA as Very Small Power Producers (VSPP). As announced by the Energy Regulatory Commission, 'The pricing of Electricity Purchasing in Feed - in Tariff system B.E. 2559', FIT Premium is Baht 0.30 per unit and is effective for eight years from the commercial operation date (COD). 2) municipal solid waste power plant at Krabi entering into Power Purchase Agreement with the PEA as Very Small Power Producers (VSPP). As announced by the Energy Regulatory Commission, 'Power Procurement from Municipal Solid Waste Power Projects under the Feed-in Tariff (FIT) Scheme B.E. 2559 (2016)', FIT Premium is Baht 0.70 per unit and is effective for eight years from the commercial operation date (COD).

Adder is additional revenue from solid waste power plant at Khon Kaen according to a Power Purchase Agreement with Provincial Electricity Authority (PEA) as a Very Small Power Producers (VSPP). The producer will receive the adder of Baht 3.50 per unit for seven years from the commercial operation date (COD).

Cost of sales and services

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cost of sales	(1,910,068,544)	(1,929,054,149)	-	-
Cost of services	(1,897,900,707)	(1,267,212,413)	(61,332,557)	(55,173,748)
	(3,807,969,251)	(3,196,266,562)	(61,332,557)	(55,173,748)

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

35 Other income

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Interest income				
- financial institutions	1,661,311	1,530,609	28,331	102,852
Rental income				
- third party	26,316	-	-	-
- related party (Note 40 b))	346,835	306,817	-	-
Income from sales of spare parts				
- related party (Note 40 b))	968,710	496,701	-	-
Income from sales of raw water and industrial water				
- related party (Note 40 b))	532,072	-	-	-
Income from consulting, installing and maintenance				
- related party (Note 40 b))	1,145,950	-	-	-
Income from waste management	911,520	-	-	-
Income from sales of scraps	-	783,612	-	-
Gain on fixed assets disposal	-	81,237	-	-
Net insurance claim from damage of building, machinery and equipment	-	171,947,538	-	-
Gain on sales of short-term investments	98,731	298,648	-	-
Others	7,059,241	3,191,864	-	2,298,402
	12,750,686	178,637,026	28,331	2,401,254

During the year ended 31 December 2020, an indirect subsidiary received claims from insurance companies totalling Baht 171.95 million. The claims was compensation for damaged machines in Commissioning & Test Run in 2016. The indirect subsidiary has already repaired and now can normally operate.

36 Expenses by nature

The significant expenses for the years ended 31 December 2021 and 2020 are classified by nature as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Fuel raw materials and consumable materials usage	(2,532,171,912)	(2,084,668,904)	-	-
Depreciation and amortisation charges	(667,204,810)	(541,390,434)	(5,729,789)	(3,936,708)
Staff cost and other benefits	(366,173,985)	(350,291,473)	(54,660,354)	(54,579,679)
Charges of engineering and other services	(214,135,511)	(188,590,986)	(11,343,219)	(17,222,811)
Rental, electricity and utilities expenses	(62,628,787)	(45,701,920)	(6,912,998)	(5,824,939)
Administrative expenses	(71,573,556)	(65,896,807)	-	-
Repair and maintenance of power plant	(139,508,138)	(166,887,898)	-	(58,654)
Loss on write-off of fixed assets	(1,552,490)	(14,428,816)	-	-
Reversal (loss) of impairment of fixed assets	1,191,550	804,388	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

37 Finance costs

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Interest expense from borrowings				
- financial institutions	(126,390,216)	(93,955,147)	-	-
Interest expense from liabilities under finance lease agreements	(1,137,363)	(882,632)	(269,933)	(73,274)
Commitment fee	(1,253,585)	(4,192,548)	-	-
Amortisation of prepaid transaction cost from borrowings	(12,592,298)	(7,289,431)	-	-
	(141,373,462)	(106,319,758)	(269,933)	(73,274)

38 Income (expense) tax

Reconciliations of income tax for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current tax on profits for the year	(27,810,668)	(24,578,729)	-	-
Write-off withholding tax	(23,201)	(66,752)	-	-
Deferred income tax (Note 23)	(74,683,249)	(17,960,356)	59,981	13,978
	(102,517,118)	(42,605,837)	59,981	13,978

Income tax for profit before tax of the Group and the Company has difference from the calculation of the accounting profit multiplied by tax rate of a country that the parent company is settled. The details are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Profit before tax	1,607,934,762	1,550,246,569	383,347,317	655,517,995
Tax calculated at tax rate of 20% (2020: 20%)	(321,586,952)	(310,049,314)	(76,669,463)	(131,103,599)
Tax effect of:				
Expense not deductible for tax purpose	(831,490)	(4,189,965)	(5,844)	(337,963)
Revenue from loan forgiveness	(19,072,869)	-	-	-
Revenue from tax exempt business	-	-	79,200,000	134,207,000
Expense additionally deductible for tax purpose	20,722,090	30,119,391	-	-
Profit not subject to tax due to privileges from BOI	198,890,933	220,222,651	-	-
Utilisation of previously unrecognised deferred tax assets on tax losses	31,664,975	11,871,306	-	-
Temporary difference for which no deferred income tax was recognised	167,389	(396,660)	-	-
Tax losses of indirect subsidiaries after business acquisition	-	7,240,213	-	-
Loss utilisation during the year after business acquisition	-	8,427,584	-	-
Tax losses for which no deferred income tax asset was recognised	(12,447,993)	(5,784,291)	(2,464,712)	(2,751,460)
Written-off prepaid withholding tax	(23,201)	(66,752)	-	-
	(102,517,118)	(42,605,837)	59,981	13,978

The weighted average applicable tax rate which are used for the Group and the Company are 6.4% and 0.0% respectively (2020: 2.7% and 0.0% respectively).

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

39 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to common stock shareholders by the weighted average number of ordinary shares.

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Profit attributed to the shareholders of the parent company (Baht)	1,505,680,618	1,507,640,732	383,407,298	655,531,973
Weighted average number of ordinary shares (Shares)	10,175,999,960	10,175,999,960	10,175,999,960	10,175,999,960
Basic earnings per share (Baht per share)	0.15	0.15	0.04	0.06

There are no potential dilutive ordinary shares issued during the report date. Thus, The dilutive earnings (loss) per share figure is not presented.

40 Related-party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and close members of the family of these individuals and entities 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.

As at 31 December 2021, most of company's shares were held by members of Songmetta family in proportion of 78.74% (2020: 78.18%). This makes the Group under Songmetta family's control.

As at 31 December 2021 and 2020, the Company's shares were held by individuals and companies as follows:

	Nationality	No. of shares		Percentage of shares	
		2021	2020	2021	2020
Members of Songmetta family	Thai	7,717,752,740	7,955,582,520	75.84	78.18
Siam Commercial Bank Public Company Limited	Thai	363,451,540	363,451,540	3.57	3.57
Individuals and others	-	2,094,795,680	1,856,965,900	20.59	18.25
		10,175,999,960	10,175,999,960	100.00	100.00

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Relationships between the Company and related parties are as follows:

List of related parties	Country/ Nationality	Relationship
Mr. Wirachai Songmetta	Thai	Shareholder
Mr. Natt Songmetta	Thai	Shareholder
Mr. Tanavijit Ankapipatchai	Thai	Shareholder and director
Mr. Teerawut Songmetta	Thai	Shareholder and director
Mr. Pornmett Songmetta	Thai	Shareholder and director
Ms. Jiratha Songmetta	Thai	Director
Mr. Pranai Suwanrath	Thai	Director (until 28 April 2021)
Mr. Monthon Sudprasert	Thai	Director (since 28 April 2021)
Ms. Chonticha Chitraarporn	Thai	Director
Ms. Patchanee Suteevitanunt	Thai	Director
Mr. Nuekruk Baingern	Thai	Director
Mr. Charoon Intachan	Thai	Director
Mr. Tanachai Banditvorapoom	Thai	Director
Ms. Jintana Songmetta	Thai	Close relative of director
Mr. Suthep Songmetta	Thai	Close relative of director
Asia Clean Energy Company Limited	Thai	Subsidiary of Absolute Clean Energy Public Company Limited
Advance Clean Power Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Agro Power Plant Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Farm Tree Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Alliance Clean Power Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Agro Asia Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Asia Power Plant Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
ACE Solar Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Bio Asia Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Bio Power Plant Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Power Supply and Maintenance Service Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Absolute Clean Water Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Asia Energy Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Advance Bio Energy Company Limited	Thai	Subsidiary of Asia Clean Energy Company Limited
Absolute Clean Engineering and Service Company Limited (Formerly named Satuek Biomass Company Limited)	Thai	Subsidiary of Asia Clean Energy Company Limited
Rice For Health Company Limited	Thai	Common shareholder
Smart Community Company Limited	Thai	Common shareholder
Advance Carbon Security Venture Company Limited	Thai	Shareholder and common director
Shaiyo Triple A Company Limited	Thai	Shareholder and common director
Advance Power Plant Company Limited	Thai	Shareholder and common director
Laemkhao Woodchip Company Limited	Thai	Shareholders are close relatives of directors
Triple A Board Company Limited	Thai	Subsidiary of related parties and common director
SM Farm Tree Company Limited	Thai	Subsidiary of related parties and common director
Shaiyo Supply Chain Company Limited	Thai	Subsidiary of related parties and common director
Sribenjalak Company Limited	Thai	Subsidiary of related parties and common director
Advance Asia Fiber Company Limited	Thai	Subsidiary of related parties
Shaiyo Motor Service Company Limited	Thai	Subsidiary of related parties
Global Woodchips Company Limited	Thai	Subsidiary of related parties
Advance Asian Company Limited	Thai	Subsidiary of related parties
Shaiyo AA Company Limited	Thai	Subsidiary of related parties
Advance Asia Industrial Park Company Limited	Thai	Subsidiary of related parties
Sribanpai Company Limited	Thai	Subsidiary of related parties
Advance Asia Engineering Company Limited	Thai	Subsidiary of related parties
Advance Energy Development Company Limited	Thai	Subsidiary of related parties
AED Fabrication Company Limited	Thai	Subsidiary of related parties
Goodwill Innovation and Engineering Company Limited	Thai	Subsidiary of related parties
Suanmai Shaiyo Company Limited	Thai	Subsidiary of related parties
CSR and GRM Management Company Limited	Thai	Subsidiary of related parties
Advance Professional Training Company Limited	Thai	Subsidiary of related parties
Advance Alliance Logistics Company Limited	Thai	Subsidiary of related parties
Asia Boiler Company Limited	Thai	Subsidiary of related parties
Energy World Group Company Limited	Thai	Subsidiary of related parties
Namphong Smile Company Limited	Thai	Subsidiary of related parties
Global Woodchip Trading Company Limited	Thai	Subsidiary of related parties
Advance Utilities Company Limited	Thai	Subsidiary of related parties
Eco Green Tree Company Limited	Thai	Subsidiary of related parties
Siam Agro Industry Product Trading Company Limited	Thai	The Company under common control of Company's shareholder
24 Mansion Company Limited	Thai	The Company under common control of Company's shareholder

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

List of related parties	Country/ Nationality	Relationship
Triple A Paper Company Limited	Thai	The Company under common control of Company's shareholder
Si Nin Rice Company Limited	Thai	The Company under common control of Company's shareholder
Shaiyo Smile Company Limited	Thai	The Company under common control of Company's shareholder
Agro Energy Supply Company Limited	Thai	The Company under common control of Company's shareholder
Ascender Limited	British Virgin Island	The Company under common control of Company's shareholder
Ms. Vanicha Noimanop	Thai	Shareholder of related parties
Ms. Ninnart Wattanapompittaya	Thai	Shareholder of related parties
Mr. Chavalit Sakuldamrongpanich	Thai	Director of related parties
Mr. Chaivant Thongsinkasem	Thai	Director of related parties
Ms. Preyaporn Suvanphob	Thai	Director of related parties
Ms. Supamas Tonta	Thai	Director of related parties
Mrs. Chanya Sangkaha	Thai	Director of Asia Clean Energy Company Limited's subsidiary
Mr. Winai Buapradit	Thai	Director of Asia Clean Energy Company Limited's subsidiary
Mr. Pasin Chokpalasin	Thai	Person under common control of Company's shareholder

Related-party transactions are as follows:

- a) Outstanding balances as at 31 December 2021 and 2020 arising from purchases/sales of goods and services and others are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivable - billed (Note 12) related party	9,091,403	7,917,744	-	-
Trade accounts receivable - unbilled (Note 12) related party	4,743,334	3,390,121	-	-
Other account receivable (Note 12) related party	9,642,641	5,882,170	-	-
Accrued land rental income (Note 12) related party	58,003	54,925	-	-
Advance payment (Note 12) related party	188,340	-	-	-
Advance payment for repair and maintenance of machinery (Note 12) related party	777,477	3,086,107	-	-
Advance payment for construction and purchase of fixed assets related party	8,445,436	9,044,500	-	-
Trade accounts payable (Note 26) related party	14,575,668	18,388,791	-	-
Other accounts payable (Note 26) related party	9,373,576	6,140,549	-	-
Accounts payable from purchases of fixed assets (Note 26) related party	15,708,518	33,902,063	-	-
Accrued bonus directors and managements	4,735,000	4,217,350	4,395,000	3,548,850
Accrued director remuneration expense (Note 26) related person	202,200	17,000	-	-
Advance received for land rental (Note 26) related party	87,358	57,154	-	-
Retention (Note 26) related party	31,877,039	227,039	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

- b) The significant income and expenses with related parties for the years ended 31 December 2021 and 2020 are as follows :

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Sales of electricity (Note 34)				
related party	37,406,156	28,586,518	-	-
Sales of steam (Note 34)				
related party	8,380,863	13,236,611	-	-
Management service income (Note 34)				
direct subsidiary	-	-	3,480,000	4,770,000
indirect subsidiary	-	-	77,400,000	70,510,000
	-	-	80,880,000	75,280,000
Dividend income				
direct subsidiary	-	-	395,999,999	671,034,998
Rental income (Note 35)				
related party	346,835	306,817	-	-
Income from sales of spare parts (Note 35)				
related party	968,710	496,701	-	-
Income from sales of raw water (Note 35)				
related party	532,072	-	-	-
Income from consulting, installing and maintenance (Note 35)				
related party	1,145,950	-	-	-
Cost of construction under Concession arrangement				
related party	-	834,980,424	-	-
Purchases of fuel and consumable materials				
related party	682,253,565	556,034,229	-	-
Purchases of goods and other services				
related party	21,340,569	14,367,557	190,740	-
Repair and maintenance services				
related party	-	525,568	-	-
Building rental and services				
related party	833,308	909,678	803,644	879,782
Fuel management services				
related party	96,369,955	68,105,683	-	-
Rental expenses				
related party	372,465	381,499	-	-
related person	129,233	132,369	-	-
	501,698	513,868	-	-
Directors and management remuneration				
- short-term employee benefits	51,508,931	63,802,822	30,236,350	34,676,350
- post-employment benefits	3,309,262	507,396	263,788	62,641
	54,818,193	64,310,218	30,500,138	34,738,991

- c) The significant purchases of assets with related parties for the years ended 31 December 2021 and 2020 are as follows :

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Purchases of spare parts				
related party	63,603,199	61,489,721	-	-
Purchases / constructions of assets during the year				
related party	577,927,404	405,804,278	-	71,592,800

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

41 Commitments

41.1 Commitments from non-cancellable significant agreements

The Group has entered into non-cancellable service agreements as at 31 December 2021 and 2020 as follows:

	Consolidated financial statements					
	2021			2020		
	Service agreements Baht	Service under concession arrangements Baht	Total Baht	Operating Commitments Baht	Service under concession arrangements Baht	Total Baht
Due within 1 year	5,573,675	8,524,887	14,098,562	5,120,442	1,210,000	6,330,442
Due later than 1 year but not later than 5 years	12,380,187	34,906,476	47,286,663	8,735,502	5,297,263	14,032,765
Due later than 5 years	22,737,788	197,329,227	220,067,015	1,363,500	8,680,696	10,044,196
	40,691,650	240,760,590	281,452,240	15,219,444	15,187,959	30,407,403
	Separate financial statements					
	2021			2020		
	Service agreements Baht	Service under concession arrangements Baht	Total Baht	Operating Commitments Baht	Service under concession arrangements Baht	Total Baht
Due within 1 year	2,615,401	-	2,615,401	3,423,001	-	3,423,001
Due later than 1 year but not later than 5 years	988,901	-	988,901	2,759,502	-	2,759,502
	3,604,302	-	3,604,302	6,182,503	-	6,182,503

41.2 Capital commitments

The Group had capital commitments that had not yet been recognised in the financial statements in relation to purchases of land, constructions of power plants and assets under the service concession arrangement as at 31 December 2021 and 2020 are as follows :

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Purchases of machines and equipment and construction of power plants	589,822,773	959,972,965	-	-
Purchases of computer programs	4,584,500	-	130,000	-
Assets under service concession arrangements for power plant	706,612	-	-	-
	595,113,885	959,972,965	130,000	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

41.3 Forward contracts

Advance Clean Power Company Limited, Alliance Clean Power Company Limited, Advance Agro Asia Company Limited, Advance Agro Power Plant Company Limited, Bio Power Plant Company Limited, Power Supply and Maintenance Service Company Limited and ACE Solar Company Limited, indirect subsidiaries, have entered into selling forward contracts to purchase and import machinery from overseas in the future. The outstanding forward contracts as at 31 December 2021 and 2020 are as follows:

Consolidated financial statement					
2021					
Foreign currency	Amount per contract Baht	Exchange rate per contract Baht	Value per contract Baht	Fair value Baht	Positive (negative) fair value Baht
US Dollar	473,928	32.72 - 33.46	15,724,420	15,829,018	104,598
Consolidated financial statement					
2020					
Foreign currency	Amount per contract Baht	Exchange rate per contract Baht	Value per contract Baht	Fair value Baht	Positive (negative) fair value Baht
US Dollar	8,838,603	30.28 - 32.08	277,551,532	265,459,358	(12,092,174)
Euro	91,500	36.92	3,378,180	3,377,078	(1,102)

Fair Value

Fair value of forward observable contracts is calculated by using estimated discount future cash flow of forward foreign currency exchange rate (period-ended forward currency exchange rate) and forward contract rate, which reflected counterparty credit risk. The fair values are within level 2 of the fair value hierarchy.

42 Guarantees

42.1 Letters of guarantee

The Group has outstanding letters of guarantee for the normal course of business, issued by financial institutions as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Letters of guarantee for electricity usage	13,298,900	14,430,000	-	-
Letters of guarantee for Compliance with Power Purchase Agreements	681,280,000	339,780,000	-	-
Letters of guarantee for bidding and sales of electricity	107,500,000	38,155,000	-	-
Letters of guarantee for compliance with building construction contract, land rental contract and waste management service contract by converting waste into electrical power	166,734,869	68,634,869	-	-
Letters of guarantee for compliance with service contract of fiber optic	152,425	152,425	-	-
	968,966,194	461,152,294	-	-

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

42.2 Guarantees among the Group

Absolute Clean Energy Public Company Limited

As at 31 December 2021, the Company has outstanding letters of guarantee to 5 indirect subsidiaries for the normal course of business (31 December 2020 : 1 indirect subsidiary), issued by a financial institution are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Letters of guarantee for compliance with Power Purchase Agreements				
- Bio Power Plant Company Limited	278,480,000	-	278,480,000	-
- ACE Solar Company Limited	172,000,000	-	172,000,000	-
- Advance Clean Power Company Limited	4,000,000	4,000,000	4,000,000	4,000,000
Letters of guarantee for bidding and sales of electricity				
- Absolute Power Plant Company Limited	97,500,000	-	97,500,000	-
Letters of guarantee for compliance with building construction contract and waste management service				
- National Clean Energy Company Limited	98,100,000	-	98,100,000	-
	650,080,000	4,000,000	650,080,000	4,000,000

As at 31 December 2021 and 2020, the Company had entered into a guarantee agreement with a financial institution for a financial support for loan repayments of Advance Asia Power Plant Company Limited, Alliance Clean Power Company Limited and Advance Agro Power Plant Company Limited in the amount of Baht 80,000,000.

As at 31 December 2021 and 2020, the Company had entered into guarantee agreements with a financial institution for a financial support for loan repayments of 15 subsidiaries in the amount of Baht 100,000,000 and US Dollars 100,000,000.

As at 31 December 2021 and 2020, the Company had entered into guarantee agreements with a financial institution for a financial support for loan repayments of Bio Power Plant Company Limited and ACE Solar Company Limited in the amount of Baht 279,000,000 and Baht 172,000,000 respectively.

As at 31 December 2021 and 2020, the Company had entered into a guarantee agreement for long-term loan from a financial institution for a financial support for loan repayments of Asia Clean Energy Company Limited in the amount of Baht 180,000,000.

As at 31 December 2021, the Company had entered into a guarantee agreement with a financial institution for a financial support for loan repayments of ACE Solar Company Limited in the amount of Baht 52,000,000.

As at 31 December 2021, the Company had entered into guarantee agreements with a financial institution for a financial support for loan repayments of 2 indirect subsidiaries in the amount of Baht 200,000,000.

Direct subsidiary - Asia Clean Energy Company Limited

As at 31 December 2021 and 2020, Asia Clean Energy Company Limited had entered into a guarantee agreement for Alliance Clean Power Company Limited's long-term loan from a financial institution in the amount of Baht 807,400,000.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Alliance Clean Power Company Limited

Alliance Clean Power Company Limited has outstanding letters of guarantee to ACE Solar Company Limited and Bio Power Plant Company Limited for the normal course of business, issued by a financial institution as at 31 December 2021 and 2020 as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Letters of guarantee for sales of electricity				
- ACE Solar Company Limited	10,000,000	20,750,000	-	-
- Bio Power Plant Company Limited	-	17,405,000	-	-
	10,000,000	38,155,000	-	-

As at 31 December 2021 and 2020, Advance Agro Power Plant Company Limited, Advance Asia Power Plant Company Limited and Advance Clean Power Company Limited had entered into a guarantee agreement for a financial support of Alliance Clean Power Company Limited's long-term loan from a financial institution in the amount of Baht 682,000,000.

43 Contingent liabilities

43.1 Engineering, procurement, and construction contracts

The six indirect subsidiaries entered into engineering, procurement, and construction (EPC) contracts with sellers, and related parties to operate the nine power plants. The indirect subsidiaries have not yet completed construction due to force majeure. So, the power plants could not supply electricity by the scheduled commercial operation dates (SCOD) specified in the Power Purchase Agreements. The indirect subsidiaries are currently requesting the arbitration to request the Provincial Electricity Authority to return Power Purchase Agreements according to FIT Announcement B.E. 2558 (Note 44.10). If the indirect subsidiaries fail to get termination dismissed, the EPC contracts with the sellers could be terminated and the indirect subsidiaries could be charged a penalty fee up to 10% for the termination of the contracts. This would costs Baht 63.3 million for each project.

However, the indirect subsidiaries negotiated with the sellers to extend the contract's effective period due to the force majeure. The sellers agreed in writing to extend the effective period of the contracts.

As at 31 December 2021 and 2020, the Group had not recognised any provision for liabilities resulting from termination of the contracts.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

43.2 Lawsuit

Indirect subsidiaries

- 1) An indirect subsidiary was sued by villagers in Lampang, requesting the Administrative Court of Chiang Mai to revoke the license for the operation of the power plant business (R.Ng.4) without claiming damages in any amount and to revoke for operation and construction according to license for the operation of the power plant business (R.Ng.4) before an adjudication which the court investigated and dismissed the claim. On 30 March 2016, the case was adjudicated that the distribution of the license for the operation of the power plant business (R.Ng.4) to the indirect subsidiary was in accordance with the law and the claim was dismissed. However, on 29 April 2016, the complainants filed an appeal to the Supreme Administrative Court defending the trial court's decision. On 20 January 2017, the indirect subsidiary filed an appeal and was judged that the license for the operation of the power plant business (R.Ng.4) is in accordance with the law. The Supreme Administrative Court affirmed the judgement of the Administrative Court of Chiangmai and dismiss the claim of complainants.

As at 31 December 2021 and 2020, the case is under Supreme Administrative Court's consideration.

- 2) An indirect subsidiary was sued by villagers in Chachoengsao, requesting the Administrative Court of Rayong to revoke the license for the operation of the power plant business (R.Ng.4) and to revoke the notification of the construction, alteration or demolition removal and replacement of the building under Section 39 bis of the Building Control Act B.E. 2522, without claiming damages in any amount and asking the court to order mitigation of the enforcement of the license for the operation of the power plant business (R.Ng.4) and the notification of the building construction (39 bis). Subsequently, on 31 March 2016, the court investigated the request and considered the indirect subsidiary's explanation and found that the issuance of the license for the operation of power plant business (R.Ng.4) and the notification of the construction (39 bis) was not unlawful. As a result, the court requested for injunctive and temporary relief.

On 8 April 2020, the Administrative Court of Rayong dismissed the case. However, the claimants have the right to file an appeal to the Supreme Administrative Court as prescribed by the law. Later, on 7 May 2020, the claimants filed an appeal to the Supreme Administrative Court.

As at 31 December 2021, the case is under the Supreme Administrative Court's consideration.

- 3) Two indirect subsidiaries which the Group received the shares transferred from previous shareholders on 21 August 2020, and indirect subsidiaries' director were sued by villagers in Buriram at the Buriram Provincial Court on 29 September 2020. The lawsuit was filed after the shares had been transferred. The villagers claimed that the subsidiaries had violated the Enhancement and Conservation of the National Environmental Quality Act B.E. 2535 and the Public Health Act B.E. 2535 since 2012 to 2020. The damages claimed comprise Baht 129,415,000 together with interest at 7.5% per annum from the day after the filing date until the payment is completed. The claimed violated actions were occurred before the Group received the shares transferred from previous shareholders.

As at 31 December 2021, the case is under Buriram Provincial Court's consideration.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

44 Significant agreements

Significant agreements for the years ended 31 December 2021 and 2020 are as follows:

44.1 Power Purchase Agreements

Indirect subsidiary - Advance Clean power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 21 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 24 April 2012 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 23 July 2028.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Ban Bueng, Chonburi.
2		A period of 5 years commencing from 29 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 4 June 2013 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 3 June 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Phon Thong, Roi-Et.
3		A period of 5 years commencing from 21 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 16 August 2017 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 15 December 2032.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Bo Phloi, Kanchanaburi.
4		A period of 20 years commencing from the commercial operation date. The company started its commercial operation on 26 November 2021.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Khlong Khlung, Kamphaeng Phet.
5	Global Woodchips Company Limited - a related party	A period of 10 years commencing from 13 July 2012 to 12 July 2022 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Ban Bueng, Chonburi.
6		A period of 10 years commencing from 1 June 2013 to 31 May 2023 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Phon Thong, Roi-Et.
7	Advance Asian Company Limited - a related party	A period of 10 years commencing from 1 June 2013 to 31 May 2023 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Phon Thong, Roi-Et.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Agro Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 30 October 2012 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 29 January 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Prasat, Surin.
2		A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 16 January 2013 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 15 April 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Chokchai, Nakhon Ratchasima.
3	Global Woodchips Company Limited - a related party	A period of 10 years commencing from 1 October 2012 to 30 September 2022 and automatically renewed every 10 years, unless any party terminates the contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Prasat, Surin.
4		A period of 10 years commencing from 1 January 2013 to 31 December 2022 and automatically renewed every 10 years, unless any party terminates the contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Chokchai, Nakhon Ratchasima.
5	Advance Asia Fiber Company Limited - a related party	A period of 10 years commencing from 18 May 2018 and automatically renewed every 2 years, unless any party terminates the contract by giving a written notice at least 180 days before the contract expiration or 90 days before the extended contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Chokchai, Nakhon Ratchasima.
6	Advance Utilities Company Limited	A period of 10 years commencing from 18 May 2018 and automatically renewed every 2 years unless any party terminates the contract by giving a written notice at least 180 days before the contract expiration or 90 days before the extended contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Chokchai, Nakhon Ratchasima.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 18 September 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 26 December 2013 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 25 December 2029.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Si Chiang Mai, Nong Khai.
2		A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 14 August 2015 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 13 December 2030.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Sirindhorn, Ubon Ratchathani.
3		A period of 5 years commencing from 24 October 2013 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 29 November 2016.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Mueang, Khon Kaen.
4		A period of 20 years commencing from the commercial operation date. The company started its commercial operation on 28 December 2020.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Mueang Krabi, Krabi.

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Electricity Generating Authority of Thailand ("EGAT")	A 25-year agreement, effective since the commercial operation date on 10 February 2017.	Power Purchase Agreement ("PPA") under the Small Power Producer project for the power plant at Ko Khanun, Phanom Sarakham, Chachoengsao.
2	Triple A Board Company Limited - a related party	A 1-year agreement, effective since the commercial operation date and automatically renewed every 1 year, unless any party terminate the contract.	Power purchase agreement ("PPA") for the power plant at Ko Khanun, Phanom Sarakham, Chachoengsao.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Asia Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 28 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 2 May 2012 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 1 August 2028.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Nam Phong, Khon Kaen.
2	Global Woodchips Company Limited - a related party	A period of 10 years commencing from 1 October 2012 to 30 September 2022 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Nam Phong, Khon Kaen.
3	Advance Asian Company Limited - a related party	A period of 10 years commencing from 1 November 2012 to 30 October 2022 and automatically renewed every 10 years unless any party terminates contract by giving a written notice at least 30 days before the contract expiration.	Power Purchase Agreement ("PPA") for the power plant at Nam Phong, Khon Kaen.

Indirect subsidiary - Advance Bio Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A period of 5 years commencing from 16 July 2009 and automatically renewed every 5 years until any party cancels the agreement. The company started its commercial operation on 9 July 2014 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 8 March 2030.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Thoen, Lampang.

Indirect subsidiary - ACE Solar Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Unique Sea Products Company Limited	A 25-year agreement, effective since the commercial operation date on 20 November 2018 for the first project and 28 September 2019 for the second project.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop at Sri Racha, Chonburi.
2	ZIP Metal Works Factory 1993 Company Limited	A 25-year agreement, effective since the commercial operation date on 1 May 2020.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop at Mueang Samut Sakhon, Samut Sakhon.
3	Advance Asia Fiber Company Limited - a related party	A 25-year agreement, effective since the commercial operation date on 22 February 2019.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop at Chok Chai, Nakhon Ratchasima.
4		A 25-year agreement, effective since the commercial operation date on 25 February 2021.	Power Purchase Agreement ("PPA") of solar power generated from solar rooftop in Chok Chai, Nakhon Ratchasima. The agreement was made on 20 July 2020.
5		A 25-year agreement, effective since the commercial operation date on 31 March 2021.	Power Purchase Agreement ("PPA") of solar power generated from floating solar farm in Chok Chai, Nakhon Ratchasima. The agreement was made on 20 July 2020.
6	Electricity Generating Authority of Thailand ("EGAT")	A 20-year agreement, effective since the commercial operation date. The indirect subsidiary has not yet started its commercial operation.	Power Purchase Agreement ("PPA") of power generated from SPP hybrid firm in Nabon, Nakhon Si Thammarat. The agreement was made on 19 March 2021.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Asia Energy Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A 20-year agreement, effective since the commercial operation date. The indirect subsidiary started its commercial operation on 11 October 2011 and from 11 March 2016 onwards, the company requested for the amendment to Feed-in Tariff and the contract will end on 10 May 2028.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Mueang, Nakhon Ratchasima.

Indirect subsidiary - Advance Bio Energy Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A 1-year agreement, effective since 7 December 2007 and automatically renewed every year unless any party terminates contract. The company started its commercial operation on 6 February 2008 and from 19 October 2016 onward, the company requested for the amendment to Feed-in Tariff and the contract will end on 30 October 2025.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Satuek, Buriram.

Indirect subsidiary - Absolute Clean Engineering and Service Company Limited (Formerly named Satuek Biomass Company Limited)

Contract no.	Contract party	Contract period	Contract detail
1	Provincial Electricity Authority ("PEA")	A 5-year agreement, effective since 21 July 2016 and automatically renewed every 5 years unless any party terminates contract. The company started its commercial operation on 20 June 2017. Later, the company terminated the agreement on 21 May 2021 which will be effective on 1 June 2021.	Power Purchase Agreement ("PPA") under the Very Small Power Producer project for the power plant at Satuek, Buriram.
2	Electricity Generating Authority of Thailand ("EGAT")	The agreement is effective from the commercial operation date until 15 January 2025. The company started its commercial operation on 1 June 2021.	

Indirect subsidiary – Bio Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Electricity Generating Authority of Thailand ("EGAT")	A 20-year agreement, effective since the commercial operation date. The indirect subsidiary has not yet started its commercial operation.	Power Purchase Agreement ("PPA") of power generated from SPP hybrid firm in Khlong Khilung, Kamphaeng Phet. The agreement was made on 6 January 2021.
2		A 20-year agreement, effective since the commercial operation date. The indirect subsidiary has not yet started its commercial operation.	Power Purchase Agreement ("PPA") of power generated from SPP hybrid firm in Nabon, Nakhon Si Thammarat. The agreement was made on 19 March 2021.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

44.2 Steam Purchase Agreement

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Triple A Board Company Limited - a related party	A 1-year agreement, effective since the date of first steam purchase, and automatically renewed every 1 year unless any party terminates the contract by giving a written notice at least 180 days before the contract expiration.	Steam Purchase Agreement ("SPA") for the power plant at Ko Khanun, Phanom Sarakham, Chachoengsao.

44.3 Waste management service agreement

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Khon Kaen Municipality	A 20-year agreement, effective since 18 August 2011. Then, on 27 August 2019, the agreement was amended to be within 20 years commencing from the received date of work notification letter which is 28 September 2016.	Waste management service agreement for the power plant at Meuang, Khon Kaen.
2	Nonthon Municipality	A 25-year agreement, effective since 1 April 2017.	Waste management service agreement for the power plant at Meuang, Khon Kaen.
3	Sibsong-Sibsong-Sisibphad Limited Partnership	A 5-year agreement, effective since 1 September 2017.	Waste management service agreement for the power plant at Meuang, Khon Kaen.

Indirect subsidiary – National Clean Energy Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Chiang Wang Subdistrict Administrative Organization	A 25-year agreement, effective since the construction permit.	Waste management service agreement for the power plant at Meuang, Khon Kaen.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

44.4 Fuel Materials Purchase Agreements

Indirect subsidiary - Advance Clean Power Company limited

Contract no.	Contract party	Contract period	Contract detail
1	Global Woodchips Company Limited - a related party	A 12-year agreement, effective since 10 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Ban Bueng, Chonburi.
2		A 12-year agreement, effective since 10 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Phon Thong, Roi-Et.
3		A 12-year agreement, effective since 1 June 2017 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Bo Phloi, Kanchanaburi.
4	Shaiyo Supply Chain Company Limited - a related party	A 12-year agreement, effective since 10 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Phon Thong, Roi-Et.

Indirect subsidiary - Advance Agro Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Shaiyo Supply Chain Company Limited - a related party	A 12-year agreement, effective since 21 September 2011 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Prasat, Surin.
2		A 12-year agreement, effective since 2 May 2013 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Chokchai, Nakhon Ratchasima.
3	Global Woodchips Company Limited - a related party	A 12-year agreement, effective since 16 September 2011 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Prasat, Surin.
4		A 12-year agreement, effective since 7 December 2011 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Chokchai, Nakhon Ratchasima.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Global Woodchips Company Limited - a related party	A 15-year agreement, effective since 26 December 2013, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Si Chiang Mai, Nong Khai.
2		A 15-year agreement, effective since 14 August 2015, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Sirindhorn, Ubon Ratchathani.
3	Sribanpai Company Limited - a related party	A 15-year agreement, effective since 15 December 2013, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Si Chiang Mai, Nong Khai.
4	Shaiyo Supply Chain Company Limited - a related party	A 15-year agreement, effective since 14 August 2015, and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before the contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Sirindhorn, Ubon Ratchathani.

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	PTT Public Company Limited	A 25-year agreement, effective since 10 February 2017. Unless any party provides a written notice to renew the agreement within 1 year before the contract's expiration, the agreement will be terminated.	Natural Gas Purchase Agreement for the power plant at Ko Khanun, Phanom Sarakham, Chachoengsao to produce and sell electricity under cogeneration system.

Indirect subsidiary - Advance Asia Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Sribanpai Company Limited - a related party	A 12-year agreement, effective since 6 March 2015 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Nam Phong, Khon Kaen.
2	Global Woodchips Company Limited - a related party	A 12-year agreement, effective since 1 July 2012 and automatically renewed every year unless any party terminates contract by giving a written notice within 60 days before contract expiration.	Biomass Fuel Purchase Agreement for the power plant at Nam Phong, Khon Kaen.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

44.5 Power purchase agreements for chippers

Indirect subsidiaries	Contract party	Contract period	Contract detail
Advance Clean Power Company Limited Advance Agro Power Plant Company Limited Alliance Clean Power Company Limited Advance Asia Power Plant Company Limited Advance Bio Asia Company Limited	Agro Energy Supply Company Limited - a related party	A 10-year agreement, effective since 1 April 2020 and automatically renewed every year unless any party terminates contract by giving a written notice.	Power Purchase Agreement for chippers of a contract party settled in indirect subsidiaries biomass power plants.

44.6 Fuel material purchase agreements

Indirect subsidiaries	Contract party	Contract period	Contract detail
Advance Clean Power Company Limited Advance Agro Power Plant Company Limited Alliance Clean Power Company Limited Advance Asia Power Plant Company Limited Advance Bio Asia Company Limited	Agro Energy Supply Company Limited - a related party	A 1-year agreement, effective since 1 April 2020 and automatically renewed every year unless any party terminates the contract by giving a written notice.	Biomass Fuel Purchase Agreement for the power plants of the indirect subsidiaries
Advance Asia Energy Company Limited Advance Bio Energy Company Limited Absolute Clean Engineering and Service Company Limited (Formerly named Satuek Biomass Company Limited)		A 2-year and 9-month agreement, effective from 1 April 2021 to 31 December 2023.	Biomass Fuel Purchase Agreement for the power plants of the indirect subsidiaries

44.7 Power plant management and maintenance agreement

Indirect subsidiary - Advance Agro Asia Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Collaboration between General Electric International Operation Company Inc. and GE Packed Power, Inc.	(1) An agreement period of 120,000 hours commencing from 10 February 2017 or the second major overhaul whichever one comes last or (2) a 16-year commencing from 23 December 2016 whichever (1) or (2) comes first.	Management and maintenance service agreement for gas turbine service of the power plant at Phanom Sarakham, Chachoengsao.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

44.8 Biomass fuel management and housekeeping services agreement

Indirect subsidiaries	Contract party	Contract period	Contract detail	
Advance Clean Power Company Limited	Goodwill Innovation and Engineering Company Limited - a related party	1 year and 2 months, from 1 November 2020 to 31 December 2021. Then, the indirect subsidiaries have entered into new agreements which is effective for 1 year, from 1 January 2022 to 31 December 2022.	Biomass fuel management and housekeeping services for biomass power plants of indirect subsidiaries.	
Advance Agro Power Plant Company Limited				
Alliance Clean Power Company Limited		9 months, from 1 April 2021 to 31 December 2021. Then, the indirect subsidiaries have entered into new agreements which is effective for 1 year, from 1 January 2022 to 31 December 2022.		
Advance Asia Power Plant Company Limited				
Advance Bio Asia Company Limited				
Advance Asia Energy Company Limited				
Advance Bio Energy Company Limited				
Absolute Clean Engineering and Service Company Limited (Formerly named Satuek Biomass Company Limited)				

44.9 Land and Building rental agreements

Indirect subsidiary - Alliance Clean Power Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Khon Kaen Municipality	A 20-year agreement, effective since 18 August 2011	Land rental agreement for operation in accordance with Municipal Solid Waste project at Mueang, Khon Kaen
2		A 20-year agreement, effective since 18 August 2011	Buildings and other constructions rental agreement, including land related to the buildings at Mueang, Khon Kaen.
3		A 20-year agreement, effective since 18 August 2011	Constructions agreement in Khon Kaen Municipality area, buildings and machinery will be transferred to Khon Kaen Municipality at maturity of 20 years since commencement date.
4	Krabi Municipality	A 25-year agreement, effective since 22 February 2019	Land rental agreement for the operation in accordance with Municipal Solid Waste project at Mueang Krabi, Krabi.
5		A 25-year agreement, effective since 22 February 2019	Constructions agreement in Krabi Municipality area, buildings and machinery will be transferred to Krabi Municipality at maturity 25-years since commencement date.
6		A 25-year agreement, effective from 24 September 2020 to 23 September 2045	Land rental agreement for dredging as a water reservoir for uses in the Municipal Solid Waste project in Muang Krabi, Krabi.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Bio Power Plant Company Limited

Contract no.	Contract party	Contract period	Contract detail
1	Mr. Teerawut Songmetta - a related person	A 23-year agreement, effective from 9 May 2019 to 8 May 2042	Land rental agreement for Khlong Khlung power plant project at Khlong Khlung, Kamphaeng Phet.
2	Shaiyo Smile Company Limited - a related party	A 23-year agreement, effective from 9 May 2019 to 8 May 2042	Land rental agreement for Khlong Khlung power plant project at Khlong Khlung, Kamphaeng Phet.

Indirect subsidiary - Advance Clean Power Company Limited

Contract party	Contract period	Contract detail
Shaiyo Smile Company Limited - a related party	A 23-year agreement, effective from 1 January 2020 to 31 December 2042	Land rental agreement for Khlong Khlung power plant project in Khlong Klung, Kamphaeng Phet

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

44.10 Power Purchase Agreements under submission for dismissal the termination and reinstate the agreements and extend the scheduled commercial operation date

The Group has Power Purchase Agreements under submission for dismissal to dismiss the termination and reinstate the agreements and extend the scheduled commercial operation date as at 31 December 2021 and 2020 as follows:

Government	Indirect subsidiaries	Number of agreements under submission process	
		2021 Agreement (s)	2020 Agreement (s)
The Administrative Court of First Instance	Alliance Clean Power Company Limited	1	1
		1	1
The Provincial Electricity Authority ("PEA")	Advance Clean Power Company Limited	3	3
	Advance Agro Power Plant Company Limited	1	1
	Alliance Clean Power Company Limited	1	1
	Advance Farm Tree Company Limited	1	1
	Bio Power Plant Company Limited	1	1
	Absolute Clean Water Company Limited	1	1
		8	8

The Administrative Court of First Instance

Indirect subsidiary - Alliance Clean Power Company Limited

On 5 May 2017, the Group's management considered the progress of its submission to the Provincial Electricity Authority (PEA) for dismissing the termination, reinstating a Power Purchase Agreement and extending the scheduled commercial operation date. The Group decided to file a lawsuit to the Energy Regulatory Commission (ERC), requesting the ERC dismiss the termination, reinstate the agreement and extend the scheduled commercial operation date.

On 22 March 2018, the Group's management considered the progress of its submission to the ERC. The Group decided to file a lawsuit to the Administrative Court of First Instance requesting the court dismiss the termination, reinstate the agreement and extend the scheduled commercial operation date.

In addition, on 3 April 2019, Alliance Clean Power Company Limited sent a letter to the PEA requesting a negotiation to resolve the dispute in accordance with a clause in the Power Purchase Agreement. The PEA responded to the letter with information on the conditions and rules for negotiations. The indirect subsidiary then followed these conditions and rules. The negotiation process is still ongoing.

On 9 June 2020, PEA sent a letter to the indirect subsidiary to revise the conditions and rules for negotiation. The revised conditions do not affect the judicial process.

As at 31 December 2021 and 2020, the case is under Administrative Court's consideration.

The Provincial Electricity Authority

Indirect subsidiaries - Advance Clean Power Company Limited, Advance Agro Power Plant Company Limited, Alliance Clean Power Company Limited, Advance Farm Tree Company Limited, Bio Power Plant Company Limited, and Absolute Clean Water Company Limited

On 14 March 2017, the Group filed arbitration committee lawsuits to dismiss the termination by the PEA, reinstate 8 Power Purchase Agreements (8 cases) and extend the scheduled commercial operation date to the indirect subsidiaries. On 29 June 2019, the indirect subsidiaries received awards from the arbitration committee on 21 June 2019 for 4 agreements (4 cases): 2 cases for Advance Clean Power Company Limited, 1 case for Advance Agro Power Plant Company Limited and 1 case for Advance Farm Tree Company Limited. On 26 July 2019, the indirect subsidiaries also received awards from the arbitration committee on 19 July 2019 for 4 agreements (4 cases): 1 case for Advance Clean Power Company Limited, 1 case for Alliance Clean Power Company Limited, 1 case for Bio Power Plant Company Limited and 1 case for Absolute Clean Water Company Limited. The arbitration committee ruled that the PEA must return 8 FIT Power Purchase Agreements to the indirect subsidiaries and extend the scheduled commercial operation date. In July 2019, the indirect subsidiaries submitted notices to the PEA to comply with the awards from the arbitration committee and PEA sent letters to the indirect subsidiaries state that PEA would comply with the awards from the arbitration.

The parties are currently in the process of making agreements to comply with the details of the awards.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

45 Promotional privileges

The Group received the following promotional privileges from the Board of Investment as the following :

Indirect subsidiary - Advance Clean Power Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1842(1)/2553	13 July 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Ban Bueng)	24 April 2012	23 April 2020	✓	✓	✓	✓	✓	✓	✓	-
2554(1)/2554	29 November 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Phon Thong)	4 June 2013	3 June 2021	✓	✓	✓	✓	✓	✓	✓	-
2329(1)/2555	13 March 2012	Electricity from biomass fuel type Utility 7.1 and basic services (Khlung Khlung)	26 November 2021	25 November 2029	✓	✓	✓	✓	✓	✓	✓	-
2330(1)/2555	29 November 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Bo Phloi)	16 August 2017	15 August 2025	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - Advance Agro Power Plant Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
2446(1)/2553	16 November 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Chokchai)	16 January 2013	15 January 2021	✓	✓	✓	✓	✓	✓	✓	-
1019(1)/2554	16 November 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Prasat)	30 October 2012	29 October 2020	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - Alliance Clean Power Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1284(1)/2554	18 January 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Si Chiang Mai)	26 December 2013	25 December 2021	✓	✓	✓	✓	✓	✓	✓	-
1448(1)/2555	13 March 2012	Electricity from biomass fuel type Utility 7.1 and basic services (Sirindhorn)	14 August 2015	13 August 2023	✓	✓	✓	✓	✓	✓	✓	-
59-0076-0-13-2-0	29 July 2014	Electricity from solid waste type Utility 7.1 and basic services (Khon Kaen)	29 November 2016	28 November 2024	✓	✓	✓	✓	✓	✓	✓	-
63-0246-1-00-2-0	27 January 2020	Electricity from solid waste type Utility 7.1.1.1 or electricity generation and steam production from waste or fuel waste (Krabi)	28 December 2020	27 December 2028	✓	✓	✓	-	-	-	✓	-

Indirect subsidiary - Advance Agro Asia Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
58-1885-0-00-1-0	2 April 2015	Electricity and steam from gas Utility type 7.1 and basic services (Koh Khanun)	10 February 2017	9 February 2025	✓	-	✓	-	-	-	✓	✓

Indirect subsidiary - Advance Asia Power Plant Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1948(1)/2553	10 August 2010	Electricity from biomass fuel type Utility 7.1 and basic services (Nam Phong)	2 May 2012	1 May 2020	✓	✓	✓	✓	✓	✓	✓	-
64-0378-1-00-1-0	18 January 2021	Sanitary landfill service	18 January 2021	18 January 2029	✓	-	✓	-	-	-	✓	✓

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary - Advance Bio Asia Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1521(1)/2555	29 November 2011	Electricity from biomass fuel type Utility 7.1 and basic services (Thoen)	9 July 2014	8 July 2022	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - ACE Solar Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
61-0856-1-00-1-0	2 July 2018	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	20 November 2018	19 November 2026	✓	-	✓	-	-	-	✓	✓
61-1012-1-00-1-0	23 July 2018	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	22 February 2019	21 February 2027	✓	-	✓	-	-	-	✓	✓
62-0089-1-00-1-0	7 January 2019	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	28 September 2019	27 September 2027	✓	-	✓	-	-	-	✓	✓
62-1068-1-00-1-0	12 September 2019	Electricity generation from solar rooftop type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	1 May 2020	30 April 2028	✓	-	✓	-	-	-	✓	✓
63-0656-1-00-1-0	18 May 2020	Electricity generation from solar type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	25 February 2021	24 February 2029	✓	-	✓	-	-	-	✓	✓

Indirect subsidiary - Advance Asia Energy Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1524(9)/2551	21 May 2008	Electricity from biomass fuel type Utility 7.1 and basic services	11 October 2011	10 October 2019	✓	✓	✓	-	-	✓	✓	-

Indirect subsidiary - Advance Bio Energy Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
2069/9/2548	28 November 2005	Electricity from biomass fuel type Utility 7.1 and basic services	31 January 2008	30 January 2016	✓	✓	✓	✓	✓	✓	✓	-

Indirect subsidiary - Absolute Clean Engineering and Service Company Limited (Formerly named Satuek Biomass Company Limited)

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
1672(2)/2546	18 November 2003	Electricity from biomass fuel type Utility 7.1 and basic services	24 January 2006	23 January 2014	✓	-	✓	✓	✓	✓	✓	✓

Indirect subsidiary - Absolute Clean Water Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
64-0278-1-00-1-0	7 January 2021	Water supply type 7.1.2 Production of tap water, water supply for industry or steam	13 August 2021	12 August 2026	✓	-	✓	-	-	-	✓	✓

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

Indirect subsidiary – Bio Power Plant Company Limited

BOI Certificate	Date of approval	Products	Income first derived date	Privilege expired date	Significant privileges							
					1	2	3	4	5	6	7	8
65-0012-1-00-1-0	3 August 2021	Electricity generation type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	Income not yet derived		✓	-	✓	-	-	-	✓	✓
65-0036-1-00-1-0	2 November 2021	Electricity generation type 7.1.1.2 or electricity generation and steam production from renewable resources except from waste or fuel from waste	Income not yet derived		✓	-	✓	-	-	-	✓	✓

* Significant privileges:

- 1 Exemption from import duties on machines imported for use in production approved by Board of Directors.
- 2 Exemption from corporate income tax on the promoted activities for a period of five to eight years starting from the date that income is first derived from the promoted activities.
- 3 To carry forward any net loss incurred during the promoted period to be deducted from net profit incurred during the five-year period starting from the expiry of the tax-exempted period.
- 4 Exemption from corporate income tax on net profit earned from promoted activities at the rate of 50% of normal rate for a period of five years from the expiry of the period specified in 2 above.
- 5 Transportation, electricity and water supply fees can be deducted at the rate of two times of expenditure for a period of ten years starting from the date that income is first derived.
- 6 Capital expenditure incurred on installation or construction of facilities can be deducted at the rate of 25% of the actual expenditure, in addition to the normal depreciation charge.
- 7 Exemption from inclusion of dividend received from the promoted business in calculating corporate income tax.
- 8 Exemption from corporate income tax on net profit earned from promoted activities in totals of not exceeding 100% of investments not including the land and current capital of a period of five to eight years starting from the date that income is first derived.

The Group has to comply with the conditions defined in Board of Investment (BOI) certificate in order to receive the above benefits and rights.

Segment revenue from BOI promoted and non-promoted activities for the years ended 31 December 2021 and 2020 comprises of the followings:

	Consolidated financial statements					
	For the year ended 31 December 2021			For the year ended 31 December 2020		
	Promoted activities Baht	Non-promoted activities Baht	Total Baht	Promoted activities Baht	Non-promoted activities Baht	Total Baht
Sales of electricity	4,568,349,336	556,636,785	5,124,986,121	4,253,224,360	98,190,947	4,351,415,307
Adder	131,983,008	-	131,983,008	128,622,547	4,717,827	133,340,374
Sales of steam	8,380,863	-	8,380,863	13,236,611	-	13,236,611
Revenue from the waste management service	-	50,535,469	50,535,469	-	40,263,551	40,263,551
Revenue from power plant maintenance service	-	-	-	-	48,108,635	48,108,635
Other income	2,050,700	10,699,986	12,750,686	624,662	178,012,364	178,637,026
	4,710,763,907	617,872,240	5,328,636,147	4,395,708,180	369,293,324	4,765,001,504

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

46 Subsequent events

46.1 Call for paid-up share capital

Subsidiaries	No. of shares	Share value before called for paid-up	Called for paid-up share capital	Share value after called for paid-up	Amount (Baht)
<u>Direct subsidiary</u> Asia Clean Energy Company Limited	50,000,000	6.54	3.46	10.00	173,000,000
<u>Asia Clean Energy Company Limited's subsidiaries</u> ACE Solar Company Limited	6,000,000	3.00	0.17	3.17	1,020,000
Power Supply and Maintenance Service Company Limited	28,000,000	4.80	5.20	10.00	145,600,000
Absolute Clean Engineering and Service Company Limited	1,700,000	79.76	20.24	100.00	34,408,000
Bio Power Plant Company Limited	23,000,000	2.50	2.05	4.55	47,150,000
Alliance Clean Power Company Limited	55,000,000	4.14	0.58	4.72	31,900,000
<u>Alliance Clean Power Company Limited's subsidiary</u> National Clean Energy Company Limited	54,990,000	2.50	0.65	3.15	35,743,500

46.2 Dividend payment approved by the Board of Directors of the Company

Absolute Clean Energy Public Company Limited

On 28 February 2022, at the Board of Directors' Meeting of the Company, the Board of Directors approved a proposal to Annual General Shareholders' Meeting for the year 2022 to consider the payment of dividends at Baht 0.02 per share to the shareholders who are entitled to receive the dividend. The Company will propose the payment of dividend at the next Annual General Shareholders' Meeting of the Company.

Subsidiaries

Subsidiaries	Interim dividend payment from	Dividend (Baht/Share)	Total amount (Baht)	Appropriation of legal reserve (Baht)
<u>Direct subsidiary</u> Asia Clean Energy Company Limited	Retained earnings as at 31 December 2021	1.77	1,678,213,000	171,700,000
<u>Indirect subsidiaries</u> Alliance Clean Power Company Limited	Retained earnings as at 30 November 2021	0.11	26,374,700	6,470,000
Advance Asia Energy Company Limited	Retained earnings as at 31 December 2021	0.19	10,262,280	600,000
Advance Bio Asia Company Limited	Retained earnings as at 31 December 2021	0.10	6,995,000	400,000
Advance Agro Asia Company Limited	Retained earnings as at 31 December 2021	0.50	75,000,000	4,000,000



ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED

Attachment

ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED

Attachment 1:

The Company Directors, Executives, Executive Directors, and Company Secretary of Absolute Clean Energy Public Company Limited and Subsidiary Companies

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience	
					Period	Position Company's Name
1. Mr. Monton Sudprasert Chairman of the Board of Directors / Independent Director (28 April 2021)	61	<ul style="list-style-type: none"> Bachelor of Engineering (Civil), King Mongkut's University Thonburi Master of Engineering (Sanitation), Chulalongkorn University Master of Public Administration, Chulalongkorn University National Defense College of Thailand class 2009 Qualification Engineer in Civil Engineering Intermediate Executive Program, Class 9, Department of Public Works Senior Administrator Course, Class 48, Ministry of Interior Government Administration and Public Law Course, Class 6, King Prajadhipok's Institute OCSC scholarship, Thai Senior Executive Development Program at Nation Graduate Institute for Policy Studies (GRIPS), Japan. 	-	-	2021 – Present	Chairman of the Board of Directors and Independent Director Absolute Clean Energy Public Company Limited
					2012 – 2020	Director General Department of Public Works and Town & Country Planning
					2010 – 2012	Deputy Director-General Department of Public Works and Town & Country Planning
					2009 – 2010	Director of the Office of Urban Planning Support and Development Department of Public Works and Town & Country Planning
					2008 – 2009	Inspector General, Department of Public Works and Town & Country Planning Department of Public Works and Town & Country Planning
					2005 – 2008	Professional Engineer Level 9 (Civil Engineering), Bureau of Construction and System Engineering Department of Public Works and Town & Country Planning

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
		<ul style="list-style-type: none"> Training Courses for the Development of Senior Executives, Government Agency Executives Class 3 					
2. Mr. Charoon Intachan Director and Independent Director (14 July 2018)	78	<ul style="list-style-type: none"> Ph.D. (Public Administration), Eastern Asia University Ph.D. (Public Administration), Western University M.A. (Political Science), Ramkhamhaeng University Barrister-at-law, The Thai Bar Association Bachelor of Laws, Thammasat University Director Certification Program DCP (176/2013), Thai Institute of Directors Training Course of Capital Market Academy (DMA 13), Thai Institute of Directors Top Executive Program in Commerce and Trade (TEPCot 4), Thai Institute of Directors 	-	-	2018 - Present 2015 - Present 2015 - Present 2016 - 2018 2014 - 2015 2013 - 2014	Director Independent Director Director of Council of State Independent Director Honorary Member Constitution Drafting Committee President of the Constitutional Court	Absolute Clean Energy Public Company Limited Council of State Bangkok Post Public Company Limited Surattthani Rajabhat University Council The Secretariat of the House of Representatives The Constitutional Court
3. Ms. Chonticha Chitraporn Chairman of Audit Committee and Independent Director (29 June 2017)	64	<ul style="list-style-type: none"> Master Degree in Applied Economics, Faculty of Economics, University of Michigan, USA 	-	-	2020 - Present	Chairman of the Corporate Governance Committee, Audit Committee, Risk Management Committee,	Major Cineplex Group Public Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
		<ul style="list-style-type: none"> Master Degree in Language and International Trade, Faculty of Economics, Eastern Michigan University, USA Bachelor Degree in Accounting, Thammasat University, Thailand Director Accreditation Program (DAP 143/2017), Thai Institute of Directors Advanced Audit Committee Program AACP (33/2019), Thai Institute of Directors 			2017 - Present	Independent Director	Absolute Clean Energy Public Company Limited
					2018 - 2021	Chairman of the Risk Management Committee, Audit Committee, Director and Independent Director	Advance Life Assurance Public Company Limited
					2018 - 2021	Director, Independent Director, and Audit Committee	International Research Corporation Public Company Limited
					2014 - 2020	Member of the Risk Management Committee	Dhanarak Asset Development Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
4. Mr. Nuekrak Baingern Director, Independent Director and Member of Audit Committee (29 June 2017) and Member of the Nomination and Remuneration Committee (15 September 2017)	68	<ul style="list-style-type: none"> MBA, Faculty of Administration, University of Detroit, Michigan, USA Bachelor of Commerce, Major in Marketing, Chulalongkorn University, Thailand Director Accreditation Program (DAP 143/2017), Thai Institute of Directors 	-	-	2017 - Present	Director, Independent Director, Audit Committee, Nomination and Remuneration Committee	Absolute Clean Energy Public Company Limited
					2018 - 2021	Chairman of the Audit Committee, Director and Independent Director	Advance Life Assurance Public Company Limited
					2014 - 2020	Managing Partner	Punyapol Limited Partnership
					2012 – 2016	Advisor – Project Management and Information Technology	Advance Life Assurance Public Company Limited
					2000 – 2012	Executive Vice President-Operation	CIMB Thai Bank Public Company Limited
5. Mrs. Patchanee Suthwwwitanan Member of the Audit Committee, Director and Independent Director (29 June 2017) and Chairman of the Nomination and Remuneration Committee (15 September 2017)	66	<ul style="list-style-type: none"> MA in Counseling Psychology, Faculty of Psychology, Spalding University, USA Bachelor of Liberal Arts, Psychology, Thammasat University, Thailand Director Accreditation Program (DAP 143/2017), Thai Institute of Directors 	-	-	2017 - Present	Chairman of Nomination and Remuneration Committee, Audit Committee, Director, and Independent Director	Absolute Clean Energy Public Company Limited
					2018 - 2021	Director	Advance Life Assurance Public Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
6. Miss Jiratha Songmetta Director (3 December 2015) Member of the Nomination and Remuneration Committee (15 September 2017) and Chairman of Executive Committee (15 September 2017) Former name Ms. Siriwin Dumnerchanvanit Songmetta					2015 - 2016	Director	Advance Life Assurance Public Company Limited
					2013 - 2016	Executive Consultant	Advance Life Assurance Public Company Limited
	63	<ul style="list-style-type: none"> Bachelor of Business Administration, Ramkhamhaeng University Advanced Financial Management Course (Mini MBA), Thammasat University Director Certification Program (DCP 4/2000), Thai Institute of Directors The Rule of Law for Democracy (Class 2), 2014 The Office of the Constitutional Court The National Defense Course for The Joint State - Private Sector, (Class 22), 2010, National Defense Studies Institute / National Defense College The Programme for Senior Executives on Justice Administration Batch 13, 2009, National Justice Academy, Judicial Training 	-	- Wife (status: divorce) of Pol.Gen.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares. - Mother of Mr. Teerawut Songmetta, Director and Shareholder who owns 17.89% of the Company's shares. - Mother of Mr. Nath Songmetta, Shareholder who owns	Dec. 2015 - Present	Director	Absolute Clean Energy Public Company Limited
					Sep. 2017 - Present	Chairman of Executive Committee	Absolute Clean Energy Public Company Limited
					Sep. 2017 - Present	Member of the Nomination and Remuneration Committee	Absolute Clean Energy Public Company Limited
					Jun. 2012 - Present	Chairman of the Board of Directors	Asian Clean Energy Company Limited
					Dec. 2009 - Present	Chairman of the Board of Directors	Advance Agro Asia Company Limited
					Nov. 2013 - Present	Chairman of the Board of Directors	Alliance Clean Power Company Limited
					Nov. 2012 - Present	Chairman of the Board of Directors	Advance Clean Power Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
		<ul style="list-style-type: none"> Institute / Office of Judiciary Tax Law Certificate, 2009, Institute of Training, Research and Development for Tax Law / Central Tax Court 		14.99% of the Company's shares. - Mother of Mr. Pormmett Songnetta Director and Shareholder who owns 20.53% of the Company's shares.	Nov. 2012 - Present	Chairman of the Board of Directors	Advance Agro Power Plant Company Limited
					Feb. 2014 - Present	Chairman of the Board of Directors	Advance Asia Power Plant Company Limited
					Nov. 2013 - Present	Chairman of the Board of Directors	Advance Bio Asia Company Limited
					Oct. 2016 - Present	Chairman of the Board of Directors	Advance Farm Tree Company Limited
					Oct 2016 - Present	Chairman of the Board of Directors	ACE Solar Company Limited
					Oct. 2016- Present	Chairman of the Board of Directors	Bio Power Plant Company Limited
					Oct. 2018 - Present	Chairman of the Board of Directors	Absolute Clean Water Company Limited (Former: Prasatporm Rungrueng Company Limited)
					May 2018 – Present	Chairman of the Board of Directors	Power Supply & Maintenance Service Company Limited
					Mar. 2020 – Present	Chairman of the Board of Directors	Provincial Renewable Energy (Thailand) Company Limited
					Mar. 2020 – Present	Chairman of the Board of Directors	Renewable Energy Siam Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					Mar. 2020 – Present	Chairman of the Board of Directors	Renewable Energy (North) Company Limited
					Mar. 2020 – Present	Chairman of the Board of Directors	Renewable Energy (Central) Company Limited
					Mar. 2020 – Present	Chairman of the Board of Directors	Renewable Energy (Northeast) Company Limited
					Aug 2020 – Present	Chairman of the Board of Directors	Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
					Aug 2020 – Present	Chairman of the Board of Directors	Advance Bio Energy Company Limited
					Aug. 2020 - Present	Chairman of the Board of Directors	Advance Asia Energy Company Limited
For more details about Songmetta group, please read in Details regarding the Company Director, Executive and Director with Authorization of the Songmetta Group in other companies							

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
7. Mr. Teerawut Songmetta Director (3 December 2015) Executive director (28 February 2018) and Chief Executive Technology & Innovation Officer (1 March 2018)	32	<ul style="list-style-type: none"> Bachelor Degree, Industrial and Enterprise Systems Engineering, University of Illinois at Urbana Champaign, USA Director Accreditation Program (DAP 146/2018), Thai Institute of Directors 	17.89%	<ul style="list-style-type: none"> - Son of Pol.Ge.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares and Mrs. Jiratha Songmetta, Director, Nomination and Remuneration Committee, and the Company Executive Chairman. - Older brother of Mr. Nath Songmetta, Shareholder who owns 14.99% of the Company's shares. - Older brother of Mr. Pommatt Songmetta, Director and 	Dec. 2015 - Present	Director	Absolute Clean Energy Public Company Limited
					Feb. 2018 - Present	Executive Director	Absolute Clean Energy Public Company Limited
					Mar. 2018 - Present	Chief Executive Technology & Innovation Officer	Absolute Clean Energy Public Company Limited
					Oct. 2018 - Present	Director	Asian Clean Energy Company Limited
					Nov. 2014 - Present	Director	Advance Agro Asia Company Limited
					Nov. 2014 - Present	Director	Alliance Clean Power Company Limited
					Nov. 2014 - Present	Director	Advance Clean Power Company Limited
					Nov. 2014 - Present	Director	Advance Agro Power Plant Company Limited
					Nov. 2014 - Present	Director	Advance Asia Power Plant Company Limited
					Nov. 2014 - Present	Director	Advance Bio Asia Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
				Shareholder who owns 20.53% of the Company's shares.	Oct. 2016 - Present	Director	Advance Farm Tree Company Limited
					Oct. 2016 - Present	Director	ACE Solar Company Limited
					Oct. 2016 - Present	Director	Bio Power Plant Company Limited
					Oct. 2018 - Present	Director	Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
					May 2018 – Present	Director	Power Supply & Maintenance Service Company Limited
					Mar. 2020 – Present	Director	Provincial Renewable Energy (Thailand) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy Siam Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (North) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (Central) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (Northeast) Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					Aug. 2020 – Present	Director	Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
					Aug. 2020 – Present	Director	Advance Bio Energy Company Limited
					Aug. 2020 – Present	Director	Advance Asia Energy Company Limited
For more details about Songmetta group, please read in Details regarding the Company Director, Executive and Director with Authorization of the Songmetta Group in other companies							
8. Mr. Pornmett Songmetta Director (3 December 2015) Executive Director (15 September 2017) and Chief Operating Officer (1 March 2018)	29	<ul style="list-style-type: none"> Bachelor of International Business Management, International Program, Chulalongkorn University Director Accreditation Program (DAP 139/2017), Thai Institute of Directors Institute of Business and Industrial Development IBD (5/2018), Institute of Business and Industrial Development 	20.53%	- Son of Pol.Ge.Dr. Wirachai Songmetta, Shareholder who owns 22.43% of the Company's shares and Mrs. Jiratha Songmetta, Director, Nomination and Remuneration Committee,	Dec. 2015 - Present Sep. 2017 - Present Mar. 2018 - Present Oct. 2015 - Present July 2019 - Present	Director Executive Director Chief Operating Officer Director Chief Executive Officer	Absolute Clean Energy Public Company Limited Absolute Clean Energy Public Company Limited Absolute Clean Energy Public Company Limited Asian Clean Energy Company Limited Asian Clean Energy Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
				and the Company Executive Chairman. - Younger brother of Mr. Teerawut Songmetta, Shareholder who owns 17.89% of the Company's shares. - Younger brother of Mr. Nath Songmetta, Shareholder who owns 14.99% of the company's shares.	Feb. 2017 - Present	Director	Advance Agro Asia Company Limited
					Feb. 2017 - Present	Director	Alliance Clean Power Company Limited
					Apr. 2019 – Present	Chief Executive Officer	Alliance Clean Power Company Limited
					Mar. 2017 - Present	Director	Advance Clean Power Company Limited
					Apr. 2019 – Present	Chief Executive Officer	Advance Clean Power Company Limited
					Feb. 2017 – Present	Director	Advance Agro Power Plant Company Limited
					Apr. 2019 - Present	Chief Executive Officer	Advance Agro Power Plant Company Limited
					Feb. 2017 - Present	Director	Advance Asia Power Plant Company Limited
					Apr. 2019 - Present	Chief Executive Officer	Advance Asia Power Plant Company Limited
					Feb. 2017 - Present	Director	Advance Bio Asia Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					Apr. 2019 – Present	Chief Executive Officer	Advance Bio Asia Company Limited
					Feb. 2017 - Present	Director	Advance Farm Tree Company Limited
					July 2019 - Present	Chief Executive Officer	Advance Farm Tree Company Limited
					Feb. 2017 - Present	Director	ACE Solar Company Limited
					July 2019 – Present	Chief Executive Officer	ACE Solar Company Limited
					Feb. 2017 - Present	Director	Bio Power Plant Company Limited
					July 2019 – Present	Chief Executive Officer	Bio Power Plant Company Limited
					Oct. 2018 - Present	Director	Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
					July 2019 - Present	Chief Executive Officer	Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					May 2018 - Present	Director	Power Supply & Maintenance Service Company Limited
					July 2019 – Present	Chief Executive Officer	Power Supply & Maintenance Service Company Limited
					Mar. 2020 – Present	Director	Provincial Renewable Energy (Thailand) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy Siam Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (North) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (Central) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (Northeast) Company Limited
					Aug. 2020 – Present	Director	Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
					Dec. 2020 – Present	Chief Executive Officer	Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					Aug. 2020 – Present	Director	Advance Bio Energy Company Limited
					Dec. 2020 – Present	Chief Executive Officer	Advance Bio Energy Company Limited
					Aug. 2020 – Present	Director	Advance Asia Energy Company Limited
					Dec. 2020 – Present	Chief Executive Officer	Advance Asia Energy Company Limited
For more details about Songmetta group, please read in Details regarding the Company Director, Executive and Director with Authorization of the Songmetta Group in other companies							
9. Mr. Tanavijit Ankapipatchai Director (3 December 2015) Executive Director (15 September 2017) and Chief Financial Officer (1 March 2018) Former name Mr. Vjitt Ankapipatchai	58	<ul style="list-style-type: none"> Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University Directors Certification Program (Class DCP 45/2004), Thai Institute of Directors Orientation Course - CFO Focus on Financial Reporting, Class 1/2018 	0.0%	-	Mar. 2018 - Present	Chief Financial Officer	Absolute Clean Energy Public Company Limited
					Sep. 2017 - Present	Executive Director	Absolute Clean Energy Public Company Limited
					Dec. 2015 - Present	Director	Absolute Clean Energy Public Company Limited
					Feb. 2017 - Present	Director	Asian Clean Energy Company Limited
					Jan. 2013 - Present	Director	Advance Agro Asia Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					Nov. 2013 - Present	Director	Alliance Clean Power Company Limited
					Nov. 2013 - Present	Director	Advance Clean Power Company Limited
					July 2006 - Present	Director	Advance Agro Power Plant Company Limited
					Feb. 2014 - Present	Director	Advance Asia Power Plant Company Limited
					Nov. 2013 - Present	Director	Advance Bio Asia Company Limited
					Jun. 2008 - Present	Director	Advance Farm Tree Company Limited
					July 2006 - Present	Director	ACE Solar Company Limited
					July 2006 - Present	Director	Bio Power Plant Company Limited
					Feb. 2018 - Present	Director	Power Supply & Maintenance Service Company Limited
					Feb. 2017 - Present	Director	Advance Power Plant Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					July 2006 - Present	Director	Absolute Clean Water Company Limited (Former: Prasatporn Rungrueng Company Limited)
					Jan. 2015 - Feb 2018	Co-Chief Executive Officer	Advance Agro Asia Company Limited
					Mar. 2020 – Present	Director	Provincial Renewable Energy (Thailand) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy Siam Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (North) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (Central) Company Limited
					Mar. 2020 – Present	Director	Renewable Energy (Northeast) Company Limited
					Aug 2020 – Present	Director	Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)
					Aug 2020 – Present	Director	Advance Bio Energy Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					Aug. 2020 – Present	Director	Advance Asia Energy Company Limited
For more details about Songmetta group, please read in Details regarding the Company Director, Executive and Director with Authorization of the Songmetta Group in other companies							
10. Mr. Tanachai Bunditvorapoom Director (14 July 2018) Chief Executive Officer (2 May 2017) and Executive Director (16 September 2017)	49	<ul style="list-style-type: none"> • MBA (Finance), The National Institute of Development Administration • Bachelor of Law (Business Law), Chulalongkorn University • Bachelor of Engineering (Civil Engineering), Chulalongkorn University • Director Leadership Certification Program (DLCP) Class 3/2021, Thai Institute of Directors Association • Director Certification Program (DCP 252/2018), Thai Institute of Directors • Board Nomination & Compensation Program (BNCP 6/2019), Thai Institute of Directors • Advanced Master of Management Program, AMM (Class 6), Graduate School of Public Administration, National Institute of 	-	-	Jul. 2018 - Present	Director	Absolute Clean Energy Public Company Limited
					Sep. 2017 - Present	Executive Director	Absolute Clean Energy Public Company Limited
					May 2017 - Present	Chief Executive Officer	Absolute Clean Energy Public Company Limited
					Aug. 2019 - Present	Director	Asian Clean Energy Company Limited
					Aug. 2019 - Present	Director	Advance Agro Asia Company Limited
					Aug. 2019 - Present	Director	Bio Power Plant Company Limited
					Aug. 2019 - Present	Director	ACE Solar Company Limited
					Aug 2020 – Present	Director	Absolute Clean Engineering & Service Limited (Former: Satuek Biomass Company Limited)

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
		Development Administration • TLCA Executive Development Program (EDP 9), Thai Listed Companies Association			Aug 2020 – Present	Director	Advance Bio Energy Company Limited
					Aug. 2020 – Present	Director	Advance Asia Energy Company Limited
					Feb. 2018 - Present	Director	Synergetic Auto Performance Public Company Limited
					Apr. 2018 - Present	Nomination and Remuneration Committee	Synergetic Auto Performance Public Company Limited
					Jun. 2012 - Apr. 2017	FSVP - Head of Investment Banking	TISCO Securities Company Limited
					Mar. 2011 - May 2012	Senior Vice President - Head of Investment Banking	TISCO Bank Public Company Limited
					Oct. 2003 - Feb. 2011	Assistant Managing Director	Finansia Securities Limited
					Nov. 2017 – Present	VP-Finance & Accounting	Absolute Clean Energy Public Company Limited
11. Ms. Sadudta Navaskul VP-Finance & Accounting (6 November 2017)	39	• Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University	-	-	July 2020 – Present	VP-Finance & Accounting	Advance Agro Asia Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					July 2020 – Present	VP-Finance & Accounting	Advance Asia Power Plant Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Agro Power Plant Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Bio Asia Company Limited
					July 2020 – Present	VP-Finance & Accounting	Advance Clean Power Company Limited
					July 2020 – Present	VP-Finance & Accounting	Alliance Clean Power Company Limited
					July 2020 – Present	VP-Finance & Accounting	ACE Solar Company Limited
					July 2020 – Present	VP-Finance & Accounting	Power Supply and Maintenance Service Company Limited
					2005 – Oct. 20170	Manager, Senior Manager	EY Company Limited
					Oct. 2017 - Present	Accounting Manager	Absolute Clean Energy Public Company Limited
					July 2013 - Nov. 2015	Director	Advance Professional Training Company Limited
12. Ms. Wannee Sukpiboonrat Accounting Manager (1 October 2017)	50	<ul style="list-style-type: none"> Bachelor of Arts (B.A.), Burapha University 	-	-			

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
13. Mr. Chainat Buathong Company Secretary (15 September 2017) Legal & Regulatory Compliance Director (1 July 2020)	40	<ul style="list-style-type: none"> LLM. in Business Law, Faculty of Law, Chulalongkorn University Bachelor of Law (Laws), Chulalongkorn University Company Secretary Program CSP (85/2018), Thai Institute of Directors Effective Minutes Taking (EMT) (40/2018), Thai Institute of Directors Thai barrister-at-law Certification (65/2012), Institute of Legal Education of the Thai Bar 	-	-	Dec. 2012 - Mar. 2017	Director	Global Wood Chip Company Limited
					Mar. 2011 - Sep. 2017	Accounting Manager	Advance Agro Power Plant Company Limited
					Sep. 2017 - Present	Company Secretary	Absolute Clean Energy Public Company Limited
					Sep. 2017 - Present	Legal and Regulatory Compliance Director	Absolute Clean Energy Public Company Limited
					July 2020 - Present	Legal and Regulatory Compliance Director	Advance Agro Asia Company Limited
					July 2020 - Present	Legal and Regulatory Compliance Director	Advance Asia Power Plant Company Limited
					July 2020 - Present	Legal and Regulatory Compliance Director	Advance Agro Power Plant Company Limited
					July 2020 - Present	Legal and Regulatory Compliance Director	Advance Bio Asia Company Limited
					July 2020 - Present	Legal and Regulatory Compliance Director	Advance Clean Power Company Limited
					July 2020 - Present	Legal and Regulatory Compliance Director	Alliance Clean Power Company Limited

Name-Surname Positions Appointment Date	Age (years)	Education Trainings and Seminar	Shareholding Ratio in the Company (%) (31 Dec 2021)	Family Relationship with Director and Executive	Work Experience		
					Period	Position	Company's Name
					July 2020 – Present	Legal and Regulatory Compliance Director	ACE Solar Company Limited
					July 2020 – Present	Legal and Regulatory Compliance Director	Power Supply and Maintenance Service Company Limited
					Feb. – Aug. 2017	Legal Manager	Advance Asia Power Plant Company Limited
					Jan. 2017	Legal Manager	Asian Clean Energy Company Limited
					Apr. 2015 - Dec 2016	Legal Manager	Advance Agro Asia Company Limited
					Jun. 2015 - Sep 2016	Director	Advance Energy Development Company Limited
					Sep. 2010 - Sep. 2016	Director	Good Will Innovation and Engineering Company Limited
					Mar. 2015	Legal Manager	Global Wood Chip Trading Company Limited
					2010 - Feb 2015	Legal Manager	Shaiyo triple A Company Limited

Details regarding the Company Director, Executives and Director with Authorization of the Songmetta Group in other companies

Company / Director / Executive	Work Experience			
	Miss Jiratha Songmetta	Mr. Teerawut Songmetta	Mr. Pornmett Songmetta	Mr. Tanavijit Ankapipatchai
1. Asia Clean Industrial Park Company Limited	A (Jun 2020 – Present) A (Oct 2014 – Nov 2018)		A (June 2016 – Sep 2018)	A (Aug 2009 – Mar 2018)
2. Best Publishing Company Limited	A (Dec 2014 – Present)			
3. Triple A Board Company Limited	A (May 2015 – Aug 2018)		A (Oct 2016 – Present)	
4. Advance Asian Company Limited	A (July 2014 – Feb 2018)			
5. Eco Green Tree Company Limited	A (July 2014 – Feb 2018)			
6. Advance Agro Energy Company Limited	A (Jun 2012 – Jan 2018)			
7. Alright Alliance Company Limited	A (Nov 2014 – Jan 2018)		A (Jan 2018 – Present)	
8. Golden Success Capital Company Limited	A (Oct 2014 – Jan 2018)			
9. Songmetta Corporation Company Limited	A (Sep 2016 – Feb 2018)	A (Sep 2016 – Present)	A (Feb 2018 – Present)	A (Sep 2016 – Mar 2018)
10. Shaiyo AA International Holding Company Limited	A (Oct 2015 – Jan 2018)		A (Oct 2015 – Apr 2020)	
11. SM Capital Company Limited (Liquidated)	A (Nov 2011 – Feb 2018)	A (Aug 2016 – Mar 2018)	A (Aug 2016 – Apr 2019)	A (Aug 2016 – Mar 2018)
12. Good Will Architect and Construction Company Limited	A (Oct 2010 – Dec 2016)			
13. Chokchai Smile City Company Limited	A (May 2015 – Oct 2015)			
14. Advance Asia Industrial Park Company Limited	A (Mar 2010 – Nov 2013)		A (Apr 2016 – Mar 2018)	A (Mar 2010 – Nov 2013)
15. Cha-Am Beach Hotel Company Limited	A (Jan 2009 – Feb 2014)		A (Jun 2016 – Present)	
16. Advance Asia Fiber Company Limited	A (Jan 2014 – Apr 2015)		A (July 2015 – Mar 2018)	A (Jan 2014 – Mar 2018)
17. ABC Group Company Limited	A (May 2015 – Dec 2017)	A (May 2015 – Present)		
18. AED Development Company Limited	A (May 2015 – Dec 2017)	A (May 2015 – Present)		
19. Shaiyo Smile Company Limited	A (Aug 2013 – Dec 2017)		A (Mar 2018 – Sep 2021)	
20. Triple A Station Company Limited	A (Dec 2011 – Dec 2017)			A (Dec 2011 – Mar 2018)
21. ABC Energy Company Limited		A (Dec 2019 – Present)	A (Jun 2012 – Present)	

Company / Director / Executive	Work Experience			
	Miss Jiratha Songmetta	Mr. Teerawut Songmetta	Mr. Pornmett Songmetta	Mr. Tanavijit Ankapipatchai
22. Shaiyo Triple A Company Limited		A (July 2012 – Present)	A (July 2012 – Present)	
23. Triple A Solar Energy Company Limited		A (Nov 2016 – Present)	A (Mar 2013 – Present)	
24. Triple A Solar Engineering Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – Present)	
25. Triple A Solar Technology Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – Present)	
26. Triple A Green City Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – Present)	
27. Triple A Green Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
28. AAA Green City Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
29. AAA Green Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
30. Triple A Clean Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
31. AAA Clean City Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
32. AAA Clean Energy Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
33. AI and Robotics Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
34. Worldwide Intelligent Network Company Limited (Former: Smile City Co., Ltd.)		A (Feb 2015 – Jun 2021)	A (Feb 2015 – July 2015)	
35. Samui Smile City Company Limited		A (Mar 2015 – Present)	A (Mar 2015 – Present)	
36. KlongSam Smile City Company Limited		A (Feb 2015 – Present)	A (Feb 2015 – July 2015)	
37. Advance Carbon Security Venture Company Limited		A (Aug 2011 – Present)	A (Dec 2019 – Present)	
38. Smile Community Company Limited		A (Mar 2018 – Present) A (Mar 2015 – Oct 2015)	A (Mar 2018 – Present) A (Mar 2015 – Oct 2015)	
39. Radius Company Limited		A (Jan 2015 – Present)		
40. The Paint Bar Company Limited		A (Sep 2014 – Present)		
41. Energy Saving Corporation Company Limited		A (Mar 2016 – June 2018)	A (Mar 2016 – June 2018)	
42. SM Farm Tree Company Limited			A (Oct 2012 – Present)	
43. Agro Energy Supply Company Limited (Former: Global Positioning and Information Services Co., Ltd.)			A (Aug 2016 – Apr 2020)	

Company / Director / Executive		Work Experience			
		Miss Jiratha Songmetta	Mr. Teerawut Songmetta	Mr. Pornmett Songmetta	Mr. Tanavijit Ankapipatchai
44. Ubon Smile City company Limited			A (Nov 2021 – Present)	A (Apr 2013 – Present)	
45. Triple A Industrial Park Company Limited				A (Mar 2018 – Present)	
46. Nham Klong Luang Company Limited				A (Dec 2019 –Present)	
47. Aisa Digital Network Company Limited (Former: Asia Marine Stevedoring Co. Ltd.)				A (Dec 2019 – Jun 2021)	
48. AED Service Company Limited				A (Mar 2013 –Sep 2014)	
49. 304 I Town 1 Company Limited				A (May 2016 – Mar 2018)	A (Nov 2010 – Nov 2013)
50. Sri Benchalak Company Limited					A (June 2011 – Present)
51. Shaiyo Supply Chain Company Limited					A (June 2009 – Present)
52. Inter Care and Service Company Limited					A (May 2540 – Present)
53. Global Shipping and Agency Company Limited					A (Aug 2011 – Mar 2018)
54. Clean Bio Fuel Company Limited					A (Feb 2010 – Mar 2018)
55. Triple A Water Supply Company Limited					A (Feb 2013 – Mar 2018)
56. Global Wood Chip Company Limited					A (Sep 2009 – Feb 2018)
57. Rice for Health Company Limited					A (Sep 2011 – Mar 2018)
58. Shaiyo Motors Company Limited					A (Oct 2010 – Mar 2018)
59. Boonbundarn Rungrueng Company Limited					A (Jan 2008 – Mar 2018)
60. Advance Professional Training Company Limited					A (Feb 2012 – Nov 2015)
61. Chonburi Smile City Company Limited				A (Nov 2021 – Present)	
62. Smart Community Company Limited				A (Nov 2021 – Present)	

Remark: A = Director B = Executive

Attachment 2: Details of Directors of Subsidiaries

Directors/Executives	ASCE	1	2	2.1	2.2	3	4	5	6	7	8	9	10	11	12	13	14	15	15.1	15.2	15.3	15.4	15.5	16	16.1	16.2	16.3	16.4	16.5	17	17.1	17.2	18	18.1	18.2	18.3	18.4	19	19.1	19.2				
1. Miss Jiratha Songmetta	H	H	H			H	H	H	H	H	H	H	H	H	H	H	H	H					H							H								H						
2. Mr. Teerawut Songmetta	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/			
3. Mr. Pormett Songmetta	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/, //	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/			
4. Mr. Tanavijit Ankapitchai	/	/	/	H	H	/	/	/	/	/	/	/	/	/	/	/	/	/	H	H	H	H	/	H	H	H	H	H	/	H	/	H	/	H	/	H	/	H	/	H				
5. Mr. Tanachai Bunditvorapoom	/									/	/	/	/	/	/	/	/																											
6. Miss Pimpisa Sawangarom	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//			
7. Mr. Vinai Buapradit		/																																										
8. Mr. Chatthep Punya		//	//		//	//	//										//																											
9. Mr. Chakaphun Sunkudom		//	//		//	//	//										//																											
10. Mr. Thammanoon Sathongprom		//	//		//	//	//																																					
11. Miss Meanmart Changin	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//			
12. Ms. Sadudta Navaskul	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//		
13. Mr. Chainat Buathong	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//		
14. Ms. Wanicha Noimanop		//																																										
15. Mr. Yuthana Viriyakit				/													/																											
16. Mr. Umporn Sangsukdee													//																															
17. Miss Nicole Tan Peck Shu													//																															

ASCE = Asia Clean Energy Co., Ltd.

1 = ACP	2 = ALCP	2.1 = NCE	2.2 = ABP	3 = AAPP
4 = AAP	5 = ABA	6 = AFT	7 = BPP	8 = ACE SOLAR
9 = ACW	10 = AAA	11 = AAE	12 = ABE	13 = ACES
14 = PSMS	15 = PRE	15.1 = KTNP	15.2 = KTDP	15.3 = KTHP
15.4 = RBNP	15.5 = CBRP	16 = REC	16.1 = KTRC	16.2 = TRRP
16.3 = WLCP	16.4 = KACPP	16.5 = KHLCP	17 = REN	17.1 = BURC
17.2 = KAMD	18 = RENE	18.1 = TDPP	18.2 = NHCP	18.3 = TKNP
18.4 = TCPP	19 = RESM	19.1 = KTRP	19.2 = KRKKC	

Attachment 3: Details of Head of Internal Audit

Details of Head of Internal Audit

The Group of Companies has assigned P&L Internal Audit Company Limited, to audit the Company's internal control system and subsidiary, the head of the internal audit team has qualifications, educational qualifications and work experience as follows:

Name	Age	Education / Relevant Trainings	Work Experience (5 years)			
			Period	Company	Position	Business
Ms. Wanwimol Jongsuriyapras	37	<ul style="list-style-type: none"> Bachelor's Degree in accountancy 2006, Dhurakij Pundit University Master Degree in Executive MBA 2020, NIDA University Internal Auditing Certificate Program – IACP by the Federation of Accounting Professions (2017) CPIAT by The Institute of Internal Auditors of Thailand (IIAT), by Chulalongkorn University (2016) Prepared Course for Certified Internal Auditor: Pre-CIA) by Chulalongkorn University (2008) Business Management for Internal Audit in Digital 4.0 by the Federation of Accounting Professions (2017) Clinic IA: COSO 2014 by The Institute of Internal Auditors of Thailand (2014) 	2013 - Present	P & L Internal Audit Company Limited	Executive Director	Vice President Operations / Internal Audit Business
			2006 - Present	P & L Internal Audit Company Limited	Vice President Operations	Vice President Operations / Internal Audit Business

Attachment 4: Business Assets and Details on Asset Valuation

1. Business Assets

The Company has explained the main fixed assets, the Company and subsidiaries are disclosed in the section Business Assets

2. Detail on Asset Valuation

-None-



ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED

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