



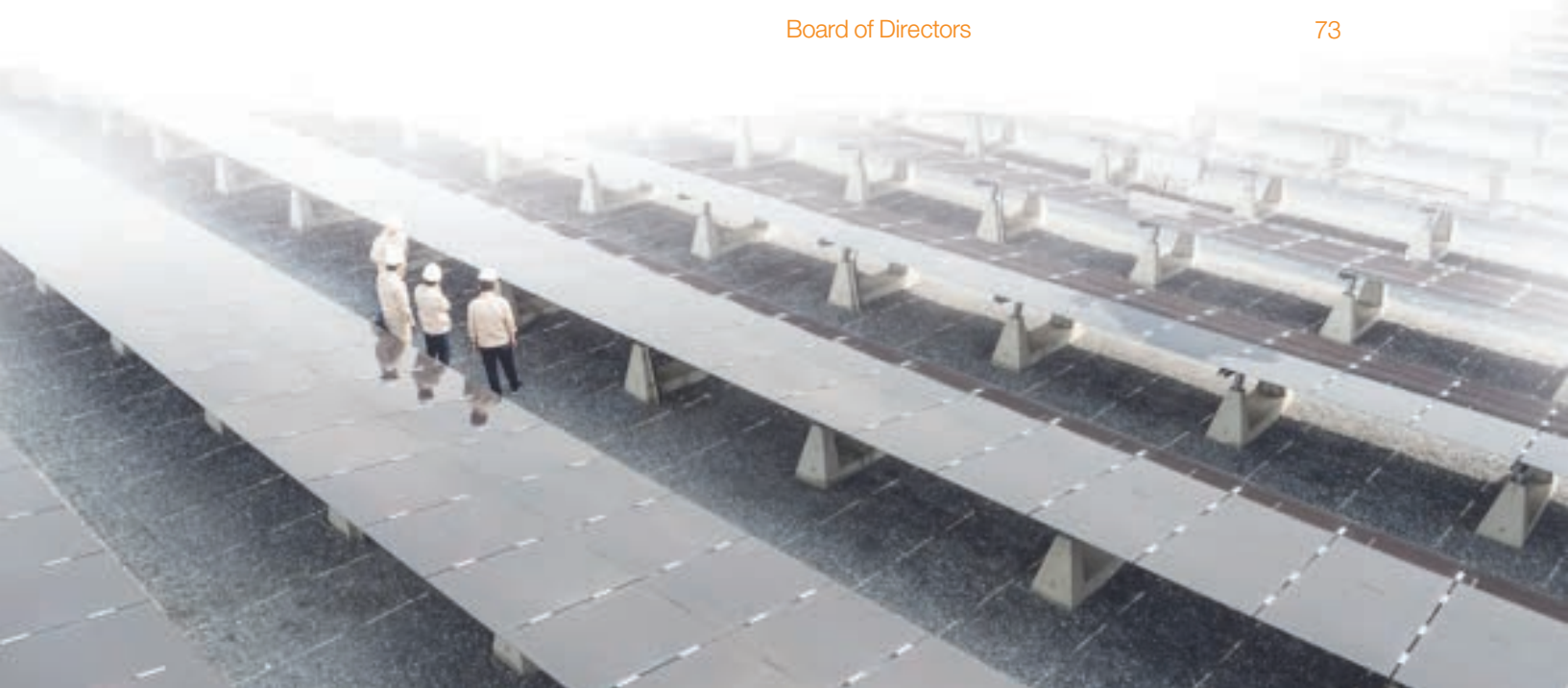
SERMSANG
POWER CORPORATION

ANNUAL REPORT 2019



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Message from Chairman

In 2019, the company continued to grow and perform satisfactorily. The company recorded 30.6% revenue growth, 16.2% net profit growth and 22.9% core operating profit growth. In addition to the operating power plants in Thailand and Japan, the company succeeded in expanding business into 2 new countries, Vietnam and Mongolia. The Binh Nguyen solar power plant in Vietnam started its commercial operation in second quarter of 2019 and the Khunsight Kundi solar power plant in Mongolia commenced its operation in third quarter of 2019. For domestic growth, the company continued to grow on solar rooftop opportunities, such as the commercial operation of SNNP3 during the year. All those achievements drove the business growth and performance in the past year.



For future project development, apart from solar power projects, the company has explored the investment opportunities in other renewable energy resources including the wind power project. In this regard, we will continue to develop our business with sustainability, good corporate governance, and value enhancement to shareholders. This is the philosophy the company is committed to for conducting the business.

Lastly, on behalf of the Board of Directors, I would like to take this opportunity to sincerely thank all customers, shareholders, financial institutions, business partners, local communities, related government agencies, and all stakeholders for all the supports given to our group, which result in our solid business fundamentals achieved to date and potential growth into the future.

Mr. Kamthon Wangudom
Chairman

Message from CEO

For the fiscal year 2019, Sermasang group had good overall operating results and business growth. The group posted total revenue of THB 1,485.6 million, increasing approximately 30.6%, EBITDA of THB 1,154.7 million, increasing 37.0%, and core operating profit of THB 612.8 million, increasing 22.9%.

The growth of revenue and profit was mostly driven by the steady increase of power plants achieving commercial operation. As at 31 December 2019, the Company's total assets was THB 13,045.1 million, consisted mainly of land, building and equipment of power plant.

With respect to business development of our group, 2019 was another year which we considered an achievement. We completed constructions and successfully started commercial operation a number of projects, including Binh Nguyen solar power project in Vietnam with installed capacity of 49.6 MW, Khunsight Kundi solar power project in Mongolia with installed capacity of 16.4 MW and SNNP3 solar rooftop with installed capacity of 0.384 MW. Our total installed capacity increased from 90 MW in 2018 to 140 MW at the end of 2019.

During the second quarter of 2019, we expanded solar rooftop project to Indonesia market and in the third quarter of 2019, we, together with our partner, jointly started the development of a wind power project in Vietnam. Management are confident that our projects under construction and development, which already in operation this year and scheduled in the following years, will enhance our financial results from the level achieved to date. Furthermore, we continue to explore business opportunities both in 5 countries that we now have footprints (Thailand, Japan, Mongolia, Vietnam and Indonesia) and in new markets as well as diversifying renewable energy resources of our power plant.

On behalf of the Management of Sermasang Group, I would like to thank the Board of Directors for their support and supervision, all shareholders for the trust in the Company's Management and all of our staffs for their contribution, dedication, and professionalism, which, I believed, a key fundamental to our success as evidenced today.



Mr. Varut Tummavaranukub

Chief of Executive Officer

Policy and overview of business operation

Vision, missions, targets, and strategies of business

- Vision

Sernsang Power Corporation Public Company Limited (“Company” or “SSP”) and its companies within the group has vision as follow: “Moving toward a leading power company in Asia, by engaging in sustainable power production and sourcing, as well as promoting sustainable clean environment for the best benefits of society”

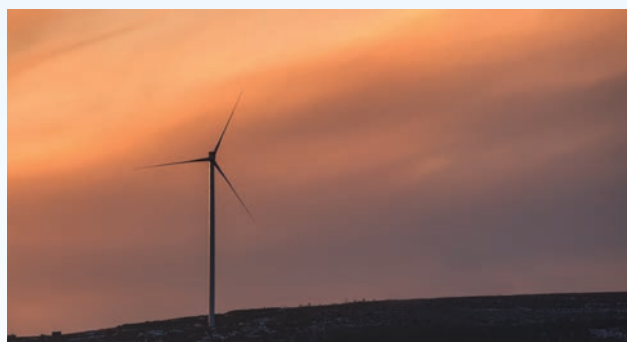
- Missions

Our group determines to support our staffs and organization to have roles in sustainable development of the future, by utilizing our expertise in selecting appropriate technologies and dynamically allocating resources to provide solution for efficient and effective sustainable power demand.

- Targets and strategies

Our group has targets to be leading power producer utilizing internal technologies in developing projects, in order to support clean and sustainable environment for the best benefits of society. Strategies to achieve our targets can be outlined below:

(1) Focus and determine to invest and develop various renewable power projects, i.e. solar power, wind power, biomass/biogas power, within both domestically and in Asia, with targeted capacity of 200 MW within 2020.



(2) Promote and support surrounding communities to participate in our development of projects, by enhancing understandings of renewable power projects, from development to operation phase, supporting job creation in surrounding communities. Our focus is to ensure good living in surrounding communities, as well as co-ordinate with surrounding communities in protecting environment.

(3) Focus on human resource development to enhance know-how and expertise.



Development of the Company

Overview

In 2012, Kraipisitkul family, major shareholder group of Company, has vision on renewable power businesses opportunity, as a result of the announcement of tax and adder scheme (10 years after COD) for SPP and VSPP.

As such, they established Sermasang Palang Ngan Co., Ltd. ("SPN") and applied for SPP capacity with Electricity Generating Authority of Thailand ("EGAT"), and eventually been selected to enter into Power Purchase Agreement (PPA) with EGAT for contracted capacity of 40 MW. The PPA of SPN was signed on 7 June 2013 and SPN project's construction completed, and started commercial operation (COD) on 2 February 2015.

On 16 June 2015, major shareholders established Sermasang Power Corporation Co, Ltd. ("SSP"), in order to restructure shareholding structure of the group and prepare to be listed in the Market for Alternative Investment (mai). SSP has objective to be a holding company of other companies within the group, which engage in renewable power and related businesses. Then, the company change trading on the secondary market from mai to the Stock Exchange of Thailand (SET) on 27 March 2019.

During October 2015 - March 2016, our group engaged in restructuring by having SSP to hold stake in all current companies within the group.



As of 31 December 2019, companies within the group consisted of:

Subsidiaries in Thailand

- Sermasang Palang Ngan Co., Ltd. ("SPN")
- Access Energy Co, Ltd. ("AE")
- Essential Power Co., Ltd. ("EP")
- Plus Energy Co., Ltd. ("PE")
- Prestige Group Co., Ltd. ("PTG")
- Triple P Renewable Co., Ltd. ("PPP")
- Siam Clean Solution Co., Ltd. ("SCS")
- Siam Renewable Power Co., Ltd. ("SRP")
- Sermasang Solar Co., Ltd. ("SS")
- Sermasang Corporation Co., Ltd. ("SSC")
- Sermasang International Co., Ltd. ("SI")
- Sermasang Infinite Co., Ltd. ("SN")

Subsidiaries in foreign countries

- S. Global Power Limited ("SGP")
- Surge Energy Corporation Limited ("SEG")
- Access C Management Limited ("ACM")
- Seijo Corporation ("SJC")
- Sermasang Sustainable Singapore Private Limited ("SSSG")
- Tenunn Gerel Construction LLC ("TGC")
- Truong Thanh Quang Ngai Power and High Technology Joint Stock Company ("TTQN")
- SEA Sun Energy Partners Pte.Ltd. ("SSEP")
- PT Sea Sun Energi ("SSE")
- Truong Thanh Tra Vinh Wind Power Joint Stock Company ("TTTTV")

GK Operator (under GK-TK investment structure) that SEG (as TK investor) entered into TK Agreement with

- SS Hidaka No Mori G.K. ("SSH")
- GSSE G.K. ("GSSE")
- Zouen Energy G.K. ("ZOUEN")
- Ashita Power 1 G.K. ("ASP1")
- Ashita Power 2 G.K. ("ASP2")

2010

- Mr. Viwat Kraipisitkul and other 2 shareholders (non-related persons) established SPN on 5 January 2010. Eventually, Kraipisitkul family acquire shares from the other 2 shareholders, resulting to 100% shareholding of Kraipisitkul family in SPN.
- SPN submitted application for non-firm SPP quota to EGAT for the capacity of 40 MW (connected to PEA's grid at Koksumrong substation)

2012

- Award of SPP quota to SPN with adder of 6.5 THB/kW-h for the period of 10 years after COD.

2013

- SPN entered in to PPA with EGAT on 7 June 2013, for the contracted capacity of 40.0 MW at 115 kV. Contract tenor is 5 years with each renewal of 5 years period. Adder of 6.5 THB/kW-h for 10 years after COD is contained.
- SPN obtained BOI's tax privileges on November 2013.

2014

- SPN entered into key development and construction agreements consisted of:
 - (1) EPC contract for design and construction of the plant;
 - (2) Project finance agreements with financial institutions; and
 - (3) O&M contract
- SPN obtained key licenses for operation of solar power plant, including construction license, control energy production license ("Por.Kor.2"), power production license ("Por.Kor.4"), and factory license ("Lor.Ngor. 4").

2015

- SPN project's construction completed, and the project start commercial operation (COD) on 2 February 2015, sold to EGAT for the contract capacity of 40.0 MW.
- Major shareholder group (Kraipisitkul family) established SSP on 16 June 2015, to be holding company of all investment of renewable power and related business of the group.
- Restructuring of shareholding structure within the group, by having SSP to acquire stakes in SPN, AE, EP, PE, PTG, SCS, SRP, SS, SSC, SI, and SN from major shareholder (Kraipisitkul family and non-related persons). As a result, SS hold 100% stakes in all entities mentioned, to support investment of renewable power and related business in both domestically and in foreign countries of the group.
- Establishing SGP and SEG in Hong Kong, in August and November of 2015, respectively, to support investment in foreign countries of the group.

2016

- Establishing ACM in Hong Kong, in March 2016, to support investment in foreign countries of the group. ACM acquired all stakes in SJC and (Japanese subsidiaries) and PPP from related parties, to support future investment in Japan.
- SEG, 100% subsidiary in Hong Kong, entered into investment (as TK investor) with SSH under GK-TK structure for investment of solar projects in Japan. SEG invested for 86.9% of total TK investment. The project has contracted capacity of 17 MW and located in Hidaka, Hokkaido, Japan.
- Key development, investment, and construction contracts of Hidaka project was signed during the second and third quarter of 2016. The construction started commenced on August 2016.
- In the fourth quarter of 2016, SEG, 100% subsidiary in Hong Kong, entered into investment (as TK investor) with GSSE under GK-TK structure SEG invested for 90% of total TK investment. The project has contracted capacity of 30.0 MW.

2017

- In the first quarter of 2017:
 - SN entered in to investment for solar rooftop project. The project is with Srinanaporn Marketing Co., Ltd. (related persons). The installed capacity of project is 384 kW with 25 years tenor.
 - SEG, 100% subsidiary in Hong Kong, entered into investment (as TK investor) with ZOUEN under GK-TK structure. SEG invested for 100% of total TK investment. The project has contracted capacity of 6.0 MW.
- In the second quarter of 2017:
 - Group (through SS), under co-operation with WVO, submitted proposals for solar projects under Co-operative and Government Agency solar scheme 2017, as co-investor. SS is 100% Thai subsidiary.

- In the third quarter of 2017:
 - Group entered into Land Purchase Agreement for Leo project (contracted capacity of 30.0 MW). Key conditions of this agreement included the validity and transfer of METI approval and grid connection approval, and the seller cannot negotiate and/or transfer rights of this project to other parties.
 - Group entered into Framework Agreement for Yamaga 2 project (contracted capacity of 10.0 MW). The group will invest 100% of total TK investment in this project, and will eventually enter into definitive agreement for development and investment in this project.
 - SN entered into another PPA with Srinanaporn Marketing Co., Ltd. for installed capacity of 998 kW.
- In the fourth quarter of 2017:
 - Zouen project started commencing construction in October 2017
 - Establishing Semsang Sustainable Singapore Private Limited (SSSG) in Singapore, for supporting investment in foreign countries. The holding of SSSG is through SI.
 - Group entered into agreements related to investment of Khunsight Kundi, in Mongolia, for shareholding stake of 75%. The shareholding in this project is through SSSG. The project has contracted capacity of 15.0 MW, with installed capacity of 16.4 MW.
 - SEG, 100% subsidiary in Hong Kong, entered into investment (as TK investor) with Ashita Power 1 GK and Ashita Power 2 GK under GK-TK structure. SEG invested for 100% of total TK investment in Leo Solar farm project in Japan. The project has contracted capacity of 30.0 MW, with installed capacity of 40.0 MW.

2018

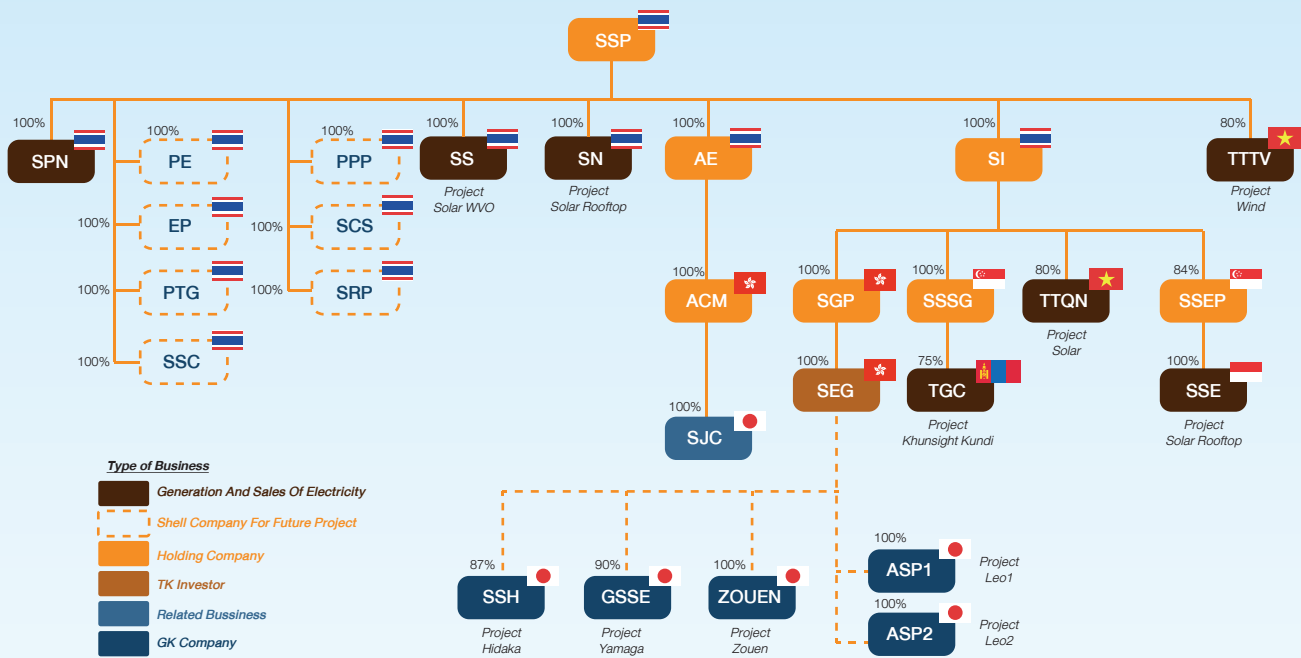
- In the first quarter of 2018:
 - Hidaka project started commercial operation (COD) in March 2018, sold to Hokkaido Electric Power Co. for the contract capacity of 17.0 MW (with installed capacity of 21.0 MW)
 - SNNP 1 and SNNP 2 projects start operation in March 2018
- In the third quarter of 2018:
 - Do Home project (5 branches) start operation in July 2018
 - Zouen project started commercial operation (COD) in August 2018, sold to Kyushu Electric Power Inc. for the contract capacity of 6.0 MW (with installed capacity of 8.0 MW)
 - Group entered into agreements related to investment of Binh Nguyen Solar through TTQN in Vietnam, for shareholding stake of 80% and project started commencing construction in October 2018
 - Leo (Ashita Power 1) project started commencing construction in September 2018

2019

- In the first quarter of 2019:
 - The company moved the securities registration with the Stock Exchange of Thailand from (mail) to the stock exchange (SET) on March 27, 2019
- In the second quarter of 2019:
 - Group entered into the Joint Venture Agreement relating to SEA Sun Energy Partners Pte. Ltd. , which engaging in the Solar Rooftop Project in Indonesia, Shareholding structure will be 83.9% by group
 - Solar Rooftop SNNP3 project started commercial operation (COD) in April 2019
 - Binh Nguyen Solar project started commercial operation (COD) ended of May 2019, sold to Vietnam Electricity Power (EVN) for the contract capacity of 40.0 MW (with installed capacity of 49.6 MW)
- In the third quarter of 2019:
 - Khunsigh Kundi project started commercial operation (COD) in July 2019, sold to National Dispatching Center (NDC)
 - Group entered into the Joint Development Agreement with Truong Thanh Vietnam Group Joint Stock Company ("TTVN"), Shareholding structure will be 80% by group

Group structure

As of 31 December, 2019, Group has shareholding structure as follow:



(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Business Descriptions

Overview and Revenue Structure

Company is a holding company, investing in renewable power and related business in both domestically and in foreign countries. Currently, Company has renewable project as per below. As of 31 December, 2019, Company and its subsidiaries has project under commercial operation, and under construction and development as follow:

Project under commercial operation with total installed capacity of 157.1 MW being:

- SPN project (in Thailand): installed capacity of 52.0 MW, started commercial operation in the first quarter of 2015.
- Hidaka project (in Japan): installed capacity of 21.0 MW, started commercial operation in the first quarter of 2018
- Zouen project (in Japan): installed capacity of 8.0 MW, started commercial operation in the third quarter of 2018
- Solar Rooftop business projects (in Thailand): which consisted of (1) SNNP1 & SNNP2 project (started commercial operation in the first quarter of 2018) (2) Do Home project (started commercial operation in the third quarter of 2018) (3) SNNP3 project (started commercial operation in the second quarter of 2019), which have total installed capacity of 4.8 MW.
- WVO solar project (in Thailand): installed capacity of 5.0 MW, started commercial operation in the fourth quarter of 2018
- Binh Nguyen Solar Project (in Vietnam): installed capacity of 49.6 MW, started commercial operation in the second quarter of 2019
- Khunsight Kundi Solar Project (in Mongolia): installed capacity of 16.4 MW, started commercial operation in the third quarter of 2019
- Solar Rooftop business projects (in Indonesia): installed capacity of 0.324 MW, started commercial operation in the fourth quarter of 2019

Projects under construction and development with total installed capacity of 132.7 MW being:

- Solar Rooftop business projects (in Thailand): which consisted of (1) SNNP4 project (2) PRC project (3) TAPACO project, which have total installed capacity of 2.2 MW.
- Yamaga project (in Japan): installed capacity of 34.5 MW
- Leo project (Ashita Power 1 & Ashita Power 2) (in Japan): total installed capacity of 48.0 MW
- Wind project (in Vietnam): contract capacity of 48.0 MW

In addition, our group is also exploring investment opportunities for additional renewable energy businesses both in Thailand and foreign countries, i.e. solar rooftop projects, solar farm in Japan, and other projects in ASEAN region.

We consider businesses of our group divided into 2 groups as:

- Solar power business, which further divided into
 - Solar farm business in Thailand, which consisted of (1) SPN project in Lopburi province, and (2) WVO solar project in Ratchaburi province.
 - Solar farm business in foreign countries, which consisted of (1) Hidaka project, (2) Yamaga project, (3) Zouen project, (4) Leo project in Japan, Khunsight Kundi project in Mongolia, and Binh Nguyen Solar project in Vietnam.
 - Solar rooftop business in Thailand, which consisted of (1) SNNP1 project (2) SNNP2 project (3) Do Home project (4) SNNP3 project (5) SNNP4 project (6) PRC project and (7) TAPACO project
 - Solar rooftop business in Indonesia
- Other renewable businesses, i.e. wind farm power plant, biomass power plant, biogas power plant, waste-to-energy power plant, etc.

Currently, Company has no investment in other renewable businesses.

As of 31 December, 2017, 2018, and 2019, the revenue structure of our group can be summarized as follow:

Revenue Structure	Consolidate Financial Statement As of December, 31					
	2017		2018		2019	
	Amount (Million Baht)	%	Amount (Million Baht)	%	Amount (Million Baht)	%
Sale Revenue from electricity tariff (Base tariff+Ft)	283.8	32.4	292.5	25.7	301.4	20.3
Sale revenue from Adder	587.9	67.0	568.7	50.0	591.2	39.8
Sale revenue from Feed-in tariff (FiT)	-	-	-	-	30.4	2.1
Sale revenue from Solar rooftop projects	-	-	-	-	17.6	1.2
Total sale revenue from electricity sale in Thailand	871.7	99.4	861.2	75.7	940.6	63.4
Sale revenue from electricity sale in Japan	-	-	235.1	20.7	348.2	23.4
Sale revenue from electricity sale in Vietnam	-	-	-	-	120.6	8.1
Sale revenue from electricity sale in Mongolia	-	-	-	-	52.0	3.5
Sale revenue from electricity sale in Indonesia	-	-	-	-	0.3	0.0
Total sale revenue from electricity sale	871.7	99.4	1,096.3	96.4	1,461.7	98.4
EPC Construction revenue on Solar rooftop projects	-	-	32.7	2.9	11.9	0.8
Other revenues ¹	5.4	0.6	8.4	0.7	12.0	0.8
Total revenues	877.1	100.0	1,137.4	100.0	1,485.6	100.0

*Remark:¹other revenue included (but not limited to) service income, import tax, interest revenue, and revenue related to power development fund.

Business descriptions

Products and Services

- Solar Farm business in Thailand

SPN Project

SPN entered in to PPA with EGAT for the contracted capacity of 40.0 MW. SPN's PPA is non-firm type, which means no minimum power requirement to supply to EGAT. PPA is 5-years period, and can be extended for 5 years per extension.

Adder for this project is 6.5 THB/kW-h for the period of 10 years after Commercial Operation Date (COD). Company has policy to extend the PPA contract until the end of the project, which is typically 25 years period.

SPN project has key details as follow:

Subject	Details
Project Company	SPN
Shareholding by Company	100%
Location	Koksamrong, Lopburi, Thailand
Area	889-0-55 Rai
Installed/Contracted capacity	52/40 MW
Off taker	EGAT
Tariff	Base tariff + Ft + Adder of 6.5 THB/kW-h
Status	Under commercial operation
COD	2 February 2015
Solar panel technology	Thin Film Silicon

WVO solar project (in Ratchaburi)

WVO solar project (in Ratchaburi) is invested through SS (our Thai subsidiary) as co-investor with War Veteran Organization of Thailand (WVO) as owner of the project. This project is under Co-operative and government entity solar scheme 2017.

Subject	Details
Project Company	SS
Shareholding by Company	100%
Location	Ratchaburi, Thailand
Area	51 Rai
Installed/Contracted capacity	5/5 MW
Off taker	PEA
Tariff	Feed-in Tariff of 4.12 THB/kW-h (25 years flat for the whole period)
Status	Under commercial operation
COD	30 November 2018
Solar panel technology	Poly Crystalline Silicon

Solar farm business in foreign countries

Currently, solar farm business in foreign countries consisted of investment in projects in Japan Mongolia and Vietnam, as follows

● Solar farm business in Japan

Investment in solar farm business in Japan is under GK-TK structure, as follow:

Project	Hidaka	Yamaga	Zouen	Leo
Project Company	SSH	GSSE	ZOUEN	Ashita Power 1 and Ashita Power 2
Investment proportion (of total TK investment)	86.9%	90.0%	100%	100%
Type of Business	Solar Farm	Solar Farm	Solar Farm	Solar Farm
Location	Hokkaido Prefecture	Kumamoto Prefecture	Kumamoto Prefecture	Shizuoka Prefecture
Installed Capacity	21.0 MW	34.5 MW	8.0 MW	48.0 MW
Contracted Capacity	17.0 MW	30.0 MW	6.0 MW	33.0 MW
Tenor	20 years	20 years	20 years	20 years
Expected COD	Commercial operation in 1st quarter 2018	2020	Commercial operation in 3rd quarter 2018	2021-2022

● Solar farm business in Vietnam

Currently, Company has 1 solar farm project in Vietnam, with following key details:

Project	Binh Nguyen Solar
Project Company	Troung Thanh Quang Ngain Power and High Technology Joint Stock Company (TTQN)
Shareholding proportion	80.0%
Type of Business	Solar Farm
Location	Quan Ngai, Vietnam
Installed capacity	49.6 MW
Contracted capacity	40.0 MW
Tenor	20 years
COD	Commercial operation in 2nd quarter of 2019

● Solar farm business in Mongolia

Currently, Company has 1 solar farm project in Mongolia, with following key details:

Project	Khunshight Kundi
Project Company	Tenuun Gerel Construction LLC (TGC)
Shareholding proportion	75.0%
Type of Business	Solar Farm
Location	Khunsight, TUV, Mongolia (approx. 40 KM on the south of Ulanbaatar (capital of Mongolia))
Installed capacity	16.4 MW
Contracted capacity	15.0 MW
Tenor	12 years (based on current PPA)
COD	Commercial operation in 3rd quarter of 2019

Solar Rooftop business in Thailand

Currently, Company has 7 solar rooftop projects in Thailand, with following key details:

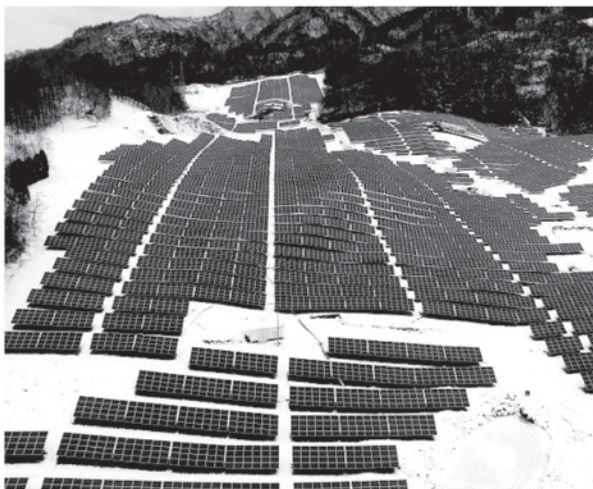
Project	SNNP 1	SNNP 2	Do Home	SNNP 3
Project Company	SN (Sernsang Infinite)	SN (Sernsang Infinite)	SN (Sernsang Infinite)	SN (Sernsang Infinite)
Shareholding proportion	100%	100%	100%	100%
Type of Business	Solar Rooftop	Solar Rooftop	Solar Rooftop	Solar Rooftop
Location	Samut Sakorn	Ratchaburi	(5 branches) Bang Bua Thong, Rama II, Nakhon Ratchasima, Khon Kaen, and Chiang Mai	Samut Sakorn
Installed capacity	0.384 MW	0.998 MW	total 3.0 MW	0.384 MW
Tenor	25 years	25 years	25 years	25 years
COD	Commercial operation in 1st quarter 2018	Commercial operation in 1st quarter 2018	Commercial operation in 3rd quarter 2018	Commercial operation in 1st quarter 2019

Project	SNNP 4	PRC	TAPACO
Project Company	SN (Sernsang Infinite)	SN (Sernsang Infinite)	SN (Sernsang Infinite)
Shareholding proportion	100%	100%	100%
Type of Business	Solar Rooftop	Solar Rooftop	Solar Rooftop
Location	Samut Sakorn	Nonthaburi	(2 sites) Chonburi and Prachinburi
Installed capacity	0.307 MW	0.962 MW	Total 0.885 MW
Tenor	25 years	25 years	25 years
Expected COD	1st quarter 2020	1st quarter 2020	1st quarter 2020

Picture of SPN Project in Lopburi province, Thailand, with contracted capacity of 40.0 MW
(Under commercial operation)



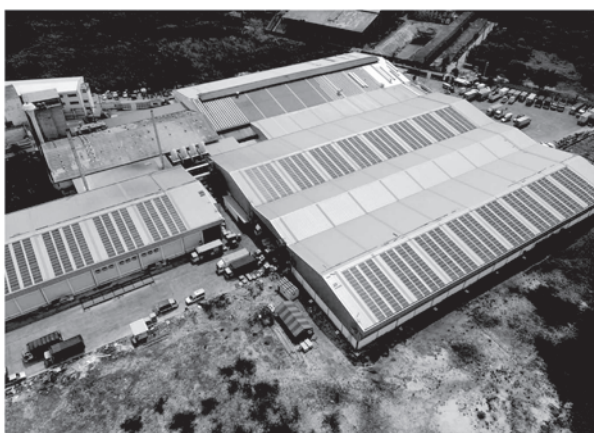
Picture of SPN Project in Lopburi province, Thailand, with contracted capacity of 40.0 MW
(Under commercial operation)



Picture of Zouen project in Kumamoto, Japan, with contracted capacity of 6.0 MW
(Under commercial operation)



Picture of SNNP1 project in Samut Sakorn province, Thailand, with installed capacity of 384 kW
(Under commercial operation)



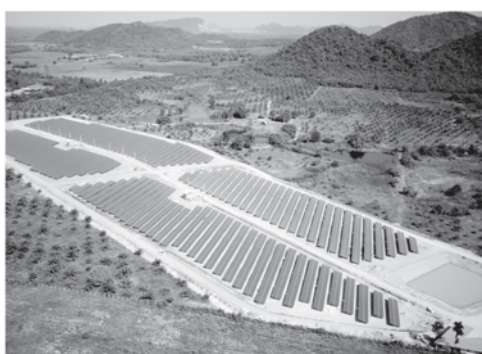
Picture of SNNP2 project in Ratchaburi province, Thailand, with installed capacity of 998 kW
(Under commercial operation)



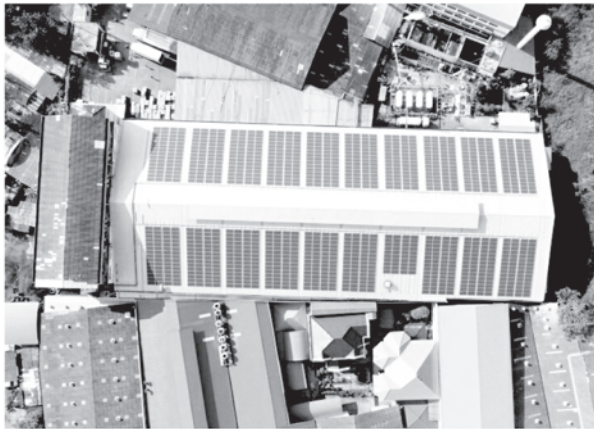
Picture of Do Home project in Thailand, with total installed capacity of 3,000 kW (5 branches)
(Under commercial operation)



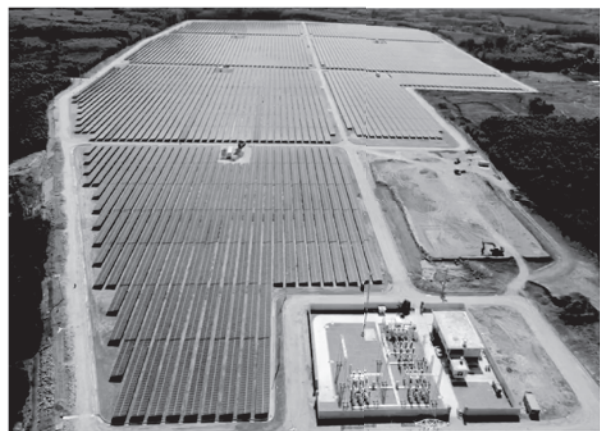
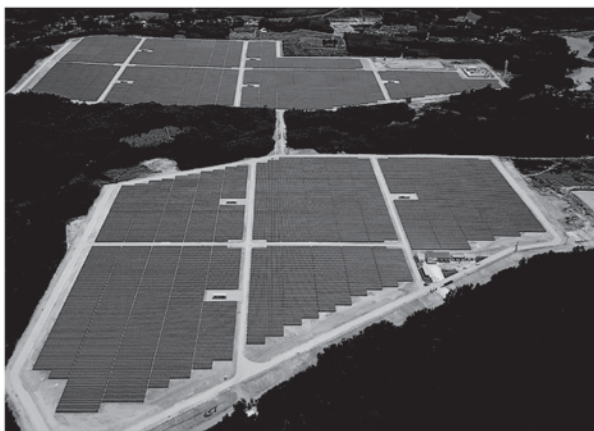
Picture of WVO Solar project in Ratchaburi province, Thailand, with contracted capacity of 5.0 MW
(Under commercial operation)



Picture of SNNP3 project in Samut Sakorn province, Thailand, with total installed capacity of 384 kW
(Under commercial operation)



Picture of Binh Nguyen Solar project in Quang Ngai province, Vietnam, with contracted capacity of 40.0 MW (Under commercial operation)



Picture of Khunsight Kundi project in Ulaanbaatar province, Mongolia, with contracted capacity of 15.0 MW (Under commercial operation)



Market and Competition Strategies

The Company has strategies for competition and expansion of renewable and related businesses consisted of

- (1) enhance efficiency of existing projects
- (2) seeking to develop new renewable power projects organically
- (3) inorganic growth by merger and acquisition with details below:

(1) Enhance efficiency of existing projects, in order to maximize return from investment

- Selection of technology: our strategy is to select appropriate and quality technology and equipment, in order to ensure stabilized power generation. For our current solar project, we choose solar panel from world class suppliers who are reputable solar panel producer, with proven expertise in both production and technology development for solar power plant. Panel producer also provided PV Output Warranty.
- Selection of project location: our strategy is to select project location based on following factors (1) appropriate solar radiation, the Company will select the location of project based on appropriate solar radiation in order to get appropriate project return for shareholder and our Company group (2) geographical characteristics, i.e. land slope, soil strength, elevation level, and risks from natural disaster, (3) atmosphere (i.e. temperature), and (4) no grid connection constraints (in order to control development and construction cost)
- Selection of EPC contractor and O&M service provider: we focus on selection of ECP contractor and O&M service provider to have leading, experienced, reputable, financially strong contractor and service provider, as well as appropriate cost, in order to ensure reliable power generation and expected investment returns.
- Monitoring: we focus close monitoring and reporting of O&M service providers.

(2) Organic Growth

- Domestic projects: Company has readiness both in terms of human resources and capital to capture business opportunities if and when arisen. We also keep monitoring government policy related to renewable power especially Power Development (PDP) and Alternative Energy Development Plan (AEDP), as well as business opportunities they may arise from such policy.
- Project in foreign countries: Our Business Development team has experiences and expertise in renewable power industry, and continually study business opportunities having support from government, i.e. solar farm in Japan, Mongolia, and Vietnam opportunities in other countries in South East Asia, etc.

(3) Inorganic Growth

- Company may consider acquire wholly or partially renewable projects both in Thailand and foreign countries. Our focus included projects under development, projects under construction, and projects under commercial operation. Such acquisition on one hand will enable us to grow our business more quickly, but on the other hand also depends on benefits that will bring to Company and our shareholders from each opportunity.

Customers

Currently, the Company engages in solar farm business with customers being Electricity Generating Authority of Thailand (EGAT), Provincial Electricity Authority of Thailand (PEA), industrial users, utility companies in Japan, i.e. Hokkaido Electric Power Co., Limited, Kyushu Electric Power Co., Inc., and Tokyo Electric Power Company Holdings, Inc., and National Dispatch Center (NDC) and Electricity of Vietnam (EVN), a state-owned enterprise which play a key role in purchasing electricity in Mongolia and Vietnam etc.

In addition, for future business expansion in renewable power of the Company, we focus to enter into medium to long-term agreement with credible and financially strong off-takers, ie. Government agency, industrial users, or government concessionaire, in order to ensure long-term income with limited risk.

Environmental Impacts

For solar power projects in Thailand, the Company has complied to related regulations regarding environment, as part of license application and maintenance for construction and operation of our solar plants. In this regard, solar power plant does not require to engage in Environmental Impact Assessment (EIA) study.

However, required environmental report depends on type and installed capacity as follows:

Installed capacity	Type	
	Thermal	Non-Thermal
10 MW and more	EIA/EHIA	Cop
5 – 10 MW	Cop + ESA	Cop + ESA
1,000 kVA and more	Cop	Cop

Note: The manual of power production – power production license, power distribution system and power distribution issued by Energy Regulation Commission (ERC), permit and license department.

For solar power projects in Japan, we have strictly followed and complied with environmental regulations and related laws, during construction license and operational license process. Regulation and related laws may be different on each part of Japan. We have established working team to study and engage in necessary actions in order to ensure strict compliance.

Undelivered Work

-Nil-

Future projects

As of 31 December 2019, Company and its subsidiaries has project under construction and development as follow:

- Solar projects in Thailand: 3 projects, which consisted of Solar rooftop project, with total installed capacity of 2.2 MW (SNNP4 PRC and TAPACO)
- Solar projects in Japan: 3 projects consisted of
 - Yamaga project: installed capacity of 34.5 MW
 - Leo1 (Ashita Power 1) project: installed capacity of 26.0 MW
 - Leo2 (Ashita Power 2) project: installed capacity of 22.0 MW
- Wind project in Vietnam
 - Wind project: contract capacity of 48.0 MW

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Risk Factors

Risk factors as described below are some key factors that may negatively affect our business, financial status, operational performance, business opportunities, and price of our securities. In addition, there may be additional factors that we may not foresee currently, or may, in our view, not be material factor at current circumstance.

Forward-looking statements contained below, i.e. “believe(d)”, “estimate(d)”, “expect(ed)”, “plan(ned)”, “intend(ed)”, “project(ed)”, or financial projection, future project(s), performance projection/expectation, business operation, business expansion plan, change in related laws and regulations, and all other estimated/expected factors in the future, are our opinion at current circumstance. They are not factor to guarantee our business operation and future circumstance in any aspects. As such, future actual circumstance may be substantially / significantly deviate from our opinion.

Key risk factors of our business consist of

- (1) Risk associated to our Holding Company status
- (2) Risk associated to business operation
- (3) Risk associated to management of our business
- (4) Financial Risk
- (5) Risk associated to new projects
- (6) Risk associated to common shares of the Company

can be divided into more details:

Risks associated to our Holding Company status

Company is a holding company in nature, without its own revenue generating operation. Therefore, its operational results and dividend payment depend on operation and dividend stream of subsidiaries. Currently, Company hold stakes in subsidiaries in Thailand and foreign countries, totaling 24 companies, which invested through GK-TK structure for solar projects in Japan for 5 companies.

Subsidiaries in Thailand has dividend payment policy for at least 70% of net profit, after deducting applicable income tax and required legal reserve, based on company-only financial statement of each company. Subsidiaries in foreign countries has dividend payment policy for at least 40% of net profit or retained earnings, after deducting reserves legally required, based on company-only financial statement of each company. However, subsidiaries may not be able to pay dividend to its shareholders due to certain constraints, i.e. conditions from loan agreement(s) with financial institution(s), requirement to reserve fund for expansion, and changes in laws/regulations of domicile country, etc. In such case, there may be impact to Company's dividend revenue, which may result in negative impact to its financial results and financial status

As of 31 December 2019, Sermsang Palang Ngan Company Limited (SPN), a subsidiary operating solar farm in Thailand (SPN project), has project finance loan with financial institutions. The conditions of such loan include certain debt serviceability and financial covenants to be satisfied before payment of dividend. Therefore, Company has risk in case that SPN cannot pay dividend as a result of breach in debt serviceability or financial covenants, as well as cannot comply with terms and conditions of such loan agreement. Nevertheless, since start of commercial operation, SPN has sufficient financial results and liquidity to continually pay dividend to shareholders.

For Solar farm projects in Japan Vietnam and Mongolia which have started commercial operation. Company invests in these projects with conditions of project finance loan from financial institutions. Therefore, it has similar risk to SPN project as mentioned above.

For solar rooftop project in Thailand, company invested in these projects through SN, currently without project finance loan at project company. Therefore, SN has currently no constraints arisen from loan condition. However, SN may have additional risk on dividend payment ability if the performance of the project is not per expectation, or in case that Company decide to procure project finance facilities for the project, and may result into governance of dividend payment similar to SPN project as mentioned above.

Risks associated to business operation

Our group of companies currently engages in

(1) generation and sell of renewable power in Thailand and foreign countries

(2) related business to renewable power generation and sell.

Our group has project under commercial operation phase and under construction phase. Therefore, we have risks associated to business operation as follow:

Risks on operation of solar power plant

Risks from lower radiation than expected level

Solar power plant heavily relies on solar radiation on its power generation. If the solar radiation is lower, which may be as a result of cloud, deviated atmosphere, etc, our plants may not be able to generate power at expected level. In such case, there may be negative effect to our financial results and financial status. Therefore, our group of companies has risks associated to solar radiation level, similar to other solar power producers.

However, location of our solar power plant in Thailand is close to equator, which typically has higher solar radiation level.

Moreover, in site location assessment both in Thailand and in foreign countries, we studied historical data on solar radiation of each location, typically for 25-28 years track record from accountable source, i.e. from Ministry of Energy, NASA, New Energy Industrial Development Organization (NEDO), Meteonorm, etc. Our focus is to ensure that site is located on location having appropriate radiation level to allow materialization of expected return on investment.

We also typically consider hiring technical advisor to assess various technical factors, i.e. solar radiation, site characteristics, and appropriate equipment for the project to be used for our investment decision.

Risks from higher/faster degradation than expected level

Solar panel is one of the key equipment of solar power plant. If the solar panel is degraded faster, or at higher level, than expected level, it may result in lower power generation of the plant and negatively affect financial results and financial status of the group of companies.

However, we have key warranty of our power plant as follow:

	Warranty of Panel	PV Output Warranty	Warranty of construction quality
Sernsang Solar (SPN) project (Thailand)	10 years	25 years	Product Warranty 5-10 years
Hidaka (Japan)	10 years	25 years	2 years
Zouen (Japan)	10 years	20 years	2 years
Solar Rooftop	10 years	25 years	3 years
Solar WVO (Thailand)	10 years	25 years	5 years
Binh Nguyen (Vietnam)	10 years	25 years	2 years
Khunsight Kundi (Mongolia)	10 years	20 years	3 years
Yamaga (Japan)	10 years	25 years	2 years
Leo (Japan)	15 years	25 years	2 years

Risks related to efficiency and reliability of power production process

Key factors affecting efficiency and reliability of power generation process includes

- (1) performance of key equipment in generation process
- (2) weather conditions
- (3) inefficiency of panel due to hot weather
- (4) internal and external factors affecting availability of the plant (for example, internal factors such as technical issues, external factors such as stability and maintenance outage of transmission line, etc.)

Company chose the solar panel which suitable for weather, for instance, Thin Film Silicon technology for SPN project and Poly Crystalline technology for solar projects in Japan, Mongolia, and Vietnam. In addition, we manage such risks by

- (1) employing Supervisory Control and Data Acquisition (SCADA) system for 24-hours monitoring of plant operation, in order to timely identify and resolve any interruption
- (2) ensure frequent inspection and maintenance
- (3) secure warranty of key equipment
- (4) contract experienced O&M service provider and/or manage standard O&M team to mitigate such risks above mentioned.

Risks related to under construction project managing

As of 31 December 2019, company have 3 projects under construction total installed capacity 62.7 MW. It may have risks on delay in construction from schedule commercial operating date on PPA which may cause additional expenses on construction.

We have strict criteria in selecting EPC contractor for both projects in Thailand and projects in foreign countries. We consider various aspects of their proposal, including experience, expertise, technical know-how, financial results and status, effectiveness and efficiency of proposed equipment, scope of warranty, and acceptance of financial institutions financing the projects, in order to ensure quality EPC contractor with suitable costs.

Our direction is to select EPC contractor who (1) have experience and expertise in related fields, i.e. design and procure equipment of power plant, (2) have technological know-how, (3) have strong financial status. Such criteria are important to ensure sufficient technical and financial sufficient to complete our projects. Furthermore, we consider scope of product and service warranty, as well as, be accepted from the lender of project finance.

For the construction phase, we always monitor progress and budget of project and may hire technical consultant for construction monitoring.

Risks associated to increase costs of operation and maintenance of the plant

Contracted O&M service projects

- SPN, Hidaka and Zouen project

We contracted O&M service provider for operation and maintenance. When contract duration due, the service fee may meaningfully increases for extension period. However, we may consider (1) open for bidding of O&M service provider to select the best proposal, or (2) employing our staffs for maintenance. Since our staffs have closely worked with O&M service providers and we are confident that our staffs have sufficient to engage in these activities efficiently.

Company-owned O&M provider project

- Solar WVO project, Solar Rooftop project, Binh Nguyen Solar project (in Vietnam) and Khunsight Kundi project (in Mongolia)

For the projects above mentioned, Company or Project Company do operation and maintenance. Therefore, the projects may estimate and control expense more efficient than hiring outsource.

Risks associated to additional costs from warranty extension

Key equipment of solar power plant are

- (1) PV module
- (2) inverter
- (3) transformer

Such key equipment are under warranty of EPC contractors and/or equipment manufacturer (depends on case-by-case and practices of each countries). If we decided to extend such warranty, there may be additional costs arisen from such extension.

Risks associated to dependence on key customers

Generally, our solar farm and solar rooftop projects entered into power purchase agreement for medium to long-term tenor with key customers as follow:

Project	Customer (Off taker)	Contract period	Status of contract	Scheduled Commercial Operation Date
Project under commercial operation				
Sermsang Solar (SPN)	Electricity Generation Authority of Thailand (EGAT)	5 years; can be extended for 5 years per extension	Signed	Started commercial operation
Hidaka	Hokkaido Electric Power Company Limited	20 years	Signed	Started commercial operation
Zouen	Kyushu Electric Power Co., Inc	20 years	Signed	Started commercial operation
SNNP1 / SNNP2 and SNNP3	Srinanaporn Marketing Co., Ltd.	25 years	Signed	Started commercial operation
Do Home	Dohome PLC.	25 years	Signed	Started commercial operation
Solar WVO	Provincial Electricity Authority (PEA)	25 years	Signed	Started commercial operation
Khunsight Kundi	National Dispatch Center (of Mongolia)	12 years	Signed	Started commercial operation
Binh Nguyen Solar	Vietnam Electricity (EVN)	20 years	Signed	Started commercial operation

Projects under construction

SNNP4	Srinanaporn Marketing Co., Ltd.	25 years	Signed	Within 1st quarter 2020
PRC	PRC Plast (Thailand) Co., Ltd.	25 years	Signed	Within 1st quarter 2020
TAPACO	Tapaco Public Company Limited	25 years	Signed	Within 1st quarter 2020
Yamaga	Kyushu Electric Power Co., Inc	20 years	Under process	Within 2020
Leo (Ashita Power 1 & Ashita Power 2)	Tokyo Electric Power Company Holdings, Inc	20 years	Under process	2020-2021

Based on projects described above, if customers evoke their contractual rights to terminate power purchase agreement, it may cause significant negative effects to our financial results and status of Company.

However, we have controlling and monitoring process on operation of our plant, including compliance of key standard required by customers, to ensure strict compliance with requirements under power purchase agreement and related laws and regulations.

In addition, we have policy to explore business expansion opportunities in the area of renewable energy, within both Thailand and more foreign countries, in order to mitigate risks from dependence of limited numbers of customers.

Risks associated to natural disasters and force majeure

Currently, we engage in solar power business in Thailand, Japan, Mongolia and Vietnam. If natural disasters or force majeure events, i.e. disruption of power system, flood, storm, snowstorm, fire, earth quake, or terrorism events, occurs in the area that our projects locate, there may be disruption of our plants' operation, or damages to our properties. Such disruption or damages may negatively affect our financial results and status.

In selecting project site and location, we have studied historical statistics related to natural disasters, in order to ensure that site and location of our projects located in low risk area. In addition, we also acquire insurance coverage to limit financial impacts that may arise from natural disasters.

Risks associated to engagement of business in Thailand

Risks associated to dependence on key management positions

- Knowledge, experiences, and expertise of human resources are important factors for engaging in renewable energy business, especially for the top management positions. If we cannot retain such management, or cannot find suitable replacement, there may be risks in continuity of operation of our businesses.

Risks associated to change in policy of government and other related government agencies

- Currently, we engaged in renewable energy business and entered into power purchase agreement with government both in Thailand and foreign countries. If government or other related government agencies change or terminate conditions in renewable energy purchase, it may affect

our power purchase agreement and negatively effect to our financial results and status. Our management and team, which comprised of competent and experienced personnel, continually monitor development related to policy of government and related government agencies, in order to develop plan to cope with prospected changes in laws/regulations. We also focus on business development in foreign countries to mitigate risks discussed above.

Risks associated to effects from curtailment for the project in Japan

In general, for business operation of solar farm in Japan, we shall enter into power purchase agreement with utility company operating in zone our solar farm located. The power purchase agreements have tenor of 20 years. Under such agreement, projects don't have contractual obligation to sell electricity to utility company, whereas utility company has contractual obligation to purchase all electricity generated by the project.

However, in early 2015, the Agency of Natural Resources and Energy (ANRE) of Japan announced decree to govern purchase of electricity from power producers, including curtailment measure. With such regulations, utility company has rights to curtail power purchased from renewable power producers for not more than 360 hours per year, without compensation. In addition, the regulation also gave rights for unlimited curtailment to certain utility company. Utility company shall officially announce curtailment for acknowledgement of power producer.

Utility companies who are purchaser of power generated from Hidaka project (being Hokkaido Electric Power Company Limited), and Yamaga and Zouen (being Kyushu Electric Power Co, Inc.) are in the area for unlimited curtailment.

With circumstance mentioned above, there is risk associated to loss of revenue resulted from curtailment.

We took such curtailment factor into consideration from feasibility study stage of solar projects in Japan. We have policy to

- (1) hire technical advisor to study in details on expected curtailment level to be imposed to each project
- (2) co-ordinate with utility company as power purchaser of each project (if any), in order to have sufficient information before make investment decision for each project.

For Hidaka, Yamaga and Zouen projects, we have considered study from technical advisor regarding curtailment, and found that the projects are feasible and have justifiable returns on investment.

Risks associated to procurement of Chief Electrical Engineer for supervision of operation of solar projects in Japan

The Electricity Business Act of Japan dictate that Operator shall have Chief Electrical Engineer to supervise safety measures during construction, operation, and maintenance of the power plant. Level of certification required for eligible Chief Electrical Engineer is determined by size of power plant. Therefore, there may be risks from delay in procuring Chief Electrical Engineer for the project, which may result in delay of start commercial operation or increased cost to the project.

However, for our solar projects in Japan, it's duty of Asset Manager to procure Chief Electrical Engineer for each project. We have contracted reputable, experienced, and financially sound Asset Manager, which is also accepted by financial institutions financing the project.

Risks associated to involvement in operation of solar farm projects in Japan

Currently, we invested in 5 solar farm projects in Japan through GK-TK structure, which is appropriate structure for the purpose of managing tax for investment in Japan. We invested in GK-TK structure as TK investor through SEG, 100% Hong Kong subsidiary of Company.

Under GK-TK structure, and in accordance to clause 536 of Commercial Code of Japan (contribution by silent partner and right and obligations), SEG as TK investor shall be silent investor. If applicable conditions satisfied, Operator and investor will obtain certain tax privileges: investment return distribution from Operator to TK investor (TK Distribution) could be used as taxable expenses of Operator.

However, Operator has obligation to make Withholding Tax for 20.42% of investment return distribution from TK Distribution made.

SEG, as TK investor, will not involve in operation and decisions in day-to-day operations of the projects. We establish governance of solar farm projects in Japan through selection of credible and experienced business partners for operation of the project. In addition, we decide on objectives provisions of key contracts related to operation including

- (1) TK agreement between operator and TK investor
- (2) all key agreements related to development and operation of the project during project development phase, including financing, EPC contract, and appointment of Asset Manager whereas such agreements are key factors to success factor to control and management of the projects, in order to ensure the benefits to Company and its shareholders.

However, even though GK-TK investment structure is widely used and governed under clear legal framework, if SEG as TK investors engage in activities that can be deemed as having involvement in operation of the project, it may affect to requirement for silent investor under GK-TK structure. As such, there is a risk that the status of Operator can be re-characterized to be normal corporation (NK; nin-i-kumiai), which will result in loss of tax privileges. If that is the case, the TK Distribution that Operator made to SEG will not be taxable expenses, and resulted into additional tax burden, penalty, surcharge, and other associated costs, to the project which may lead to lower investment return than expected.

Currently, solar projects in Japan have started commercial operation (for Hidaka and Zouen projects). TK Distribution has been made from Operator to TK investor.

Risks associated to management of our business

Risks associated to control of shareholders resolution by major shareholders

As of 31 December, 2019, Kraipisitkul family holds stake in Company for 59.8% of paid-up capital. Moreover, members of the family also hold positions of director, authorized director, and management of the Company. Therefore, such major shareholder has power to control management of Company, including most of the shareholders resolutions. Most of the shareholders resolutions required more than half of vote including appointment of directors, except the resolutions required by laws to obtain more than $\frac{3}{4}$ of the vote. As such, minority shareholders may not be able to collect vote against proposal of major shareholders to shareholders meeting.

However, our Company has management structure comprising of staffs with knowledge and competency, and set-up clear and transparent scope, duties, and responsibilities of board of directors and management. In addition, we also established measures regarding related party transactions (for example, persons who has conflict of interest to the related party transactions shall have no rights to vote for such transactions), in order to ensure transparency of our business operation.

Our board of directors consisted of 4 independent directors. 3 of independence directors are members of our audit committee, whereas another independent director holds position of Chairman of the board of directors. One of the roles of independent directors is to consider key transactions before propose to shareholders meeting, in order to make good balance in management of our business and create confidence to minority shareholders that all transactions shall be for the purpose of company's benefits.

Financial Risks

Risks associated to fluctuation of interest rate

SPN project has been financed under long-term project finance structure, with Thai financial institutions. The interest of such financing is float rate in nature, being float benchmark rate plus fixe credit spread. If the float benchmark rate significantly changes over time, it may have negative effects to our financial results and status.

However, we have also entered into Interest Rate Swap (IRS) for majority of our exposure level throughout loan tenor period, in order to lower our risk exposure to interest rate fluctuation.

For the solar projects in Japan both under commercial operation and under construction, we have entered into long-term project finance facilities with Japanese financial institutions. The interest rate of such financing is also float rate in nature: float benchmark rate plus fixed credit spread. However, the float benchmark rate applied to current loan is close to zero. Therefore, we may consider enter into IRS after commercial operation and during construction of the plant.

Moreover, our risk committee will also set-up policy and guideline for risk management in various aspects, including interest rate risk.

Risks associated to fluctuation in foreign exchange rate

For investment, company invest in foreign countries in US Dollar currency and Japanese Yen currency, as well as, part of investment in renewable projects will be incurred in foreign currencies. Moreover, revenue from electricity selling will be in local currency. Therefore, if foreign exchange rate significantly deviated from estimates in our investment budget, it may have negative effects to our financial results and status.

Although majority of power purchase agreement will be paid in local currencies, electricity price always be adjusted with US Dollar currency. In addition, our risk committee will also set-up policy and guideline for risk management as follow: (1) allocate long-term financing for the project under the same currency as revenue stream (Natural Hedge) in order to mitigate risks from fluctuation of foreign exchange rate (2) utilize derivative such as Forward Contract to manage exchange rate risk from purchasing construction equipment.

Risks associated to debt serviceability

For investment of solar projects, we used long-term project finance facilities for approximately 70-75% of projects value and 80-90% for projects in Japan. As such, we have debt servicing obligations, i.e. interest payment and principal repayments, for such project finance facilities as agreed in agreement. If the operation of the plant is significantly deviated from expected financial projection, we may have risks in debt serviceability or to satisfy required financial covenants, which may result in acceleration of debt repayment to be fully repaid immediately.

However, renewable energy business generally has relatively stable cash flow from operation. We also make long-term financial plan and closely monitor the operation, in order to ensure our debt service ability and strictly compliance to applicable covenants of loan agreement.

Risks associated to new projects

Risks associated to expected investment return

We have target to continually expand our business. Therefore, before making investment decisions in projects, we have conducted feasibility study of the project with key steps as follow:

- Selection of credible business partners who have experience in solar power and/or renewable energy in Thailand and Japan
- Consider return on investment in various scenario (sensitivity analysis), including worst case scenario, in order to assess impact to Company in the worst case. In addition, we also evaluate projects by also adding contingency for investment amount.
- Conduct in due diligence an may consider hiring advisors in various area (case-by-case), i.e.
 - Technical advisor/engineer: to
 - ★ assess solar radiation from historical statistic data
 - ★ assess feasibility of the project
 - ★ give key technical/engineering advise for development of the project,
 - ★ monitor development/construction process to ensure timely implementation of the plan
 - Legal advisor: to provide advise related to legal and procedure requirement related to investment, to investigate/check status of key documents (i.e. land deed, project documents, licenses) and compliance to applicable regulations,
 - Other advisors, i.e. financial advisor, accounting and tax advisor, etc.: to ensure compliance with applicable regulations and reasonable transaction costs.

The information from above study shall be submitted to the board and/or approver for investment decision.

Risks associated to compliance to power purchase agreements and licenses in Thailand

We continually seek for investment opportunity for renewable power business in Thailand. In developing renewable power business in Thailand, we shall strictly comply with requirements of power purchase agreement, i.e. application of applicable licenses. If we cannot comply to all requirements of power purchase agreement, as well as other applicable laws and regulations (i.e. laws and regulations related to city planning, building and construction, energy business, etc), it may affect start of commercial operation of projects, which may result in lower growth/delay of revenue and profit contribution from new projects.

However, we have working team with knowledge and experience and have procedure to ensure that our operation will be in accordance with required duties under power purchase agreement and applicable laws and regulations.

Risks associated to financing of the projects

Financing of the project consisted of both loan from financial institution(s) and equity injection of the shareholders. If we cannot procure capital for both debt and equity portion, it may cause prospect of investments significantly different from planned.

However, we have experience in project development and good relationship with many financial institutions. After the Initial Public Offering, we will have improved financial structure. And after commercial operation of projects under construction/development, we should have more debt capacity also. Both factors should lead to better access to capital market.

Risks associated to common shares of the Company**Risks associated for foreign shareholding limitation**

Based on our Company Regulation, foreign shareholding is limited at 49.0% of total paid-up capital. Moreover, foreign ownership is also governed by Thai laws, i.e. Foreign Business Act 1999. Therefore, liquidity and price of our common shares may be negatively affected by this factor, especially when foreign ownership reach the limit, which may affect ability to register shares under foreign shareholders.

If that's the case, foreign shareholders may not know in advance whether share registrar will reject to register share under their names or not.

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

General Information

Company Name and Location

Company name	:	Sermsang Power Corporation Public Company Limited (SSP)
Type of Business	:	Holding Company
Registered Number	:	0107560000010
Registered /Paid up Capital	:	922,000,000 Baht
Share	:	922,000,000 Shares
Pare values	:	1.0 Baht
Head Office Location	:	325/14 Lanluang Road, Mahanak Square, Dusit, Bangkok 10300
Tel	:	02-628-0991-2
Fax	:	02-628-0993
Website	:	http://www.sermsang.com
Company secretary	:	Tel : 02-6280991-2#255
E-MAIL	:	supitcha@sermsang.co.th
Investor relations	:	Tel : 02-6280991-2#162,165
E-MAIL	:	sukunya.p@sermsang.co.th

Subsidiaries company hold stakes more than 50 percent (including the company invested through GK-TK structure more than 50 per cent, and hold stakes through GK-TK structure direct and indirect) are shown name and location as follow;

Subsidiaries company in Thailand

	Company Name	Type of Business	%Stake	Registered Capital (Million Baht)	Paid-up Capital (Million)	No. of Paid-up Capital (Shares)	Head Office Location	Tel
1	Sermsang Palang Ngan Co., Ltd. ("SPN")	Solar Farm Power Plant in SPN Project	100%	955.0	900.5	900,500,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
2	Access Energy Co, Ltd. ("AE")	Holding Company	100%	20.0	20.0	20,000,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
3	Essential Power Co., Ltd. ("EP")	No operation	100%	50.0	13.3	13,250,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
4	Plus Energy Co., Ltd. ("PE")	No operation	100%	10.0	3.3	3,250,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
5	Prestige Group Co., Ltd. ("PTG")	No operation	100%	10.0	2.5	2,500,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
6	Triple P Renewable Co., Ltd. ("PPP")	No operation	100%	10.0	5.5	5,500,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
7	Siam Clean Solution Co., Ltd. ("SCS")	No operation	100%	10.0	10.0	10,000,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
8	Siam Renewable Power Co., Ltd. ("SRP")	No operation	100%	10.0	3.3	3,250,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
9	Sermsang Solar Co., Ltd. ("SS")	Solar Farm Power Plant in Solar WVO project	100%	50.0	50.0	50,000,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
10	Sermsang Corporation Co., Ltd. ("SSC")	Renewable energy Project	100%	525.3	131.3	131,312,500	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2
11	Sermsang International Co., Ltd. ("SI")	Holding Company	100%	810.0	810.0	810,000,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2

	Company Name	Type of Business	%Stake	Registered Capital (Million Baht)	Paid-up Capital (Million)	No. of Paid-up Capital (Shares)	Head Office Location	Tel
12	Sermasang Infinite Co., Ltd. ("SN")	Solar Rooftop Power Plant	100%	130.0	98.0	98,00,000	325/14 Lanluang Rd, Mahanak Square, Dusit, Bangkok 10300	02-628-0991-2

Subsidiaries company in foreign countries

	Company Name	Type of Business	%Stake	Registered Capital (Million Baht)	Paid-up Capital (Million)	No. of Paid-up Capital (Shares)	Head Office Location
13	S. Global Power Limited ("SGP")	Holding Company	100%	510.6 6 Million JPY	510.6 6 Million JPY	4,490,000	Room 2101 Hong Kong Trade Centre, 161-7 Des Voeux Road, Central, Hong Kong
14	Surge Energy Corporation Limited ("SEG")	Solar Farm Power Plant in Japan as TK investor	100%	107.7 6 Million JPY	107.7 6 Million JPY	1,001,001	Suite 1803-4, 18/F., St. George's Building, No. 2 Ice House Street, Central, Hong Kong
15	Access C Management Limited ("ACM")	Holding Company	100%	81.9 6 Million JPY	81.9 6 Million JPY	750,000	Room 2804, 28/F., Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong
16	Seijo Corporation ("SJC")	Operates other related business	100%	48.2 6 Million JPY	48.2 6 Million JPY	96,290	5-1 Kabutochou, Nihonbashi, Chuo-Ku, Tokyo
17	Sermasang Sustainable Singapore Private Limited ("SSSG")	Holding Company	100%	0.13 Million USD	0.13 Million USD	130,000	1 Raffles Place #28-02 One Raffles Place Singapore 048616
18	Tenunn Gerel Construction LLC ("TGC")	Solar Farm Power Plant in Mongolia	75%	14.3 Billion MNT	14.3 Billion MNT	2,100,000	Building 4-37, 2nd Micro District, 1st Khoroo, Bayangol District, Ulaanbaatar 210646, Mongolia
19	SS Hidaka No Mori G.K. ("SSH")	Solar Farm Power Plant in Japan	86.9% ¹	10,000 JPY	10,000 JPY	-	1-1-7 Moto Akasaka, Minato-Ku, Tokyo, Japan

	Company Name	Type of Business	%Stake	Registered Capital (Million Baht)	Paid-up Capital (Million)	No. of Paid-up Capital (Shares)	Head Office Location
20	GSSE G.K. ("GSSE")	Solar Farm Power Plant in Japan	90% ¹	10,000 JPY	10,000 JPY	-	4-2-3 Akasaka, Minato, Tokyo 107-0052, Japan
21	Zouen Energy G.K. ("ZOUEN")	Solar Farm Power Plant in Japan	100% ¹	10,000 JPY	10,000 JPY	-	1-1-7 Moto Akasaka, Minato-Ku, Tokyo, Japan
22	Ashita Power 1 G.K. ("ASP1")	Solar Farm Power Plant in Japan	100% ¹	10,000 JPY	10,000 JPY	-	1-1-7 Moto Akasaka, Minato-Ku, Tokyo, Japan
23	Ashita Power 2 G.K. ("ASP2")	Solar Farm Power Plant in Japan	100% ¹	10,000 JPY	10,000 JPY	-	1-1-7 Moto Akasaka, Minato-Ku, Tokyo, Japan
24	Truong Thanh Quang Ngai Power and High Technology Joint Stock Company ("TTQN")	Solar Farm Power Plant in Vietnam	80%	250 Billion VND	250 Billion VND	25,000,000	92 Le Loi Street, Chanh Lo Ward, Quang Ngai City, Quang Ngai Province, Vietnam
25	SEA Sun Energy Partners Pte. Ltd. ("SSEP")	Operates other related business	84%	0.62 Million USD	0.62 Million USD	620,000	80 Robinson Road, #02 -00 Singapore 068898
26	PT SEA Sun Energi ("SSE")	Solar Rooftop Power Plant in Indonesia	84%	2,500 Million IDR	2,500 Million IDR	2,500	Menara Mandiri 2 Lt.17 Jalan Jenderal Sudirman Kavling 54-55, Senayan, Kebayoran Baru Jakarta Selatan, Kelurahan Senayan, Kecamatan Kebayoran Baru, Kota Jakarta Selatan, Indonesia
27	Truong Thanh Tra Vinh Wind Power Joint Stock Company ("TTTV")	Wind Farm Power Plant in Vietnam	80%	400 Billion VND	47.8 Billion VND	4,777,199	Ap Nha Mat, Truong Long Hoa, Duyen Hai, Tra Vinh

Remark: ¹Investment portion of TK-GK Structure (in Japan)

Shareholders

Registered capital and paid up capital

Sermasang Power Corporation Public Company Limited is a company listed on the Stock Exchange of Thailand. As of 31 December 2019, The Company has registered capital of 922,000,000 common shares with par value of baht 1.0, and has paid up capital of baht 922,000,000 with par value of 1.0 baht.

The major shareholders (refer to shareholders's closing date as of 30 December 2019) are as follow;

List of Shareholder	As of 30 December 2019	
	Amount (share)	Stake (per cent)
Primary Energy Limited ("PME") ¹	276,650,000	30.0
Unity I. Capital Limited ("UNITY") ²	72,070,000	7.8
Mr. Viwat Kraipisitkul	70,256,800	7.6
CGS-CIMB Securites(Singapore)Pte.,Ltd.	56,000,000	6.1
SCB Secuurities Co.,Ltd.SPECIAL S_INVEST SET01	44,451,100	4.8
Ms. Thantaporn Kraipisitkul	40,681,200	4.4
Mr. Piyawat Kraipisitkul	34,948,200	3.8
Mr. Tanawat Kraipisitkul	34,935,500	3.8
Mr. Sitthichai Duangdusadee	29,787,400	3.2
CREDIT SUISSEAG,SINGAPORE BRANCH	22,000,000	2.4
Total	681,780,200	73.9

Remark:

1 PME is the company which was set up in Thailand, Shareholders are

- (1) Mr. Viwat Kraipisitkul
- (2) Ms. Thantaporn Kraipisitkul
- (3) Mr. Piyawat Kraipisitkul
- (4) Mr. Tanawat Kraipisitkul respectively,

2 UNITY is the company which was set up in Hong Kong, Shareholders are

- (1) Mr. Viwat Kraipisitkul
- (2) Ms. Thantaporn Kraipisitkul
- (3) Mr. Piyawat Kraipisitkul
- (4) Mr. Tanawat Kraipisitkul respectively.

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Dividend Payment policy

Dividend payment policy of Company

Board of directors may consider pay annual dividend of the Company with approval of shareholders meeting, except in case of payment of interim dividend of which the board of directors may consider the payment if consider that the Company has sufficient profit but shall report to shareholder meeting.

Company has dividend payment policy for the amount not less than 40% of net profit of company-only financial statement, after deducting corporate income tax, legal reserves, and other reserves. Nevertheless, board of directors will also consider payment of dividend based on various factors for the best benefit of shareholders, i.e. financial status of company, reserve for future investment of the Company, reserves for debt repayment and working capital of the Company, net income of consolidated financial statement, Adjusted Operating Profit, as well as the effect to operation of Company.

Dividend payment policy of subsidiaries in Thailand

Our subsidiaries in Thailand have dividend payment policy of not less than 70% of net profit of company-only financial statement, after deducting corporate income tax, legal reserves, and other reserves. Nevertheless, board of directors will also consider payment of dividend based on various factors for the best benefit of shareholders, i.e. financial results and status of subsidiary, reserves for future investment, reserves for debt repayment and working capital, and effect to operation of subsidiary.

Dividend payment policy of subsidiaries in foreign countries

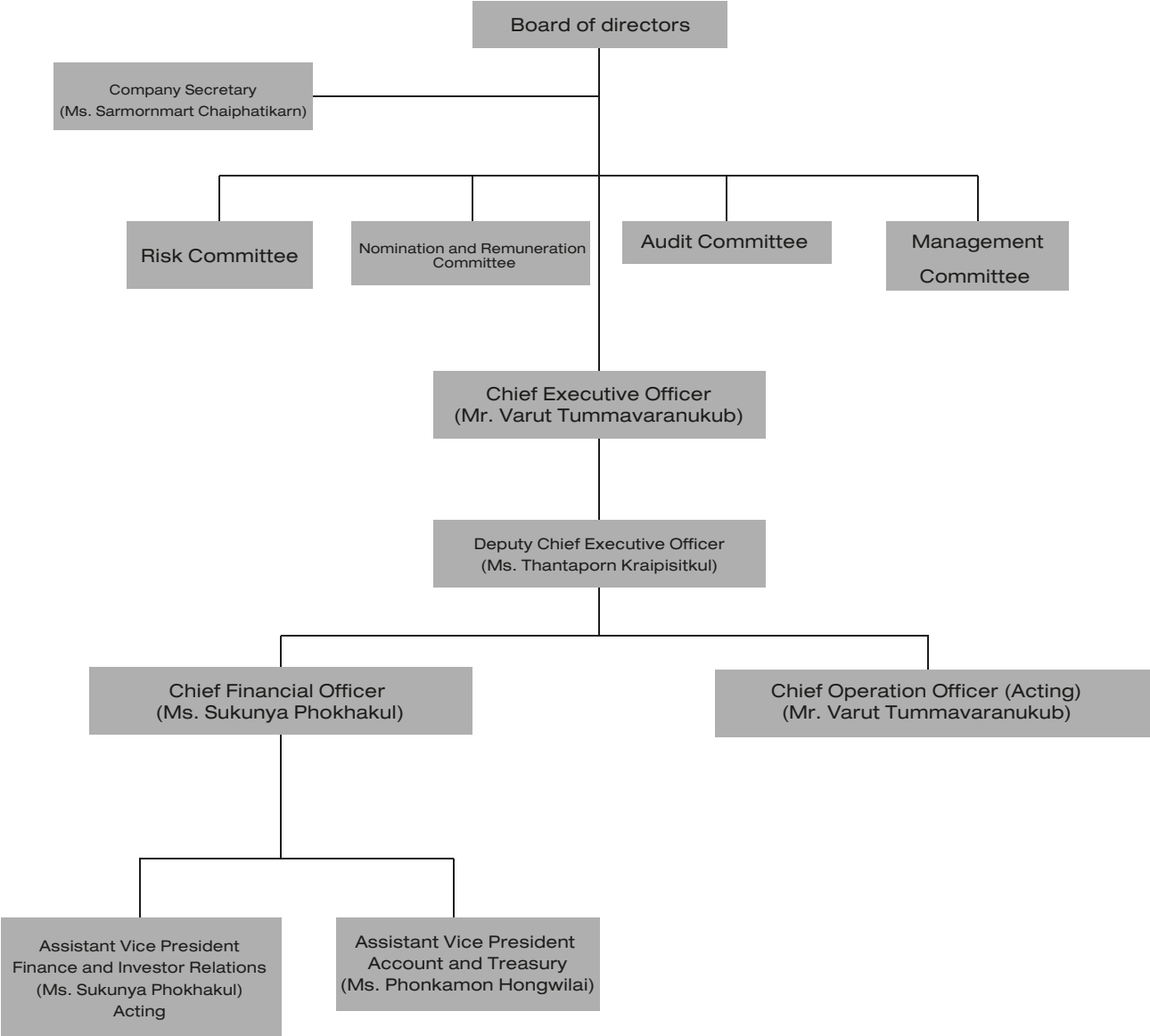
Our subsidiaries in foreign countries have dividend payment policy of not less than 40% of net profit or retained earnings of company-only financial statement, after deducting corporate income tax, legal reserves, and other reserves. Nevertheless, board of directors will also consider payment of dividend based on various factors for the best benefit of shareholders, i.e. financial results and status of subsidiary, reserves for future investment, reserves for debt repayment and working capital, and effect to operation of subsidiary.

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Management

Management structure of Company

Organization structure



Board of directors

As of 31 December 2019, Management structure of the Company consisted of Board of Directors and 4 sub-committee consisted of

- (1) Audit Committee
- (2) Risk Committee
- (3) Nomination and Remuneration Committee
- (4) Management Committee with details as follow:

Board of directors

Name	Position
Mr.Kamthon Wangudom	Chairman/ independent director/ member of Audit Committee
Mr.Viwat Kraipisitkul	Director/Chairman of Management Committee/Chairman of Risk Committee/member of Nomination and Remuneration Committee
Mr.Samrieng Mekkiengkrai	Independent director/Chairman of Audit Committee/Chairman of Nomination and Remuneration Committee
Mr.Thana Buphawanit	Independent director/member of Audit Committee
Ms.Thantaporn Kraipisitkul	Director/member of Management Committee/member of Nomination and Remuneration Committee/ Deputy Chief Executive Officer
Mr.Tanawat Kraipisitkul	Director/member of Management Committee
Mr.Varut Tummavarasukub	Director/member of Management Committee/member of Risk Committee/Chief Executive Officer/ Acting Chief Operating Officer
Mrs.Thanyanee Kraipisitkul	Director

Note: Mr.Asathai Rattanadilok Na Phuket resigned from the position of Independent director and member of Audit Committee on 01March 2019

Audit Committee

Name	Position
Mr. Samrieng Mekkiengkrai	Chairman of Audit Committee
Mr. Thana Buphawanit	Member of Audit Committee
Mr. Kamthon Wangudom	Member of Audit Committee

Note: Mr.Asathai Rattanadilok Na Phuket resigned from the position of member of Audit Committee on 01March 2019

Risk Committee

Name	Position
Mr. Viwat Kraipisitkul	Chairman of Risk Committee
Ms.ThantapornKraipisitkul	Member of Risk Committee
Mr.VarutTummavarasukub	Member of Risk Committee

Nomination and Remuneration Committee (NRC)

Name	Position
Mr. Samrieng Mekkiengkrai	Chairman of Nomination and Remuneration Committee
Mr. Viwat Kraipisitkul	Member of Nomination and Remuneration Committee
Ms.Thantaporn Kraipisitkul	Member of Nomination and Remuneration Committee

Management Committee

Name	Position
Mr. Viwat Kraipisitkul	Chairman of Management Committee
Ms.Thantaporn Kraipisitkul	Member of Management Committee
Mr.Tanawat Kraipisitkul	Member of Management Committee
Mr.Varut Tummavarasukub	Member of Management Committee

Authorized directors

Authorized directors of Company are Mr. Viwat Kraipisitkul/ Ms. ThantapornKraipisitkul / Mr. Varut Tummavarasukub,Two (out of three) directors co-sign and with company seal can entered into transaction and binding the Company.

Board of directors meeting

Meeting of the board of directors

Name	Attendance/total meeting	
	Ended 31 December 2018	Ended 31 December 2019
Mr. Kamthon Wangudom	7/7	6/6
Mr. Viwat Kraipisitkul	5/7	6/6
Mr. Samrieng Mekkiengkrai	7/7	6/6
Mr. Thana Buphawanit	7/7	6/6
Mr. Asathai Rattanadilok Na Phuket (resigned from the position on 01March 2019)	6/7	2/6
Ms.Thantaporn Kraipisitkul	7/7	6/6
Mr.Tanawat Kraipisitkul	3/7	5/6
Mr.Varut Tummavarasukub	4/7	6/6
Mrs.Thanyanee Kraipisitkul	6/7	5/6

Meeting of the Audit Committee

Name	Attendance/total meeting	
	Ended 31 December 2018	Ended 31 December 2019
Mr. Samrieng Mekkiengkrai	5/5	4/4
Mr. Thana Buphawanit	5/5	4/4
Mr. Asathai Rattanadilok Na Phuket (resigned from the position on 01March 2019) Mr. Kamthon Wangudom	4/5	1/4 3/4

Meeting of the Risk Committee

Name	Attendance/total meeting	
	Ended 31 December 2018	Ended 31 December 2019
Mr. Viwat Kraipisitkul	-	1/1
Ms.Thantaporn Kraipisitkul	-	1/1
Mr.Varut Tummavaranukub	-	1/1

Meeting of the Management Committee

Name	Attendance/total meeting	
	Ended 31 December 2018	Ended 31 December 2019
Mr. Viwat Kraipisitkul	3/3	1/1
Ms.Thantaporn Kraipisitkul	3/3	1/1
Mr.Tanawat Kraipisitkul	3/3	1/1
Mr.Varut Tummavaranukub	2/3	1/1

Meeting of Nomination and Remuneration Committee

Name	Attendance/total meeting	
	Ended 31 December 2018	Ended 31 December 2019
Mr. Samrieng Mekkiengkrai	1/1	1/1
Mr. Viwat Kraipisitkul	1/1	1/1
Ms.Thantaporn Kraipisitkul	1/1	1/1

Management

As of 31 December 2019, Management of Company of 4 persons consists of

Name	Position
Mr.Varut Tummavarankul	Chief Executive Officer/Acting Chief Operation Officer
Ms.Thantaporn Kraipisitkul	Deputy Chief Executive Officer
Ms.Sukunya Phokakul	Chief Financial Officer
Ms. Phonkamon Hongwilai	Assistant Vice President – Accounting

Note: Mr.Natthapatt Tanboon-ek resigned from the position of Chief Financial Officer on 30 June 2019

Mr.Thanatis Thaninkulnipat resigned from the position of Assistant Vice President – Finance and Investor Relations on 27 August 2019

Company Secretary

Board of directors, as per meeting number 2/2016 on 13 October, 2016, appointed Ms.Sarmornmart Chaiphatikarn to be Company secretary of Company.

Remuneration of directors and management

Remuneration of directors

● Monetary remuneration

Shareholders meeting, as per annual general meeting of 2019 on 29 April 2019, approved remuneration of Board of Directors, Audit Committee, Management Committee, Nomination and Remuneration Committee for year 2019 with details as follows:

Directors who is not Management of Company

Company has policy to pay remuneration to directors who is not management of Company with details as follow:

Position	Meeting allowance (THB/meeting)		Monthly remuneration (THB/month)	
	2018	2019	2018	2019
Board of Directors				
- Chairman of the board	24,000.0	24,000.0	30,000.0	30,000.0
- Directors	20,000.0	20,000.0	20,000.0	20,000.0
Audit Committee				
- Chairman of committee	24,000.0	24,000.0	-	-
- Members of committee	20,000.0	20,000.0	-	-
Management Committee				
- Chairman of committee	24,000.0	24,000.0	-	-
- Members of committee	20,000.0	20,000.0	-	-
Nomination and Remuneration Committee				
- Chairman of committee	24,000.0	24,000.0	-	-
- Members of committee	20,000.0	20,000.0	-	-
Risks Committee				
- Chairman of committee	24,000.0	24,000.0	-	-
- Members of committee	20,000.0	20,000.0	-	-

Directors who is management of Company

Company has policy to pay remuneration for management or employee of Company holding director position.

Remuneration of Management

• Monetary remuneration

For fiscal year 2018 and 2019, the Company paid remuneration to management as follow:

Type	Remuneration (THB)	
	Ended 31 December 2018	Ended 31 December 2019
Number of management (persons)	6	5
Salary and bonus (THB)	23,331,500	20,127,888
Contribution to provident fund and others (THB)	1,255,532.2	1,766,058

• Non-monetary remuneration

-None-

Personnel of our group

Numbers of personnel

As of the end of fiscal year 2018 and 2019, we have total personnel of 28 and 30 persons respectively as follow:

Department	Number of personnel (persons)	
	Ended 31 December 2018	Ended 31 December 2019
Business development	5	7
Engineering	12	12
Accounting and Finance	6	6
Office admin and Human resource	5	5
Total	28	30

Remuneration of personnel

Remuneration of personnel (exclude manage) of Company and subsidiaries for fiscal year 2018 and 2019 is 40,710,480.2 THB and 51,694,237.5 THB, respectively. Such remuneration includes salary, bonus, allowance, contribution to provident fund, contribution to social security fund, etc.

((Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Corporate Governance

Corporate governance policy

We fully realized importance of good corporate governance as important mechanism to enhance our operation to be efficient and sustainable, which will create the best benefits to all stakeholders from employee, shareholders, investors, and other stakeholders. Therefore, the board of directors has considered and approved corporate governance policies/guidelines covering key aspects, i.e. structure, roles, duties, and responsibilities of board of director, as well as clear, transparent, and controllable management practices of management, in order to enhance confidence that our operation being fair and for the best benefits of all stakeholders.

The board of directors focus on corporate governance in 5 sections as follows:

Section 1: the rights of shareholders

Company focus on importance of the rights of shareholders, not only for the rights as indicated by laws, but also for the actions promoting shareholders to exercise its rights, as well as avoiding the actions prohibiting shareholders to exercise its rights. The fundamental rights of shareholders include buy/sell/transfer of shares, profit distribution, access to sufficient information announced by Company, attendance on shareholders meeting to vote on key agendas (i.e. appointment/removal of director(s), appointment of auditor, payment of dividend, amendment of company's regulation and memorandum of association, increase/decrease of capital, other key/special transactions, etc.)

Section 2: the equitable treatment of shareholders

Company has policy for fair treatment to all shareholders for both management and non-management shareholders, for both major and minority shareholders, for both Thai and foreign shareholders, in order to ensure fair and equal treatment.

Section 3: roles of stakeholders

Company focus on importance of roles of all stakeholders. In our business operation, we consider rights of all stakeholders and establish policy and guideline toward treatment of various stakeholders, including employee, shareholders, customers, trade counterparties, lenders, society, and environment.

Section 4: disclosure and transparency

Board of directors focus on disclosure of and transparency on information announced by Company, for both financial and non-financial information. Such disclosure shall be correct, transparent, complete, on timely manner, and in compliance to regulations of SEC and SET. The information to be disclosed cover also information that may have effect to price of our securities and be important consideration for investors and other stakeholders.

Section 5: responsibilities of the Board of Directors

- Structure of the board of directors

Board of directors shall consist of at least 5 members, with independent directors of at least 3 persons and at least 1/3 of total number of directors (as per regulations of SEC and SET). The members of the board consist of experienced expert from various fields, i.e. business, accounting, and finance, which related to and involved our business operation.

- Sub-committee

Board of directors appointed 4 sub-committee: Audit Committee, Nomination and Remuneration Committee, Risk Committee, and Management Committee, in order to scrutinize and enhance business operation of Company as per established duties and responsibilities.

- Roles duties and responsibilities of directors
 - Corporate Governance

Company has intention to maintain high standard on good corporate governance, by focusing on good corporate governance announced by SET in 2012. We also announced guidelines related to good corporate governance, as approved by the board of directors, within our organization for strict compliance to such guidelines.

- Businessethics

Company has issued business ethics guideline, as approved by board of directors. We also announced such guideline internally and require strict compliance of directors, management, employees.

- Conflictofinterests

Transactions with related parties, which may result in conflict of interests, shall be considered by Audit Committee in details. Key related-parties transaction shall be approved by the board of directors and/or shareholders meeting, depending on type and size of transaction per regulations of the Capital Market Supervisory Board. The member of the board or management who has conflict of interest to the transaction shall not be involved in decision making of such transaction.

- Internalcontrolsystem

Company focus on importance of effective internal control system. Board of directors assigned Audit Committee to oversee internal control system of Company and its subsidiaries, including 5 areas: organization and environment, risk management, management practices, information system, and monitoring process. Audit Committee shall report the Board of Directors on assessment of internal control system.

- Channels for communication (whistleblowing)

Board of Directors set-up clear practices for whistleblower to report any alleged corruption practices through our website (www.sermsang.com), or directly to Company's internal control officer. Such notification shall be directly report to dependent directors or Audit Committee for investigation and report to the Board of Directors.

- Riskmanagement policy

Board of Directors approved risk management policy covering the operation of our organization. Management is responsible to implement such policy and frequently reports back to the Board of Directors.

- Control of operation of subsidiaries/affiliates

As for our business as Holding Company, we focus on control of business operation of our subsidiaries and affiliates as indicated in our investment policy.

Company assigned directors and assigned personnel, who has experience and expertise in our business, to represent Company and resume position of director in subsidiaries/affiliates, in order to control their operation and report results back to the board of directors quarterly. Proportion of our board of directors in subsidiaries/affiliates shall be in-line with proportion of shareholding in such entities. In addition, board of directors shall approve key policies and control measures of such entity.

Structure of the Board of Directors and sub-committee

Company has Board of Directors and 4 sub-committee, consisted of Audit Committee, Risk Committee, Nomination and Remuneration Committee, and Management Committee. Board of Directors approved clear scope, authorities, duties, and responsibilities of the Board of Directors and sub-committee.

Scope, authorities, duties, and responsibilities of the Board of Directors

- 1) Perform its duties in accordance to applicable laws, objectives and regulations of Company, board resolution, shareholders resolution, and with responsibility, carefulness, and honesty.
- 2) Consider and approve vision, strategy, business direction, business policy, objective, guideline, operation plan, and budget of Company and subsidiaries, as prepared and proposed by Management Committee and management.
- 3) Monitor and follow-up on results of operation of Management Committee, Chairman of the board, Chairman of Management Committee, Chief Executive Officer, management, and other persons as assigned by the Board of Directors, as well as to compare to policy set by the board.
- 4) Monitor and follow-up continually on operation of Company and subsidiaries/affiliates, in order to follow on operational and budget plan of Company.
- 5) Ensure that Company and subsidiaries/affiliates use appropriate and efficient accounting system, as well as to establish sufficient internal control system.
- 6) Prepare balance sheet and profit and loss statement, as of end of fiscal year, of Company and subsidiaries to present to shareholders meeting for approval.
- 7) Consider and approve selection and appointment of auditor of Company and subsidiaries, as well as consider appropriate compensation, as per proposed by Audit Committee, before propose to shareholders meeting for approval.
- 8) Establish written corporate governance policy, as well as effective implementation, in order to ensure that Company has fair and responsible conduct to all stakeholders.
- 9) Consider and approve qualified persons, who has no prohibited qualification as per applicable laws, to be director of Company, in case of vacancy arisen from the reason of term expiration. In addition, to consider appointment of director position in case of vacancy from term expiration, as well as to consider appropriate remuneration to propose for shareholders' approval.
- 10) Appoint sub-committee, including Audit Committee, Management Committee, Nomination and Remuneration Committee, Risk Committee, and other sub-committees, as well as consider and approve authorities of such sub-committee in order to support engagement of the board.
- 11) Consider and appoint/amend authorized directors of Company.
- 12) Consider and appoint management and Company Secretary, as per definition of SEC or Capital Market Supervisory Board, as well as consider remuneration as proposed by Nomination and Remuneration Committee
- 13) Seek professional opinion forum outside organization for benefits of decision making
- 14) Promote directors and management of Company to attend seminar, hosted by Thai Institute of Directors (IOD), related to duties and responsibilities of directors and management.
- 15) Monitor operation of companies within the group to ensure efficiency and best benefits to all stakeholders.
- 16) Set-up annual general meeting of shareholders within 4 months after the end of each fiscal year
- 17) Set-up board of directors meeting for at least every three months.
- 18) Prepare annual report and financial statement of Company and subsidiaries, to show financial/operation results and financial status for consideration and approval of shareholders meeting.
- 19) Monitor management and operation of business engagement of Company and subsidiaries to ensure compliance with policies, including but not limited to measures to ensure full compliance of subsidiaries (in case of change in directors of subsidiaries) to Company's policies, public company acts, civil laws, securities laws, as well as related regulations of SEC, SET, and Capital Market Supervisory Board (i.e. connected transaction, acquisition and disposal of asset). In addition, to also establish sufficient internal control mechanism.

Auditor's Fee

Audit Fee

Audit fee of Company and subsidiaries are as follow:

Audit Fee	31 December 2018 (THB)	31 December 2019 (THB)
Company	2,415,000.0	2,590,000.0
Subsidiaries	7,347,295.0	7,686,810.5
Total	9,762,295.0	10,276,810.5

Non-Audit Fee

Non-audit fee, i.e. tax advisory fee for investment in foreign countries, for fiscal year 2018 and 2019 are THB 270,998.3 and 509,028.6 THB.

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Corporate Social Responsibility

Overall policy

Company conducts business under good corporate governance framework, with focus on transparency and accountability. We focus on business development with balance in economically, social, and environmental aspects. We determine to be and maintain status as good corporate citizen, by engaging business in sustainable direction. We try to manage and grow our business in the way that is acceptable to society, under basis of ethic and good corporate governance, as well as focus to efficiently create justifiable return to our shareholders by considering impacts to all stakeholders.

With our focus on Corporate Social Responsibility, we established policies related to this aspect as follow:

● Engagement of our business in fair and ethical nature

We addressed measures to take care of effects to stakeholders in Ethics Charter, by considering our responsibilities to stakeholders, including shareholders, employees, customers, trade counterparties, contractual counterparties, society, and environment. We fully support free and fair trade, and try to avoid transactions that may cause conflict of interests, breach of intellectual properties, and any forms of corruptions.

● Anti-Corruption

We focus to make our business engagement transparent with full consideration of anti-corruption principle. We established anti-corruption policy, to be guideline for protect and ban engagement in activities that may become corruption. We try to promote culture of anti-corruption within our organization, in order to create full awareness the harm of corruption and allow anti-corruption policy materialized.

Key details of our anti-corruption policies include:

- (1) Prohibit directors, management, and all employees to act, avoid to act, or use their authorities with bad intention, to breach laws, to breach ethic principle, in order to gain corrupted interests in any forms, i.e. demand, receive, offer any assets or benefits from government authorities or any counterparties of our business.
- (2) Set-up gift and entertainment policy as part of ethics and business engagement guideline of Company. All employees shall not offer, demand, accept, or consent to receive gifts or entertainment treatment which may be considered as bribe and corruption. If case of receiving gifts, it shall be on reasonable basis, should not be cash or cash equivalent, and shall be transparent and auditable.
- (3) For the procurement process, key details of the transaction, i.e. objective of the transaction, payment process, and engagement in contract, shall be based on appropriate authorization level and with clear supporting documents.
- (4) Communicate anti-corruption policy to all level within the group of companies, through various channels, i.e. seminar, internal communication channel, in order to create awareness and appropriate implementation.
- (5) Establish communication channel or whistleblower to report suspected case. Identity of whistleblower shall be strictly protected and classified. Appointment of investigator shall be made for all reported case.
- (6) Continually develop anti-corruption policy to be aligned with related and applicable laws and ethic principle. There should be frequent assessment on activities that may have high exposure to potential corruption, as well as establishing mitigation measures and communicating throughout organization.

● Human rights

We highly value principle of human rights. We intend to have equal treatment principle for both inside and outside our organization. We respect both direct and indirect human rights of individual, including nationality, birth place, race, sex, age, skin color, religious, status, and family clan. We closely monitor within organization related to human rights treatment.

We have policy to not involve in any activities related to forced labor and child labor. We have policy to respect and treat all stakeholders based on principle of human rights.

● Treatment of our human resources

We have policy to create and maintain happy family-like work environment, with respect on each other throughout organization. Our human resource management intend to take care of our staffs in various stages, i.e. seeking candidates, human resource development, manage appropriate remuneration and compensation package, etc. We also support staffs for development of skills, in order to enhance career development.

- **Responsibilities to consumers**

We determine to deliver quality products, with efficient generation process. We supply reliable power into electricity grid of our customers, being Electricity Generation Authority of Thailand, Provincial Electricity Authority and utility companies in foreign countries.

- **Environment protection**

We strictly follow laws and regulations related to environmental management, and have policy to protect environment. We have considered safety to environment in all business process, from business development to commercial operation stage.

- **Social and community development**

We have policy to engage in businesses that are beneficial to economy and society, and to focus in being good corporate citizen. We determine in fully complying with applicable laws and regulations. We also determine in developing/enhancing quality of life for communities our site located along with growth of the Company, which is per ethic guidelines of our business. For example, in developing project location of our current project, we took into account water supply system for agricultural and consumption purpose of surrounding communities during design of our project.

We have policy to maintain good relationship with surrounding communities. We continually support activities of surrounding communities, with consideration of appropriateness of, the best benefits for, and sustainability of the program.



Picture 1) & 2) Construction and maintenance of check dam near our solar power plant



Picture 1) Water reservoir of our solar power plant

Picture 4) Supporting activities for Songkran Day at Wang Khon Khwang Sub district Administrative Organization



Picture 5) Scholarships for Children's Day activities at the Ban Phrom Thin Tai Lop Buri



Picture 6) & 7) Community Engagement as Relationship Building at Kok Sumrong, Lop Buri

Innovation related to social responsibilities

We have policy to develop innovation for business operation from framework of social responsibilities, for the purpose of creating competitiveness of business and society. We will assess business process to identify risks and negative impacts to environment and society, and identify mitigation plan to minimize such impacts. We also study and analyze our process, in order to develop innovation and explore sustainable development of our businesses. In addition, if we are success in developing innovation which will be beneficial to competitiveness of business and society, we will disclose our innovation to promote implementation of other players.

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Internal Control Risk Management

Conclusion of Board of Directors' Opinion about the Company's Internal Control System

The Company realizes about the importance of internal control appropriately and adequacy for the management to be in line with goal, purpose, law and related regulations efficiency which help protect to manage the risk management or other damage may occur in the company and stakeholder, it could be protected the asset from the corruption, damage and preparing the accuracy and reliability of accounting report.

The Board of Directors assigned the Audit Committee (AC) to review the appropriate and effective of internal control to ensure that the company's internal control system has an adequate, appropriate and compliance with COSO internal control framework (The Committee of Sponsoring Organization of the Treadway Commission), which will cover the Management Control, the Operational Control, the Accounting and Financial Control and compliance with law and regulations of compliance control.

In the Board of Directors meeting 07/2016 dated 27 December 2016, Audit Committee (AC) and Independent Director participated in the meeting, the Board of Directors assessed the adequacy of the internal control systems, which interrogate the information from management and related parties by comparing a guidance of internal control under the concept of Committee of Sponsoring Organization of the Treadway Commission (COSO) as details follow:

- Control Environment
- Risk Management
- Control Activities
- Information and Communication
- Monitoring Activities

The Audit committee and Board of Directors have the opinions that the company has the internal control systems, staff adequately and appropriately to manage under the internal control systems effectively, and monitoring the operations of the subsidiaries which protect the assets of the Company and the subsidiaries from directors or the management abuse of asset spending. For internal control in other topics, the Committee considers that the Company has internal control adequately and appropriately as well.

Head of company's internal audit and Head of company's operation control

Head of company's internal audit

The Company has appointed Dharmniti company limited to be head of internal audit of the company to review the company's internal control for 2016 - 2019 respectively. The Dharmniti will review, monitor and assess the company's internal control process following yearly monitoring plan, and there are the report and recommendation for improving to be in line with plan and policy of the company's internal control, and the following 5 components of COSO as above

The appointment of Audit Committee about an adequacy of Head of internal audit

The Audit Committee has appointed, Head of internal audit who has appropriate educational background, experienced, knowledge and ability performed for the internal audit efficiency.

The guideline of consider approving, dismissal and transferring of Head of internal audit

In order to consider approving, dismissal and transferring of the incumbent as a head of internal audit of the company must be approved from the Audit Committee which is in order to charter of The Audit Committee's Company and approved by the Board of Directors

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Related Party Transactions

Related parties transactions between the Group and individual or juristic person, which may have conflict of interest, for the year ended 31 December 2019 can be summarized as follows;

Individual/juristic person, which may have conflict of interest	Nature of transactions	Transactions value for Year ended 31 December 2018 (Baht)	Necessity and Reasonableness of the Transaction	Opinion of Audit Committee
Mr. Viwat Kraipisitkul	<ul style="list-style-type: none"> - Office rental SSP rented the office building from Mr. Viwat Kraipisitkul - Office rental payable 	<p>360,000</p> <p>30,000</p>	<ul style="list-style-type: none"> - Since May 2016, SSP rented the 250 m2 office space from Mr. Viwat Kraipisitkul, as the Group head office. The rental term is 3 years. Rental rate and terms are as specified in the agreement. 	<ul style="list-style-type: none"> - Such transaction supports the Company's normal business operation and the transaction is necessity and benefits the Company. The Company compared rate and terms with comparable property in nearby area. The rental rate and term does not make the Company lose benefits.
Ms. Thantaporn Kraipisitkul	<ul style="list-style-type: none"> - Income from construction 	272,844	<ul style="list-style-type: none"> - Since May 2019, SN began system turn-key EPC 6.5 kW project. The installation operation will begin after confirmation of purchase on May 2, 2019, with a duration of approximately 1 month in Installation. 	<ul style="list-style-type: none"> - Such transaction supports SN's normal business operation and the transaction is necessity and benefits the Group business expansion plan. The service rate and conditions are reasonable and comparable to those of other service providers in the market.
Logic Spark Co., Ltd ("LGS")	<ul style="list-style-type: none"> - Program and application under development SN paid the software and development fee to LGS - Maintenance fee server system solar monitoring - Maintenance fee SSP paid the website maintenance fee for www.sermasang.com to LGS 	<p>503,500</p> <p>116,250</p> <p>24,164.38</p>	<ul style="list-style-type: none"> - Since the Group has policy to expand its business into solar rooftop system projects through its subsidiary, SN. Therefore, SN engaged LGS to provide software and application for such rooftop system projects. This transaction are in accordance with general trading conditions with third parties. - Since the Group would like to provide accurate and update information via Website, LGS is hired to assist us updating the information on Website. This transaction are in accordance with general trading conditions with third parties. 	<ul style="list-style-type: none"> - Such transaction supports SN's normal business operation and the transaction is necessity and benefits the Group business expansion plan. The service rate and conditions are reasonable and comparable to those of other service providers in the market - The Group selected the advisor through competitive bidding process as specified in the Company's procurement manual for solar rooftop power plant project.
Srinanaporn Marketing Co., Ltd	<ul style="list-style-type: none"> - Rooftop rental - Rooftop rental payable - Revenue - Accounts receivables 	<p>218,157</p> <p>-0-</p> <p>6,417,230</p> <p>1,133,527</p>	<ul style="list-style-type: none"> - Since August 2017, Sn rented the roof space from Srinanaporn Marketing Co., Ltd, for the solar rooftop power plant project. Rental rate and terms are as specified in the agreement. - Since August 2017, Sn rented the roof space from Srinanaporn Marketing Co., Ltd. The service rate and conditions are reasonable and comparable to those of other service providers in the market. 	<ul style="list-style-type: none"> - Such transaction supports SN's normal business operation and the transaction is necessity and benefits the Group business expansion plan. - Such transaction supports SN's normal business operation and the transaction is necessity and benefits the Group business expansion plan. The service rate and conditions are reasonable and comparable to those of other service providers in the market.

Measurements and Procedures for Approval of Related parties transactions

The meeting of the Board of Directors of the company approved the policy on entering into related parties transactions to allow the transactions between the company and/or its subsidiaries with the individuals or juristic persons that may have conflicts in a transparent manner. Also, it can maintain the benefits of the company group, so this can be summarized as follows.

The related parties transactions or connected transactions of the company group shall comply with the rules of the Securities and Exchange Act and the notification of the Capital Market Supervisory Board about the rules of connected transaction. Moreover, the notification of the Board of Governors of the Stock Exchange of Thailand about the disclosure of information and other actions of the registered companies in regard to the connected transactions and other related rules of the Securities and Exchange Commission and/or the Stock Exchange of Thailand shall comply with the conditions about the disclosure the related parties transactions in the Notes to Financial Statements audited by the company's auditors and the Annual Information Form (Form 56-1).

In case the law requires the company group to get approved from the meeting of the Board of Directors and/or the shareholders (as the case may be) before entering into any connected transactions, the company shall arrange the Audit Committee to consider and comment on such transactions. The opinions of the Audit Committee are also presented in the meeting of the Board of Directors and/or the shareholders (as the case may be) to ensure that the proposed transactions are in the best interest of the company group.

In the event that the related party transaction of the company and/or its subsidiaries with individuals who have a stake or may have conflicts about benefits in the future, the Audit Committee will give opinions on the necessity of entering into the transaction and the appropriateness of the price of such transaction based on the conditions. It is in line with normal business operations in the industry, and the prices will be compared with outsiders or market prices. If the Audit Committee does not have the expertise to consider the related parties transactions, the Company will arrange the independent experts or the auditors of the company to give comments on such transaction to be used for the decision of the Audit Committee, Board of Directors or shareholders as the case may be. The stakeholders are not allowed to vote for the approval of the transaction. Also, related party transactions will be disclosed in the notes of financial statements audited or reviewed by the company's auditors.

In principle, the management department can approve such transactions if those transactions have trade agreements in the same way that a man should deal with a general partner in the same situation. With bargaining power on trades without the influence of being a committee, executive or related person, the company will prepare a summary report of such transaction to present in the next meeting of Board of Directors.

Policy and Trend of Future Related Parties Transactions

For entering into a connected transaction between the company and/or its subsidiaries, it has a stake or may have a conflict about benefits. The company will comply with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, Thailand which become effective.

If the company and/or its subsidiaries aims to enter into a connected transaction with the connected person who have a stake or may have the conflict about benefits in the future, the company will strictly abide by the policies and procedures mentioned above. The Audit Committee has provided guidance for consideration on the necessity of the transaction to the company's operations. The committee not only consider the comparison of the prices with comparable items which have been done with outsiders (if any) but also the significance of the size of the transaction.

However, if there is a connected transaction, the company will arrange the Audit Committee to comment on the appropriateness of such transaction. In the event that the Audit Committee does not have the expertise to consider any related parties transactions, the company will provide knowledgeable persons or specialized expertise such as auditors or independent property appraisers to give an opinion on related parties transactions. The opinion of the Audit Committee or the persons with special expertise will be used for the decision of the Board of Directors or shareholders as the case may be. Therefore, the company can ensure that such transaction will not be transference or transfer of benefits between the company and/or its subsidiaries or shareholders of the company but it is the transaction that the company considers the highest benefit of all shareholders.

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Financial Highlights

Investors are recommended to study financial statement and note to financial statement as of December 31, 2017, 2018, and 2019 along with analyzation and explanation in this highlight. Moreover, values shown in table may difference from the summation value due to digits rounding.

Nevertheless, financial ratio calculation is based on formula that generally use along the same industry and 56-1 guidebook, expect those formula that specified.

Auditor's Report

The auditor's reports are as follows;

Financial statement	Opinion of Auditor
The consolidated financial statements of Sermsang Power Corporation Public Company Limited and its subsidiaries (the Group), and the separate financial statement of Sermsang Power Corporation Public Company Limited as at 31 December 2017	In my opinion, the financial position of Sermsang Power Corporation Public Company Limited and its subsidiaries and of Sermsang Power Corporation Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.
The consolidated financial statements of Sermsang Power Corporation Public Company Limited and its subsidiaries (the Group), and the separate financial statement of Sermsang Power Corporation Public Company Limited as at 31 December 2018	In my opinion, the financial position of Sermsang Power Corporation Public Company Limited and its subsidiaries and of Sermsang Power Corporation Public Company Limited as at 31 December 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.
The consolidated financial statements of Sermsang Power Corporation Public Company Limited and its subsidiaries (the Group), and the separate financial statement of Sermsang Power Corporation Public Company Limited as at 31 December 2019	In my opinion, the financial position of Sermsang Power Corporation Public Company Limited and its subsidiaries and of Sermsang Power Corporation Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Financial Statements for the year ended 31 December 2017, 2018, and 2019

Statement of financial position

Statement of financial position	Consolidated Financial Statement as of December 31,					
	2017		2018		2019	
	MTHB	%	MTHB	%	MTHB	%
Asset						
<u>Current assets</u>						
Cash and cash equivalents	1,603.4	19.4	1,125.1	9.5	915.5	7.0
Short-term restricted bank deposits	-	-	438.9	3.7	283.1	2.2
Trade and other receivables	151.4	1.8	408.8	3.4	361.4	2.8
Unbilled Receivables	-	-	32.0	0.3	-	-
Other current assets	45.7	0.6	10.1	0.1	29.8	0.2
Non-current assets	1,800.5	21.8	2,014.9	16.9	1,589.8	12.2
<u>Non-current assets</u>						
Long-term restricted bank deposits	-	-	96.7	0.8	159.0	1.2
Revenue Department receivable	246.4	3.0	68.6	0.6	17.4	0.1
Long-term investment	-	-	17.1	0.1	26.0	0.2
Property, plant and equipment	5,427.2	65.6	8,352.1	70.2	9,722.1	74.6
Other intangible assets	654.2	7.9	950.6	8.0	1,045.8	8.0
Prepaid rental	141.0	1.7	136.0	1.1	119.1	0.9
Deferred tax assets	0.3	0.0	0.5	0.0	1.0	0.0
Other non-current assets	0.3	0.0	256.1	2.2	364.9	2.8
Total non-current assets	6,469.4	78.2	9,848.5	83.1	11,455.3	87.8
Total assets	8,269.8	100.0	11,892.7	100.0	13,045.1	100.0

Statement of financial position	Consolidated Financial Statement as of December 31,					
	2017		2018		2019	
	MTHB	%	MTHB	%	MTHB	%
Liabilities and shareholders' equity						
<u>Current liabilities</u>						
Trade payables and other payables	256.7	3.1	503.8	4.2	208.6	1.6
Construction retention	4.0	0.0	5.3	0.0	6.3	0.0
Short-term loan from bank	-	-	-	-	361.8	2.8
Share acquisition payable to subsidiary's former shareholders	-	-	117.5	1.0	9.3	0.1
Share capital payable from a subsidiary's capital reduction	-	-	-	-	71.4	0.5
Short-term loan from non-controlling interest of the subsidiary	-	-	-	-	12.0	0.1
Current portion of liabilities under finance lease agreements	0.1	0.0	-	-	0.2	0.0
Current portion of long-term loans	510.3	6.2	508.6	4.3	686.1	5.3
Other current liabilities	11.4	0.1	11.7	0.1	12.1	0.1
Total current liabilities	782.5	9.5	1,146.9	9.6	1,367.8	10.5
<u>Non-current liabilities</u>						
Liabilities under finance lease agreements - net of current portion	-	-	-	-	0.9	0.0
Long-term loans - net of current portion	4,061.7	49.1	6,868.2	57.8	7,666.4	58.8
Deferred tax liabilities	-	-	-	-	4.0	0.0
Other non-current liabilities	4.0	0.0	19.5	0.2	9.0	0.1
Total non-current liabilities	4,065.6	49.2	6,887.7	57.9	7,680.3	58.9
Total liabilities	4,848.2	58.6	8,034.6	67.6	9,048.1	69.4
<u>Shareholders' equity</u>						
Issued and fully paid up share capital	922.0	11.1	922.0	7.8	922.0	7.1
Share premium	1,511.2	18.3	1,511.2	12.7	1,511.2	11.6
Surplus on business combination under common control	33.1	0.4	33.1	0.3	33.1	0.2
Retained earnings Unappropriated	815.0	9.9	1,084.1	9.1	1,402.3	10.7
Appropriated - statutory reserve	40.7	0.5	64.8	0.5	92.2	0.7
Other components of shareholders' equity	(14.2)	(0.2)	(81.6)	(0.7)	(183.8)	(1.4)
Equity attributable to owners of the Company	3,307.8	40.0	3,533.5	29.7	3,777.0	28.9
Non-controlling interests of the subsidiaries	113.8	1.4	324.6	2.7	220.0	1.7
Total shareholders' equity	3,421.7	41.4	3,858.1	32.4	3,997.0	30.6
Total liabilities and shareholders' equity	8,269.8	100.0	11,892.7	100.0	13,045.1	100.0

Statement of profit or loss and other comprehensive income

Statement of profit or loss and other comprehensive income	Consolidate Financial Statement as of December 31,					
	2017		2018		2019	
	MTHB	%	MTHB	%	MTHB	%
Revenues						
Sales	283.8	32.4	527.6	46.4	870.5	58.6
Subsidy for adder	587.9	67.0	568.7	50.0	591.2	39.8
Revenue from construction services	-	-	32.7	2.9	11.9	0.8
Service income	-	-	0.2	0.0	-	-
Other income	5.4	0.6	8.2	0.7	12.0	0.8
Total revenues	877.1	100.0	1,137.4	100.0	1,485.6	100.0
Expenses						
Cost of sales	167.6	19.1	316.2	27.8	465.7	31.3
Cost of construction	-	-	25.7	2.3	10.1	0.7
Administrative expenses	219.9	25.1	166.8	14.7	239.2	16.1
Total expenses	387.5	44.2	508.7	44.7	715.0	48.1
Profit (loss) before finance cost and income tax expenses	489.6	55.8	628.7	55.3	770.6	51.9
Finance cost	146.9	16.7	148.2	13.0	201.6	13.6
Profit (loss) before income tax expenses	342.7	39.1	480.5	42.2	569.0	38.3
Income tax (expenses)	8.1	0.9	1.7	0.2	12.3	0.8
Profit (loss) for the year	334.6	38.1	478.8	42.1	556.6	37.5

Statement of Cash Flow

Statement of Cash flow	Consolidate Financial Statement as of December 31,		
	2017	2018	2019
	MTHB	MTHB	MTHB
Cash flows from operating activities			
Profit (loss) before tax	342.7	480.5	569.0
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:			
Depreciation and amortization	119.5	213.5	317.5
Allowance for impairment of long-term investment	-	-	0.6
Gain on disposal of property plant and equipment	-	-	0.1
Provision for long-term employee benefits	0.5	0.9	2.3
Unrealized loss on exchange rate	1.0	15.8	3.7
Interest income	(2.5)	(5.9)	(4.6)
Finance cost	146.9	148.2	201.6
Profit (loss) from operating activities before changes in operating assets and liabilities	608.2	853.1	1,090.2
<u>Operating assets (increase) decrease</u>			
Trade and other receivables	6.1	(256.1)	50.4
Unbilled Receivables	-	(32.0)	32.0
Other current assets	15.1	35.6	(19.7)
Revenue Department receivable	(90.6)	176.6	63.6
Other non-current assets	(0.1)	(250.9)	(91.8)
<u>Operating liabilities increase (decrease)</u>			
Trade and other payables	29.6	245.9	(293.3)
Share acquisition payable to subsidiary's existing shareholders	0.0	117.5	(108.2)
Construction retention	0.6	1.3	1.0
Other current liabilities	0.9	0.3	0.4
Other non-current liabilities	(0.4)	(0.1)	1.6
Cash paid for corporate income tax	(0.9)	(1.8)	(13.1)
Net cash flows from (used in) operating activities	568.4	889.3	713.1

Statement of Cash flow (Continued)	Consolidate Financial Statement as of December 31,		
	2017	2018	2019
	MTHB	MTHB	MTHB
<u>Cash flows from investing activities</u>			
Short-term restricted bank deposits	-	(246.8)	155.8
Long-term restricted bank deposits	-	(96.7)	(62.3)
Long-term investment	-	(17.1)	(9.6)
Acquisition of property, plant and equipment	(1,815.4)	(3,067.9)	(2,081.6)
Acquisition of intangible assets	(145.8)	(300.6)	(173.3)
Subsidy from the government	144.9	14.7	115.3
Prepaid rental	(141.0)	-	-
Interest income	2.5	5.9	4.6
Net cash flows used in investing activities	(1,954.9)	(3,708.6)	(2,051.1)
<u>Cash flows from financing activities</u>			
Short-term loans from related parties	(0.1)	-	-
Liabilities under finance lease agreements	(1.8)	(0.1)	(0.1)
Short-term loans from non-controlling interest	-	-	12.0
Cash received from short-term loan from bank	-	-	361.8
Cash receipt from long-term loans from bank	2,174.7	3,479.2	1,771.5
Repayment of long-term loans from bank	(1,059.4)	(542.1)	(515.4)
Proceeds from increase in share capital	1,774.6	-	-
Cash payment of direct costs related to share offering	(40.4)	-	-
Acquisition of non-controlling interest	65.4	190.4	19.4
Dividend payment	-	(188.9)	(200.1)
Cash payment of interest and fee expenses	(288.1)	(366.5)	(258.2)
Net cash flows from financing activities	2,624.8	2,572.0	1,190.9
Translation adjustments	(2.3)	(38.8)	(62.5)
Net increase in cash and cash equivalents	1,236.0	(286.1)	(209.6)
Cash and cash equivalents at beginning of year	367.4	1,411.2	1,125.1
Cash and cash equivalents at end of year	1,603.4	1,125.1	915.5

Financial Ratio

Financial Ratio	Consolidate Financial Statement as of December 31,		
	2017	2018	2019
	MTHB	MTHB	MTHB
Liquidity Ratio			
Current ratio (Times)	2.3	1.8	1.2
Quick ratio (Times)	2.2	1.7	1.1
Cash flow current ratio (Times)	1.0	0.9	0.6
Receivable turnover (Times)	5.7	3.8	3.7
Average collection period (Days)	63.6	94.4	98.0
Inventory turnover (Times)	N/A	N/A	N/A
Average selling period (Days)	N/A	N/A	N/A
Payable turnover (Times)	1.3	1.0	1.7
Average payment period (Days)	271.6	348.1	217.5
Cash cycle (Days)	(208.0)	(253.7)	(119.5)
Profitability Ratio			
Gross profit margin (%)	80.8%	69.7%	67.7%
Operating profit margin (%)	56.2%	55.7%	52.3%
Other profit margin (%)	0.6%	0.7%	0.8%
Cash to profit margin (%)	116.1%	141.5%	92.5%
Net profit margin (%)	38.1%	42.1%	37.5%
Return on equity (%)	14.2%	13.2%	14.2%
Efficiency Ratio			
Return on assets (%)	5.1%	4.7%	4.5%
Return on fixed assets (%)	10.0%	10.0%	9.7%
Total asset turnover (Times)	0.1	0.1	0.1
Financial Ratio			
Debt to equity ratio (Times)	1.42	2.08	2.26
Interest coverage ratio (Times)	1.94	2.42	2.71
Commitment coverage ratio (Times)	0.17	0.20	0.22
Dividend pay-out ratio (%)	N/A	40.0%	41.5%

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Management's Discussion and Analysis

Overview of past performance

For the year ended 31st December 2019, the significant development of the group of companies consisted of the followings:

1. The commencement of commercial operation of SNNP3 Solar Rooftop, Binh Nguyen solar power project in Vietnam and Khunsight Kundi solar power project in Mongolia.
2. PRC and TAPACO Solar rooftop projects have started construction.
3. The expansion to overseas markets consisted of the execution of the Joint Venture Agreement relating to SEA Sun Energy Partners Pte.Ltd.for the purpose of investment and development in solar rooftop project in Indonesia in 2Q'2019 and the execution of the Joint Development Agreement with Truong Thanh Vietnam Group Joint Stock Company to jointly develop wind power project in Vietnam in 3Q'2019.

As of 31 December 2019, we had 11 projects under commercial operation, Sermsang Palang Ngan (SPN) located in Lopburi province with 52 MW installed capacity, Hidaka and Zouen projects with 21 MW & 8 MW installed capacity in Japan, 4 solar rooftop projects (SNNP1-3 and DoHome) 4.8 MW, Solar WVO project 5 MW in Thailand, Binh Nguyen Solar project with 49.6 MW installed capacity in Vietnam, and Khunsight Kundi project with 16.4 MW installed capacity in Mongolia, total installed capacity of 156.8 MW under commercial operation and 6 projects under construction and development, with total installed capacity of 84.7 MW.

Consolidated Financial Statement (Unit: MTHB)	2017	2018	2019
Total Revenue	877.1	1,137.4	1,485.6
Net Profit	334.6	478.8	556.6
Core Operating Profit	472.1	498.7	612.8
Revenue growth (%)	-	29.7%	30.6%
Net Profit Margin (%)	38.1%	42.1%	37.5%
Core Operating Profit Margin (%)	53.8%	43.8%	41.2%

For fiscal year ended 31 December 2017, 2018, and 2019, we have total revenue of 877.1 MTHB, 1,137.4 MTHB and 1,485.6 MTHB respectively. Revenue growth rate are 29.7% and 30.6% respectively. Increased revenue is mainly as a result of continuous contribution from the new projects commercial operation, for example, in 2018, 2 solar projects in Japan (Hidaka and Zouen), 3 solar rooftop projects in Thailand (SNNP1, SNNP2 and DoHome) and WVO project in Thailand, in 2019, solar rooftop and solar projects in Vietnam and Mongolia. Moreover, there were the EPC construction revenues of 32.7 MTHB from Solar rooftop in Thailand.

For fiscal year ended 31 December 2017, 2018, and 2019, we have net profit of 334.6 MTHB, 478.8 MTHB, and 556.6 MTHB respectively. The net profit margin are 38.1%, 42.1%, and 37.5% respectively which in line with increasing sale revenue.

For fiscal year ended 31 December 2017, 2018, and 2019, we have Core Operating Profit of 472.1 MTHB, 498.7 MTHB and 612.8 MTHB respectively. Core Operating Profit is key indicator management and board of directors used for determining operational results of our group, and as one of criteria to consider dividend payment of the Company. The adjustment items (from net profit to core operating profit) for the year 2017, 2018 and 2019 are:

Change the name from Adjusted Operating Profit to Core Operating Profit in 2018 onwards

- i. Unrealized foreign exchange loss of 72.8, 0.6 and 66.7 million Baht respectively.
- ii. Uncapitalized construction cost and financial cost during construction of 51.5 million Baht (deducted non-controlling interest of the subsidiaries) for the year 2017. There were not recorded for the year 2018 and 2019.
- iii. Deferred tax revenue/expense of 8 million Baht (recorded as tax revenues), 0.2 million Baht (recorded as tax expenses) and 0.5 million Baht (recorded as tax revenues) (deducted non-controlling interest of the subsidiaries) for the year 2017
- iv. Uncapitalized development cost of 3.2 million Baht and 0.9 million Baht (recorded as administrative expenses) for the year 2018 and 2019 respectively. There was not record for the year 2017.

Consolidated Financial Statement (Unit: Million Baht)	2017	2018	2019
Total Asset	8,269.8	11,892.7	13,045.1
Total Liabilities	4,848.2	8,034.6	9,048.1
Total Equity	3,421.7	3,858.1	3,997.0
Total Equity (To SSP's shareholders)	3,307.8	3,533.5	3,777.0

As of 31 December 2017, 2018, and 2019, our total assets are 8,269.8 MTHB, 11,892.7 MTHB and 13,045.1 MTHB respectively. The increase of our assets reflects the investment in assets in both projects started operating in 2019 and the under construction/ development , For fiscal year 2017, 2018, and 2019, we have return on assets ratio (ROA) of 5.1%, 4.7% and 4.5% respectively, However, we have assets in the under construction which did not start commercial operation and not generate revenue yet in 2018 and 2019.

As of 31 December 2017, 2018, and 2019, our total liabilities are 4,848.2 MTHB, 8,034.6 MTHB and 9,048.1 MTHB respectively, whereas our total shareholders' equity (excluded minority's interests) are 3,307.8 MTHB, 3,533.5 MTHB and 3,777.0 MTHB respectively. The Debt-to-Equity ratio is at 1.47 times, 2.27 times and 2.40 times respectively.

For fiscal year 2017, 2018, and 2019, we have return to equity ratio of 14.2%, 13.2% and 14.2% respectively.

Analysis of operating results and Financial status for fiscal year 2017 2018 and 2019

Analysis of operating results

Revenue

For fiscal year ended 31 December 2017, 2018, and 2019, we have electricity sale revenue of 871.7 MTHB, 1,096.3 MTHB and 1,461.7 MTHB respectively. Comparing fiscal year 2018 and 2017, the increase is mainly from new projects started commercial operation as well as increase in average tariff of SPN project. Comparing fiscal year 2019 and 2018, we have increased electricity sale revenue mainly as a result of increased sale volume from new projects started commercial operation, full period revenue recognition of commercial operated projects in 2018 in above mentioned and higher electricity production volume and average tariff of SPN.

Revenue Structure	Consolidated Financial Statement As of December, 31					
	2017		2018		2019	
	Amount (Million Baht)	%	Amount (Million Baht)	%	Amount (Million Baht)	%
Sale Revenue from electricity tariff (Base tariff+Ft)	283.8	32.4	292.5	25.7	301.4	20.3
Sale revenue from Adder	587.9	67.0	568.7	50.0	591.2	39.8
Sale revenue from Feed-in tariff (FIT)	-	-	-	-	30.4	2.1
Sale revenue from Solar rooftop projects	-	-	-	-	17.6	1.2
Total sale revenue from electricity sale in Thailand	871.7	99.4	861.2	75.7	940.6	63.4
Sale revenue from electricity sale in Japan	-	-	235.1	20.7	348.2	23.4
Sale revenue from electricity sale in Vietnam	-	-	-	-	120.6	8.1
Sale revenue from electricity sale in Mongolia	-	-	-	-	52.0	3.5
Sale revenue from electricity sale in Indonesia	-	-	-	-	0.3	0.0
Total sale revenue from electricity sale	871.7	99.4	1,096.3	96.4	1,461.7	98.4
EPC Construction revenue on Solar rooftop projects	-	-	32.7	2.9	11.9	0.8
Other revenues ¹	5.4	0.6	8.4	0.7	12.0	0.8
Total revenues	877.1	100.0	1,137.4	100.0	1,485.6	100.0

Remark: 1 Other revenue included (but not limited to) service income, import tax, interest revenue, and revenue related to power development fund.

For fiscal year ended 31 December 2017, 2018, and 2019, we have total revenue of 877.1 MTHB, 1,137.4 MTHB and 1,485.6 MTHB respectively which are 99.4%, 96.4% and 98.4% of total sale revenue from electricity sale respectively. Moreover, we have other revenues including interest revenue, import tax, revenue related to power development fund and EPC construction revenues and service etc.

For all sale revenue from electricity sale in 2017 is generated from Thailand. For the year 2018, there was 20.7% and 75.7% of total sale revenue from Japan and Thailand generation respectively. Lastly, for the year 2019, there was new projects revenue recognition from Vietnam and Mongolia of 8.1% and 3.5% respectively as well as from Thailand and Japan of 63.4% and 23.4% respectively.

Projects	Total Contract Capacity (MWh)	Electricity Volume (MWh)		
		As of 31 December 2017	As of 31 December 2018	As of 31 December 2019
Solar Farm Project in Thailand (SPN, WVO Projects) (45 MW contract)	MWh	90,448.2	88,065.3	98,533.2
Solar Farm Project in Japan (Hidaka, Zouen Projects) (23 MW contract)	MWh	-	20,490.7	31,491.7
Solar Rooftop Project in Thailand (SNNP1-3 & DoHome) (4.8 MW contract)	MWh	-	3,062.5	6,250.1
Solar Farm Project in Vietnam (Binh Nguyen Solar project) (40 MW contract)	MWh	-	-	40,564.8
Solar Farm Project in Mongolia (Khunsight Kundi) (15 MW contract)	MWh	-	-	13,307.2
Total		90,448.2	111,618.5	190,147.0

Projects	Average tariff rate (Baht/KWh)		
	As of 31 December 2017	As of 31 December 2018	As of 31 December 2019
Solar farm in Thailand ¹	3.14	3.22	3.31
Solar farm in Japan	-	11.47	11.06
Solar Rooftop in Thailand	-	2.85	2.81
Solar farm in Vietnam	-	-	2.97
Solar farm in Mongolia	-	-	3.91

Remark: ¹ excluded Adder of 6.5 Baht/KWh

For fiscal year ended 31 December 2017, 2018, and 2019, we have sale volume of 90,448.2 MWh, 88,065.3 MWh, and 98,533.2 MWh respectively for both SPN and Solar WVO projects in Thailand. In 2019, sale volume from full period revenue recognition of commercial operated projects in 2018 which are 2 Japan projects and Solar Rooftop projects in Thailand are 31,491.7 MWh and 6,250.1 MWh respectively. Moreover, we have sale volume from the new projects started commercial operation during 2019 which are Binh Nguyen Solar project in Vietnam and Khunsight Kundi project in Mongolia of 40,564.8 MWh and 13,307.2 MWh respectively. Comparing fiscal year 2018 and 2017, increased sale volume by 23.4% as well as increased sale volume by 70.4% when comparing fiscal year 2019 and 2018.

For fiscal year ended 31 December 2017, 2018, and 2019, average tariff rate (excluded Adder of 6.5 THB/kwh) of 3.14 Baht/KWh, 3.22 Baht/KWh and 3.31 Baht/KWh respectively. The increase is mainly as a result of higher average electricity tariff, which FT increase continually.

Cost of Sales

For fiscal year ended 31 December 2017, 2018, and 2019, we have cost of good sales of 167.6 MTHB, 341.9 MTHB and 475.8 MTHB respectively. Comparing fiscal year 2018 and 2017, increasing by 104.0%, the increasing is mainly as a result of depreciation and amortization from new projects started commercial operation in 2018 and costs of EPC Construction from Solar rooftop in above mentioned. Comparing fiscal year 2019 and 2018, the increase is by 39.2% which due to higher depreciation and amortization as well as O&M costs of started commercial operation new project in above mentioned.

Cost of sales comprised of (1) depreciation and amortization, (2) operating and maintenance cost of solar plant, and (3) other costs (i.e. electricity cost, salary and bonus, insurance fee and costs of EPC Construction from Solar rooftop).

Cost of sales	Consolidated Financial Statement As of December, 31					
	2017		2018		2019	
	Amount (Million Baht)	%	Amount (Million Baht)	%	Amount (Million Baht)	%
Depreciation and amortization	119.5	71.3	213.5	62.4	317.5	66.7
Operating and maintenance cost	38.2	22.8	58.3	17.1	78.4	16.5
Others ¹	9.8	5.9	70.1	20.5	79.9	16.8
Cost of sales	167.6	100.0	341.9	100.0	475.8	100.0

Remarks: ¹ Others included (but not limited to) electricity, salary and bones, insurance fee, land lease and costs of EPC construction on Solar rooftop

Gross Profit

For fiscal year ended 31 December 2017, 2018, and 2019, we have gross profit of 704.1 MTHB, 787.1 MTHB and 997.8 MTHB respectively. The gross profit margin are 80.8%, 69.7% and 67.7% respectively. The increases is in line with increase in electricity sale revenue. For decreasing gross profit margin is mainly as a result of lower gross profit margin of new projects. However, company's gross profit margin is satisfiable level.

Gross profit	Consolidated Financial Statement As of December, 31					
	2017		2018		2019	
	Amount (Million Baht)	%	Amount (Million Baht)	%	Amount (Million Baht)	%
Sale revenue from electricity sale	871.7	100.0	1,129.0	100.0	1,473.6	100.0
Cost of sales	167.6	19.2	341.9	30.3	475.8	32.3
Gross profit	704.1	80.8	787.1	69.7	997.8	67.7

Administrative Expenses

For fiscal year ended 31 December 2017, 2018, and 2019, we have administrative expenses of 219.9 MTHB, 166.8 MTHB and 239.2 MTHB respectively. Comparing fiscal year 2018 and 2017, the expenses during construction has been capitalized as capital expenditures from 2018 onwards and decrease of unrealized foreign exchange loss comparing to 2017, although, the increased general administrative expenses from new projects started operating and additional development projects in 2018.

Comparing fiscal year 2019 and 2018, the increase is mainly from higher expenses consisted of general and administrative expenses of new projects and unrealized foreign exchange loss caused by the effect of Baht appreciation on intercompany loan denominated in foreign currency.

Administrative expenses (Unit : MTHB)	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
Unrealized FX (gain)/ loss	72.8	0.6	66.7
Land lease during construction	31.5	-	-
General G&A expenses ¹	115.6	166.2	172.5
Administrative expenses	219.9	166.8	239.2

Remarks: 1 General G&A expenses included unrealized impairment provision of 13.2 MTHB in 2018

Financial Costs

For fiscal year ended 31 December 2017, 2018, and 2019, we have financial costs of 146.9 MTHB, 148.2 MTHB and 201.6 MTHB respectively. Financial costs consist of interest expense (mostly floating interest rate) and interest rate swap expenses (which is converted to fixed rate from float rate). the increase of financial cost (both fiscal year 2018 and 2019) is mainly driven by the drawn down of long-term loan from both Thailand and Japanese financial institution for project investment.

Financial costs	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)
Financial costs	146.9	148.2	201.6

Net Profit (attributed to company's shareholders)

For fiscal year ended 31 December 2017, 2018, and 2019, we have net profit (attributed to company's shareholders) of 339.8 MTHB, 482.0 MTHB and 545.7 MTHB respectively. The net profit margin are 38.7%, 42.4% and 36.7% respectively. Comparing fiscal year 2018 and 2017, the increase of net profit is mainly as a result of the contribution from the new projects started commercial operation during 2018 and decrease of general administrative expenses, despite increase in cost of sale. Comparing fiscal year 2019 and 2018, the increase of net profit is mainly driven by increase in revenue from new project started commercial operation in above mentioned, despite higher cost of sale and SG&A.

Core Operating Profit (COP)

Core Operating Profit (COP) is the key performance indicator of management and board of directors for evaluating company's financial results, and be used for considering dividend payment decision, along with the dividend policy of the company.

Core Operating Profit is adjusted from net profit attribute to company's shareholder by the items as follows.

Core Operating Profit (Unit: Million Baht)	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
Net profit distribution to SSP's shareholders	339.8	482.0	545.7
Unrealized foreign exchange (gain)/loss	72.8	0.6	66.7
Uncapitalized land lease during construction and interest for SSP's equity loan (excluding minority interest)	51.5	-	-
Deferred tax (revenue)/expenses	8.0	(0.2)	(0.5)
Uncapitalized development cost	-	3.2	0.9
Unrealized impairment provision	-	13.2	-
Core Operating Profit (to SSP's shareholders)	472.1	498.8	612.8

For fiscal year ended 31 December 2017, 2018, and 2019, we have Core Operating Profit of 472.1 MTHB, 498.7 MTHB and 612.8 MTHB respectively. The COP margin are 53.8%, 43.8% and 41.3% respectively. Comparing fiscal year 2018 and 2017, the increase of Core Operating Profit is mainly as a result of the contribution from the new projects started commercial operation during 2018. Comparing fiscal year 2019 and 2018, the increase is mainly as a result of the contribution from the new projects started commercial operation during 2019 and full period revenue recognition as well as higher unrealized fx loss.

Financial status

Assets

As of 31 December 2017, 2018, and 2019, our total assets are 8,269.8 MTHB, 11,892.7 MTHB and 13,045.1 MTHB respectively. The increase of our assets reflects the project investment. in both projects started operating in 2019 and the under construction/development above mentioned.

Key assets of our group are Property Plant and Equipment (PP&E), which mainly for the operation of our solar power projects, i.e. land, land improvement, power plant and equipment, etc. As of 31 December 2017, 2018, and 2019, we have PP&E of approximately 65.6%, 70.2% and 74.6% of total assets, respectively.

Asset	Consolidated Financial Statement as of December 31					
	2017		2018		2019	
	MTHB	%	MTHB	%	MTHB	%
Current assets						
Cash and cash equivalents	1,603.4	19.4	1,125.1	9.5	915.5	7.0
Short-term restricted bank deposits	-	-	438.9	3.7	283.1	2.2
Trade and other receivables	151.4	1.8	408.8	3.4	361.4	2.8
Unbilled Receivables	-	-	32.0	0.3	-	-
Other current assets	45.7	0.6	10.1	0.1	29.8	0.2
Total current assets	1,800.5	21.8	2,014.9	16.9	1,589.8	12.2
Non-current assets						
Long-term restricted bank deposits	-	-	96.7	0.8	159.0	1.2
Revenue Department receivable	246.4	3.0	68.6	0.6	17.4	0.1
Long-term investment	-	-	17.1	0.1	26.0	0.2
Property, plant and equipment	5,427.2	65.6	8,352.1	70.2	9,722.1	74.6
Other intangible assets	654.2	7.9	950.6	8.0	1,045.8	8.0
Prepaid rental	141.0	1.7	136.0	1.1	119.1	0.9
Deferred tax assets	0.3	0.0	0.5	0.0	1.0	0.0
Other non-current assets	0.3	0.0	256.1	2.2	364.9	2.8
Total non-current assets	6,469.4	78.2	9,848.5	83.1	11,455.3	87.8
Total Assets	8,269.8	100.0	11,892.7	100.0	13,045.1	100.0

Cash and Cash Equivalent

As of 31 December 2017, 2018, and 2019, our cash and cash equivalent are 1,603.4 MTHB, 1,125.1 MTHB and 915.5 MTHB respectively. Comparing at year end 2019 and 2018, the decrease is mainly as a result of the usage of fund for the under construction/development in both Thailand foreign countries.

Property Plant and Equipment (PP&E)

As of 31 December 2017, 2018, and 2019, our PP&E are 5,427.2 MTHB, 8,352.1 MTHB and 9,722.1 MTHB respectively. The increase reflects our project investment in both projects started operating and the under construction.

Intangible Assets

As of 31 December 2017, 2018, and 2019, our intangible assets are 654.2 MTHB, 950.6 MTHB and 1,045.8 MTHB respectively. The increase is mainly driven by the record of 1) Communication and external electric distribution system, (2) Communication and external electric distribution system and right and license under construction (Japan, Mongolia and Vietnam projects).

Liabilities

As of 31 December 2017, 2018, and 2019, our total liabilities are 4,848.2 MTHB, 8,034.6 MTHB and 9,048.1 MTHB respectively. Comparing at year end 2018 and 2017, the increase is mainly a result of higher long-term borrowing from both Thailand and Japanese financial institution for the project investment. Comparing at year end 2019 and 2018, the increase is mainly driven by the drawn down of short-term loan and long-term loan from financial institutions in both Thailand and Japan for the project investment.

Liabilities	Consolidated Financial Statement as of December 31 ,					
	2017		2018		2019	
	MTHB	%	MTHB	%	MTHB	%
Current liabilities						
Trade payables and other payables	256.7	5.3	503.8	6.3	208.6	2.3
Construction retention	4.0	0.1	5.3	0.1	6.3	0.1
Short-term loans from banks	-	-	-	-	361.8	4.0
Share acquisition payable to subsidiary's existing shareholders	-	-	117.5	1.5	9.3	0.1
Share capital payable from a subsidiary's capital reduction	-	-	-	-	71.4	0.8
Short-term loan from non-controlling interest of the subsidiary	-	-	-	-	12.0	0.1
Current portion of liabilities under finance lease agreements	0.1	0.0	-	-	0.2	0.0
Current portion of long-term loans	510.3	10.5	508.6	6.3	686.1	7.6
Other current liabilities	11.4	0.2	11.7	0.1	12.1	0.1
Total current liabilities	782.5	16.1	1,146.9	14.3	1,367.8	15.1
Non-current liabilities						
Liabilities under finance lease agreements - net of current portion	-	-	-	-	0.9	0.0
Long-term loans - net of current portion	4,061.7	83.8	6,868.2	85.5	7,666.4	84.7
Deferred tax liabilities	-	-	-	-	4.0	0.1
Other non-current liabilities	4.0	0.1	19.5	0.2	9.0	0.1

Liabilities	Consolidated Financial Statement as of December 31 ,					
	2017		2018		2019	
	MTHB	%	MTHB	%	MTHB	%
Total non-current liabilities	4,065.6	83.9	6,887.7	85.7	7,680.3	84.9
Total liabilities	4,848.2	100.0	8,034.6	100.0	9,048.1	100.0

Long-term loans from financial institutions

As of 31 December 2017, 2018, and 2019, our long-term loan are 4,572.0 MTHB, 7,376.8 MTHB and 8,352.5 MTHB respectively or 94.3%, 91.8% and 92.3% of total liabilities, respectively. Comparing year end 2019 and 2018, the increase of long-term loan is mainly driven from drawn down of long-term loan from both Thailand and Japanese financial institutions for the investment, despite the repayment of SPN's long-term loan.

Shareholders' Equity

As of 31 December 2017, 2018, and 2019, our shareholders' equity is 3,421.7 MTHB, 3,858.1 MTHB and 3,997.0 MTHB respectively. The increase is mainly as a result of profit contribution from the projects during 2018 and 2019.

Shareholders' equity	Consolidated Financial Statement as of December 31 ,					
	2017		2018		2019	
	MTHB	%	MTHB	%	MTHB	%
Shareholders' equity						
Issued and fully paid up share capital	922.0	26.9	922.0	23.9	922.0	23.1
Share premium	1,511.2	44.2	1,511.2	39.2	1,511.2	37.8
Surplus on business combination under common control	33.1	1.0	33.1	0.9	33.1	0.8
Retained earnings						
Appropriated - statutory reserve	40.7	1.2	64.8	1.7	92.2	2.3
Unappropriated	815.0	23.8	1,084.1	28.1	1,402.3	35.1
Other components of shareholders' equity	(14.2)	(0.4)	(81.6)	(2.1)	(183.8)	(4.6)
Equity attributable to owners of the Company	3,307.8	96.7	3,533.5	91.6	3,777.0	94.5
Non-controlling interests of the subsidiaries	113.8	3.3	324.6	8.4	220.0	5.5
Total shareholders' equity	3,421.7	100.0	3,858.1	100.0	3,997.0	100.0

Liquidity Analysis

Cash Flow Statement	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)
Profit (loss) before tax	342.7	480.5	569.0
Profit (loss) from operating activities before changes in operating assets and liabilities	608.2	853.1	1,090.2
Net cash flows from (used in) operating activities	568.4	889.3	713.1
Net cash flows from (used in) investing activities	(1,954.9)	(3,708.6)	(2,051.1)
Net cash flows from (used in) financing activities	2,624.8	2,572.0	1,190.9
Translation adjustments	(2.3)	(38.8)	(62.5)
Net increase (decrease) in cash and cash equivalents	1,236.0	(286.1)	(209.6)
Cash and cash equivalents at beginning of year	367.4	1,411.2	1,125.1
Cash and cash equivalents at end of year	1,603.4	1,125.1	915.5

Cash flow from operation

For fiscal year 2017, 2018, and 2019, we have cash flow from operation of 568.4 MTHB, 889.3 MTHB and 713.1 MTHB respectively. Comparing 2018 and 2017, the increase is mainly as a result of increase in operating profit before change in working capital as from the new projects. Comparing 2019 and 2018, the decrease is mainly as a result of higher cash flow used from changes in operating assets and liabilities.

Cash flow from investment

For fiscal year 2017, 2018, and 2019, we have cash flow used for investment of 1,954.9 MTHB, 3,708.6 MTHB and 2,051.1 MTHB respectively. Comparing 2019 and 2018, the decrease is mainly as a result of lower cash flow used for property, plant and equipment.

Cash flow from financing

For fiscal year 2017, 2018, and 2019, we have cash flow from financing of 2,624.8 MTHB, 2,572.0 MTHB and 1,190.9 MTHB respectively. The increase of both 2018 and 2019 in cash flow from financing reflects the drawn down of long-term loan from both Thailand and Japan financial institution for investment in the under construction/ development.

Key financial ratio

Liquidity Ratio

Liquidity Ratio	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
Current ratio (Times)	2.3	1.8	1.2
Average collection period (days) ¹	63.6	94.4	98.0
Average payment period (days)	271.6	348.1	217.5

Remark: ¹ Calculated by 360 (days) / (Net sale / Account receivable and others receivable)

Comparing fiscal year 2018 and 2017, Company had lower current ratio form 2.3 times to 1.8 times, mainly driven from increase of account payables and other payables, due to the new projects started commercial operation during 2018. Comparing fiscal year 2019 and 2018, Company had lower current ratio form 1.8 times to 1.2 times, mainly driven from decrease of cash and cash equivalent and increase of short-term loan from bank, due to project investment during 2019.

Profitability ratio

Profitability Ratio	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
Gross Profit Margin (%)	80.8	69.7	67.7
Other Profit Margin (%)	0.6	0.7	0.8
Net Profit Margin (%)	38.1	42.1	37.5
Return on Equity (%)	14.2	13.2	14.2

Comparing fiscal year 2018 and 2017, Company had lower gross profit as a result of lower profit margin from new project started commercial operation during 2018 but higher net profit margin from a lower of general administrative expenses, which has been capitalized as capital expenditures from 2018 onwards. Comparing fiscal year 2019 and 2018, Company had lower gross profit margin and net profit margin, which mainly driven by lower profit margin from new project started commercial operation during 2019. However, the return to equity ratio was significant higher reflecting higher net profit of 2019.

Efficiency ratio

Efficiency Ratio	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
Return on Assets (%)	5.1	4.7	4.5
Return on Fixed Assets (%)	10.0	10.0	9.7

Comparing fiscal year 2018 and 2017, company had lower return on assets because some project did not start commercial operation and not fully generate revenue in year. Comparing fiscal year 2019 and 2018, company had lower return on assets and return on fixed assets. Main driver is the increase of assets from investment, which did not start commercial operation and not fully generate revenue yet in year.

Financial status ratio

Financial Ratio	Consolidated Financial Statement As of December, 31		
	2017	2018	2019
Debt to Equity (Times)	1.4	2.1	2.3
Separate Debt to Equity (Times)	0.14	0.33	0.58
Interest Coverage (Times)	1.9	2.4	2.7
Dividend Payout (%)	N/A	40.0	41.5

Comparing fiscal year 2018 and 2017, Consolidated Debt to Equity ratio is 1.4 times and 2.1 times respectively, and the Separate Debt to Equity ratio is 0.14 times and 0.33 times respectively. Company had higher debt to equity ratio, as a result of higher long-term borrowing from both Thailand and Japanese financial institution for the investment in projects under construction/development. Company had higher interest coverage ratio, as a result of increase in operating profit before change in working capital as from the new projects started commercial operation. Comparing fiscal year 2019 and 2018, Consolidated Debt to Equity ratio is 2.1 times and 2.3 times respectively, and the Separate Debt to Equity ratio is 0.33 times and 0.58 times respectively. Company had higher debt to equity ratio. The main driver is increased short-term loan and long-term loan from both Thailand and foreign financial institutions for project investment. While company had higher interest coverage ratio, due to higher operating profit before change in working capital as from the new projects started commercial operation during 2019.

As of 31 December 2017, 2018 and 2019, the companies in the group (where applicable) maintain financial covenants with the conditions of loan agreements. The Company's loan agreement considers financial covenant based on the separate financial statement (i.e. Debt to Equity ratio is not exceed 2.0 times). The company maintain financial covenants with the conditions of loan agreement.

(Investor can further study our information from annual registration statement (Form 56-1) as shown in www.sec.or.th)

Board of Directors

**Mr.Kamthon Wangudom**

Age 73 year

Independent Director (16 March 2017)

Chairman (16 March 2017)

Education / Training

- Bachelore of Laws, Thammasat University
- Master of Science (M.Sc.) in Political Science, Northeastern Illinois University, USA
- Chief Executive course "Thammasat Leadership Program (LTP)", Thammasat University
- Chief Executive course in Energy technology, Thailand Energy Academy
- Director Accreditation Program (DAP) Course138/2560, Thai Institute of Directors Association (IOD)
- Role of Chairman Program (RCP) 41/2560, Thai Institute of Directors Association (IOD)

Proportion of holding company share (percentage)

-

Relationship between Director and Management

-None-

Experiences

2017 – present	Chairman/ Independent Director/Audit Committee Sermuang Power Corporation Public Company Limited
2012 – present	Chairman K Global Company Limited
2012 – present	Director Petroleum Training Services (PTS) Company Limited
2011 – present	Director Panthakit Surat Company Limited
2010 – present	Director/ Member of Audit Committee Sapthip Company Limited
2008– present	Senior Consultant CEPSA Energy Company International,S.L.U. (Thailand Branch)
1990 – present	Director Packs Global Trading Company Limited
1977 – present	Director Oil-Tex(Thailand) Company Limited



Mr. Viwat Kraipisitkul

Age 63 year

Director (10 June 2015)

Chief of Executive Director (13 October 2015)

Chief of Risk Committee (28 January 2016)

Member of Nomination and Remuneration Committee
(13 October 2015)

Education / Training

- Bachelor of Science in Industrial Management Technology, ChandrakasemRajabhat University, Thailand
- Master Degree in Industrial Technology, ChandrakasemRajabhat University, Thailand
- Director Accreditation Program (DAP)128/2559, Thai Institute of Directors Association (IOD)

Proportion of holding company share (percentage)

7.6%

Relationship between Director and Management

Father of Ms. Thantaporn Kraipisitku and Mr. Tanawat Kraipisitkul

Experiences

2015 – present	Director/ Chief of Executive Director/ Chief of Risk Committee/ Member of Nomination and Remuneration Committee Sermsang Power Corporation Public Company Limited
2016 – present	Director Unity I. Capital Limited
2016 – present	Director SNNP Intertrade Company Limited
2015 – present	Director Sermsang Solar Company Limited
2015 – present	Director Sermsang Infinite Company Limited
2015 – present	Director Essential Power Company Limited
2016 – present	Director Kao Tao Paradise Beach Company Limited
2013 – present	Director Sermsang Corporation Company Limited
2013 – present	Director Triple P Renewable Company Limited
2011 – present	Director Absolute Products Company Limited
2011 – present	Director K.H. Plantation Company Limited
2010 – present	Chairman SermsangPalangngan Company Limited
2003 – present	Director Kim Heng Daily Food Company Limited
1996 – present	Director SrijaorenPiboonPattana Company Limited
1994 - present	Director Siam Ratchaburi Company Limited
1991 – present	Director Kim Heng Food Products Company Limited
1991 – present	Chief of Executive Committee Srinanaporn Marketing Company Limited



Assoc. Prof. Samrieng Mekkriengkrai

Age 65 year

Independent Director (28 October 2015)

Chief of Audit Committee (28 October 2015)

Chief of Nomination and Remuneration Committee
(28 October 2015)

Education / Training

- Bachelor of Laws, Chulalongkorn University, Thailand
- Master of Laws (LL.M.), University of Miami, USA
- Certification of The Thai Bar, The Thai Bar Under the Royal Patronage
- Director Certification Program (DCP) 96/2550, Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AACP) 20/2550, Thai Institute of Directors Association (IOD)
- Financial Statement for Directors (FSD) 9/2553, Thai Institute of Directors Association (IOD)
- Monitoring Fraud Risk Management (MFM) 2/2553, Thai Institute of Directors Association (IOD)

Proportion of holding company share (percentage)

-

Relationship between Director and Management

-none-

Experiences

2015 - present	Independent Director/ Chief of Audit Committee/ Chief of Nomination and Remuneration Committee Sermsang Power Corporation Public Company Limited
2016 – present	Director SM International Law Firm Company Limited
2014 - present	Special Lecturer Faculty of Law, Chulalongkorn University
2012 – present	Independent Director/ Member of Nomination and Remuneration Committee Unique Engineering and Construction Public Company Limited
2007 – present	Audit Committee/ Independent Committee/ Remuneration Committee/ Chief of Corporate Governance and Nomination Committee Thaicom Public Company Limited
1990 – present	Legal Researcher Chulalongkorn University
2018 – present	Independent Director HRO ENTEC Company Limited



Mr. Dhana Bubphavanich

Age 50 year

Bubphavanich Independent Director (28 October 2015)

Audit Committee (28 October 2015)

Education / Training

- Bachelor of Business Administration in Accounting and Finance, Thammasat University
- Master of Science (MS), Finance, Pace University, USA
- Director Accreditation Program (DAP) 87/2554, Thai Institute of Directors Association (IOD)

Proportion of holding company share (percentage)

-

Relationship between Director and Management

-none-

Experiences

2015 – present	Independent Director/ Audit Committee Sermsang Power Corporation Public Company Limited
2017 – 2018	Executive Vice President (Finance) Director Kulthorn Kirby Public Company Limited
2018 – 2019	Director Kulthorn Kirby Public Company Limited
2017 – 2019	Director Kulthorn Premier Company Limited
2017 – 2019	Director Kulthorn Kirby Foundry Company Limited
2017 – 2019	Director Kulthorn Steel Company Limited
2017 – 2019	Director Kulthorn Materials and Controls Company Limited
2017 – 2019	Director Kulthorn Metal Products Company Limited
2017 – 2019	Director Kulthorn Research and Development Company Limited
2015 - present	Director The Whitespace Company Limited
2011 - present	Director Master Car Rental Company Limited
2016 - 2017	Director Bevpro Asia Company Limited
2018 - present	Senior Vice President (Finance) Thainamthip Company Limited



Ms. Thantaporn Kraipisitkul

Age 39 year

Director (10 June 2015)

Member of Executive Committee (13 October 2015)

Member of Risk Committee (28 January 2016)

Member of Nomination and Remuneration Committee
(13 October 2015)

Deputy of Chief of Executive Officer (19 April 2017)

Education / Training

- Bachelor Degree of Economic Faculty, Thammasat University
- Master Degree of Arts in Business and Managerial Economics
Chalalongkorn University
- MSc of Finance, Imperial College Business School
- Director Accreditation Program (DAP) 128/2559, Thai Institute
of Director (IOD)

Proportion of holding company share (percentage)

4.4%

Relationship between Director and Management

Child of Mr. Viwat Kraipisitkul and Mrs. Thanyanee Kraipisitkul /
Sister of Mr. Tanawat Kraipisitkul

Experiences

2015 - present	Director/ Member of Executive Committee/ Member of Risk Committee / Member of Nomination and Remuneration Committee/ Deputy of Chief of Executive Officer Sernsang Power Corporation Public Company Limited	
2016 – present	Director	Unity I. Capital Limited
2016 – present	Executive Director	S. Global Power Limited
2016 – present	Executive Director	Surge Energy Limited
2015 – present	Executive Director	Sernsang Infinite Company Limited
2015 – present	Executive Director	Prestige Group Company Limited
2015 – present	Executive Director	Essential Power Company Limited
2015 – present	Director	Grow Global (Thailand) Limited
2014 – present	Executive Director	Sernsang International Company Limited
2014 – present	Executive Director	Siam Renewable Power Company Limited
2014 – present	Executive Director	Sernsang Solar Company Limited
2014 – present	Executive Director	Siam Clean Solution Company Limited
2014 – present	Director	Kao Tao Paradise Beach Company Limited
2014 – present	Director	Plus Energy Company Limited
2014 – present	Director	Principle Power Company Limited
2014 – present	Director	Primary Energy Company Limited
2014 – present	Director	T.K.H. Food Products Company Limited
2014 – present	Director	Uni Power Tech Company Limited
2013 – present	Executive Director	Sernsang Corporation Company Limited
2013 – present	Director	Triple P Renewable Company Limited
2012 – present	Director	Thai Faster Products Company Limited
2011 – present	Director	SernsangPalangngan Company Limited
2008 – present	Director	T.K.H. Trading and Services Company Limited
2019 – present	Director	Sernsang Sustainable Singapore Private Limited
2019 – present	Director	TenunnGerel Construction LLC
2019 – present	Director	Truong Thanh Quang Ngai Power and High Technology Joint Stock Company
2019 – present	Director	Truong Thanh Tra Vinh Wind Power Joint Stock Company



Mr. Tanawat Kraipisitkul

Age 35 year

Director (28 October 2015)

Member of Executive Committee (28 October 2015)

Senior Vice Precedent – Business development
(13 October 2015)

Education / Training

- Bachelor of Engineering (B.Eng.) in Mechanical Engineering, Mahidol University, Thailand
- Master of Business Administration (MBA), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Director Accreditation Program (DAP) 141/2560, Thai Institute of Directors Association (IOD)
- Energy Science Program for New Generation Executives Thailand Energy Academy, Class 6

Proportion of holding company share (percentage)

3.9%

Relationship between Director and Management

Child of Mr. Viwat Kraipisitkul and Mrs. Thanyanee Kraipisitkul /
Brother of Ms. Thantaporn Kraipisitkul

Experiences

2015 – present	Director	Sermsang Power Corporation Public Company Limited
2016 – present	Director	Unity I. Capital Limited
2016 – present	Director	Kim Heng Daily Food Company Limited
2016 – present	Director	S. Global Power Limited
2016 – present	Director	Surge Energy Limited
2015 – present	Director	Grow Global (Thailand) Limited
2014 – present	Director	Kao Tao Paradise Beach Company Limited
2014 – present	Director	T.K.H. Food Products Company Limited
2014 – present	Director	Uni Power Tech Company Limited
2014 – present	Director	Primary Energy Company Limited
2013 – present	Director	Bangkok Retail Company Limited
2013 – present	Director	Viwat Agriculture Company Limited
2013 – present	Director	SermsangPalangnang Company Limited
2015 - present	Director	Prestige Group Company Limited
2015 - present	Director	Sermsang Infinite Company Limited
2015 - present	Director	Essential Power Company Limited
2014 - present	Director	Plus Energy Company Limited
2014 - present	Director	Siam Clean Solutions Company Limited
2014 - present	Director	Siam Renewable Power Company Limited
2014 - present	Director	Sermsang Solar Company Limited
2014 - present	Director	Sermsang International Company Limited
2013- present	Director	Triple P Renewable Company Limited
2013 – present	Director	Sermsang Corporation Company Limited
2014 – 2016	Director	Siam Biogas Company Limited
2014- present	Director	Access Energy Company Limited



Mr. Varut Tummavaranukub

Age 37 year

Director (28 October 2015)

Member of Executive Committee (28 October 2015)

Member of Risk Committee (28 October 2015)

Chief of Executive Officer (28 October 2015)

Chief of Operation Officer (Acting for) (13 October 2015)

Education / Training

- Bachelor of Science (B.Sc.), Electrical and Computer Engineering, Purdue University, USA
- Master of Science (M.Sc.), Finance, General, Chulalongkorn University, Thailand
- Participated in Global Business Leader Program
- Director Accreditation Program (DAP)128/2559, Thai Institute of Directors Association (IOD)
- Global Business Leader Class 2 Chief Executive course in Energy technology, Thailand Energy Academy Class4
- The Leadership for Digital Transformation Thailand Class2
- Chief Executive course in Business Development Institute of Business and Industrial Development Class5

Proportion of holding company share (percentage)

-

Relationship between Director and Management

-none-

Experiences

2015 – present	Director / Member of Executive Committee / Member of Risk Committee Chief of Executive Officer / Chief of Operation Officer (Acting for) Sermsang Power Corporation Public Company Limited	
2017 – present	Director / Chief of Executive Officer / Chief of Operation Officer (Acting for) SermsangPalangngan Company Limited	
2017 – present	Executive Director	Plus Energy Company Limited
2017 – present	Director	Sermsang Solar Company Limited
2017 – present	Director	Sermsang Infinite Company Limited
2016 – present	Executive Director	Access Energy Company Limited
2016 – present	Executive Director	Access C Management Limited
2016 – present	Executive Director	Triple P Renewable Company Limited
2016 – present	Director	Prestige Group Company Limited
2016 – present	Director	Siam Clean Solutions Company Limited
2016 – present	Director	Siam Renewable Power Company Limited
2016 – present	Director	Sermsang Corporation Company Limited
2016 – present	Director	Sermsang International Company Limited
2015 – present	Executive Director	Seijo Corporation
2017 – present	Director	Essential Power Company Limited
2014 – present	Director	H.J.Y. Group Company Limited
2019 – present	Director	Sermsang Sustainable Singapore Private Limited
2019 – present	Director	TennunGerel Construction LLC
2019 – present	Executive Director	Truong Thanh Quang Ngai Power and High Technology Joint Stock Company
2019 – present	Executive Director	SEA Sun Energy Partners Pte. Ltd.
2019 – present	Executive Director	PT Sea Sun Energi
2019 – present	Executive Director	Truong Thanh Tra Vinh Wind Power Joint Stock Company



Mrs. Thanyanee Kraipisitkul

Age 63 year

Director (28 October 2015)

Education / Training

- Diploma of Marketing, Sahapanich Business Technological Colleg
- Director Accreditation Program (DAP) 143/2560, Thai Institute of Directors Association (IOD)

Proportion of holding company share (percentage)

-

Relationship between Director and Management

Mother of Ms. Thantaporn Kraipisitku and Mr. Tanawat Kraipisitkul

Experiences

2015 – present	Director	Sermsang Power Corporation Public Company Limited
2017 – present	Director	Access C Management Limited
2016 – present	Director	Vertical Holding Company Limited
2016 – present	Director	Srinanaporn Marketing Company Limited
2013 – present	Director	Viwat Agriculture Company Limited
2013 – present	Director	Srisiam Food Products Company Limited
2011 – present	Director	T.K.H. Wood Power Company Limited
2007 – present	Director	Siam Daily Food Product Company Limited
2003 – present	Director	Kim Heng Daily Food Company Limited
2014 – 2016	Director	Access Energy Company Limited
2014 – 2015	Director	Sermsang Solar Company Limited
2014 – 2015	Director	Plus Energy Company Limited
2014 – 2015	Accounting Officer	Herman Chan CPA & Co

Board of Managements



Ms.Sukunya Phokhakul

Age 53 year
Chief Financial Officer
(15 August 2019)

Education / Training

- Bachelor of Political Science (First Class Honours), Public Finance, Chulalongkorn University
- Master of Business Administration (Finance), Chulalongkorn University
- Director Certificate Program (DCP) 161/2012, Thai Institute of Directors Association (IOD)

Proportion of holding company share (percentage)

-

Relationship between Director and Management

-none-

Experiences

Present	Chief Financial Officer	Sermsang Power Corporation PLC.
2002-2019	Senior Vice President, Business Development	Electricity Generating Public Company Limited
2010-2013	Chief Financial Officer, Director	Natural Energy Development Co., Ltd
1997-2002	Assistant Vice President, Credit Department	Sumitomo Mitsui Banking Corporation
1995-1997	Assistant Vice President, Credit Department	Asia Credit Public Company Limited
2017-2018	Director	Nam Theun 1 Power Co.,Ltd.
2011-2015	Director	Chaiyaphum Wind Farm Co.,Ltd.
2011-2014	Director	Theppana Wind Farm Co.,Ltd.
2012-2013	Director	G-Power Sources Co.,Ltd.
2019 - Present	Director	TenunnGerel Construction LLC



Ms. Phonkamon Hongwilai

Age 34 year

AVP – Account and Treasury (26 June 2017)

Education / Training

- Bachelor of Commerce and Accountancy.
Chulalongkorn University

Proportion of holding company share (percentage)

-

Relationship between Director and Management

-none-

Experiences

2017–Present	AVP – Account and Treasury Serm Sang Power Corporation Public Company Limited)
2009 - 2017	Audit Manager EY Office Limited



Ms.Sarmornmart Chaiphatikarn

Age 36 year

Company Secretary (13 October 2015)

Education / Training

- Bachelor of Law, Thammasat University
- Lawyer Licence, Lawyers Council of Thailand
- Degree of Barrister at Law, Institute of Legal Education of the Thai Bar Association
- Master of Law, University of Aberdeen
- Notarial Services Attorney Training Course, Lawyers Council of Thailand
- Company Secretary Program (CSP)69/2559, Thai Institute of Directors Association (IOD)

Experiences

2015 – present	Company Secretary Sermang Power Corporation Public Company Limited
2015	Director Sermang Power Corporation Public Company Limited
2014 – 2015	Corporate and Commercial Lawyer Sermang Palangngan Company Limited
2014 – 2015	Director Cleanovation Energy Company Limited
2019 – present	Director Truong Thanh Quang Ngai Power and High Technology Joint Stock Company
2019 – present	Director PT Sea Sun Energi
2019 – present	Director Truong Thanh Tra Vinh Wind Power Joint Stock Company

Proportion of holding company share (percentage)

-

Relationship between Director and Management

-none-



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