



Sino-Thai Engineering & Construction Public Company Limited



2023

Annual Report 2023

Annual Registration Statement 2023 (56-1 One Report)



Sino-Thai Engineering & Construction Public Company Limited

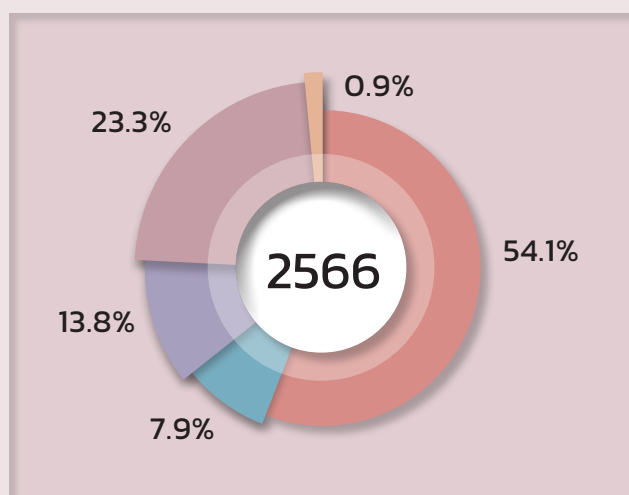
The 2023 Annual Report, the Form for Presenting Annual Information for the year 2023 (56-1 One Report), as well as the disclosure of sustainability information, have been prepared in accordance with the Sustainability Reporting Guidelines for Registered Companies.

Financial Highlights

	2019	2020	2021	2022	2023
Balance Sheet (THB M)					
Current Assets	23,149	21,095	20,084	22,160	20,636
Total Assets	49,207	44,033	46,622	50,790	47,449
Current Liabilities	31,479	26,595	26,191	27,472	26,698
Total Liabilities	34,560	29,321	29,255	30,900	29,377
Shareholders' Equity	14,648	14,712	17,367	19,889	18,072
Income Statement (THB M)					
Construction Income	32,882	35,769	27,613	30,265	29,527
Total Revenue	33,236	36,182	28,028	30,573	29,841
Cost of Construction	31,149	34,249	26,388	28,776	28,280
Selling & Administrative	511	674	675	779	834
Interest Expense	51	53	33	20	43
Gross Profit	1,733	1,520	1,225	1,489	1,247
Net Profit	1,494	1,103	721	867	536
Financial Ratio					
Current Ratio (Times)	0.74	0.79	0.77	0.81	0.77
Collection Period (Days)	46	37	37	22	25
Payment Period (Days)	109	90	74	63	74
Gross Profit Margin (%)	5.27%	4.25%	4.44%	4.92%	4.22%
Net Profit Margin (%)	4.50%	3.05%	2.57%	2.83%	1.79%
Return on Equities (%)	10.20%	7.50 %	4.49%	4.65%	2.82%
Return on Asset (%)	3.04%	2.51 %	1.59%	1.78%	1.09%
Total Assets Turnover (Times)	0.68	0.82	0.62	0.63	0.61
Debt to Equity Ratio (Times)	2.36	1.99	1.68	1.55	1.63
Book Value per Share (Baht)	9.60	9.65	11.20	12.85	11.61
Earning per Share (Baht)	0.97	0.72	0.47	0.56	0.35

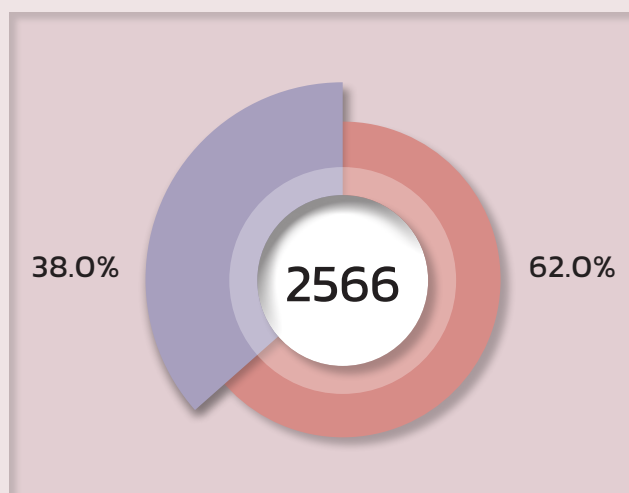
Construction Revenue Structure by TYPE OF WORKS

- Infrastructure
- Industrial
- Building
- Power & Energy
- Environment



Construction Revenue Structure by TYPE OF CUSTOMERS

- Private Sector
- Public Sector
(Including State Enterprise)



Total Revenue

2022 :	THB	30,573	M
2023 :	THB	29,841	M

Decrease in Total Revenue

Gross Profit

2022 :	THB	1,489	M
2023 :	THB	1,247	M

Decrease in Gross Profit

Net Profit

2022 :	THB	867	M
2023 :	THB	536	M

Decrease in Net Profit

Book Value per Share

2022 :	Share	12.85	THB
	#share =	1,525	M
2023 :	Share	11.61	THB
	#share =	1,525	M

Decrease in Book Value per Share

Backlog Order

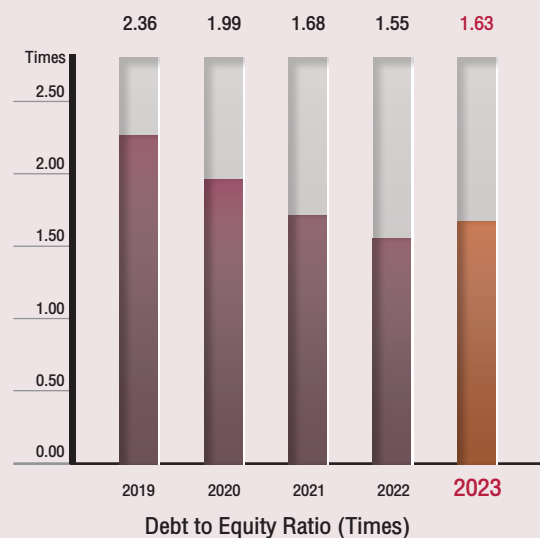
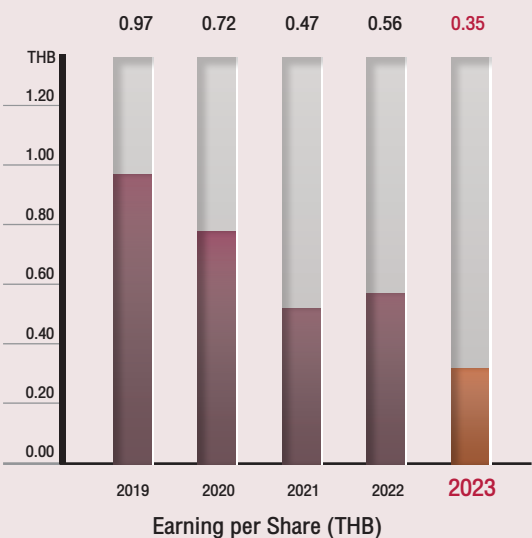
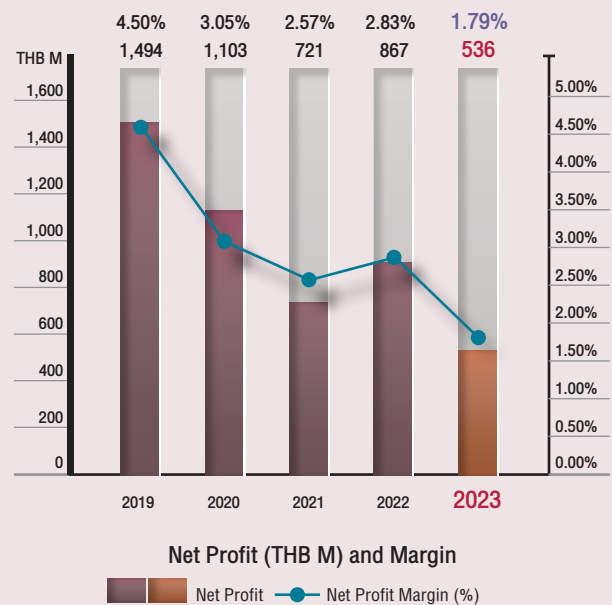
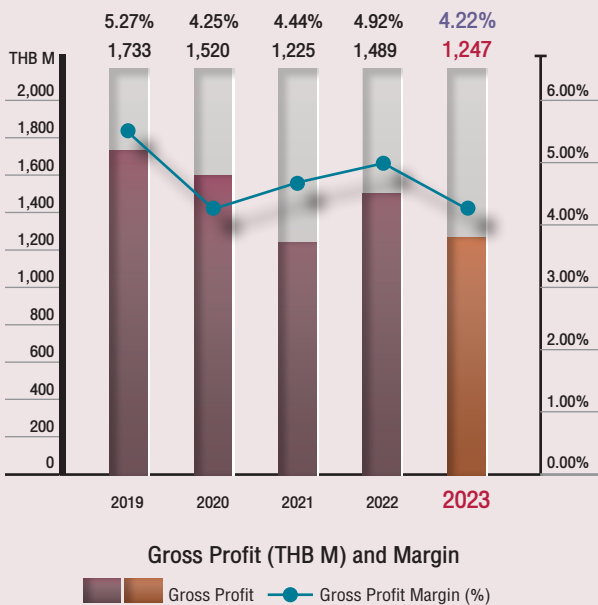
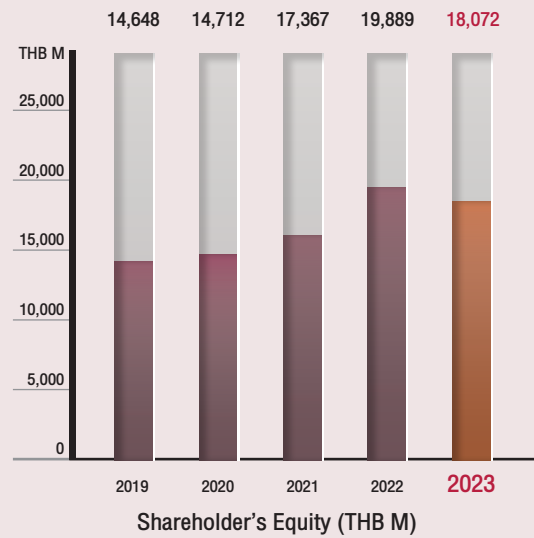
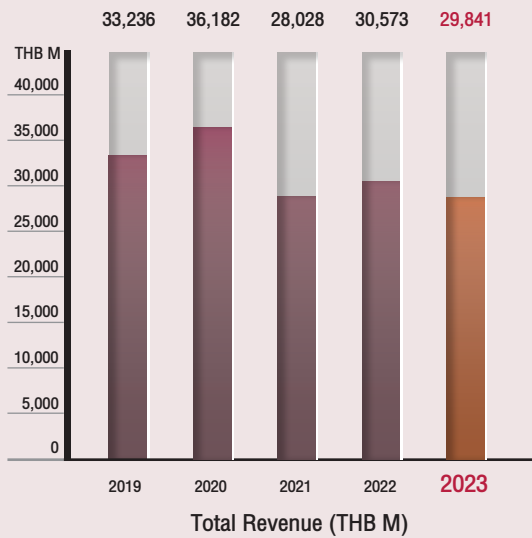
2022 :	THB	114,936	M
2023 :	THB	101,395	M

Decrease in Backlog Order

Market share by Revenue : 12.95% (3rd Rank)

Comparing to 25 construction companies listed in SET as of 3Q 2023

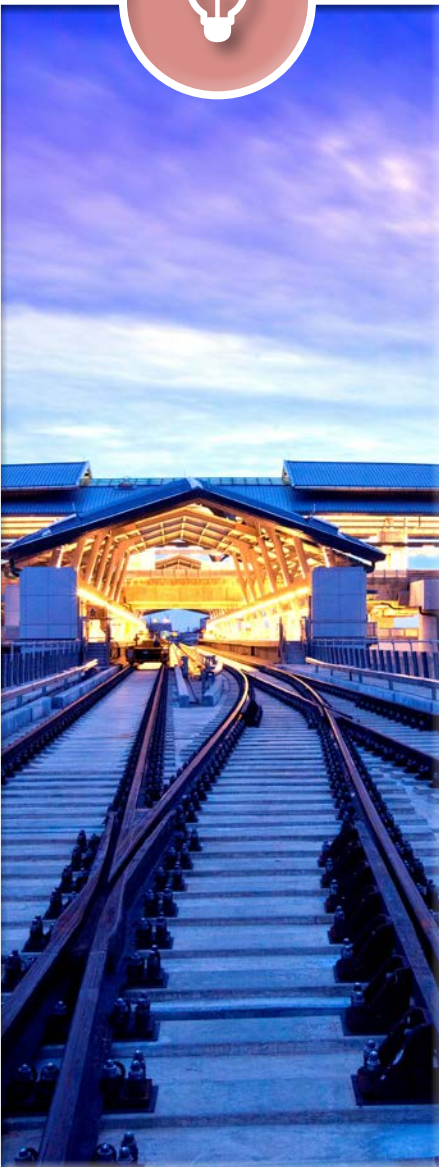
TRIS Rating Assigns Company Rating to
"STEC" at "A--"



Vision, Mission Corporate Objective / Long Term Goals

Vision

The Company continues to move forward and become the leading Engineering and Construction firm in Thailand and eventually the region, while delivering projects that consistently meet international standards for sustainable growth.



Mission

1. To undertake the engineering and construction business with a focus on becoming the cost leadership while building excellence in every aspect to meet customers' stringent requirements regarding quality, on-time delivery, safety and environmental concerns.
2. To develop efficient and effective management the organization should be constantly improved under good governance.
3. To emphasize fostering the organization's consistent and sustainable growth.
4. To establish new businesses related to the core business to diversify revenue streams and mitigate risks.



Corporate Objective Long Term Goals

The Company intends to move forward as engineering and a turnkey construction services of the domestic and international markets that meet the international standard and our objective is "Safety is our first priority" (Loss Time Accident = 0)



Corporate Values, Strategy

Business Goal, Environmental and Social Goal

Business Goal

The Company revenue growth target is 5-10% for the year 2022-2024.

Environmental and Social Goal

The Company always aware of safety, environment, and social impact. The Company has strictly defined policies, guidelines and monitored safety, environment and social. The knowledge, and training program for the performance of all duties to comply with the safety and environment standards, including supporting environmental conservation guidelines and reducing environmental and social impacts that may arise from the Company's construction process.



Corporate Values

1. People
2. Commitment
3. Integrity
4. Adaptability & Flexibility
5. Continuous Learning
6. Trust
7. Customer Satisfaction

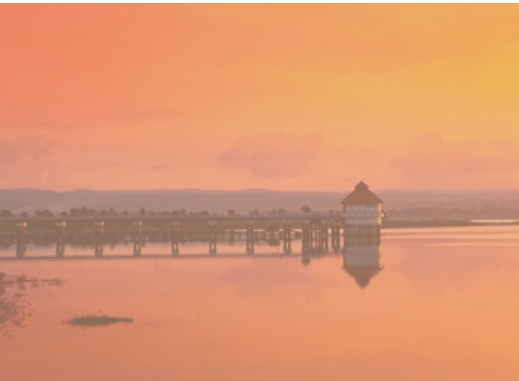


Strategy

Sino-Thai's strategy is to deliver sustainable and profitable growth through.

1. Focus on core business in construction.
2. Delivering the best quality services, on time with a high safety standard to our valued customers.
3. Emphasize cost leadership.
4. Maintaining healthy financial strength.
5. Maintaining operational excellence.
6. Developing human capital continuously.





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Project Highlights

MRT Pink Line

(Khae Rai –Min Buri)

STECON is the EPC contractor for The Pink Line project, the first straddle monorail system in Thailand, length 34.5 kilometers with 30 stations, depot and park and ride building.



Motorway

(Bang Pa In-Saraburi-Nakorn Ratchasima)

STECON is one of the contractors for Motorway Route Bang Pa In - Saraburi - Nakorn Ratchasima from KM 0+0.000 to KM 7+322.494 and KM 71+250 to 74+300, Construction of highway in total distance 12.202 KM. including elevated bridges.



The Government Complex Commemorating His Majesty The King's 80th Birthday Anniversary

STECON is the contractor for The Government Complex Commemorating his Majesty the King's 80th Birthday Anniversary. The project is a reinforced concrete building with 11 floors and 2 basements level including structural, architectural and MEP works.





MRT Yellow Line

(Lat Phao – Samrong)

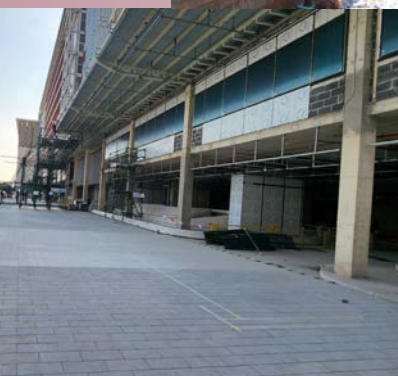
STECON is the EPC contractor for The Yellow Line project, the first straddle monorail system in Thailand, length 30.4 kilometers with 23 stations, depot and park and ride building.



Track Doubling Project

(Nakorn Pathom-Hua Hin) Contract 2

The SRT Track Doubling project which is currently under construction is Nakorn Pathom-Hua Hin. Construction of Track Doubling (Metre-gauge) in total distance 76 kilometers, Railway Station, Railway Bridge, Roadway Bridge, U-Turn Bridge.





Professor Rawat Chamchalerm
Chairman of the Board of Directors

Message from the Chairman of the Board of Directors

Another year has passed, and the global situation is still not favorable. There are constant conflicts resulting in extensive impact on the peace, security, and economy of the world. As a result, International investment is not growing as it should, affecting the lives and livelihood of people around the world.

These events have affected the economy and investment in Thailand, both in the public and private sectors. For the public sector, it is necessary to adjust the economic management system to accommodate these situations. The private sector has also been affected. Due to a decline in foreign investment, domestic investment has also declined. Therefore, the private sector needs to adapt its management and investment style to suit the situation. This is particularly true when there are wars occurring overseas, which greatly impacts investment in the energy sector. Energy and fuel prices have been rising steadily, causing a significant rise in operational costs. Moreover, there are also impacts on the safety of people's lives and international travel.

Our Sino-Thai company has also been affected by the events. However, due to the Company's solid foundation laid down by our founder, Mr. Chavarat Charnvirakul, as well as the unity of all of our executives and employees who have cooperated in performing their duties with determination and sacrifice, we have sustainably maintained the Company's status and gained the confidence and trust of the government and general population. Therefore, I would like to commend the executive directors and all employees who have worked together to perform their duties with such sacrifice and express my wish for this excellence to be maintained forever.

Best wishes

Rawat Chamchalerm.

(Professor Rawat Chamchalerm)
Chairman of the Board of Directors

Success Achievement Award



Sino-Thai emphasizes sustainable business operations, cares for society, and is environmentally responsible. Conducting business with integrity, transparency, and a commitment to innovation and technology promotion, Sino-Thai has been recognized with rankings and certifications both nationally and internationally in year 2023.



Selected as “Sustainable Stock SET ESG Ratings: Rating A” for the year 2023 in the real estate and construction sector by The Stock Exchange of Thailand. In addition, STEC stock has been used as a benchmark stock for calculating the SET ESG.

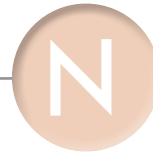
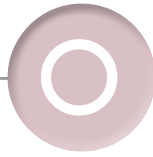
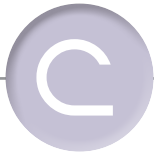


Received certification as a LEED (Leadership in Energy & Environmental Design) GOLD standard green building by the U.S. Green Building Council (USGBC), which sets the criteria for building assessments.



CG Ranking by
Thai Institute of
Directors (IOD) 2023 :
Excellent

Received an “Excellent” rating of 5 stars (Excellent CG Scoring) in the corporate governance assessment criteria. This evaluation was conducted on the corporate governance practices of Thai registered companies for the year 2023 (Corporate Governance Report of Thai Listed Companies 2023: CGR) by the Thai Institute of Directors (IOD).



Received a full score evaluation of 100 points (5 coins) from the “Annual General Meeting (AGM) Checklist” project for the year 2023 by the Thai Investors Association and The Securities and Exchange Commission, Thailand.



Received certification of ISO 45001 Occupational Health and Safety Management Standard Version 2018 from SGS.



Received certification of ISO 9001 Quality Management System Standard Version 2015 from UKAS and NAC.



Investment

Subsidiary Company

Company	Type of Business	Registered Capital (Baht)	%Shares Holding	No. of Shares	Cost (Baht)
● HTR Corporation Limited	Real Estate Development	500,000,000	80.90	40,449,995	404,499,950
● Nouvelle Property Co., Ltd.	Real Estate Development	800,000,000	99.99	7,999,999	799,999,900
● Wisdom Services Co., Ltd.	Selling, Renting, and Maintenance Construction Machinery and Equipment and Provide Training Service	2,211,000,000	99.99	22,109,999	2,210,999,900
● Stecon Power Co., Ltd.	Produce all types of energy	100,000,000	99.99	999,999	99,999,900
● Sino-Thai Holding Co., Ltd.	To Invest in Other Businesses	5,000,000	99.99	49,999	4,999,900
● SNT Concrete Solution Co., Ltd.	Produce and sell concrete products for use in construction, including design products.	300,000,000	99.99	2,999,999	299,999,900
● DC Power BN1 Co., Ltd.*	Build to suit for Data Center Projects	165,000,000	60.00	9,899,998	98,999,980

Affiliated Company

Company	Type of Business	Registered Capital (Baht)	%Shares Holding	No. of Shares	Cost (Baht)
● DKK Sino-Thai Engineering Co., Ltd.	Telecommunications and Transmission Lines	8,000,000	35.00	27,997	2,799,700
● Northern Bangkok Monorail Co., Ltd.	Mass Transit Operation and Maintenance for Pink Line (Khaerai-Minburi)	14,400,000,000	15.00	21,600,000	2,160,000,000
● Eastern Bangkok Monorail Co., Ltd.	Mass Transit Operation and Maintenance for Yellow Line (Lardpharo-Samrong)	14,400,000,000	15.00	21,600,000	2,160,000,000
● U-TAPAO International Aviation Co., Ltd.	Airport Operations Including Other Related Activities	4,500,000,000	20.00	9,000,000	900,000,000
● BGSR 6 Co., Ltd.	Operate and Maintenance Intercity Highway Projects (Bang Pa-In-Nakhon Ratchasima)	1,000,000,000	10.00	10,000,000	100,000,000
● BGSR 81 Co., Ltd.	Operate and Maintenance Intercity Highway Projects (Bang Yai - Kanchanaburi)	850,000,000	10.00	8,500,000	85,000,000
● UTB Co., Ltd.	Operate Manage Airport City in U-Tapao International Airport and Eastern Airport City	10,000,000	20.00	20,000	2,000,000
● Sitem ST Engineering and Services Co., Ltd.	Operate Manage Maintenance and Building Engineering System Management	5,000,000	30.00	15,000	1,500,000

Note : *DC Power BN1 Co., Ltd. is a subsidiary of Stecon Power Co., Ltd.

Our Business

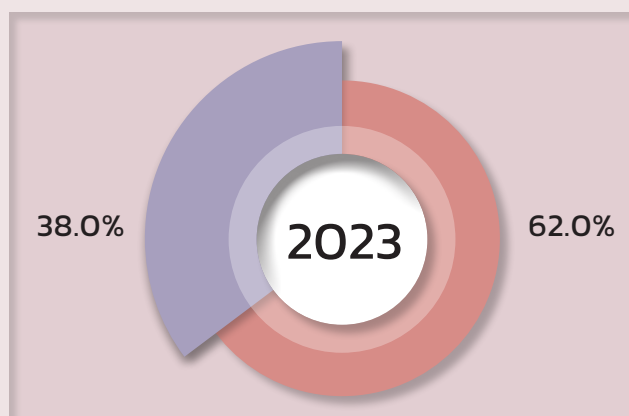
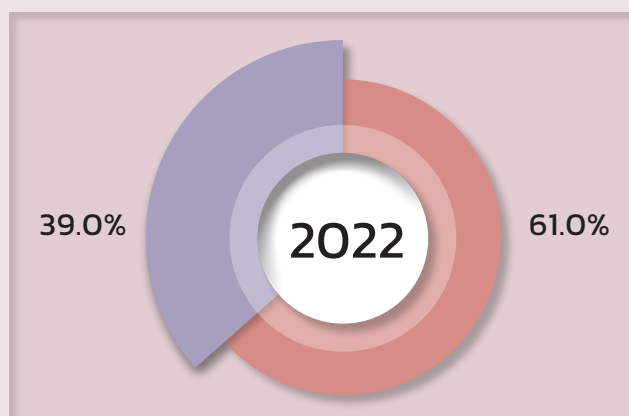
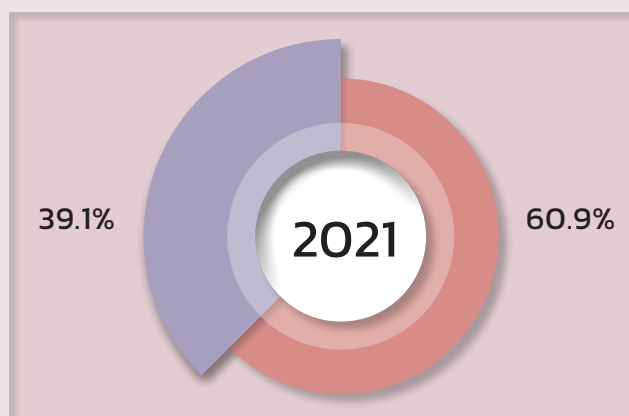
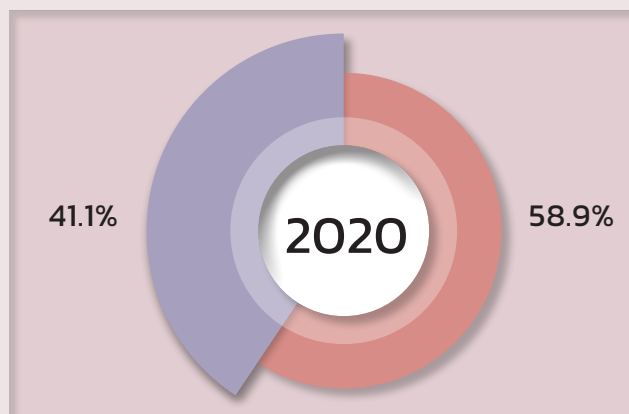
The Company's construction work can be classified by work type and customer type. Construction work can be divided into 5 main types of work:

Infrastructure	Building	Power & Energy	Industrial	Environment
<ul style="list-style-type: none"> • Mass Transit • Road • Elevated Road • Highway • Bridge • Railway 	<ul style="list-style-type: none"> • Office Building • Convention Center • Exhibition Center • Hospital • Condominium • Special Building 	<ul style="list-style-type: none"> • Power Plant • Refinery 	<ul style="list-style-type: none"> • Petrochemical Plant • Industrial Plant • Steel Structure & Piping • Pre-Assembly Module 	<ul style="list-style-type: none"> • Wastewater Treatment Plant • Water Supply System • Irrigation System



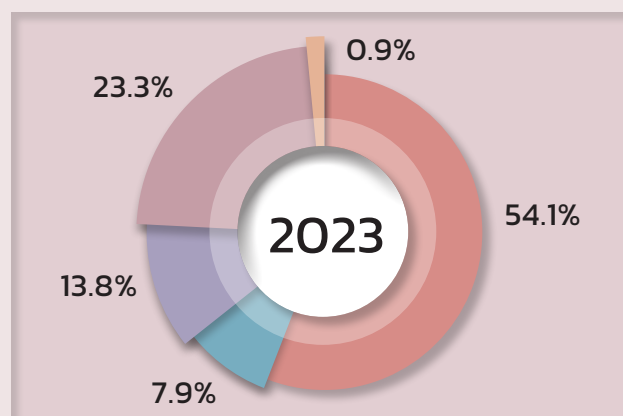
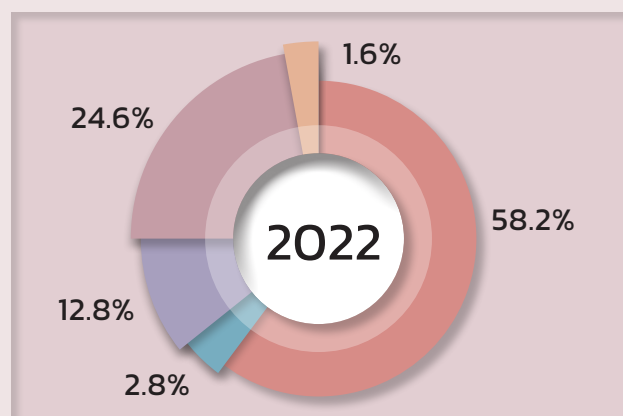
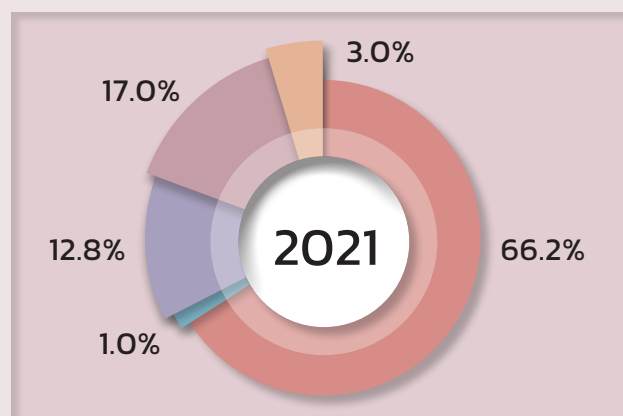
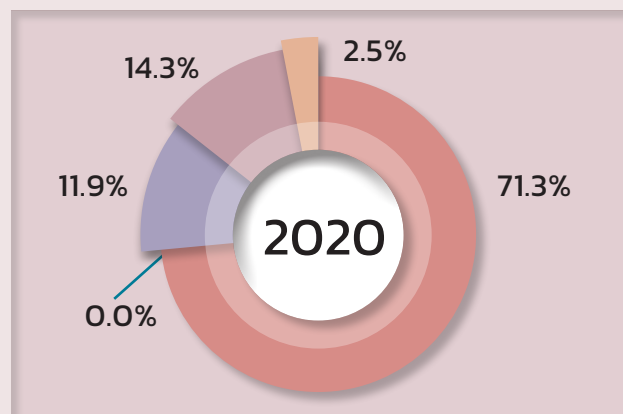
Construction Revenue Structure by **Type of Customers**

- Private Sector
- Public Sector (Including State Enterprise)



Construction Revenue Structure by **Type of Works**

- Infrastructure
- Industrial
- Building
- Power & Energy
- Environment



Business Overview

Thailand's economy in 2023 began to adjust slightly for the better. The COVID-19 pandemic is beginning to subside. As a result, the economy is gradually recovering. There are driven by factors such as the expansion of private sector consumption. Continued recovery of the tourism sector including the expansion of investment in both the public and private sectors. However, the construction sector continued to experience delays due to the late approval of state budgets, resulting in various construction projects being postponed.

In 2023, the Company continued to grow. As of the end of 2023, the Company had Baht 101,395 million as its backlog order, consisting of projects from the governmental sector and the private sector. The construction projects derived from the governmental sector were the mass transit systems, railways, highways, etc. The construction projects derived from the private sector were power plant projects.

Type of Customer

The Company is a well diverse construction Company capable of acquiring projects in many different work fields. For this reason, the Company has a varied customer base, all depending on the type of projects. The Company has the capabilities to take on projects in the private, government, or state enterprise sectors.

In 2024, the Company plans to obtain construction project from the government sector, such as investment projects in the Eastern Economic Corridor (EEC), road, expressways and mass transit systems from the Mass Rapid Transit Authority and State Railway of Thailand. These mega infrastructure projects under the government long-term development plan will create a significant foundation to support economic growth and increase the long-term competitiveness of the country.

As for the private sector customers for 2024, the Company is still focusing on the key areas of power plants (IPPs and SPPs), buildings and industrial plants such as oil refineries, etc.

The Target Customer

1. Public Sector (Government and State Enterprise) consist of the following: Mass Rapid Transit Authority of Thailand, State Railway of Thailand, Bangkok Metropolitan Authority, Electricity Generating Authority of Thailand, Expressway Authority of Thailand, The Department of Rural Road, Department of Irrigation, Department of Highway, Metropolitan Electricity Authority, Metropolitan Waterworks Authority, Provincial Electricity Authority etc.
2. Private sector work consists of large and medium-sized Power plants. Industrial plant by focusing on accepting construction from large construction companies from abroad (EPC Contractors)

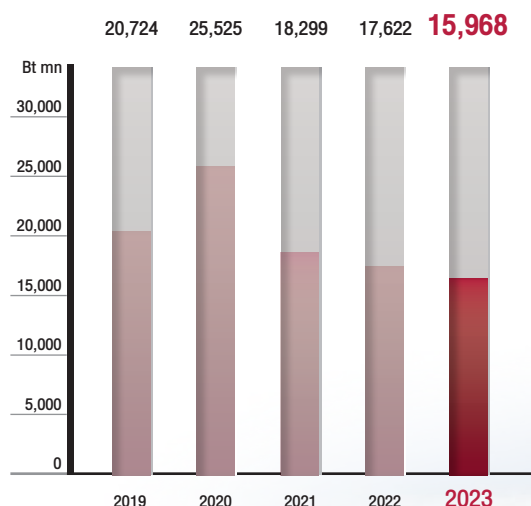
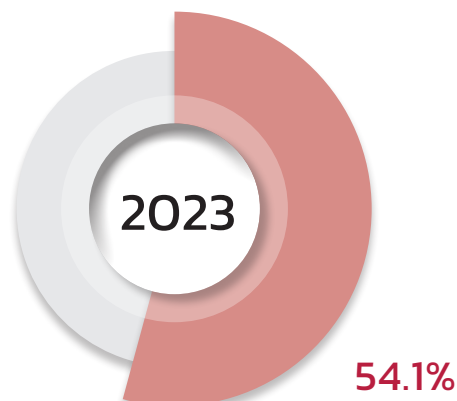
Infrastructure

The Company is proud to be a part of Thailand's economic growth through infrastructure projects such as mass transit systems, the elevated roads, expressways, highways, roads, bridges, dams, and marine works.

In 2023, the construction market of infrastructure continued to grow, with large scale government projects still constantly being auctioned off. The Company recognizes a large proportion of revenue from the construction of infrastructure. At the end of 2023, the Company had revenue from the construction of infrastructure amount Baht 15,968 million, or 54.1% of total revenue from construction. The projects which completed in year 2023 were MRT Yellow Line, MRT Orange Line (East) Contract 1,2,5 and Guide Way Beam and Associated Works for MRT Yellow Line and Pink Line Project.

As of the end of the year 2023, there are ongoing infrastructure construction projects on hand, consisting of MRT Pink Line (Extension), MRT Purple Line Contract (Tao Poon-Rat Burana) Contract 1, Double Track (Prajub Kirikhan-Chumphon) Contract 2, Double Track (Nakhon Pathom-Hua Hin) Contract 2, Motorway (Bang Pa In-Saraburi-Nakorn Rachasima), Manhole, and Underground Duct Bank with the MRT Pink Line and Yellow Line Projects, Nong Khai city bypass road (East Side) Part 1, SRT Railway Project (Den Chai-Chiang Rai-Chiang Khong) Contract No.2,3, Operation and Maintenance of Intercity Motorway project (Bang Pa-in-Nakhon Ratchasima) (M6) and Intercity Motorway project (Bang Yai-Kanchanaburi) (M81).

For the direction of infrastructure works in the year 2024, there is anticipated to be a continuous stream of new project tendering in line with the government sector. Investment is expected through infrastructure construction projects and large-scale transportation projects, according to Thailand's strategic plan for transportation infrastructure investment.



Building

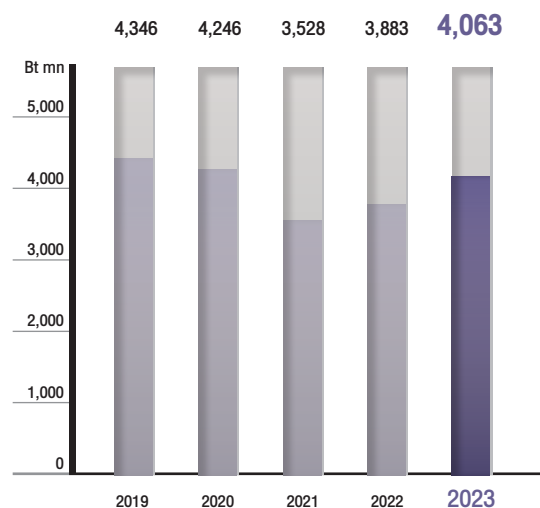
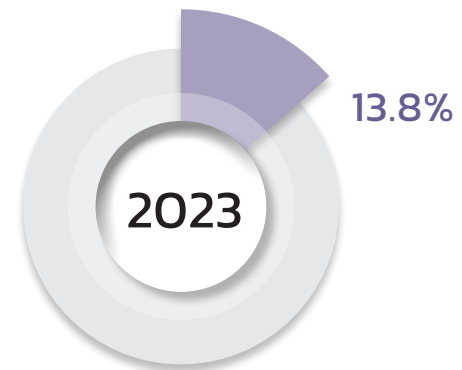
The Company has various services of buildings, which are office buildings, condominiums, aircraft maintenance centers, sports centers, schools, hospitals, museums, convention centers, cargos, airport terminals, etc.

In 2023, the construction in the building sector has exhibited an overall positive adaptation. The public sector continues to initiate new projects through competitive tender processes. Concurrently, the private sector has seen an increase, particularly within the residential and commercial real estate sectors.

The Company has construction work in the building sector, both public and private building construction work. At the end of 2023, the Company had revenue from the construction of building amount Baht 4,063 million or 13.8% of total revenue from construction.

At the end of 2023, there are ongoing building projects on hand, consisting of Mochit Complex Building, U-Tapao Airport Development, and Government Center Phase 2.

The new building construction projects in 2024 are expected that it will continue to grow. Investment in private construction projects, both in the housing, industrial and commercial are expected to recover in accordance with the country's economy.



Power and Energy

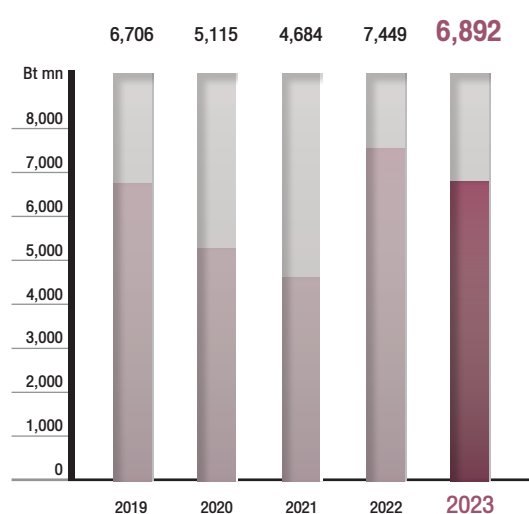
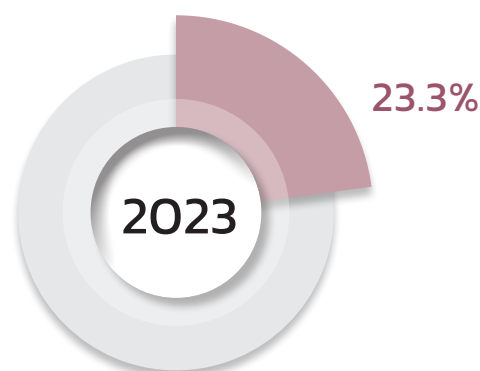
The power and energy projects are one of the main construction projects of the Company. The Company has played a major role in the power and energy sector especially power plants. There was an expansion of power generation in the country so there will be a lot of power plants construction plans of power plant projects of Electricity Generating Authority of Thailand, power plants of the private sector including IPP, SPP, etc.

The power and energy market in 2023 still have IPP projects and very small power producer projects (VSPP), most of them will be the construction of very small power producers (VSPP) projects of renewable energy such as solar farms, wind farms, biomass power plants, and waste to energy plants, etc.

The Company still has construction work on power and energy, at the end of 2023, the Company had revenue from the construction of power and energy amount Baht 6,892 million, or 23.3% of the total revenue from construction. The projects completed were Gulf Chana Green power plant.

At the end of 2023, there are ongoing power and energy projects on hand, consisting of Gulf Pluak Daeng power plant, Gulf Sriracha power plant and Hin Kong power plant.

The construction in power and energy sector in 2024 is continuing growth. In 2023, demand for electricity up to 34,131 MW (Data: EGAT) and expected to growth. According to The National Power Development Plan (PDP 2023), still have a gradual increase in electricity generating capacity from 2022 to 2037, which will create ongoing power and energy construction projects in the future.



Industrial

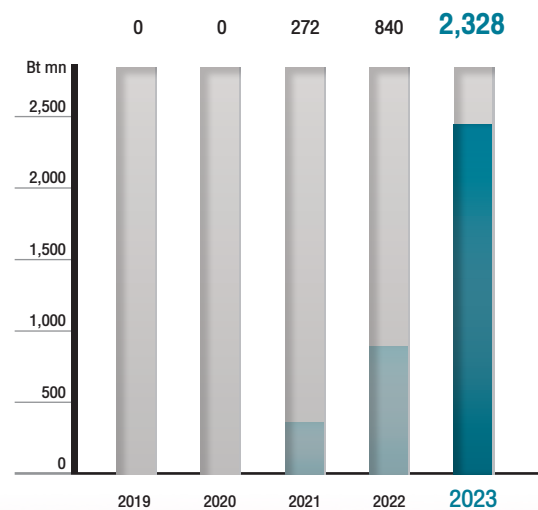
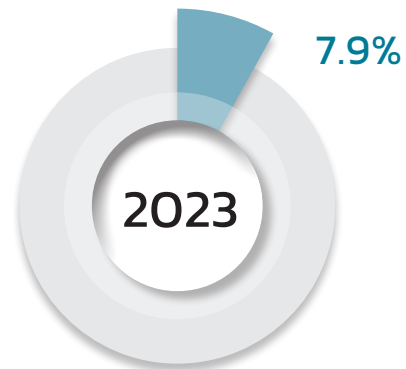
The Company has a wide range of experience in industrial construction projects. Sino-Thai as a leader in the construction of industrial plants such as refineries, petrochemicals, chemical plants including fabrication and erection of steel structures and piping works.

The Construction market in the industrial sector in 2023 slowed down. There were some new projects launched, such as the PTT Group projects, etc.

The Company still has industrial construction work, at the end of 2023, the Company had revenue from construction in an industrial amount Baht 2,328 million, or 7.9% of the total revenue from construction.

At the end of 2023, there are ongoing industrial projects on hand, consisting of Thai Oil Clean Fuel Project and LEO Project.

Industrial construction projects in 2024 are expected to slightly increase. This is driven by the government's proactive promotion of investment projects within the Eastern Economic Corridor (EEC), which is expected to lead to increased private sector investments related to industrial facilities in the future. This includes the growing demand for foreign investments in the industrial sector.



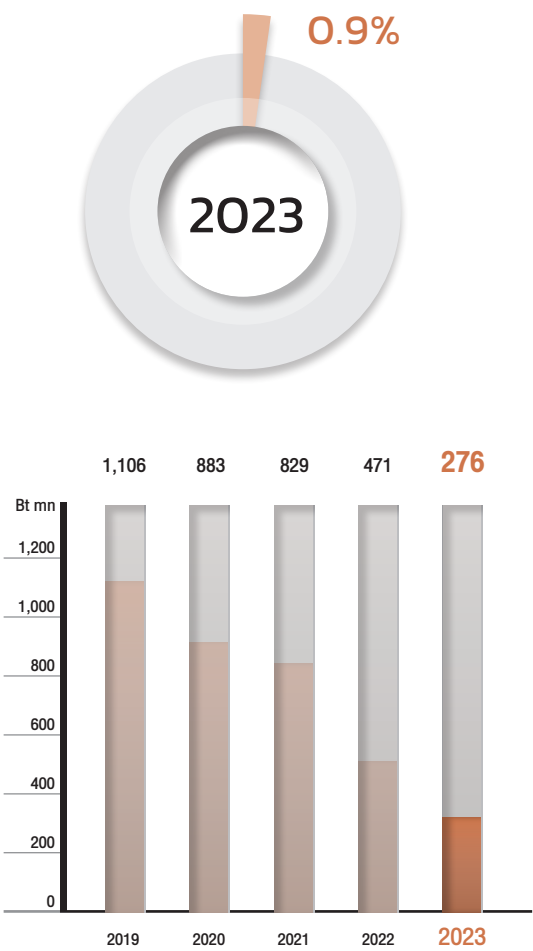
Environment

The Company becomes a part of environmental concerns by committing to construct environmental projects such as wastewater treatment projects, water supply projects, and pipeline installations.

Construction in the environment sector slowed down. The Company had some environmental construction work. At the end of 2023, the Company had revenue from construction in the environment amount Bath 276 million, or 0.9% of total revenue from construction.

At the end of 2023, there are ongoing environment projects on hand, consisting of Drainage from Nong-Bon to the Chao Praya River, Diversion Canal (Bang Ban – Bang Sai) and Thonburi wastewater treatment contract 3.

The environmental construction projects in 2024 are expected to have some new projects aligned with the government’s investment plan for water resource management (2018-2037), such as the water shortage management project, flooding improvement project, water quality improvement project, and water management system, etc.



Construction Overview in 2023

The overall construction industry in 2023 has grown slightly, reflected by the value of the investment in construction, including the public and private sectors. During the first nine months of the year 2023, the total investment value of Baht 1,098,360 million (Data as of Nov. 2023, NESDB), increasing by 2.97% from 2022 with a total investment value of Baht 1,066,665 million, the investment in government construction with an investment value of Baht 644,889 million, increasing by 2.53%. Government construction investment was mainly from the continuation of mega projects that have been undertaken by government and state enterprises, such as MRT Orange Line (East) (Thailand Cultural Centre - Min Buri), MRT Orange Line (West) (Bang Khun Non - Thailand Cultural Centre), MRT Purple Line (Tao Poon - Rat Burana), MRT Pink Line (Khao Rai - Min Buri), MRT Yellow Line (Lat Phrao - Samrong), High - speed rail (Bangkok - Nakhon Ratchasima), Motorway (Bang Pa In - Nakhon Ratchasima) and Motorway (Bang Yai - Kanchanaburi), etc.

Meanwhile, the private sector in the first nine months of 2023 had a total investment value of Baht 453,471 million, increasing by 3.61%. The housing construction investment value was Baht 239,931 million, accounting for 52.91% of all private construction investment, the rest being industrial and commercial construction and others such as hotels and hospitals.

In 2023, in conclusion, the overall construction industry grown slightly. However, investment in some new projects has been delayed more than planned. This year, some bidding schedules have been postponed, however, those projects were expected to bid on year 2024.

Competitiveness and Market Share

In 2023, the construction industry still has new construction projects for bidding. The Company engaged in the bidding process regularly for an increasing order backlog. At the end of 2023, the total value of the backlog order was Baht 101,395 million. The backlog orders on hand assure the Company continuing growth of revenue for the Company in the future.

The market share from the data of 25 construction companies listed on the Stock Exchange of Thailand, as of the 3rd quarter, Sino-Thai Engineering and Construction Public Company Limited had a construction revenue of Baht 21,496 million, accounted for market share at 12.95 % (3rd rank)

Trends of the Industry and Competitiveness in the Future

The construction business in 2024 is expected to grow. The Krungsri Research Center forecasts the construction business in 2024 to grow at an average of 5.0% - 5.5%, which has been benefited mainly from investment in government infrastructure. Government construction is expected to grow at an average of 5.5% - 6.0%, while private construction is expected to grow at an average of 4.0% - 4.5%.

The mega infrastructure of the government is expected to be further launched in the future.

The Mass Rapid Transit

1. MRT Brown Line (Khao Rai - Lam Sali)
2. BMA Grey Line (Watcharaphon - Thonglor)
3. BMA Blue Line (Din Daeng - Sathorn)
4. BMA Silver Line (Bang Na - Suvarnabhumi)

The Double Track

1. Double Track (Paknampho - Denchai)
2. Double Track (Chira - Ubonratchathani)
3. Double Track (Khonkaen - Nongkhai)
4. Double Track (Chumphon - Suratthani)
5. Double Track (Suratthani - Songkhla)
6. Double Track (Hatyai - Padangbesar)
7. Double Track (Denchai - Chiangmai)

Motorway

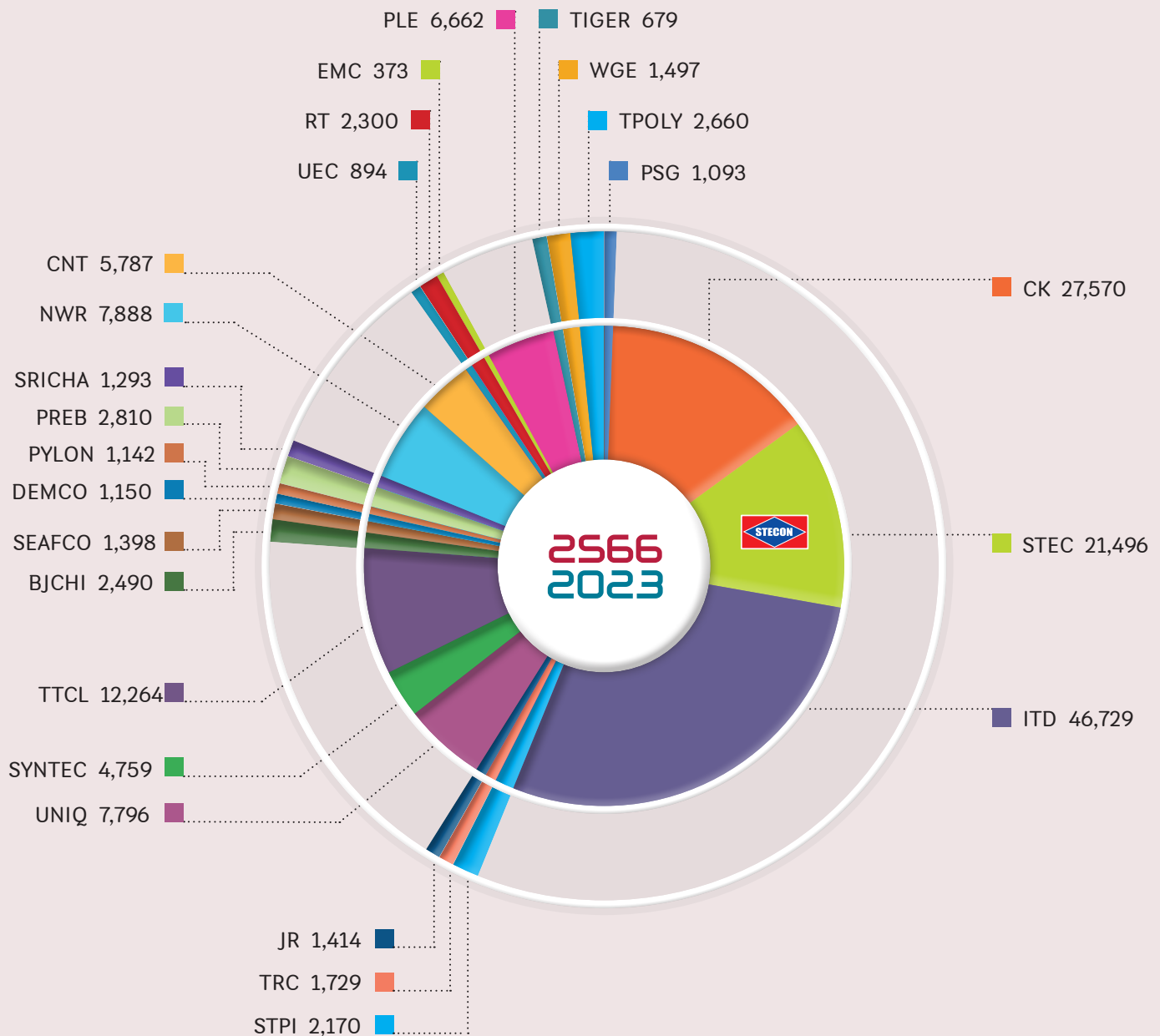
1. Motorway (Bang Khun Thian - Bang Bua Thong)
2. Motorway (Muang Mai - Koh Kaew - Kathu) Phuket Province
3. Motorway (Srinakarin - Suvarnabhumi)
4. Motorway (Nakhon Pathom - Cha-am)

Airport

1. Suvarnabhumi Airport North Expansion
2. Chiang Mai Airport No 2
3. Phuket Airport Phase 2

Revenue of construction companies listed in the Stock Exchange of Thailand in the 3rd quarter, 2023

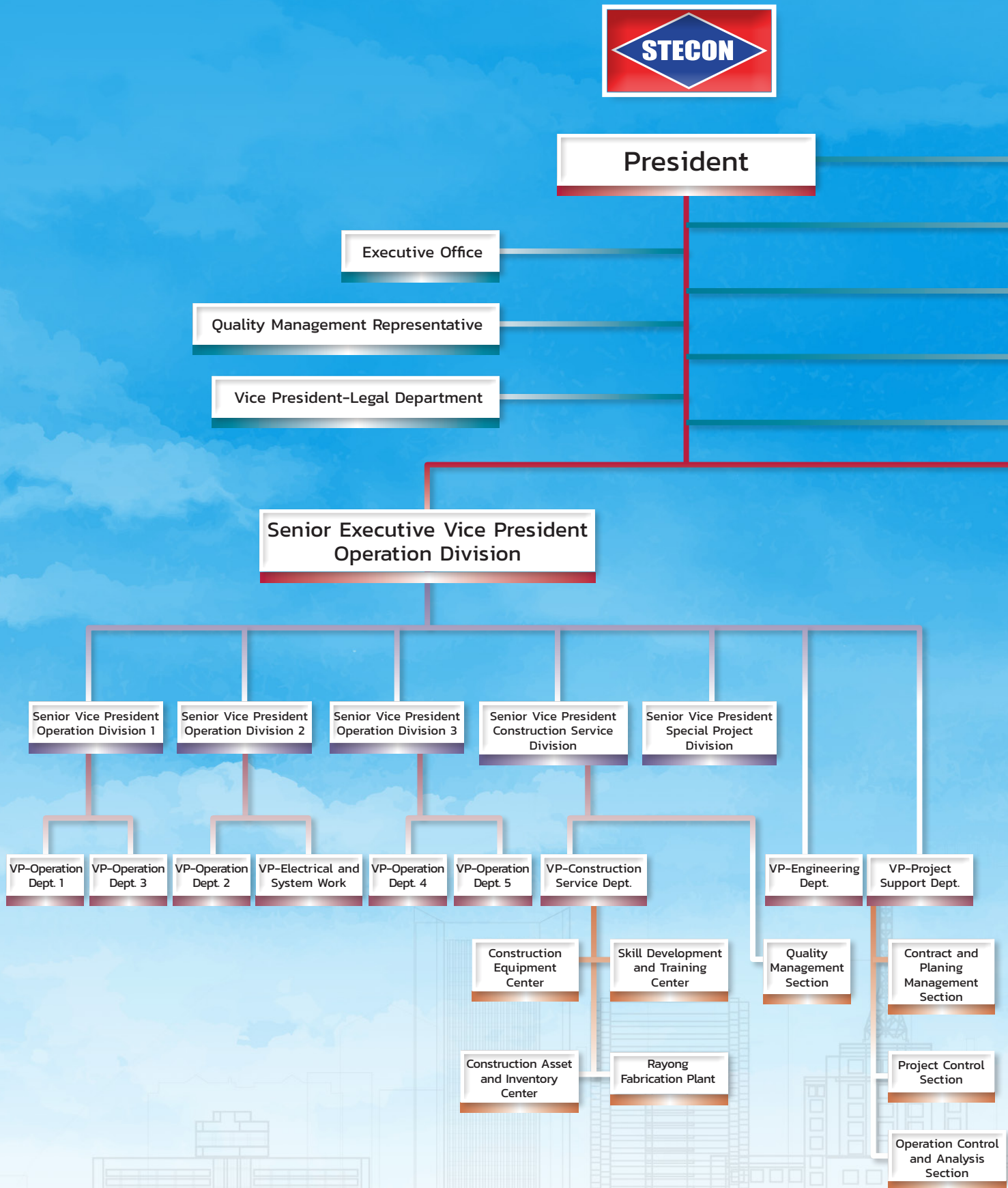
(Unit: Baht million)

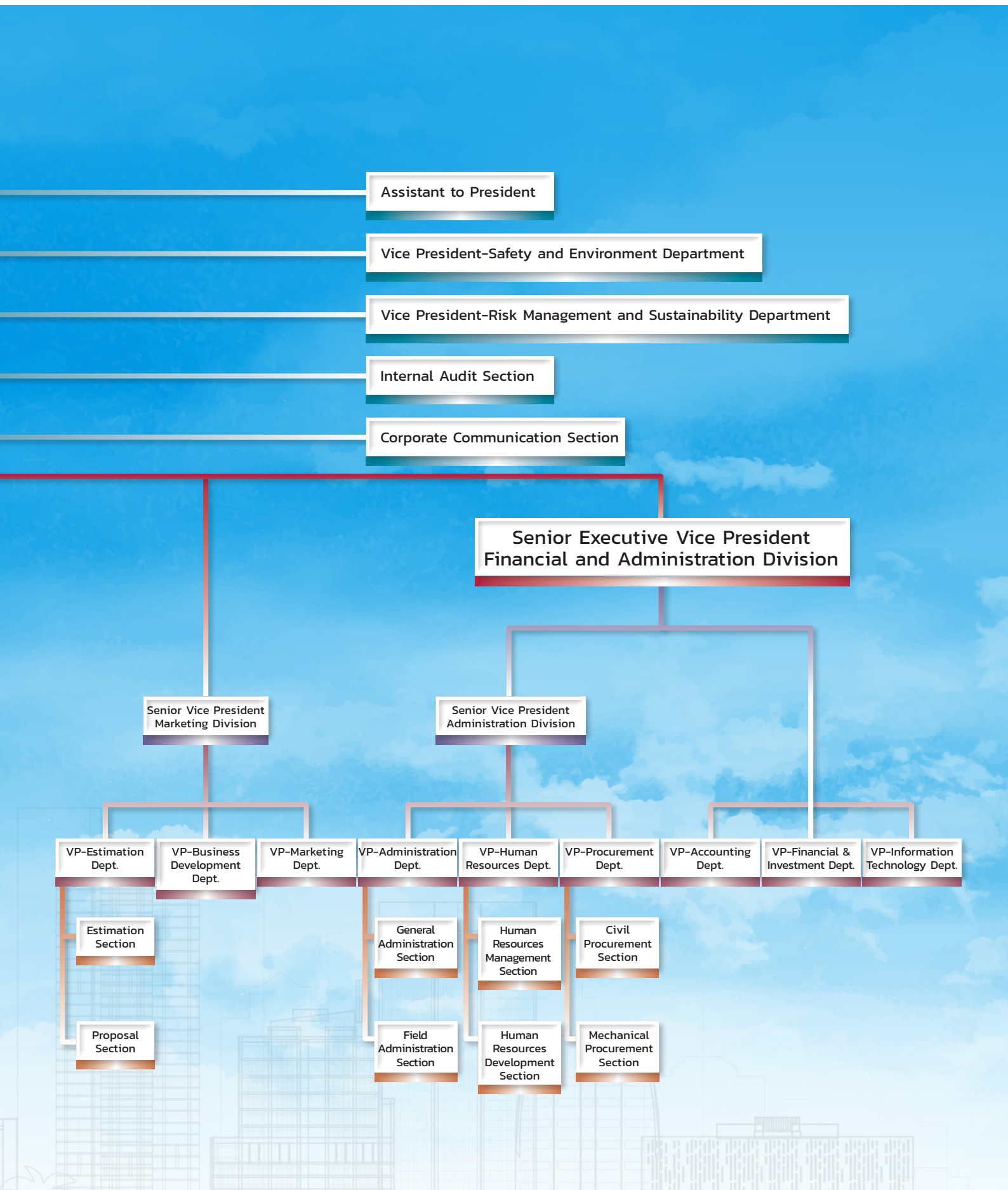


The overall construction industry in 2024 is expected to grow. However, the contractor's there should be many risk factors to be concerned; the major risks can be concluded as follows:

1. Potential shortage of workforce for more construction workers will be needed in the future.
2. Delays in the government infrastructure bidding process, especially Mega projects
3. Prices of construction materials remain stable at a high level. in line with the recovery of demand in the construction sector
4. Labor wages increase, and as a result, construction costs increase.
5. The government's disbursement of funds is quite slow.

Organization Chart





Board of Director's Profile



Professor Rawat Chamchalerm

- Chairman of the Board of Directors
- Independent Director



Mr. Chamni Janchai

- Chairman of the Audit Committee
- Independent Director



Police General Jate Mongkolhutthi

- Chairman of the Nomination and Remuneration Committee
- Independent Director
- Member of the Audit Committee



Mr. Suchai Poopichayapongs

- Member of the Nomination and Remuneration Committee
- Independent Director
- Member of the Audit Committee



Mr. Thanathip Vidhayasirinun

- Independent Director



Dr. Chaiyong Satjipanon

- Independent Director



General Dr. Surapan Poomkaew
• Independent Director



Mr. Masthawin Charnvirakul
• Director



Mr. Vallop Rungkijvorasathien
• Member of the Nomination and Remuneration Committee
• Director
• Chairman of the Board of Executive Directors



Mr. Pakpoom Srichamni
• Director
• Executive Director
• President
• Chairman of the Management Committee



Mrs. Jaikaew Tejapijaya
• Director
• Executive Director
• Member of the Management Committee
• Senior Executive Vice President - Financial and Administration Division



Mr. Jarunat Jiraratsatit
• Director
• Executive Director
• Member of the Management Committee
• Senior Executive Vice President Operation Division



Professor Rawat Chamchalerms

- Chairman of the Board of Directors
- Independent Director

Shareholding in The Company: 12,857 shares or 0.00%

Age 79 years

Appointed date as a Director: June 3, 2010

Education:

- The National Defence Course for Joint-State-Private College Class No. 1, National Defence College (Wor.Por.Ror.Or)
- LL.M., Chulalongkorn University (First place in the written test)
- Thai Barrister at Law
- LL.B., Thammasart University

Experience:

- Adjunct Professor, Faculty of Law, Chulalongkorn University
- Adjunct Professor, Institute of Legal Education of the Thai Barrister
- Adjunct Professor, Faculty of Law, Mahidol University
- Adjunct Professor, Faculty of Law, Mae Fah Luang University
- Lecturer at the Office of Justice Affairs, Ministry of Justice
- Lecturer at the Department of Special Investigation, Ministry of Justice
- Lecturer at the Institute of Administration, Ministry of the Interior
- Lecturer at the Office of The Attorney General

Other position in listed company in SET:

- Vice President, Don Muang Tollway Public Company Limited
- Director, TRUE Corporation Public Company Limited
- Director, Sermasuk Public Company Limited

Other positions in non-listed companies:

- Advisor, Bureau of Academic Affairs and Educational Standards
- Advisor, Bangkok Airways Company Limited
- Advisor, The Office of SMEs Promotion (OSMEP)
- Advisor, National Science and Technology Development Agency
- Advisor, Athletic Association of Thailand
- Director, Office of the Council of State
- Director, Ministry of Justice
- Distinguished Director in Law, Office of the Civil Service Commission-Ministry of Agriculture and Cooperatives

Completed programs by Thai Institute of Directors (IOD):

- 2004–Director Accreditation Program Class No. 30

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4

Family relationship:

- None



Mr. Chamni Janchai

- Chairman of the Audit Committee
- Independent Director

Shareholding in The Company: None

Age 67 years

Appointed date as a Director: April 21, 1999

Education:

- Graduate Diploma in Management of Public Economy, King Prajadhipok's Institute
- MBA, Thammasat University
- B. Account, Thammasat University

Experience:

- Chairman of Executive Committee, BMP Energy PCL.
- Chairman of the Board, Max Metal Corporation PCL.
- Director, CJM Consult Co., Ltd.
- Director, CJ Morgan Co., Ltd.
- Independent Director and Audit Committee, RPCG PCL.
- Committee, BMP Energy PCL.
- Committee, Chumphon Biofuel Co., Ltd.
- Committee, Betong Biofuel Co., Ltd.
- Committee, Betong Green Power Co., Ltd.

Other position in listed company in SET:

- Committee, STP & I PCL.
- Independent Director and a Member of the Audit Committee, RPCJ PCL.
- Committee, BMP Energy PCL.

Other positions in non-listed companies:

- Committee, Chumphon Biofuel Co., Ltd.
- Committee, Betong Biofuel Co., Ltd.
- Committee, Betong Green Power Co., Ltd.

Completed programs by Thai Institute of Directors (IOD):

- 2019 - Risk Management Program for Corporate Leaders Class No. 17
- 2009 - Role of the Chairman Program Class No. 21
- 2004 - Director Accreditation Program Class No. 30

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4
- Audit Committee Meeting in 2023: 8/8

Family relationship:

- None



Police General Jate Mongkolhutthi

- Chairman of the Nomination and Remuneration Committee
- Independent Director
- Member of the Audit Committee

Shareholding in The Company: None

Age 70 years

Appointed date as a Director: April 21, 1999

Education:

- Entrepreneurship and Business Skill Class No. 7, NIDA
- Police Management for Top Executives Class No. 16, Police College
- Justice Management for Top Executives Class No. 6, Office of the Attorney General
- Certificate of The National Defence College Class No. 45
- LL.M., Chulalongkorn University
- LL.B., Ramkhamhaeng University

Experience:

- Advisory to the Board of Directors, National Credit Bureau Co.,Ltd.

Other position in listed company in SET:

- Independent Director and a Member of the Audit Committee, STP & I Plc.
- Independent Director and Chairman of the Anti-Corruption Committee (ACC), Thai Group Holdings
- Chairman of the Board, Lease It Plc.

Other positions in non-listed companies:

- Independent Director and Member of the Audit Committee, Southeast Insurance Plc.

Completed programs by Thai Institute of Directors (IOD):

- 2022 – Board Nomination and Compensation Program Class No. 15
- 2009 – Director Certificate Program Class No. 117
- 2006 – Finance for Non-Finance Director Class No. 30
- 2006 – Audit Committee Program Class No. 14
- 2004 – Director Accreditation Program Class No. 8

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4
- Audit Committee Meeting in 2023: 8/8
- Nomination and Remuneration Committee Meeting in 2023: 4/4

Family relationship:

- None



Mr. Suchai Poopichayapongs

- Member of the Nomination and Remuneration Committee
- Independent Director
- Member of the Audit Committee

Shareholding in The Company: None

Age 76 years

Appointed date as a Director: March 11, 2008

Education:

- MBA Economics, Texas A&M, Commerce, Texas, U.S.A.
- B.S.C. Marketing, Woodbury University, Los Angeles, California, U.S.A.

Experience:

- Director, Inspection and Evaluation Bureau (Level 9), Office of the Permanent Secretary, Ministry of Finance

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- 2011 – Monitoring the System of Internal Class No. 11
- 2009 – Audit Committee Program Class No. 26
- 2009 – Director Accreditation Program Class No. 78

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4
- Audit Committee Meeting in 2023: 8/8
- Nomination and Remuneration Committee Meeting in 2023: 4/4

Family relationship:

- None



Mr. Thanathip Vidhayasirinun

- Independent Director

Shareholding in The Company: 12,857 shares or 0.00%

Age 57 years

Appointed date as a Director: February 28, 2001

Education:

- Top Executive Program in Commerce and Trade (TEPCOT 6), Commerce Academy
- Energy Literacy Class No. 4, Thailand Energy Academy
- Training Course on Capital Market for Executives Class No. 15, Capital Market Academy
- Institute of Business and Industrial Development (IBID 2)
- MBA Finance, Cornell University-U.S.A.
- M.S. Electrical Engineering, Cornell University-U.S.A.
- Bachelor of Science, Electrical Engineering, Computer Engineering, Industrial Management, Carnegie Institute of Technology, Carnegie Mellon University, U.S.A.

Experience:

- Managing Director, Sage Capital Co., Ltd.
- Executive Director, Forest Industry Organization

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Independent Director and a Member of the Audit Committee, TIH Investment Management Pte.Ltd.
- Director, Alliance of International Corporate Advisors
- Independent Director and a Member of the Audit Committee, Thai Paiboon Public Company Limited

Completed programs by Thai Institute of Directors (IOD):

- 2001 – Director Certificate Program Class No. 7
- 2016 – Family Business Governance Class No. 6

Meeting attendance:

- Annual General Meeting of Shareholders 2023: Didn't attend the meeting due to foreign mission.
- Board of Directors' Meeting in 2023: 4/4

Family relationship:

- None



Dr. Chaoyong Satjipanon

- Independent Director

Shareholding in The Company: None

Age 70 years

Appointed date as a Director: April 22, 2014

Education:

- Diploma of Leadership development program, IMD, Switzerland
- Diploma of Senior Executive Fellows program, Harvard Kennedy School
- Doctor of Philosophy, The Fletcher School of Law and Diplomacy, Tufts University, U.S.A.
- Master of Arts in Law and Diplomacy, The Fletcher School of Law and Diplomacy, Tufts University, U.S.A. (Fulbright-Purify Scholarship)
- Bachelor of Arts (Honors), Faculty of Political Science, Chulalongkorn University

Experience:

- Chairman the Council of Chiang Rai Rajabhat University
- Director and Chairman of Risk Management Committee, G Capital Plc.
- Ambassador Extraordinary and Plenipotentiary of Thailand to the U.S.A.
- Ambassador Extraordinary and Plenipotentiary of Thailand to the Republic of Korea
- Ambassador Extraordinary and Plenipotentiary of Thailand to Swiss Confederation, Liechtenstein and the Holy See
- Ambassador Extraordinary and Plenipotentiary and Permanent Representative of Thailand to the United Nations, Geneva

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Chairman of the Board of General Outsourcing Co., Ltd.

Completed programs by Thai Institute of Directors (IOD):

- 2023 - The Board's Role in Mergers and Acquisitions Class No. 3
- 2020 - Role of the Chairman Program Class No. 46
- 2019 - AACP Program Class No. 33
- 2017 - Financial Statements for Directors Program Class No. 32
- 2015 - Risk Management Committee Program Class No. 6
- 2015 - Directors Certification Program Class No. 212
- 2014 - Director Accreditation Program Class No. 112
- Role of the Chairman Program

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4

Family relationship:

- None



General Dr. Surapan Poomkaew

- Independent Director

Shareholding in The Company: None

Age 75 years

Appointed date as a Director: April 22, 2014

Education:

- Capital Market Academy Leadership Program (CMA9), Capital Market Academy
- Doctor of Philosophy in Public Administration, Ramkhamhaeng University
- Master Degree in Public Administration (First Honor), The National Institute of Development Administration (NIDA)
- Bachelor of Science, Chulachomklao Royal Military Academy

Experience:

- Defense Inspector General

Other position in listed company in SET:

- Director, National Power Supply Plc.
- Chairman of the Audit Committee, Grand Prix International Plc.

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- 2010 – Director Accreditation Program Class No. 84

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 3/4

Family relationship:

- None



Mr. Masthawin Charnvirakul

- Director

Shareholding in The Company: 25,457,142 shares or 1.67%

Age 52 years

Appointed date as a Director: December 19, 1996

Education:

- Top Executive Program for Creative & Amazing Thai Services Class No. 1/2019
- Advanced Master of Management Program, AMM Class No. 4/2019
- Top Executive Program in Commerce and Trade No. 11/2018
- Executive Course ULTRA WEALTH GROUP Program Class No. 2/2016
- Capital Market Academy Leadership Program (CMA11), Capital Market Academy
- MBA (International Business) University of Southern California U.S.A.
- B. Business Administration, Chulalongkorn University

Experience:

- Director and Managing Director, STP & I Plc.
- Director and Managing Director, STIT Co., Ltd.
- Chairman of the Board, Fillup Network Co., Ltd.

Other position in listed company in SET:

- Director and Managing Director, STP & I Plc.
- Director, Thai Solar Energy Plc.

Other positions in non-listed companies:

- Director & Managing STIT Co., Ltd.

Completed programs by Thai Institute of Directors (IOD):

- 2003 - Director Accreditation Program Class No. 1

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4

Family relationship:

- None



Mr. Vallop Rungkijvorasathien

- Member of the Nomination and Remuneration Committee
- Director
- Chairman of the Board of Executive Directors

Shareholding in The Company: None

Age 72 years

Appointed date as a Director: April 3, 1995

Education:

- Honorary Doctoral Degree in Civil Engineering, Chiang Mai University
- Energy Literacy Class No. 4, Thailand Energy Academy
- Training Course on Administrative Justice for Executives Class No. 4, The Administrative Court
- Advanced Security Management Program Class No. 3 (ASMP 3), The National Defence College Association of Thailand
- Capital Market for Executives Class No. 8 (CMA8), Capital Market Academy
- SPP Certificate Class. 2549, National Defence College of Thailand
- Graduate Diploma in Management of Government and Private Sectors, King Prajadhipok's Institute Certificate, National Defence College of Thailand
- Executive MBA, Chulalongkorn University
- B.S. Engineering, Chiang Mai University

Experience:

- President, Sino-Thai Engineering and Construction Plc.
- SEVP. Operation Division, Sino-Thai Engineering and Construction Plc.
- SVP. Operation Division, Sino-Thai Engineering and Construction Plc.
- Director, Stecon Power Co., Ltd.
- Director and Chairman, Chiang Mai University Alumni Association, Chiang Mai University

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Committee of the Council of Engineers
- Director, STECON Power Co., Ltd.
- Director, Thai Contractors Association Under H.M. The King's Patronage
- Chairman of Chiangmai University Engineering Alumni Foundation (CMUEAF)

Completed programs by Thai Institute of Directors (IOD):

- 2016 - Director Certification Program Class No. 231
- 2014 - Role of the Chairman Program Class No. 34
- 2006 - Director Accreditation Program Class No. 52

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4
- Nomination and Remuneration Committee Meeting in 2023: 4/4
- Board of Executive Directors' Meeting in 2023: 14/14

Family relationship:

- None



Mr. Pakpoom Srichamni

- Director
- Executive Director
- President
- Chairman of the Management Committee

Shareholding in The Company: None

Age 62 years

Appointed date as a Director: April 26, 2012

Education:

- Executive Management with Business Development and Investment Class No. 3, Institute of Business and Industrial Development
- The Program for Senior Executives on Justice Administration Class 19, National Justice Academy
- Capital Market for Executives Class No. 18 (CMA18), Capital Market Academy
- SPP Certificate Class. 2554, National Defence College of Thailand
- Certificate, Management of Government and Private Sectors, King Prajadhipok's Institute
- MBA Thammasat University
- Bachelor of Engineering (Civil Engineering), Kasetsart University

Experience:

- Director, Senior Executive Vice President Operation Division, Sino-Thai Engineering and Construction Plc.
- Senior Vice President Operation Division, Sino-Thai Engineering and Construction Plc.
- Advisor to Chairman of Thai Contractors Association Under H.M. The King's Patronage

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Chairman of the Board, HTR Co., Ltd.
- Chairman of the Board, Wisdom Services Co., Ltd.
- Chairman of the Board, STECON Power Co., Ltd.
- Chairman of the Board, Sino-Thai Holding Co., Ltd.
- Chairman of the Board, SNT Concrete Solution Co., Ltd.
- Chairman of the Board, DC Power BN1 Co., Ltd.
- Chairman of the Board, Patumwan Real Estate Co., Ltd.
- Chairman of the Board, Kijpracha Tanee Co., Ltd.
- Director, Eastern Bangkok Monorail Co., Ltd.
- Director, Northern Bangkok Monorail Co., Ltd.
- Director and Executive Director, U-TAPAO International Aviation Co., Ltd.
- Director, UTB Co., Ltd.
- Director, UTA Land 1 Co., Ltd.
- Director, BGSR 6 Co., Ltd.
- Director, BGSR 81 Co., Ltd.
- Director, SITEM ST Engineering and Service Co., Ltd.

Completed programs by Thai Institute of Directors (IOD):

- 2023 - Role of Chairman Program Class No. 55
- 2012 - Director Certification Program Class No. 161
- 2006 - Director Accreditation Program Class No. 52

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4
- Board of Audit Committee Meeting in 2023: 7/8
- Board of Executive Directors' Meeting in 2023: 14/14

Family relationship:

- None



Mrs. Jaikaew Tejapijaya

- Director
- Executive Director
- Member of the Management Committee
- Senior Executive Vice President-Financial and Administration Division

Shareholding in The Company: None

Age 56 years

Appointed date as a Director: May 2, 2023

Appointed date as Executive Director: March 11, 2022

Appointed date as Senior Executive Vice President Financial and Administration Division: January 11, 2021

Appointed date as Management Committee: January 17, 2020

Education:

- MBA, The National Institute of Development Administration
- B. Business Administration, Thammasat University
- Certified Public Accountant

Experience:

- Management Committee and Senior Executive Vice President Financial and Administration Division, Sino - Thai Engineering and Construction Plc.
- Management Committee and Senior Vice President – Accounting & Financial, Sino - Thai Engineering and Construction Plc.
- Vice President Accounting Department, Sino - Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Director, SNT Concrete Solution Co., Ltd.
- Director, STECON Power Co., Ltd.
- Director, Wisdom Services Co., Ltd.
- Director, Sino-Thai Holding Co., Ltd.
- Director, U-TAPAO International Aviation Co., Ltd.
- Director, UTA Land 1 Co., Ltd.
- Director, UTB Co., Ltd.
- Director, HTR Co., Ltd.
- Director, Patumwan Real Estate Co., Ltd.
- Director, Kijpracha Tanee Co., Ltd.
- Director, Nouvelle Property Co., Ltd.

Completed programs by Thai Institute of Directors (IOD):

- 2022 - Director Certification Program Class No. 329
- 2023 - Risk Management Program for Corporate Leaders (RCL 32/2023)

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 – Roles and duties of directors and executives of listed companies

Meeting attendance:

- Annual General Meeting of Shareholders 2023: 1/1
- Board of Directors' Meeting in 2023: 4/4
- Board of Audit Committee Meeting in 2023: 7/8
- Board of Executive Directors' Meeting in 2023: 14/14

Family relationship:

- None



Mr. Jarunat Jiraratsatit

- Director
- Executive Director
- Member of the Management Committee
- Senior Executive Vice President Operation Division

Shareholding in The Company: 0.03%
(450,000 shares)

Spouse shareholding in The Company: 4.21%
(64,179,596 shares)

Age 51 years

Appointed date as a Director and Executive

Director: February 3, 2024

Appointed date as Senior Executive Vice President

Operation Division: January 2, 2024

Appointed date as Management Committee and Senior Vice President Operation Division 2:

January 17, 2020

Education:

- MBA, Thammasat University
- Bachelor of Engineering, Civil Engineering, Chiang Mai University

Experience:

- Senior Executive Vice President Operation Division
- Management Committee and Senior Vice President Operation Division 2, Sino-Thai Engineering and Construction Plc.
- Vice President Operation Department 2, Sino-Thai Engineering and Construction Plc.
- Senior Engineer, Sino-Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Director, Nouvelle Property Co., Ltd.
- Director, Wisdom Services Co., Ltd.
- Director, STECON Power Co., Ltd.
- Director, SNT Concrete Solution Co., Ltd.
- Director, Sino-Thai Holding Co., Ltd.
- Director, Sitem ST Engineering and Services Co., Ltd.
- Director, Chiang Mai University Alumni Association, Faculty of Engineering, Chiang Mai University

Completed programs by Thai Institute of Directors (IOD):

- 2020 - Director Accreditation Program Class No.169
- 2020 - Director Certification Program Class No. 262
- 2023 - Risk Management Program for Corporate Leaders (RCL 32/2023)

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Meeting attendance:

- None (Appointed date as a Director and Executive Director: February 3, 2024)

Family relationship:

- None

The Board of Executive Directors

1. Mr. Vallop Rungkijvorasathien
 - Chairman of the Board of Executive Directors

2. Mr. Pakpoom Srichamni
 - Executive Director

3. Mrs. Jaikaew Tejapijaya
 - Executive Director

4. Mr. Jarunat Jiraratsatit
 - Executive Director



The Audit Committee

1. Mr. Chamni Janchai
 - Chairman of the Audit Committee

2. Police General Jate Mongkolhutthi
 - Member of the Audit Committee

3. Mr. Suchai Poopichayapongs
 - Member of the Audit Committee



The Nomination and Remuneration Committee

1. Police General Jate Mongkolhutthi
 - Chairman of Nomination and Remuneration Committee
2. Mr. Suchai Poopichayapongs
 - Nomination and Remuneration Committee
3. Mr. Vallop Rungkijvorasathien
 - Nomination and Remuneration Committee



Assistant to President and Company Secretary

1. Mr. Robin Frank Gill Mullin
 - Assistant to President
2. Mr. Chaiyaporn Imcharoenkul
 - Company Secretary



The Management Committee

1. **Mr. Pakpoom Srichamni**
 - Chairman of the Management Committee
 - President
2. **Mrs. Jaikaew Tejapijaya**
 - Member of the Management Committee
 - Senior Executive Vice President-Financial and Administration Division
3. **Mr. Jarunat Jiraratsatit**
 - Member of the Management Committee
 - Senior Executive Vice President-Operation Division



4. **Mr. Sutthipol Patcharanaruemol**
 - Member of the Management Committee
 - Senior Vice President Operation Division 1
5. **Mr. Chalit Ratanavisalnon**
 - Member of the Management Committee
 - Senior Vice President Operation Division 2
6. **Mr. Prasit Prawang**
 - Member of the Management Committee
 - Senior Vice President Operation Division 3



The Management Committee

7. Mr. Thepnikorn Junkhun

- Member of the Management Committee
- Senior Vice President Construction Service Division

8. Mr. Worachat Suwasin

- Member of the Management Committee
- Senior Vice President Special Project Division

9. Mr. Vitoon Salilampai

- Member of the Management Committee
- Senior Vice President Marketing Division



10. Mr. Somkid Siriapinun

- Member of the Management Committee
- Senior Vice President Administration Division

11. Mr. Charkphan Leelaporn

- Member of the Management Committee
- Managing Director, Wisdom Services Co., Ltd.

12. Mr. Suppachoke Orratai

- Member of the Management Committee
- Managing Director, SNT Concrete Solution Co., Ltd.



Management

1. **Mr. Kasemsak Yimlamai**
 - Vice President
 - Operation Department 1
2. **Mr. Thitipun Ngarnprasertsakul**
 - Vice President
 - Operation Department 2
3. **Mr. Prasert Sripipattanakul**
 - Vice President
 - Operation Department 3



4. **Mr. Denphong Srirach**
 - Vice President
 - Operation Department 4
5. **Mr. Saksit Wisasuwan**
 - Vice President
 - Operation Department 5



Management

6. Mr. Poramate Chawasirikunthon

- Vice President
Electrical and System Work
Department

7. Mr. Worawuth Klaimark

- Vice President
Construction Service
Department

8. Mr. Kasemsak Yimlamai

- Vice President
Engineering (Acting)



9. Miss. Panupsorn Krobbang

- Vice President
Project Support Department

10. Mr. Wigrom Suwattipanich

- Vice President
Safety and Environment
Department



Management

11. Mr. Amornthep Latthi

- Vice President Marketing Department

12. Mrs. Kanchana Varoonchotikul

- Vice President Estimation Department

13. Miss. Nitima Sa-ngaimsuk

- Vice President Business Development Department



14. Mr. Somkid Siriapinun

- Vice President Human Resources Department (Acting)

15. Mr. Suradej Kayanpianparakit

- Vice President Risk Management and Sustainability Department



Management

16. Mr. Pairat Sushatawat

- Vice President
Procurement Department

17. Mr. Kittu Denduangboripant

- Vice President
Administration
Department

18. Miss. Jarima Napaporn

- Vice President
Financial & Investment
Department



19. Mrs. Krongkaew Trakulsak

- Vice President
Accounting Department

20. Mr. Surachart Owcharoenporn

- Vice President
Information Technology
Department

21. Mr. Chaiyaporn Imcharoenkul

- Vice President
Legal Department



Shareholders' Structure

Shareholders' Structure As of the registration book closing on December 27, 2023, the 10 largest shareholders are:

No.	Shareholders	Common Share	%
1	C.T. Venture Company Limited	261,478,188	17.145
2	UBS AG Singapore Branch	159,878,000	10.483
3	Thai NVDR Company Limited	65,156,780	4.272
4	P.P. Global Wealth Company Limited	56,358,471	3.695
5	Mrs. Anilrat Nitisaroj	51,526,042	3.379
6	Equity Plus Company Limited	48,582,841	3.186
7	Golden Era Capital Company Limited	46,357,115	3.040
8	South East Asia UK (Type C) Nominees Limited	36,131,596	2.369
9	Asset Legacy Company Limited	29,632,242	1.943
10	Mr. Masthawin Charnvirakul	25,457,142	1.669

General Information

1. Company

Company	Sino-Thai Engineering & Construction Public Company Limited
Nature of Business	Construction
Address	32/59-60, 29 th -30 th Floor, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	1,525,106,540 Baht
Issued and Paid-up Capital	1,525,106,540 Baht
Listed Securities	Common Share (STEC) 1,525,106,540 Shares
Registration Number	0107536001001 (Bor Mor Jor 174)
Telephone	+66 (0) 2260-1321
Facsimile	+66 (0) 2260-1339
E-mail	information@stecon.co.th
Website	http://www.stecon.co.th

2. Subsidiary Company

Company	HTR Corporation Limited
Nature of Business	Real Estate Development
Address	32/46 18 th Floor, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	500,000,000 Baht
Listed Securities	50,000,000 Shares
Registration Number	0105525016175
Telephone	+66 (0) 2259-8911
Facsimile	+66 (0) 2259-8919

3. Subsidiary Company

Company	Nouvelle Property Co., Ltd.
Nature of Business	Real Estate Development
Address	32/59, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	800,000,000 Baht
Listed Securities	8,000,000 Shares
Registration Number	0105551134864
Telephone	+66 (0) 2260-1321
Facsimile	+66 (0) 2261-0800

4. Subsidiary Company

Company	Wisdom Services Co., Ltd.
Nature of Business	Selling, Renting and Maintenance Construction Machinery and Equipment and Provide Training Service
Address	32/46 18 th Floor, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	2,211,000,000 Baht
Listed Securities	22,110,000 Shares
Registration Number	0105537098848
Telephone	+66 (0) 2260-1321
Facsimile	+66 (0) 2261-0800

5. Subsidiary Company

Company	Stecon Power Co., Ltd.
Nature of Business	Produce all types of energy
Address	32/59, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	100,000,000 Baht
Listed Securities	1,000,000 Shares
Registration Number	0105559178224
Telephone	+66 (0) 2260-1321
Facsimile	+66 (0) 2261-0800

6. Subsidiary Company

Company	Sino-Thai Holding Co., Ltd.
Nature of Business	To Invest in Other Businesses
Address	32/59, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	5,000,000 Baht
Listed Securities	50,000 Shares
Registration Number	0105565197529
Telephone	+66 (0) 2260-1321
Facsimile	+66 (0) 2261-0800

7. Subsidiary Company

Company	SNT Concrete Solution Co., Ltd.
Nature of Business	Produce and sell concrete products for use in construction, including design products.
Address	32/59, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	300,000,000 Baht
Listed Securities	3,000,000 Shares
Registration Number	0105566180590
Telephone	+66 (0) 2260-1321
Facsimile	+66 (0) 2261-0800

8. Subsidiary Company

Company	DC Power BN1 Co., Ltd.
Nature of Business	Build to suit for Data Center Projects.
Address	32/59, Sino-Thai Tower, Asoke Road, Klongtoey-Nuea, Wattana, Bangkok 10110
Registered Capital	165,000,000 Baht
Listed Securities	16,500,000 Shares
Registration Number	010556209814
Telephone	+66 (0) 2260-1321
Facsimile	+66 (0) 2261-0800

9. Affiliated Company

Company	DKK Sino-Thai Engineering Co., Ltd.
Nature of Business	Telecommunications and Transmission Lines
Address	151/6-9 M.6, Lam Ta Sao, Wang Noi, Phra Nakhon Si Ayutthaya 13170
Registered Capital	8,000,000 Baht
Listed Securities	80,000 Shares
Registration Number	0105533044182
Telephone	+66 (0) 3521-5014-6
Facsimile	+66 (0) 3521-5017

10. Affiliated Company

Company	Northern Bangkok Monorail Co., Ltd.
Nature of Business	Transport and Cargo Handling Operations and Passenger Electric Trains
Address	21 Soi Choei Phuang, Vibhavadi Rangsit Rd. Chom Pon, Chatuchak, Bangkok 10900
Registered Capital	14,400,000,000 Baht
Listed Securities	144,000,000 Shares
Registration Number	0105560094977

11. Affiliated Company

Company	Eastern Bangkok Monorail Co., Ltd.
Nature of Business	Transport and Cargo Handling Operations and Passenger Electric Trains
Address	21 Soi Choei Phuang, Vibhavadi Rangsit Rd. Chom Pon, Chatuchak, Bangkok 10900
Registered Capital	14,400,000,000 Baht
Listed Securities	144,000,000 Shares
Registration Number	0105560095027

12. Affiliated Company

Company	U-TAPAO International Aviation Co., Ltd.
Nature of Business	Operations at the airport Including other activities related to air transportation
Address	99 M.14, Vibhavadi Rangsit Rd. Chom Pon, Chatuchak, Bangkok 10900
Registered Capital	4,500,000,000 Baht
Listed Securities	45,000,000 Shares
Registration Number	0105563026565

13. Affiliated Company

Company	BGSR 6 Co., Ltd.
Nature of Business	Operate and Maintenance Intercity Highway Projects (Bang Pa-In – Nakhon Ratchasima)
Address	21 Soi. Choei Phuang Vibhavadi Rangsit Rd. Chom Phon, Chatuchak, Bangkok 10900
Registered Capital	1,000,000,000 Baht
Listed Securities	100,000,000 Shares
Registration Number	0105563113441

14. Affiliated Company

Company	BGSR 81 Co., Ltd
Nature of Business	Operate and Maintenance Intercity Highway Projects (Bang Yai – Kanchanaburi)
Address	21 Soi. Choei Phuang Vibhavadi Rangsit Rd. Chom Phon, Chatuchak, Bangkok 10900
Registered Capital	850,000,000 Baht
Listed Securities	85,000,000 Shares
Registration Number	0105563113450

15. Affiliated Company

Company	UTB Co., Ltd.
Nature of Business	Operate Manage Airport City in U-Tapao International Airport and Eastern Airport City
Address	21 Soi. Choei Phuang Vibhavadi Rangsit Rd. Chom Phon, Chatuchak, Bangkok 10900
Registered Capital	10,000,000 Baht
Listed Securities	100,000 Shares
Registration Number	0105565150999

16. Affiliated Company

Company	Sitem ST Engineering and Services Co., Ltd.
Nature of Business	Operate Manage Maintenance and Building Engineering System Management
Address	1110-1112 Pracha Chuen Rd. Wong Sawang, Bang Sue, Bangkok 10800
Registered Capital	5,000,000 Baht
Listed Securities	50,000 Shares
Registration Number	0105565204231



SECTION 1

Business Operations and Performance

1. Structure and Business Operations

1.1 Policy and Business Overview

After its successful business recognition since 1962, Sino-Thai Engineering and Construction Public Company Limited (STECON) to thrive from the outset, engineering, and the construction Company, formed with vision, began to make significant contributions to implementing the national blueprint for economic growth and development through five key areas of activity:

1. **Infrastructure :**
Mass Transit Systems, Elevated roads, Expressways, Roads, Bridges
2. **Power & Energy :**
Power Plants, Oil Refineries
3. **Industrial :**
Petrochemical Plants, Industrial Plants
4. **Building :**
Office Buildings, Condominiums, Multipurpose Buildings, Air-traffic Control Towers, Aircraft Maintenance Centers, Stadiums, Conference Centers, Museums, Hospitals, Schools, City Air Terminals
5. **Environment :**
Wastewater Treatment Plants, Irrigation Systems, Water Supply Plants

The Company strongly emphasizes on best and high - quality construction where its highest goal is to undertake the engineering and construction business in every aspect to meet customers' stringent requirements regarding quality, on-time delivery, fair price, with high health, safety and environmental standard.

History of Major changes and developments

1962

- Sino-Thai Engineering and Construction Limited Partnership was established with a registered capital of 500,000 baht to operate a steel structure assembly and transformation business using basic welding and modification techniques.

1967

- The registered as a limited Company under the name of Sino-Thai Engineering and Construction Co., Ltd. and has expanded its business from steel structure work to petroleum container work, large oil tank, industrial construction, Mechanical work and machine installation work.

1992

- The Company was listed on the Stock Exchange of Thailand, registered capital of Bath 300 million.

1998

- The Company entered the debt restructuring process as it was affected by the change in the floating exchange rate system. Through the process in the Central Bankruptcy Court, on December 15, 2000, the court ordered the cancellation of the business rehabilitation. The Company has completed the work according to the conditions in the rehabilitation plan, the Company increased its registered capital to Baht 850 million to support the debt-to-equity conversion and to use cash to pay off debts according to the rehabilitation plan.

1999

- Started implementing Oracle's cost control in procurement and financial accounting systems to increase operational efficiency.

2002

- Expanding construction to foreign countries. The Company received construction work in the Maldives. It is a building project on Hulhumale Island, a project of Hulhumale Development Unit, Republic of the Maldives, worth Baht 560 million (\$13.3 million)

2003

- Certified with quality standards ISO 9001 Version 2000 for the assembly and installation of industrial and steel structures.

2004

- Received a corporate credit rating from TRIS Rating Company Limited at "BBB+" level.

2005

- Received the construction of large projects of the state, including Bangkok Mass Transit System Construction Project Silom Extension Construction of a rail transport system connecting the port Suvarnabhumi aircraft and airport passenger terminals in the city.

2006

- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company. The overall is very good.

2007

- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company. The overall is very good.

2008

- Received the construction of the Pluto LNG Project, Fabrication & Pre-Assembly Module(Primary Package)

2009

- Received the construction of a large government project such as the construction of the Purple Line Project(Bang Yai - Bang Sue Section) (Contract 2)

2010

- Received the construction of large government projects, such as the construction of the Blue Line Mass Rapid Transit Project (Tha Phra - Lak Song) (Contract 4)

2011

- Received the construction of large projects of both the public and private sectors such as procurement and installation projects, infrastructure works and transportation systems Bangkok Mass Transit System Project Silom Line Extension (Taksin - Petchkasem), Railway Improvement Project, Phase 6, Northeast Line (Bua Yai - Nong Khai), Nong Saeng Power Plant Project and the Uthai Power Plant Project.
- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company. The overall is very good.
- Received a Company rating from TRIS Rating at "BBB+" level.

2012

- Received the construction of the Phuket Airport Development Project.
- Received a corporate credit rating from TRIS Rating at "A-" level.
- The Company has appointed Mr. Pakpoom Srichamni as the Managing Director of Sino-Thai Engineering and Construction Public Company Limited on October 1, 2012.

2013

- Received the construction of a large government project, such as the construction of a new parliament building with assembly buildings.

- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company. The overall is very good.
- Received a corporate credit rating from TRIS Rating of “A-”.

2014

- Received the construction of 12 SPP power plants

2015

- Received the construction of the MRT Green Line Project (Mo Chit – Saphan Mai Khu Khot) (Contract 3 and Contract 4).
- Received the construction of the double-track railway project (Chachoengsao – Khlong Sib Kao - Kaeng Khoi) (Contract 1).
- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company. The overall is very good.

2016

- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company. The overall is excellent.
- Received a corporate credit rating from TRIS Rating of “A-”.
- Received the award for Thailand’s Top Corporate Brands 2016

2017

- Received the construction of the MRT Orange Line (East) Project Contracts 1,2,5.
- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company The overall is excellent.
- Received a corporate credit rating from TRIS Rating of “A-”.

- Received the construction of MRT Pink Line project (Khae Rai-Min Buri) and MRT Yellow Line project (Lat Phrao - Samrong)

2018

- Received the award for Thailand’s Top Corporate Brands 2018
- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company The overall is excellent.

2019

- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company The overall is excellent.
- Received the construction of the Mo Chit Complex project.

2020

- Received the construction of U-Tapao International Airport and Eastern Aviation City.

2021

- Received the construction of the SRT Railway Project (Den Chai – Chiang Rai – Chiang Khong) Contract No.2,3 with State Railway of Thailand.

2022

- Received the construction of the Purple Line Project Tao Pun – Rat Burana Section Contract 1: Underground Civil Works and Tao Pun – National Library Section.
- Received the construction of the change aerial electrical cable system to underground electrical cables. Projects along MRT Pink Line (Khlong Thanon - Ramkhamhaeng Road) and projects along the MRT Yellow Line. (Lamsalee Intersection - Theparak Road)

2023

- Received corporate governance assessment from the Thai Institute of Directors Association to have a level of corporate governance of the Company. The overall is excellent.
- Received a corporate credit rating from TRIS Rating of “A-”.
- Received a sustainable stock SET ESG Rating of “A”
- Received AGM Checklist 100 full points.
- Opening the Sino -Thai Learning Center
- Received ISO 45001: 2018 Building Construction
- Established SNT Concrete Solution Co., Ltd.

1.2 Nature of Business Operation

1.2.1 Information on Services

(1) Service Characteristics

The Company operates a large project construction business sell and rent machinery produce and sell prefabricated concrete products. The Company focuses on high quality construction work, on time, fair price, considering safety during construction. It is environmentally friendly and maintains sanitation systems within the work area,

both office buildings, and construction sites. To meet the needs of customers, including applying modern construction technology to the Company's construction projects. To reduce costs and increase profits.

The Company has been registered as various types of contractors, with all government and state enterprises related to the construction industry in registering as a contractor, qualifications in the following areas will be considered:

General feature

- Form of business registration such as limited partnership, limited Company, public limited Company
- Objectives for the operation of the business

Specific feature

- Financial status (registered capital, credit limit)
- Revenue from construction
- Past performance
- Machine Tools
- Staff

The Company has been registered as a contractor of the following:

Department of Public Works and Town & Country Planning

Construction	Building	Dam	Drain	Wastewater Treatment
Class	1	1	1	1
Construction limit	<-----Unlimited----->			

Bangkok

Construction	Route	Building
Class	1	1
Construction limit	<-----Unlimited----->	

Metropolitan Waterworks Authority

Construction	Main Pipe	Distribution Pipe	Civil	Water Transmission System	Water Production System	Pumping Stations
Class	2	2	2	Registered as a joint venture	2	2
Construction limit	There are restrictions on new contracts, worth Baht 28,722 million.					

Provincial Waterworks Authority

Construction	Types
Class	1
Construction limit	Unlimited

Electricity Generating Authority of Thailand

Construction	Types
Class	-
Construction limit	Unlimited

Royal Irrigation Department

Construction	Types
Class	3
Construction limit	Unlimited

TOT Public Company Limited

Construction	Route	Building	Conduit
Class	1	1	1
Construction limit	<-----Unlimited----->		

Department of Highways

Construction	Route	Bridge and Pipe
Class	Special	
Construction limit	<-----Unlimited----->	

Department of Rural Roads

Construction	Route	Bridge	Tunnel
Class	Special	Special	Special
Construction limit	<-----Unlimited----->		

(2) Procurement of products or services

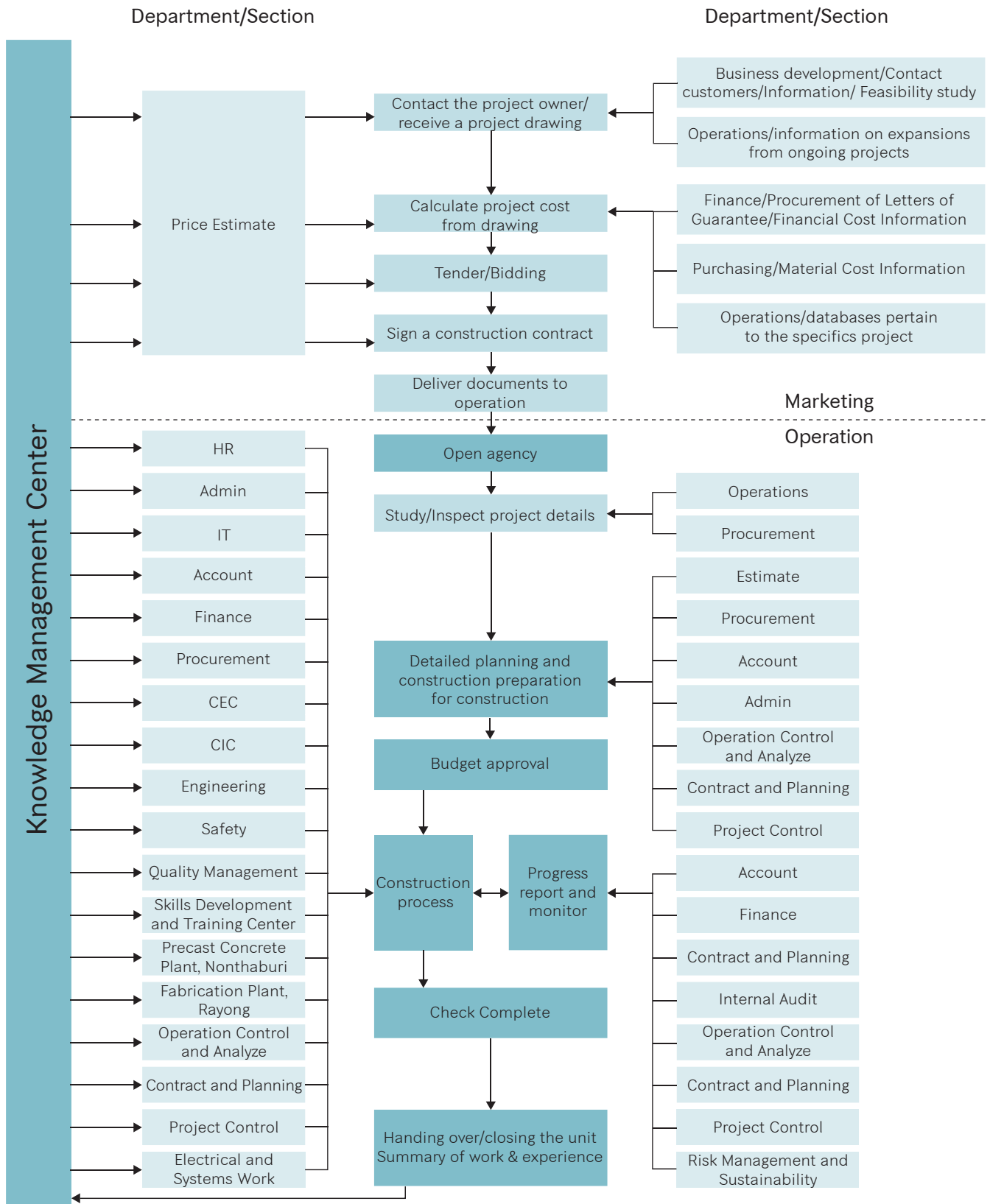
Characteristics of the procurement of products

The Company's construction process will start from the analysis of the project contacting project owners to participate in bidding and bidding for construction works when winning the auction, the construction work will be carried out and the work will be delivered to the project owner. The overview of the Company's operations can be illustrated in the following chart.

1) Marketing and Estimation

The work in this section is the first step. It is a contact with customers to participate in bidding for work or accepting construction work. They have important responsibilities as follows:

1. Check news of new projects and a summary of the target project
2. Removal and estimate construction costs
3. Submit a bid or bid on a target project at the Company to have the properties specified by the customer



The Company has the policy to provide accurate construction information and complete to customers, including requesting specification workflow and Construction Management until the delivery process

There are four types of construction bidding channels:

1. Closed Tender It is a tender in which the bidder submits a tender document which consists of technical documents

and price documents. The owner of the work will usually consider the technical documentation first. Tenderer who has been considered based on the technical documentation will be considered a price document. After that, the owner of the event will notify the result of the bidding.

2. Open tender This is open bidding where the bidder submits both technical and price tender documents in the same envelope. Then the owner of the event will open the envelope immediately. Then an assessment and announcement of the winner of the auction will be made.
3. Design and construction tenders are construction bidding, including the design according to the purpose of the owner
4. Negotiable bidding It is a bid for construction work directly to the owner of the project. The price and conditions will be negotiated.

The accepting work of the Company, there are currently 3 formats in use:

1. Main Contractor, some construction work or all the project with the contract being the owner of the work. Most of the Company's construction work will be accepting a job as the main contractor.
2. Sub - Contractor, the employment of part or all the project by accepting work from the main contractor. These types of projects are often large projects that require specialized technology. The main contractors are usually foreign contractors such as Foster Wheeler, Mitsubishi Hitachi Power Systems, Toyo Engineering Corporation, etc. These contractors have confidence in the Company's potential, hiring the Company being a subcontractor.

3. Joint Venture, it is a participation in the work of many companies. Companies by bringing together the strengths of each Company to work on the construction of large projects which requires specialized technology and requires the experience of each Company, let's work together for the success of joint work.
4. Consortium, it is a participation in the work of many companies. Each Company uses the ability and expertise to work in the areas responsible for the completion of the project, and the work is clearly separated.

2) Operations Section

(a) Operations

After winning a bid and signing a contract with a job owner, the next step is to proceed with construction, which is the heart of the construction business. The Operations Division will work closely with other divisions and shall have the following duties:

1. Making a construction plan with details of budgeting and construction. Actual needs of the job owner are explored according to requirements specified in the construction contract. Such requirements are used to develop the action plan about tools, machinery, equipment, construction materials and labor required. An attempt is made to recruit the required personnel.
2. Carrying out the construction in full compliance with the provision of the contract. Also, manage construction contracts to ensure the high quality, timely, and safe performance.
3. Delivering the work to the job owner as provided in the contract, according to the terms of the contract, and the customer came to inspect and accept the work. When the work is complete according to the contract requirements and the customer is satisfied.

(b) Equipment, Tools and Inventory Management

Since it is necessary to use tools and machinery of high value for construction and certain knowledge is required to use such tools and machinery, the Company has established the Machinery Center and the Construction Materials and Inventory Management Center to ensure effective supervision and use of the tools and machinery. These two centers will work closely with the Operations Division to correctly prepare construction tools, machinery, and equipment in accordance with the construction plan. Duties of the Machinery Center and the Construction Materials and Inventory Management Center are as follows:

1. To acquire and allocate construction tools, machinery and equipment to units as required and within designated time.
2. To completely educate related persons on how to use such construction tools, machinery, and equipment.
3. To care for, repair and maintain the construction tools, machinery, and equipment to ensure that they are in functional condition.

(c) Labor Training and Skill Development Center

An expansion of construction industry increases the need for both Thai and foreign workers. In order to meet with such expansion and an increased need for workers, the Company has established the Labor Training and Skill Development Center to be in charge of foreign worker management and improve the skills of Thai workers to effectively meet the labor need of construction units.

(d) Precast Concrete Plant in Nonthaburi Province

The Company has established the Precast Concrete Components Manufacturing Plant in Nonthaburi Province to serve the underground or elevated structure projects, double - track railway

projects, and other transportation megaprojects in the future. The plant is located on Bang Buathong - Suphanburi Road, Saiyai Sub-district, Bang Buathong District, Nonthaburi Province, covering an area of 255 rai. This plant utilizes high engineering techniques to manufacture concrete components of high quality to meet international standards.

(e) Fabrication Plant in Rayong Province

The Company has established the Steel Structure Plant in Rayong Province to manufacture steel structures for different projects of the Company, such as underground trains, power plants, refinery, petro-chemical plants, and pre-assembly modules. The plant is located on Sukhumvit Road, Ban Chang Sub-district, Ban Chang District, Rayong Province, covering an area of 92 rai. This plant utilizes modern equipment and machinery to manufacture high quality products acceptable to customers.

(f) Safety

The Company believes that the perfect success must come along with safety of the employees and every person involved. Safety is not only a law or regulation to be abided by, but it is also a matter of righteousness and humanity. Thus, the Company focuses on and realizes the importance of occupational safety, health and environment and requires that all units appoint personnel dedicated responsible for safety and coordinate with the Operations Division and relevant parties to achieve the established goals.

(g) Engineering

The Engineering Division is responsible for engineering works and support performance of the Operations Division, which includes engineering designs and development of construction plans.

(h) Quality Management

The Company has the Quality Management Division, which is responsible for control of work quality to assure that the Company's construction works meet the quality standards specified in the plans and construction contracts prior to delivery to the job owners.

(i) Operational Control and Analysis

The Company has set up the Operational Control and Analysis Division to support the operations, especially with project control and analysis, in order to increase its overall competitiveness and improve the effectiveness and efficiency of project supervision.

(j) Contract and Plan Management

The Company has the Contract and Plan Management Division to support the performance of operations function with regard to contract management and planning.

(k) Electricity and Systems

The Company has the Electricity and Systems Division to support the performance of operations function with regard to electricity and systems for the Company's construction projects.

(l) Project Supervision

The Company has the Project Supervision Division responsible for assisting the project manager with preparation and supervision of project costs. The Project Supervision Division is also responsible for assisting engineers at the field office and carrying out quality-related works of units to improve and increase the effectiveness of project cost management and supervision.

3) The Company's support functions consist of the following units:

(a) Procurement

The Procurement Division is responsible for acquiring products and services required for carrying out the Company's construction projects by selecting quality materials, equipment and services that meet the requirements of construction projects from potential suppliers and service providers at the right quantity and time, reasonable prices, and with appropriate conditions. It is also responsible for monitoring the complete and accurate delivery of materials, equipment and services to construction projects.

Procurement Guideline

1. To plan the procurement in collaboration with project managers.
2. To select potential suppliers/ service providers mainly from the list of suppliers/ service providers prepared by the Procurement Division and the list of suppliers/ service providers under the contract.
3. To provide suppliers/ service providers with detailed requirements for materials, equipment and/or services, make an appointment for detailed discussion where the materials, equipment and/or services required are too complicated, and determine the time to submit quotations.
4. To verify the correctness of the quotations and compare the prices and conditions proposed by each of the suppliers/ service providers.
5. The Procurement Division discusses with project managers to ensure conformity with requirements of the projects and negotiate prices and conditions with the suppliers/ service providers.
6. To determine which supplier/ service provider offers the best prices and conditions and submit the results to executives for approval in accordance with amount of budget required.
7. To issue and place purchase/service orders with selected supplier/ service provider.
8. To discuss with project managers and suppliers/ service providers to ensure mutual understanding and to develop a delivery/work plan.
9. To follow up the delivery of materials, equipment and/or services.

The Company considers and selects suppliers/ service providers who are manufacturers and distributors. We try not to purchase products and

services from only one supplier/ service provider in order to limit the risk from the supplier/ service provider's ability to operate and to enable all suppliers/ service providers to have the opportunity to compete with each other in terms of quality, prices and conditions under the same transparent and accountable rules in order to obtain the materials, equipment and services that can best meet the Company's requirements.

In addition, the Company has a guideline for operating a business with environmental considerations by choosing products and services that are environmentally friendly or products and services that have the most negligible impact on the environment. To the Company's customers as much as possible, and it is in the conditions and criteria for considering the Company's quality wholly and correctly.

Problems with raw materials

In 2023, the price of construction materials has significantly increased due to the increase in energy prices and the Thai Baht depreciation. The projects that have been launched before 2023 will be less affected because most of the products have already been pre-ordered. New projects being launched in 2023 will be affected to a certain degree, but the Company has managed to negotiate various conditions to ensure more flexibility to get the best product price.

In general, the material price has slightly increased from the estimated cost but by monitoring the performance of work units with improved working format and provision of better machines and tools in line with the such working format, the increased cost can be offset based on product prices.

Amount of raw material suppliers and service providers

The Company has a register of suppliers (Supplier) and service providers (Subcontractor) acceptable (ASL-Acceptable Supplier List), which currently has a few suppliers (Supplier) and service providers, more than a thousand registered

subcontractors are enough to work according to the agency's plans in 2023.

The Company does not purchase materials, equipment, and services from any one supplier (Supplier) more than 30% of the total revenue and the Company does not employ a service provider. Any subcontractor exceeds 30% of total revenue, and price and quality are monitored by new vendors and service providers. To continuously increase competitiveness.

(b) General Administration and Field Administration

The Administration Division is divided into two parts, including general administration and field administration.

The general administration consists of four functions, namely office administration, building and property, vehicles, and insurance, to ensure effectiveness of core operations.

The field administration consists of five functions, namely general field administration, personnel and labor relations, purchase and procurement, accounting and finance, and other works assigned by the Company, to ensure effective implementation of a project and achievement of objectives and goals.

(c) Human Resources

The Human Resources Division is responsible for recruitment, employment, personnel development and training, compensation management, welfare, and labor relations.

When a new construction unit is open, the Human Resources Division is responsible for recruiting the right number of personnel who have the abilities and skills to perform each type of works required to ensure the maximum effectiveness.

(d) Accounting

The Accounting Division is responsible for accounting systems, taxes and duties, and preparation of financial reports to submit to the executives and outside organizations, such as the Stock Exchange of Thailand.

(e) Joint Venture Accounting

The Joint Venture Accounting Division is responsible for accounting systems of joint ventures and consortiums that the Company is a partner and preparing and submitting tax and duty documents and financial reports to executives.

(f) Finance and Investment

The Finance and Investment Division is responsible for funding the construction projects, demanding and collecting payments for construction works, making payments to suppliers, acquiring bank guarantees, and managing the Company's investments.

(g) Business Development

The Business Development Division is responsible for analyzing related construction projects, supporting the Company's construction project bidding, seeking business opportunities, adding new market channels, improving relationship with trading partners, and conducting feasibility studies on new projects. It is an opportunity for the Company to invest or co-invest. To support the Company's long-term growth with stability and sustainability.

The business assets of the Company and its subsidiary companies, the net book value as of December 31, 2023; detail as follows;

	Service life total (year)	Duration used (year)	Cost (Thousand Baht)	Net value (Thousand Baht)
1. Land and land improvement	-	-	787,595	787,595
2. Building and building improvement	20	9.65	831,542	430,426
3. Building improvements under the lease agreement	10	9.35	111,355	7,277
4. Vehicles, Machinery and Equipment	5	3.86	7,752,443	1,771,807
5. Furnishings and office supplies	3-5	4.35	547,928	71,470
6. Assets under construction	-	-	882,275	882,275
Total assets			10,913,138	3,950,850

Note: All assets of the Company which the Company owns in the ownership which the purpose of holding is Intended for business

1. Land and land improvement	Amount	Land area (Rai-Ngan-Square Wah)	Cost (Thousand Baht)
• Rayong	2	62-3-12.4	169,039
• Chon Buri	8	118-1-42.2	261,601
• Nonthaburi	4	255-3-18	356,955
Total		435-7-72.60	787,595

(h) Information Technology Systems

The Information Technology Division is primarily responsible for installing, developing and maintaining the Company's information technology systems. The Company has introduced programs and new technology to improve its performance.

(i) Legal

The Legal Office is responsible for any practices in relation to provisions of laws, litigation, legal execution, and provision of advice regarding legal transactions and contracts.

(j) Internal Audit

The Internal Audit Division is responsible for conducting internal audit of the organization.

(k) Corporate Communication

The Corporate Communication function is a unit that supports the Company's corporate communication, such as public relations management and community relations management.

(3) Business Assets

1. Land, Building and Machinery of the Company

2. Building and building improvements	Location	Cost (Thousand Baht)
• Building floor 28-29, Sino-Thai Tower	Asoke	54,251
• Commercial building	Nonthaburi	27,187
• Warehouse	Chon Buri	86,777
• Factory	Rayong, Nonthaburi	484,694
Total		652,909

3. Vehicles, Machinery and Equipment	Cost (Thousand Baht)
• Vehicles	664,051
• Machinery and Equipment	7,088,392
Total	7,752,443

The Company addresses 32/59-60 Sino-Thai Tower, Sukhumvit 21 Road, Klongtoei Nua, Wattana, Bangkok. The Company has ownership in the area of $775 \times 2 = 1,550$ square meters and the Company has leased the total building area of 3,481.50 square meters from HTR Company Limited. The lease agreement is for a period of 3 years.

Investment Property

The investment properties of the Company and its subsidiary companies are based on the netbook value as of December 31, 2022; as follows:

	Service life total (year)	Duration used (year)	Reassessment (Thousand Baht)	Assessment (Thousand Baht)
1. Land	-	-	4,212,223	4,188,862
2. Office buildings for rent	20-34	10-34	756,124	756,124
Total			4,968,347	4,944,986

1. Land Details	Amount	Land area (Rai-Ngan-Square Wah)	Reassessment (Thousand Baht)	Assessment (Thousand Baht)
• Bangna, Bangkok	18	28-0-53	1,872,196*	1,872,196
• Rama III, Bangkok	2	8-0-60	1,238,800**	1,238,800
• Pak Chong, Nakhon Ratchasima	6	54-0-50	132,065***	130,983
• Hua Hin, Prachuap Khiri Khan	3	14-0-41	969,162****	946,883
รวม			4,212,223	4,188,862

Note:

* The latest appraisal of Bangna land on 27/11/2023 by the Agency for Real Estate Affairs Co., Ltd. Appraised using the market price comparison method and development assumption method.

** The latest appraisal of Rama 3 land on 28/11/2023 by the Agency for Real Estate Affairs Co., Ltd. was assessed using the market price comparison method and development assumption method.

*** The latest appraisal of Pak Chong land on 04/12/2023 by the Agency for Real Estate Affairs Co., Ltd. Appraised by using the market price comparison method.

**** The latest appraisal of Hua Hin land on 01/12/2023 by the Agency for Real Estate Affairs Co., Ltd. Appraised by using the market price comparison method.

2. Details of office buildings for rent	Location	Reassessment (Thousand Baht)	Assessment (Thousand Baht)
• Office buildings 31 units, Sino-Thai Tower	Asoke	708,222*	708,222
• Condominium 8 units - Pine Shores	Chon Buri	47,902**	47,902
Total		756,124	756,124

Note:

* The Latest appraisal on December 01, 2023, by Agency for Real Estate Affairs Co., Ltd. Appraised using the income method

** The latest appraisal on December 06, 2023, by Agency for Real Estate Affairs Co., Ltd. Appraised using How to compare with market data

Long-term property lease

As of December 31, 2023, the Company has long-term property lease and finance lease contracts totaling 484,433,679 baht, mostly vehicle hire-purchase and machinery contracts, with an average lease-purchase term of approximately 4 years.

The appraised value of the land or building is for sale

Appraisal value of the land or building of the Company		
	Appraisal value (Thousand Baht)	New appraisal value (Thousand Baht)
Land	3,241,979	3,265,340
Appraised value of the land or building of the subsidiary Company		
	Appraisal value (Thousand Baht)	New appraisal value (Thousand Baht)
Land and Office for rent	1,703,007	1,703,007

2. Investment policy in subsidiary and affiliated Company

The Company has an investment policy as follows:

- The Company has a policy to invest in businesses that can be extended from the main business.
- If it is an investment of more than 20% of the total assets of that business. The Company will send a representative to be a director in that Company to participate in the formulation of policies that are important to business operations.
- The Company has no policy to interfere with the normal operation of the subsidiary and affiliated Company

The proportion of investment in subsidiary, affiliated and other Company to total assets

As of December 31, 2023, the Company and its subsidiary companies had investments recorded by the equity method and other investments in the consolidated financial statements amounting to Baht 16,373 million or 34.51% per total assets, divided into:

1. Investment recorded by the equity method of Baht 6,250 million, or 13.17% of total assets. It is an investment in DKK Sino-Thai Engineering Company Limited, Northern Bangkok Monorail Company Limited, Eastern Bangkok Monorail Company Limited, U-Tapao International Aviation Company Limited. Company Limited, BGSR 6 Company Limited, BGSR 81 Company Limited, UTB Company Limited and SITEM ST Engineering and Services Company Limited.

2. Other investments of Baht 10,123 million or 21.34% of total assets.

Future investment policy

Investment in the future will invest in businesses related to the construction business and focus on business plans in the form of concessions.

Management Policy in the subsidiary, affiliated and Joint Venture

Subsidiary and Affiliated

The Company does not take part in setting policies for subsidiaries or affiliated. This is because the management and policy setting are determined by the management team of the subsidiary or affiliated Company.

Joint venture

The projects in the form of a joint venture, the Company is part of the joint determination of the management policy for success in the work as specified in the contract, and create fair benefits for all participants, However, the power to formulate a joint venture policy depends on the proportion of participants in the joint venture.

(4) Backlog

As at December 31, 2023, the contract value more than 10% of total revenue for year 2023; details are as follows;

Project Name

Infrastructure

- Motorway Bang Pa-In-Saraburi-Nakhon Ratchasima
- Manhole and underground Duct Bank with the MRTA Pink Line and Yellow Line Projects
- Double-track (Nakhon Pathom-Hua Hin) contract 2
- SRT Railway Project (Den Chai-Chiang Rai -Chiang Khong) Contract No.2,3
- Operation and Maintenance of Intercity Motorway project (Bang Pa-in-Nakhon Ratchasima)

- Operation and Maintenance of Intercity Motorway project (Bang Yai-Kanchanaburi)

Building

- Mochit Complex Building
- U-Tapao Airport Development
- Government Center Phase 2

Power and Energy

- Gulf Pluak Daeng Power Plant
- Hin Kong Power Plant
- Gulf Sriracha Power Plant Project

Environment

- Drainage from Nong Bon to the Chao Phraya River
- Thonburi wastewater treatment contract 3
- Diversion Canal (Bang Bal-Bang Sai)

1.3 Shareholding Structure of STECON Group

The Company has investments in Subsidiary Company and Affiliated Company, detail as follows

Subsidiary Company

1. HTR Corporation Limited

HTR Corporation Limited has a registered capital of 500,000,000 Baht, the Company holds 40,449,995 common shares, representing 80.90%, with an investment value of 404,499,950 Baht. HTR Corporation Limited operates in a real estate development business. Its main business is the rental of office suites at Sino-Thai Tower, providing services such as document storage and provide various facilities for tenants such as parking buildings, exercise facilities, etc. HTR Corporation Limited has ownership of land awaiting development that is ready to continue its business in the future.

2. Nouvelle Property Co., Ltd.

Nouvelle Property Company Limited has a registered capital of 800,000,000 Baht, the Company holds 7,999,999 common shares, representing 99.99%, with an investment value of 799,999,900 Baht. Nouvelle Property Company Limited. Type of business of real estate development.

3. Wisdom Services Co., Ltd.

Wisdom Services Company Limited has a registered capital of 2,211,000,000 Baht, the Company holds 22,109,999 common shares, representing 99.99%, with an investment value of 2,210,999,900 Baht. Wisdom Services Company Limited. Type of business of selling, renting , and maintenance construction machinery and equipment and provide training service.

4. Stecon Power Co., Ltd.

Stecon Power Company Limited has a registered capital of 100,000,000 Baht, the Company holds 999,999 common shares, representing 99.99 %, with an investment value of 99,999,900 Baht. Stecon Power Company Limited operates businesses related to producing all types of energy. To support the expansion of the company's energy business.

5. Sino-Thai Holding Co., Ltd.

Sino-Thai Holding Company Limited has a registered capital of 5,000,000 Baht, the Company holds 49,999 common shares, representing 99.99%, with an investment value of 4,999,900 Baht. Sino-Thai Holding Company Limited. The type of investment in other businesses or other projects that is deemed appropriate by the Management team.

6. SNT Concrete Solution Co., Ltd.

SNT Concrete Solution Company Limited has a registered capital of 300,000,000 Baht, the Company holds 2,999,999 common shares, representing 99.99%, with an investment value of 299,999,900 Baht. SNT Concrete Solution Company Limited operates in the production and selling of concrete products for use in construction, including, design products.

7. DC POWER BN1 Co., Ltd.

DC POWER BN1 Company Limited has a registered capital of 165,000,000 Baht, the Subsidiary holds 9,899,998 common shares, representing 60.00%, with an investment value of 98,999,980 Baht. DC POWER BN1 Company Limited is a joint venture Company consisting of Stecon Power Company Limited, SITEM Corporation Company Limited and Mytelehaus SDN BHD to build to suit for Data Center projects.

Affiliated Company

1. DKK Sino-Thai Engineering Co., Ltd.

DKK Sino-Thai Engineering Company Limited has a registered capital of 8,000,000 Baht, the Company holds 27,997 common shares, representing 35.00 %, with an investment value of 2,799,700 Baht. DKK Sino-Thai Engineering Company Limited is a joint venture Company between the Company and Denki Kogyo Company Limited, Japan. To engage in the business of designing, manufacturing, constructing and installing integrated telecommunication towers including repair work renovation and maintenance of telecommunication towers by bringing engineering technology in the production and construction of telecommunication towers that have been transferred from Denki Kogyo Company Limited. Together with the expertise in construction and the readiness of the Company's personnel to respond to the needs of telecommunications customers.

2. Northern Bangkok Monorail Co., Ltd.

Northern Bangkok Monorail Co., Ltd has a registered capital of 14,400,000,000 Baht, the Company holds 21,600,000 common shares, representing 15.00%, with an investment value of 2,160,000,000 Baht. Northern Bangkok Monorail Co., Ltd is a joint venture Company consists of BTS Group Holdings Public Company Limited, Sino-Thai Engineering and Construction Public Company Limited and RATCH Group Public Company Limited to operate passenger transport business in urban and metropolitan areas. It is the operator of the MRT Pink Line project.

3. Eastern Bangkok Monorail Co., Ltd

Eastern Bangkok Monorail Co., Ltd has a registered capital of 14,400,000,000 Baht, the Company holds 21,600,000 common shares, representing 15.00 %, with an investment value of 2,160,000,000 Baht. Eastern Bangkok Monorail Co., Ltd is a joint venture Company consists of BTS Group Holdings Public Company Limited, Sino-Thai Engineering and Construction Public Company Limited and RATCH Group Public Company Limited to operate passenger transport business in urban and metropolitan areas. It is the operator of the MRT Yellow Line.

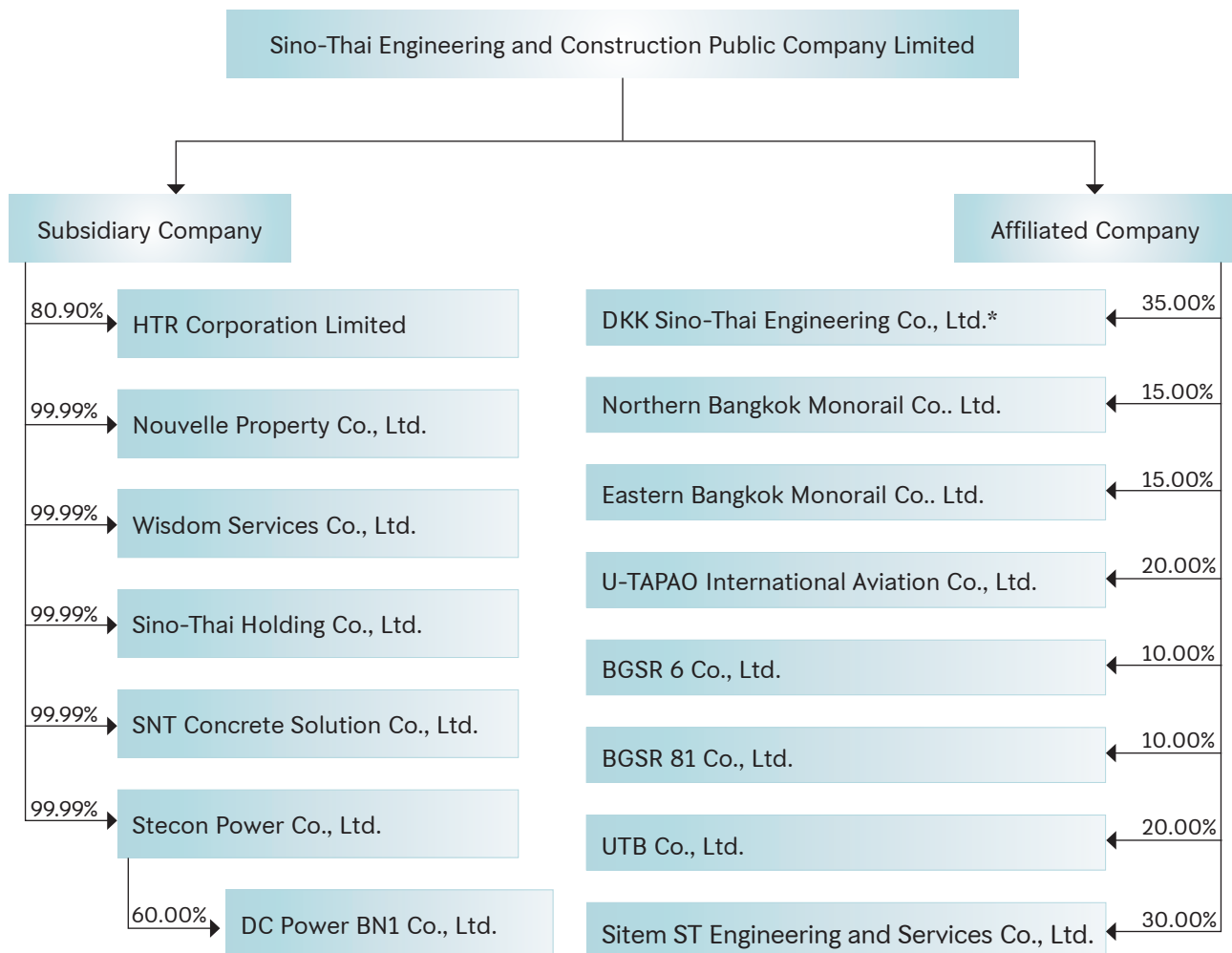
4. U-TAPAO International Aviation Co., Ltd.

U-Tapao International Aviation Company Limited has a registered capital of 4,500,000,000 Baht, the Company holds 9,000,000 common shares, representing 20.00 %, with an investment value of 900,000,000 Baht. U-Tapao International Aviation Company Limited is a joint venture Company consisting of Bangkok Airways Public Company Limited, BTS Group Holdings Public Company Limited and The Company to operate the airport business. Including other operations related to airport business. U-Tapao Airport Development Project and Eastern Aviation City

5. BGSR 6 Co., Ltd.

BGSR 6 Company Limited has a registered capital of 1,000,000,000 Baht, the Company holds 10,000,000 common shares, representing 10.00%, with an investment value of 100,000,000 Baht. BGSR 6 Company Limited is a joint venture Company consists of BTS Group Holdings Public Company Limited, Gulf Energy Development Public Company Limited, Sino-Thai Engineering and Construction Public Company Limited and RATCH Group Public Company Limited to assemble Operation and Maintenance of Intercity Motorway project (Bang Pa-in - Nakhon Ratchasima).

Shareholding Structure of STECON Group



Note: *DKK Sino-Thai Engineering Company Limited has registered its dissolution on July 6, 2023, but has not yet registered its liquidation.

6. BGSR 81 Co., Ltd.

BGSR 81 Company Limited has a registered capital of 850,000,000 Baht, the Company holds 8,500,000 common shares, representing 10.00%, with an investment value of 85,000,000 Baht. BGSR 81 Company Limited is a joint venture Company consists of BTS Group Holdings Public Company Limited, Gulf Energy Development Public Company Limited, Sino-Thai Engineering and Construction Public Company Limited and RATCH Group Public Company Limited to Operation and Maintenance of Intercity Motorway project (Bang Yai-Kanchanaburi).

7. UTB Co., Ltd.

UTB Company Limited has a registered capital of 10,000,000 Baht, the Company holds 20,000 common shares, representing 20.00%, with an investment value of 2,000,000 Baht. UTB Company Limited is a joint venture Company consists of BTS Group Holdings Public Company Limited, Bangkok Airways Public Company Limited and Sino-Thai Engineering and Construction Public Company Limited to manage airport city in U-Tapao International Airport and Eastern Airport City Project.

8. Sitem ST Engineering and Services Co., Ltd.

Sitem ST Engineering and Services Company Limited has a registered capital of 5,000,000 Baht, the Subsidiary holds 15,000 common shares, representing 30.00%, with an investment value of 1,500,000 Baht. SITEM ST Engineering and Services Company Limited is a joint venture Company consists of SINO-THAI Holdings Company Limited and SITEM Corporation Company Limited to manage maintenance and building engineering system management.

Subsidiary Company or Associated Company Policy

The Company, subsidiary and associated Company have some common directors, who are directors sent by the Company according to the Company's shareholding in subsidiaries and associates the management and policy setting of the subsidiary and the associated Company will be determined by the board of directors and management of the subsidiary or associated Company.

1.4 Dividend Payment Policy

It is the Company's policy to pay dividend in an amount of not less than 40% of its net profit before its interest in subsidiary companies. The dividend payment shall be made only if the Company has no accumulated loss or does not plan to make additional investment in mega projects.

	2022	2021	2020
Net Profit (Loss) (Baht)	866,720,292	720,596,010	1,103,402,705
No. of Shares	1,525,106,540	1,525,106,540	1,525,106,540
Profit (loss) per share (Baht/Share)	0.56	0.47	0.72
Dividend per share (Baht/Share)	0.30	0.25	0.30
Dividend Payout (%)	52.79	52.91	41.47



SECTION 1

Business Operations and Performance

2. Risk Management

2.1 Risk Management Policy and Risk Management Framework

2.1.1 Risk Management Policy

Sino-Thai Engineering and Construction Public Company Limited realizes and places importance on Enterprise Risk Management (ERM), which forms part of good corporate governance. The Company has applied both Thai and international risk management guidelines to the organization's context. This will lead to good governance and management, reduce impacts from both internal and external risks, identify opportunities, and meet stakeholders' expectation. The Company has therefore established Risk Management Policy as follows:

- 1) The Company shall have enterprise risk management in accordance with good corporate governance; and shall promote risk management culture to create understanding, awareness, and shared responsibility, whereby all management and employees shall be the risk owners and shall be aware of the existing risks under their operation and responsibility.
- 2) The risk management shall be part of strategic planning, as well as objectives and goals setting, and organization plan in each line of work.
- 3) The Company shall establish guidelines or measures that can properly and sufficiently manage, identify, evaluate, and prioritize risks; as well as determine the risk appetite, implement the remediation

plan, and continuously report, monitor, and evaluate the results throughout the organization.

- 4) The Company shall review the performance and any changes in risks that may affect business strategies and objectives, and continuously improve enterprise risk management.
- 5) The Company shall promote and encourage the use of risk management as a key tool by communicating to staff at all levels, so that they understand and cooperate with each other to strengthen good corporate governance and build confidence among stakeholders.

2.1.2 Risk Management Framework

The Company performs risk management activities by referring to risk management principles from Thai and international recognized standards covering main topics as follows:

- 1) Governance & Culture
 - Control and monitor risks;
 - Establish operating structure;
 - Define desired risk culture;
 - Manage organization's stakeholder;
 - Attract, develop, and retain talented personnel to align with business strategies and objectives
- 2) Strategy & Objective Setting
 - Analyze business context;
 - Determine risk appetite;
 - Evaluate corporate strategies;
 - Set business objectives

- 3) Performance
 - Identify risks;
 - Assess risks;
 - Prioritize risks;
 - Implement risk mitigation plan;
 - Improve overall approach
- 4) Review & Revision
 - Assess substantial changes that affect risks;
 - Review risks and performance;
 - Continuously improve enterprise risk management
- 5) Information & Communication
 - Make use of data and technology to support enterprise risk management;
 - Communicate between departments to facilitate the exchange of risk information;
 - Report risks and performance at various levels



See details of “Risk Management Policy and Risk Management Framework” on the Company’s website at www.stecon.co.th under the topic of Good Corporate Governance.

2.2 Risk Factors in the Company’s Business Operations

2.2.1 Strategic Risks

1) Risks from Lower or Inconsistent Workloads

The construction industry is a highly competitive business due to the large number of construction companies both domestically and internationally. Intense competition can impact the Company’s revenue since a significant portion of it comes from government contract bidding, which was approximately 38.0% in the year 2023. The Company cannot predict whether it will be selected for new bidding projects or when the government will open new bidding opportunities. Moreover, the selection process itself is time-consuming due to legal requirements and various factors, including funding sources and government investment policies.

However, the Company has measures to mitigate such risks by participating in bidding for construction projects from both public and private sectors. Both sectors continuously invest in new projects (A list of projects open for bidding shown in the Business Overview and subtopics Industry Trends and Future Competitiveness in the Future). Currently, the Company has a substantial backlog volume that can support future work for at least three years, providing consistent revenue and establishing itself as a market leader in the construction contracting business. This is evident from the Company’s market revenue share, which has been 18% over the last three years, from 2021 to the third quarter of 2023, ranking second out of 25 listed construction contracting businesses in the securities market.

Further details on Revenue Market Share can be found in the Business Overview and subtopic on Competitiveness and Market Share.

2) Risks from Economic Fluctuations and Political Instability.

The current economic fluctuations and political instability within the country may have implications for governance and developmental investments. This particularly relates to policy formation for public infrastructure projects and fundamental structural developments, as well as government budget allocations. These factors are critical to improve the country’s competitiveness, fostering job creation, boosting productivity, and long-term manufacturing potential.

Due to the aforementioned reasons, fluctuations in the economy or domestic political policies may adversely affect the country’s investment plans in public infrastructure and fundamental structural development, leading to a decrease in the Company’s construction backlog. This reduction may be because of a decrease in government bidding projects, leading to intensified competition among private sector entities for available contracts. However, the Company endeavors to mitigate such risks by implementing policies to appropriately manage and maintain a sufficient backlog volume

to forecast annual revenue. Presently, the Company has been able to maintain its backlog volume as planned, standing at 116,028 million Baht in 2021, 114,936 million Baht in 2022, and 101,395 million Baht in 2023, while consistently participating in bidding processes each year, both in the public and private sectors.

Furthermore, the government's policy to increase minimum wages will likely impact on the Company's costs by requiring higher adjustments. Currently, the Cabinet has considered a new minimum wage ranging from 330 to 370 Baht, representing an increase of 2 to 16 Baht per province, averaging a 2.37% increase effective January 1, 2024. Nevertheless, the Company has implemented various measures to mitigate the impact of wage raises, thereby reducing its consequences. This includes effective management of revenue and other costs, resulting in the increased labor costs having insignificant effects on the Company's initial profit margins. These measures encompass optimizing labor efficiency in construction management through the adoption of new technologies, tools, and machinery to replace manual labor, as well as stringent cost control measures.

2.2.2 Operational Risks

1) Risks from Higher Construction Costs/ Expenses in Construction Work than the Established Budget

Construction materials cost is considered one of the principal and critical costs for construction contracting businesses. Historically, the Construction Materials Price Index, issued by the Ministry of Commerce, has consistently increased. In the year 2021, the index reached 112.9 up from 106.6 in the year 2021, representing a compound annual growth rate (CAGR) of 2.91% per year. Consequently, this continuous increase in the index has led to a consistent rise in construction material prices. If the Company used a greater quantity of construction materials than estimated, it would result in a higher-than-planned construction cost. However, historical data reveals that the Company has effectively managed costs and expenses for most

of its projects by employing construction plans and/or implementing construction management policies. For example, the Company engages in purchasing agreements for construction materials from the start of the project to mitigate the risk of price fluctuations. When construction material prices are projected to rise, the Company enters into procurement agreements early in the project lifecycle and orders materials in bulk from suppliers, thereby enhancing its negotiation leverage. Additionally, the Company maintains a good relationship with suppliers, facilitating successful price negotiations. Furthermore, the Company utilizes historical data to analyze market price trends and forecast significant construction material prices, enabling it to make timely additional purchases when prices are beneficial. In cases of contracts with a K-value, the Company has the right to request additional payment consideration based on the Ministry of Commerce's calculation criteria. This procedure helps mitigate the Company's risk of high-priced construction materials by receiving compensation for the price difference between the bidding date and each of the delivery dates for the project.

Additionally, the Company may also consider subcontracting work to reduce indirect expenses, allowing for more effective cost management. This approach enables the Company to closely track operations while maintaining cost efficiency. As well, the Company requires subcontractors to provide a Performance Bond as a guarantee that they will fulfill their contractual obligations and ensure the quality of construction materials in accordance with the contract's specifications.

In labor cost management, the Company considers transfers of labor from projects/provinces to urgent projects or projects with labor shortages to reduce the need to hire more outside workers, along with increasing employee capabilities by providing regular training before beginning work and throughout projects, while also monitoring to determine which skills are missing in labor or which skills need to be added to manage the number of workers needed and reduce the aforementioned costs.

In the area of machine management, which is important to the Company, the Company continually coordinates, monitors, and supervises the use of machinery in projects according to the durations of time reserved for use to avoid creating costs/loss of opportunity from inefficient machinery management.

2) Risks from Delays in Construction Operations

If construction operations are delayed, the Company's revenue recognition would take longer than expected. Meanwhile, the Company has incurred certain operating expenses. Typically, if the client causes delays, such as late site handovers, the client will extend the project timeline without penalty. Regarding delays caused by the Company's own operations, the Company has previously shown effectively managed contracts, thus receiving time extensions or penalty waivers from project owners according to contract terms. Because the Company has continuous business experience, clearly understands construction processes, and is a significant market player, it ranked second in market share in the construction industry from 2021 to the third quarter of 2023. This includes risk management planning for all construction projects, such as construction processes, raw material procurement, machinery and labor allocation. Additionally, these plans are divided into quarterly and monthly plans, with progress tracked by comparing actual construction results against planned construction. Furthermore, the Company has a strategy of selecting subcontractors with capabilities and experience in their work, ensuring confidence that these subcontractors can deliver quality work on schedule. The Company regularly monitors the project progress, with timely reporting of any issues that arise. Moreover, in most subcontract agreements, a penalty clause is included in case of subcontractor delays, similar to the penalties outlined in the main contracts with the government sector. This helps mitigate the risk in cases of subcontractor delays. Due to the aforementioned reasons, the Company has not incurred any penalties for construction delays over the past 10 years.

3) Risks from Shortage of Competent Personnel or Skilled Labor

Having experienced and skilled personnel is crucial for construction contracting businesses, particularly those at the senior engineer or project engineer levels who are efficiently and effectively responsible for controlling and managing construction projects. Consequently, construction contracting companies face the risk of a shortage of both Thai and foreign engineers with expertise in both knowledge and experience, which could lead to delays and an inability to deliver projects on schedule. However, currently, the Company effectively manages its human resources by hiring and training engineers to have the necessary qualifications and adequately meet the construction workload. The Company has 37, 40, and 45 senior engineers, as well as 152, 165, and 172 project engineers, between the year 2021 and 2023, respectively. Historically, the Company has not encountered any labor shortage issues.

In addition, labor is considered a significant factor in the construction industry, which requires a large workforce, varying depending on the nature of projects and the time frame for implementation. As the country's economy grows, significant increases in construction investment from both the public and private sectors are crucial, leading to an increased demand for labor in the market. The Company has sourced labor from both domestic and foreign sources. However, external factors such as travel restrictions during disease outbreaks or policies adjusting minimum wage rates may lead to labor shortages, resulting in construction projects experiencing delays beyond their deadlines.

However, the company also implements measures to encourage employees to work with the Company in the long term by promoting career development in their roles, providing benefits, and ensuring fair compensation for all employees. Additionally, the Company plans workforce capacity in advance for each project to mitigate risks in case of future events. Furthermore, the Company has established an international labor center to

manage labor issues and contracts with foreign worker agents to prevent labor shortages. Moreover, the Company has established a Skill Development Center (SDC) to enhance workforce efficiency.

In terms of increasing minimum wage rates, which directly impacts costs, the Company has a policy of utilizing engineering knowledge to create value through Value Engineering. This involves designing construction methods that save time, using machinery and tools where available to replace manual labor, enhancing labor efficiency through a Skill Development Center (SDC), and considering Pay-For-Performance compensation.

2.2.3. Financial Risks

1) Risks from not Receiving Payment from Construction Contracts (Unbilled Receivables)

The construction business acknowledges revenue based on the proportion of completed construction work as assessed by independent engineers or project managers and records revenue along with assets arising from contracts (unbilled receivables). These may arise from changes in design or scope of work, necessitating the completion of new contracts (variation orders) before invoicing the client. The Company's total assets arising from construction contracts were 6,009.56 million baht, 8,265.32 million baht, and 7,816.72 million baht as of December 31, in the years 2021, 2022, and 2023 respectively. The Company may face risks if construction costs have already been incurred but cannot be invoiced to clients as scheduled, potentially delaying the receipt of payments after construction activities and affecting the Company's liquidity and cash flow.

Therefore, the Company has established guidelines to mitigate risks by accepting construction projects from diverse clients, both public and private sectors. Additionally, the Company does not rely on any single client. From year 2021 to 2023, no single client accounted for more than 20% of construction revenue. Moreover, historically, the majority of projects have been able to collect payments from clients as usual, based on the Company's current collection status. This is particularly evident in

the top 10 highest-value construction projects, demonstrating the Company's high capability to collect payments from clients.

Therefore, to mitigate the risks involved, the Company's management will closely monitor and coordinate with clients, project owners, or their representatives. The Company will agree on any changes to the scope of work in official evidence before commencing operations, along with closely monitoring the progress of inspections and verifying payments from clients.

2) Risks from the Fluctuation of Investment Values in GULF and TSE Stocks.

Currently, the Company has invested in other companies, GULF and TSE, with proportions of 1.88% and 9.00%, respectively, of the total market value equivalent to 9,656.56 million baht, or 20.35% (as of March 1, 2024), of the Company's total assets as of December 31, 2023. The Company does not have control over these investments. Any changes in the performance and financial status of GULF and TSE, including significant changes in stock prices, may affect the total asset value, liquidity, and dividend income of the company. However, the Company will mitigate and manage risks by continuously monitoring information, news, and key factors affecting the financial status and performance of GULF and TSE to ensure timely responsiveness to financial status fluctuations, performance, and significant stock price changes. Additionally, since GULF and TSE are actively traded on the stock exchange, the Company can flexibly consider changes in investment status if unexpected events occur.

2.2.4. Compliance Risks

1) Risks from Violations of the Law or Inability to Comply with Laws, Rules or Regulations

In conducting construction contracting business, the company must comply with regulations, instructions, and laws imposed by ministries and relevant agencies, both public and private. The Company manages its business operations in strict compliance with applicable laws, regulations, and instructions, including but not limited to professional

license laws, the Government Procurement and Inventory Management Act, environmental laws, and labor laws. In the construction contracting business, the Company and/or personnel responsible for construction or construction support must possess relevant professional licenses, such as engineering control licenses, architectural professional licenses, and other relevant permits. Furthermore, the Company is responsible for compliance with laws and other requirements stipulated by local regulations, which may include implementing other related management processes concerning occupational safety standards.

However, regulatory authorities may amend laws and/or regulations that may affect the Company's business operations, leading to additional obligations for the Company to comply with amended laws and/or regulations. In addition, the relevant regulatory authorities may modify processes and procedures for evaluating various license applications necessary for construction business operations and/or professional control licenses, which could impact the timelines for applying for and/or renewing licenses for the Company and/or its personnel. These deadlines may be subject to the timelines specified by relevant laws. Consequently, there is a risk factor in cases where the Company cannot comply with new laws or standards promptly, potentially affecting the Company's business operations and performance. Furthermore, there may be and could be risk factors where the Company and/or responsible personnel fail to renew licenses or experience delays in renewing necessary licenses for conducting business and/or professional control licenses.

Nevertheless, the Company ensures control and supervision to ensure compliance with regulations, ministry guidelines, and laws stipulated by relevant regulatory authorities. This includes any laws related to the Company's business operations. The Company will proceed to obtain necessary licenses and/or renew existing licenses whenever required, as well as notify responsible personnel in key departments to renew their professional licenses accordingly. Additionally, the Company

mandates its legal department to monitor the issuance and/or changes in relevant laws and regulations that may affect the Company's business, including regulations from regulatory bodies such as the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), including other regulatory agencies related to construction business, i.e., the Government Procurement and Inventory Management Act, labor law, sustainability and the environmental laws. This is to promptly report to the management and hold joint meetings with relevant internal units if such changes impact the Company's operations, allowing the Company to plan and adapt to these changes without delay, thereby avoiding consequences from legal violations and ensuring good governance and risk management.

2) Risks from Human Rights Violations

Since the construction business involves a significant amount of labor and may impact stakeholders throughout the construction supply chain and adjacent areas. The Company therefore operates the business according to corporate governance principles with consideration given to corporate social responsibility. The Company aims to operate the business to grow with sustainability. Furthermore, the Company recognizes the importance of operating a business with respect for human rights. The company places importance on human rights of personnel and those involved while also respecting personal rights specified by law without performing any actions in business operations to violate human rights. The Company prepared the Human Rights Policy and specified main issues about non-violation of human rights, occupational health and safety, work environments, equitable treatment of employees without discrimination, work-related employee rights and liberty, labor rights, and disabled persons hiring, etc., according to legal provisions. In addition, the Company uses the Human Rights Assessment Checklist from the Office of the National Human Rights Commission of Thailand as a risk assessment and management guidelines to assure stakeholders that the Company recognizes the importance of having business operations consistent with human rights guidelines.

2.2.5. Environmental, Social, and Governance Risks (ESG Risks)

1) Risks from Neglecting or Violating Environmental Regulations

Because construction work may cause environmental impacts, especially concerning the communities around the project, such as air quality that may be affected by construction dust, noise from construction activities, wastewater from construction projects, or waste and debris generated by construction work. This is to mitigate the risks arising from environmental regulations and to ensure sustainable environmental management practices. The Company is aware of its responsibilities in operating the business with responsibility to society, the economy, the environment, and corporate governance. Therefore, the Company has an environmental policy for use as guidelines in operating a business strictly in compliance with the laws, specifications, and environmental standards involved. The Company supports developing the personnel's knowledge of the environment and promoting awareness and participation in environmental operations to mitigate potential environmental effects and regularly report performance. Including the management of air quality around the construction project, such as using nets and screens to contain construction areas and nearby communities, managing noise by scheduling loud construction equipment use during daytime hours, managing wastewater by separating stormwater and wastewater, and managing waste and debris by implementing proper disposal practices, such as separating hazardous waste and ensuring lawful disposal.

The Company's Sustainability Management in Environmental Dimension shown in Section 1 Clause 3 Driving Business for Sustainability Sub Clause 3.3 Environmental Sustainability Management.

2) Risks from Neglects of Safety and Construction Accidents

Construction work has a significant risk of accidents due to negligence, lack of attention to safety, or lack of knowledge, understanding, and

awareness of safety from correct and appropriate operations. It may also involve designing or planning working methods that could lead to accidents, resulting in injuries or fatalities to the Company's employees or business partners, potentially causing legal liabilities harmful to the Company. To mitigate the aforementioned risks, the Company specifies a policy for there to be an occupational safety and work environment committee to plan work, provide consultation about project, and provide tools and instruments in safe conditions to reduce the risk of work processes, along with promoting safe work knowledge and motivations for maximum efficiency pursuant to laws, regulations, and specifications for every worker and contractor. In the year 2023, there were no fatalities resulting from construction accidents, and the Company mitigated the risk of being sued due to construction accidents by obtaining insurance policies to cover damages from construction and liability towards third parties.

The Company's Safety Management shown in Section 1 Clause 3 Driving Business for Sustainability Sub Clause 3.4.3 Occupational Safety, Health, and Environment.

2.2.6. Emerging Risks

1) Risk associated with pandemic

The outbreak of contagious diseases such as COVID-19, Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome (MERS), Avian Influenza H5N1, or Swine Flu H1N1 could have significant negative impacts on overall business operations in Thailand and internationally if not controlled. Additionally, the government may enforce various measures to limit the spread of diseases, such as travel restrictions domestically and internationally, bans on public gatherings, local ordinances, or general directives for public isolation, among others. These measures could affect the Company operations, such as reduced bidding for construction projects, delays and disruptions in construction work due to labor shortages, impacting company revenues and/or costs. In such events, the Company has strategies to maintain backlog order by advance bidding for construction

projects, ensuring continuous project execution and revenue generation, and implementing measures to manage and care for employees to mitigate the risk of disease spread, including the development of a Business Continuity Plan (BCP).

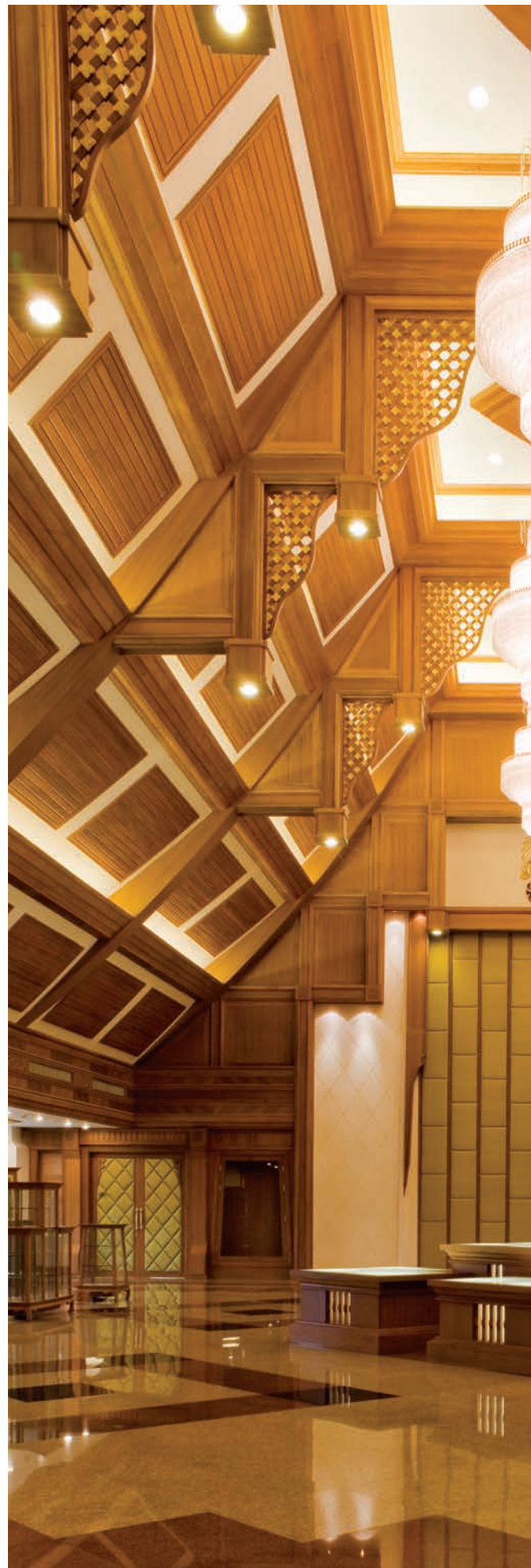
From the aforementioned measures, it is evident that the Company and its subsidiaries have been well-prepared and able to cope with the pandemic situation effectively. This is reflected in the net profit margins that remained at a good level during the COVID-19 pandemic period from 2020 to 2021, at 3.05% and 2.57% respectively, compared to the pre-pandemic period from 2018 to 2019, which stood at 5.85% and 4.50% respectively.

2) Risks from Digital Technology Changes and Cyber Threats

Modern business operations and communications within and between organizations are more dependent on technology, causing a risk of cyberthreats that may affect trade information safety and the Company's creditability. The Company invested in an internal communications network within the organization to control data connections in business operations, to increase work efficiency, and protect data from loss and theft. In addition, the Company has Cyber Security measures to prevent unauthorized access to the network, a data backup system, and the Company uses new technologies to help with data storage to increase work efficiency, data security, and provide training for employees to be aware of data security risks.

3) Risks from Climate Change

Climate change is a global issue that organizations are increasingly concerned about because it has a wide-ranging effect on business operations and human living conditions. The government may issue regulations to control business operations that contribute to climate change, which may increase the Company's operating costs if not managed properly, such as decreased labor productivity and/or increased electricity costs. To mitigate these impacts, the Company has formulated environmental policies and climate change adaptation plans, aiming to be part of Thailand's low-carbon society policy by the year 2050. Furthermore, the Company has conducted risk assessments related to climate change covering strategic, operational, financial, and regulatory aspects, which may affect the Company's future operations. Additionally, the Company has prepared





a greenhouse gas emissions report for its headquarters to inform about the organization's emissions and seek ways to reduce them, including various projects like implementing Pay-For-Performance compensation, reducing electricity consumption, switching to solar energy, and recycling materials. Moreover, in the event of force majeure events due to climate change, such as natural disasters, under contracts with both public and private sectors, the contractor will not be held liable. Furthermore, the Company's management has instructed to calculate downtime allowances due to unfavorable weather conditions, especially during the rainy season, and the Company will have insurance policies covering risks from climate change for all projects. As for managing changes, the Company has established plans and procedures to mitigate risks and ensure business continuity.

The Company's Climate Change and Carbon Emission Management shown in Section 1 Clause 3 Driving Business for Sustainability Sub Clause 3.3.2 Environmental Item 7 Climate Change and Greenhouse Gas Emission Management.

2.3 Building a Risk Management Culture

The Company recognizes the importance of risk management. Therefore, the Company promotes a risk management culture for building understanding, awareness, and responsibility sharing where every executive and employee owns risks by recognizing personal and organizational work risks. Moreover, the Company provides instruction via internal and external training and seminars on the topic of risk management for directors, management, and employees. In year 2023, the Company had the following trainings related to risk management:

- Directors and management attended the Risk Management Program for Corporate Leaders (RCL) training course of the Thai Institute of Directors (IOD), totaling 3 persons.
- Directors and management attended the seminar "Company Directors and Senior Executives and ESG Risk Management" organized by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King, totaling 3 persons.
- The Company provided in-house training on "Value Creation & Preservation Through Risk Management" for 84 management and employees.



SECTION 1

Business Operations and Performance

3. Driving Business for Sustainability

3.1 Sustainability Management Policy and Goal

3.1.1 Sustainability Management Policy and Main Goal

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries conduct business with a strong commitment to sustainable business development, emphasizing the creation of value towards **Economy, Society, Environment, and Good Corporate Governance**. This is in support of the company's vision and mission. Therefore, the company has established a sustainable business development policy that considers good corporate governance, social responsibility, and environmental stewardship, in line with international standards and as mandated by the Securities and Exchange Commission and the Stock Exchange of Thailand as follows:

Economy

The company's key economic objective is to generate suitable and sustainable returns or profits from its operations by fostering growth in its existing business and seeking opportunities in new business ventures (New Business).

Good Corporate Governance

The company places great importance on conducting business fairly, transparently, and verifiably. It complies with ethical principles and considers the interests of its stakeholders, including shareholders. The company manages risks appropriately, develops innovations to enhance its capabilities, and is committed to sustainable and stable growth through good corporate governance policies and related practices as outlined by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Society

The company conducts its business with a sense of responsibility towards society. It follows global work standards to minimize the potential impact of its operations. It considers the interests of stakeholders such as employees, business partners, customers, and communities. Additionally, the company places importance on safety, occupational health, and environmental conditions in the workplace. It respects human rights, invests in employee development, and contributes to various social initiatives such as education and disaster relief.

Environment

The company is environmentally conscious and takes climate change and environmental factors into account in its operations. It has established policies, practices, monitoring, and continuous development in environmental matters. The company provides knowledge and training related to relevant work standards, supports, and promotes environmental conservation efforts, and aims to minimize its environmental and community impact resulting from its construction processes.

The main sustainable business development goals

The company has established its primary objectives for sustainable business development to align with the company's sustainable business development policy as follows:

- The company aims to contribute to the country's goal of reducing greenhouse gas emissions by 20-25% compared to normal operations and working towards achieving carbon neutrality by the year 2050.

- The company targets zero work-related injuries resulting in work stoppages every month, aiming for a Loss Time Accident (LTA) rate of 0.
- The company aims to enhance the knowledge and skills of its employees through seminars and training sessions, with an average of at least 10 hours per person per year.

- The company has been ranked as “excellent” in corporate governance from the survey conducted by the Thai Institute of Directors (IOD) as part of the registered company’s corporate governance assessment program.



See details of “Sustainability Management Policy and Goal” on the Company’s website at www.stecon.co.th under the topic of Good Corporate Governance.

3.1.2 Performance Based on Main Sustainable Business Development Goals in 2023

Main Sustainable Business Development Goals	Performance Based on Main Sustainable Business Development Goals in 2023
Climate Change Goals	
Greenhouse gas emissions reduced by 20-25% when compared to operations in normal cases and carbon neutrality achieved by 2050.	Due to the expansion of operations and business activities in 2023, the company had an increase in overall greenhouse gas emissions compared to the baseline year, by 9.91 percent.
Safety Goals	
Number of Workers Who Sustained Work-related Injuries to the Point of Stopping Work per Month = 0 Employees (Loss Time Accidents (LTAs) = 0)	Number of Workers Who Sustained Work-related Injuries to the Point of Stopping Work per Month = 0 Employees (Loss Time Accidents (LTAs) = 0)
Personnel Development Goals	
Personnel Knowledge and Skill Improvement Through Seminars and Trainings at a Mean of No Less Than 10 Hours/Person/Year	The mean number of employee training hours in 2023 was at 10 hours/employee.
Corporate Governance Goals	
The Company is ranked at the Excellent level for corporate management in the Corporate Governance Report project	The Company was assessed by the Corporate Governance Report project in 2023 and ranked at the Excellent level.

3.1.3 Strategy to Sustainability

- The Company has established business guidelines for sustainable development. The Company’s business operation must take responsibility for economic, social, environmental issues, and good corporate governance into account.
- Development of construction process by introducing innovations and new technologies to meet customer requirements, increase operational efficiency, cost control, minimize impacts from operations, and ensure sustainable business operation.
- Consideration of highest safety in construction project’s operation by establishing safety standards at international level for the safety of employees and communities.
- Continuous development of personnel capability to enhance efficiency and effectiveness in business operation, profitability, and the Company’s competitiveness.
- Establishment of guidelines for community relations to strengthen good relationship and understanding between the Company and the community/society and being open to opinions and suggestions for smooth operation of construction project.

3.1.4 Sustainable Development Goal

Dimension	Goal	Topic	Operation
Economy	To generate operating profit appropriately and continuously by conducting business in accordance with good corporate governance with transparency, fairness, verifiability, accountability for all stakeholders.	1. Business expansion to related businesses or other interesting businesses.	1.1 Diversify investments in related businesses or other interesting businesses for creating value added and reasonable returns.
		2. Return to shareholders.	2.1 Create jobs, generate income, and create economic profits from the operation. 2.2 Regularly allocate returns to shareholders according to dividend policy.
		3. Risk management.	3.1 Risk assessment and appropriate risk management.
		4. Develop work process to be more efficient and effective and increase competitiveness.	4.1 Increase efficiency and effectiveness in work process. 4.2 Implement innovation and new technology appropriately.
Society	The Company operates our business with social responsibility. The Company has work standards to minimize potential impact on society and the Company's business stakeholders, including employees, partners, customers, and communities nearby the construction site. In addition, the Company also places importance on giving assistance to the society in various aspects such as education, relief for victims, etc.	1. Caring for employees	1.1 Fair compensation and benefit. 1.2 Career path development. 1.3 Human resource development. 1.4 Career security.
		2. Safety at work	2.1 Occupational environment and safety. 2.2 Establish work safety standard.
		3. Caring for communities affected by construction operation.	3.1 Establish measures to prevent impacts from construction work on nearby communities, and guidelines for impact solutions

Dimension	Goal	Topic	Operation
Society (Continue)		4. Participation in community and social development	4.1 Support local employment. 4.2 Support learning for children and youth in the community.
		5. Other Social Contributions.	5.1 Educational Support 5.2 Disaster relief
Environment	<ul style="list-style-type: none"> Environment management according to the goals in each activity. GHG emissions reduction by 20% (Compared with the base year) to achieve carbon neutrality by 2050. 	1. Environment Management <ul style="list-style-type: none"> 1.1 Air quality. 1.2 Noise Level management. 1.3 Water management. 1.4 Garbage and waste management. 1.5 Energy and resource management. 1.6 Biodiversity. 	1.1 Establish measures to mitigate impacts of air quality, noise levels, water quality, garbage and waste management, energy and resources, and Biodiversity. 1.2 Monitor and report according to the requirements. 1.3 Support the efficient use of energy and resources for maximum.
		2. Climate Change	2.1. Report on Carbon Footprint for Organization. 2.2 Support for greenhouse gas emissions reduction activities. 2.3 Encourage for renewable energy use in the organization.
		3. Green Construction	3.1 Establish policies to support green construction activities and operations. 3.2 Promote use of green materials for construction activities.

Dimension	Goal	Topic	Operation
Good Corporate Governance	The Company highly places importance on fair, transparent and verifiable business operation. Moreover, the Company realizes the importance of all stakeholders. Therefore, the Company has established the good corporate governance policy and related practices in accordance with guidelines as prescribed by the Securities and Exchange Commission, and the Stock Exchange of Thailand.	1. Compliance with good corporate governance guidelines as prescribed by SET, SEC and related agencies	1.1 Establish Good Corporate Governance policy and related policies and guidelines 1.2 Proper implementation of Good Corporate Governance policy
		2. Obtaining certification that the Company has good corporate governance from related agencies to boost confidence among the Company's stakeholders and increase the Company's value.	1.1 Assessment of good corporate governance.

3.1.5 Building Awareness and Providing Knowledge on Sustainable Business Development

The Company places importance on creating knowledge and understanding among directors, management, and employees on the topic of sustainable business development, which promotes concepts, develops work processes, builds awareness at work, and makes sustainable business development operations consistent, and capable of achieving the company sustainable development goals.

In 2023, the Company provided knowledge about sustainable business development as follows:

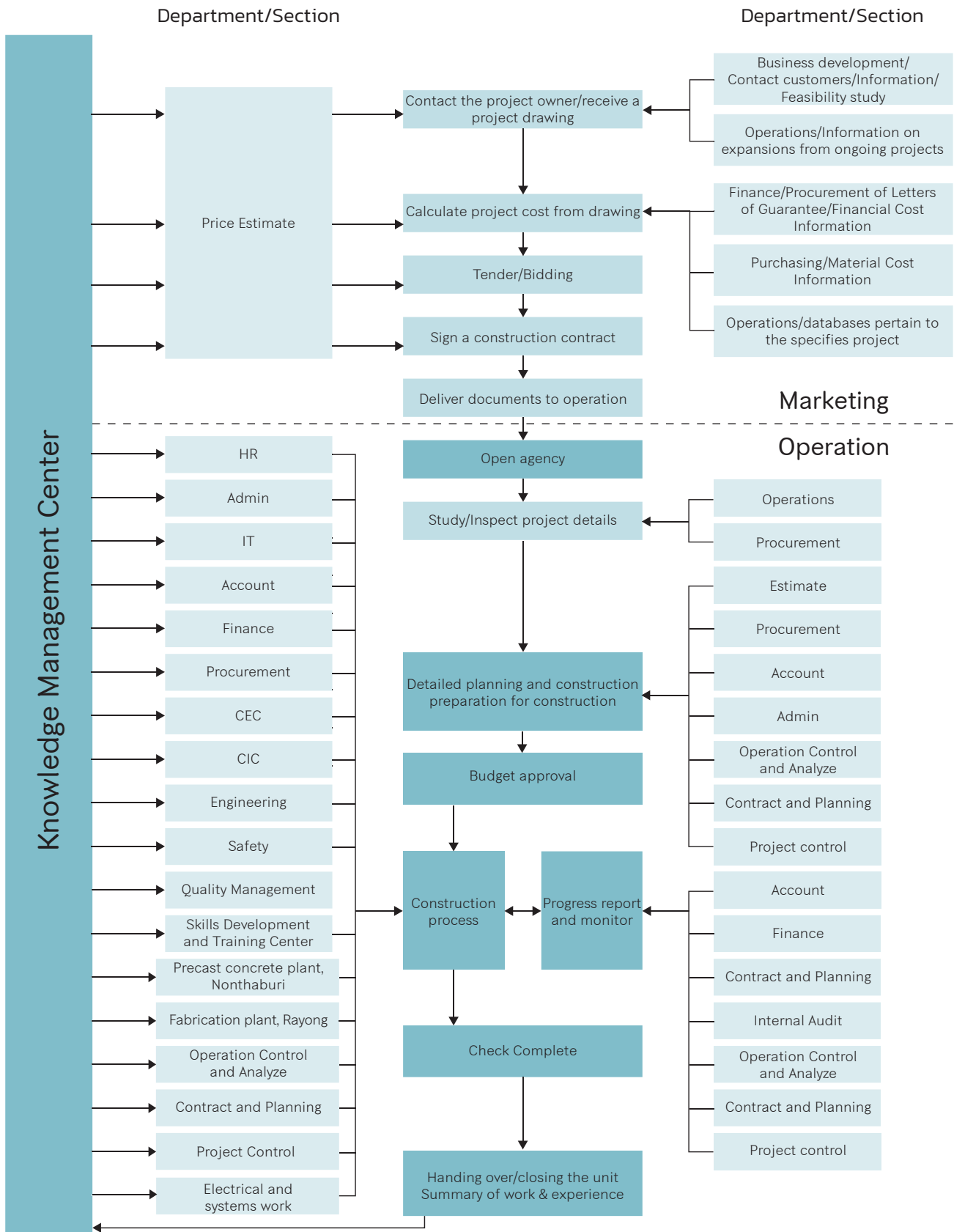
- The Company joined the ESG DNA Project for Employees organized by the Stock Exchange of Thailand with 378

management and employees at the head office and construction projects who participated and were trained in the ESG 101 and P01 courses on Basics of Business Sustainability.

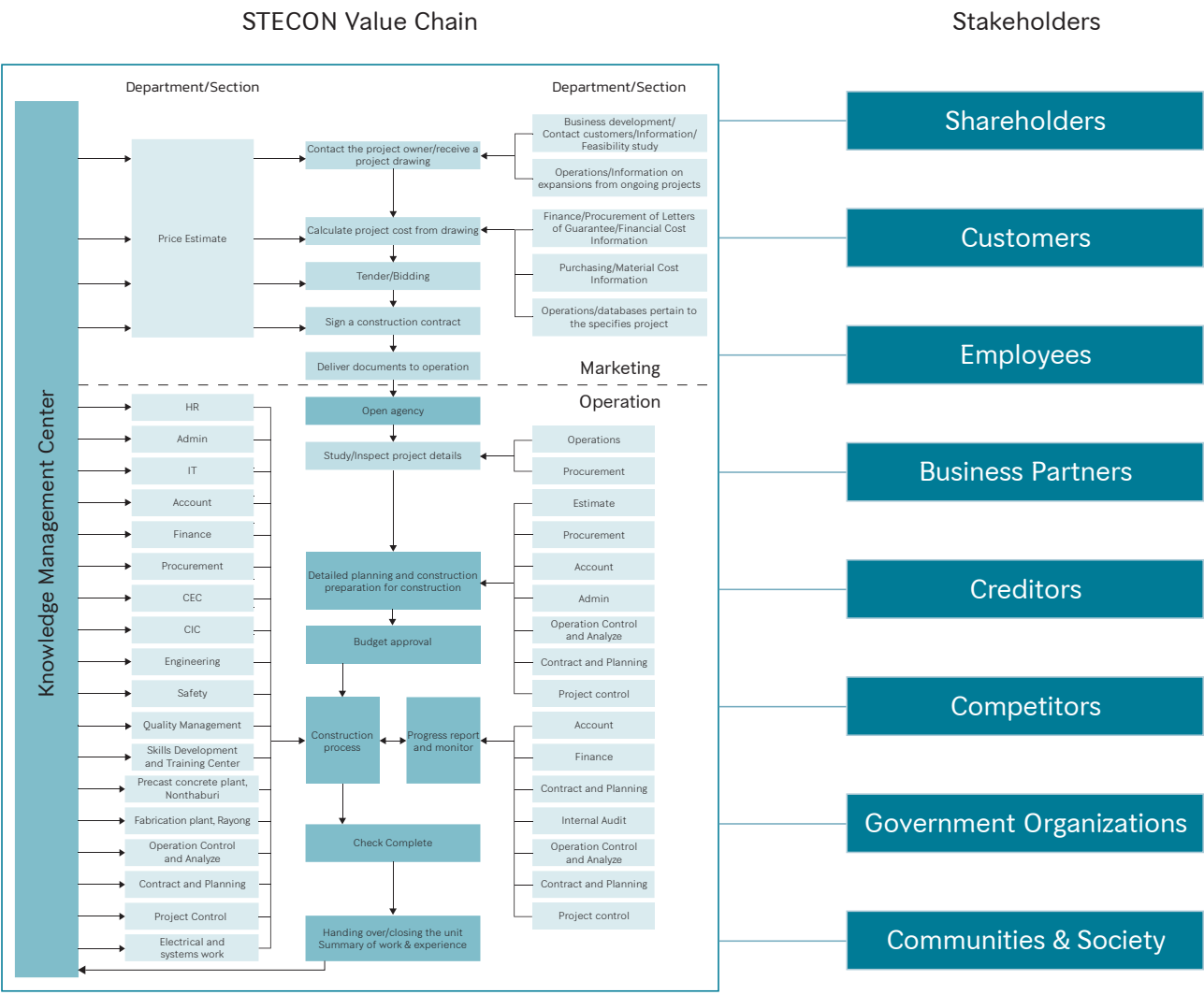
- The Company provided refresher training on the Corporate Governance, Sustainable Business Development, and Business Ethics Policy and the Stakeholder Care and Treatment Policy for executives and employees. The refresher training was provided onsite at the main office, at the mobile engineers' meeting, and the annual engineer training with 819 management and employees who attended the training.

3.2 Stakeholders impact management in business value chain

3.2.1 Business Value Chain



3.2.2 Stakeholders Analysis



The Company has determined and analyzed stakeholders by collecting information from all departments/divisions of the Company, including information from the Company's construction projects gathered through the Community Relations section, which is responsible for communicating and building good relationship with community around the Company's construction site area in order to recognize the requirements and information of each stakeholder group.

Stakeholder	Expectations	Related Policies and Procedures	Stakeholder Engagement Channel
Shareholders	<ul style="list-style-type: none"> • High return with appropriate risk. • Transparency and Accountability in business operations. • Shareholders' Rights. • Equitable Treatment of Shareholders. • Information Disclosure and Accessibility to Corporate information. • Providing a channel for stakeholders to communicate any concerns or suggestions. 	<ul style="list-style-type: none"> • Compliance with Good Corporate Governance Policy. • Compliance with risk management policy 	<ul style="list-style-type: none"> • Annual General Meeting (AGM) • Analyst Meeting • Annual report (56-1 One Report) • Website: www.stecon.co.th • E-Mail: information@stecon.co.th • Tel : 02-610-4900
Customers	<ul style="list-style-type: none"> • The international standard quality of service and work that can meet the customer requirements and at fair price. • On-time delivery. • Disclosure of relevant information for customers with accuracy, adequacy and appropriately. • Providing fairness of contract making between the Company and customers. • Keeping customers' information confidentially. 	<ul style="list-style-type: none"> • Continuous development of Company' s potential in employees, equipment & tools, innovations, and business process in order to meet all customers' requirements and become a leading Engineering and Construction firm. • Compliance with Good Corporate Governance Policy and Code of Conduct. 	<ul style="list-style-type: none"> • Meeting with customer (Project Owner) • Website: www.stecon.co.th • E-Mail: information@stecon.co.th • Tel : 02-610-4900

Stakeholder	Expectations	Related Policies and Procedures	Stakeholder Engagement Channel
Employees	<ul style="list-style-type: none"> • Job security and career path. • Providing fair and appropriate compensation and welfare. • Safety at work. • Good working environment. • Providing a channel for employees to communicate any concerns or suggestions. 	<ul style="list-style-type: none"> • Compliance with Good Corporate Governance Policy and Code of Conduct. • Human resources development including defining career path. • Raising safety awareness and defining the safety policy, procedures, trainings, measurement & evaluation, and development in safety procedures. • Occupational Health, Safety, and Environmental Policy. • Whistleblowing and Whistleblower Protection Measures. • Promoting employee engagement and retention 	<ul style="list-style-type: none"> • Management and employee meeting • Organize small group meetings. • Communicate through email/ social media
Partners	<ul style="list-style-type: none"> • Transparency in Partners Selection Process. • Disclosure information for partners with accuracy, adequacy and appropriately. • Providing fairness of contract making between the Company and partners. • Keeping partners' information confidentially. • Providing a channel for partners to communicate any concerns or suggestions. 	<ul style="list-style-type: none"> • Compliance with Good Corporate Governance Policy and Code of Conduct. • Compliance with policies and guidelines for selecting suppliers. • Establish a Supplier Code of Conduct for business partners. • Compliance with Anti-Bribery and Anti-Corruption Policy. • Compliance with contracts between partners and the Company. • Compliance with the policy to promote the potential and ability of partners. • Whistleblowing and Whistleblower Protection Measures. 	<ul style="list-style-type: none"> • Meetings with Partners • Website: www.stecon.co.th • E-mail: information@stecon.co.th • Tel: 02-610-4900

Stakeholder	Expectations	Related Policies and Procedures	Stakeholder Engagement Channel
Creditors	<ul style="list-style-type: none"> • Transparency and accountability in business operations. • Disclosure information for creditors with accuracy, adequacy and appropriately. • Providing fairness of contract making between the Company and creditors. • Compliance with contracts between the Company and creditors. 	<ul style="list-style-type: none"> • Compliance with Good Corporate Governance Policy and Code of Conduct. 	<ul style="list-style-type: none"> • Meetings with Creditors • Website: www.stecon.co.th • Tel: 02-610-4900
Competitors	<ul style="list-style-type: none"> • Refusing to act any form that restricts competitors' right. 	<ul style="list-style-type: none"> • Compliance with Good Corporate Governance Policy and Code of Conduct. 	<ul style="list-style-type: none"> • Website: www.stecon.co.th • Tel: 02-610-4900
Government Organizations	<ul style="list-style-type: none"> • Abide by laws and regulations of business operations. • Transparency in business operations. 	<ul style="list-style-type: none"> • Compliance with Good Corporate Governance Policy and Code of Conduct. • Compliance with Anti-Bribery and Anti-Corruption Policy. 	<ul style="list-style-type: none"> • Meetings with Government Organizations • Website: www.stecon.co.th • Tel: 02-610-4900
Community and Society	<ul style="list-style-type: none"> • Business Operation that has the least impact on the lives of people in the community or commuters. • Business Operation with environmental concerns. • Supporting community activities. • Providing a channel for claimers to communicate any concerns or suggestions. 	<ul style="list-style-type: none"> • Compliance with Good Corporate Governance Policy and Code of Conduct. • Compliance with the policy of participation in community and social development related to business. • Compliance with Occupational Safety, Health, and Environment Policy • Whistleblowing and whistleblower Protection Measures. • Community and social participation. 	<ul style="list-style-type: none"> • Community development projects • Filing complaints Tel: 02-610-4900 • Visiting communities onsite • Website: www.stecon.co.th • Corporate Communication Section



The Company places importance on the impact on all groups of stakeholders covered in economic, social, and environmental dimensions, the Company has prioritized sustainability issues as follows:

1. Identifying key sustainability issues.

The Sustainability Management Committee collects key sustainability issues. Based on the analysis of the business value chain and from the opinions of stakeholder's support decision making in identifying issues related to business operations and stakeholders. Covering economic, social, and environmental dimensions

2. Assessing and prioritizing material sustainability issues.

The Company uses key sustainability issues gathered from sources through preliminary screening, as well as surveying the opinions of relevant agencies and all groups of stakeholders. Through answering questionnaires about prioritizing sustainability

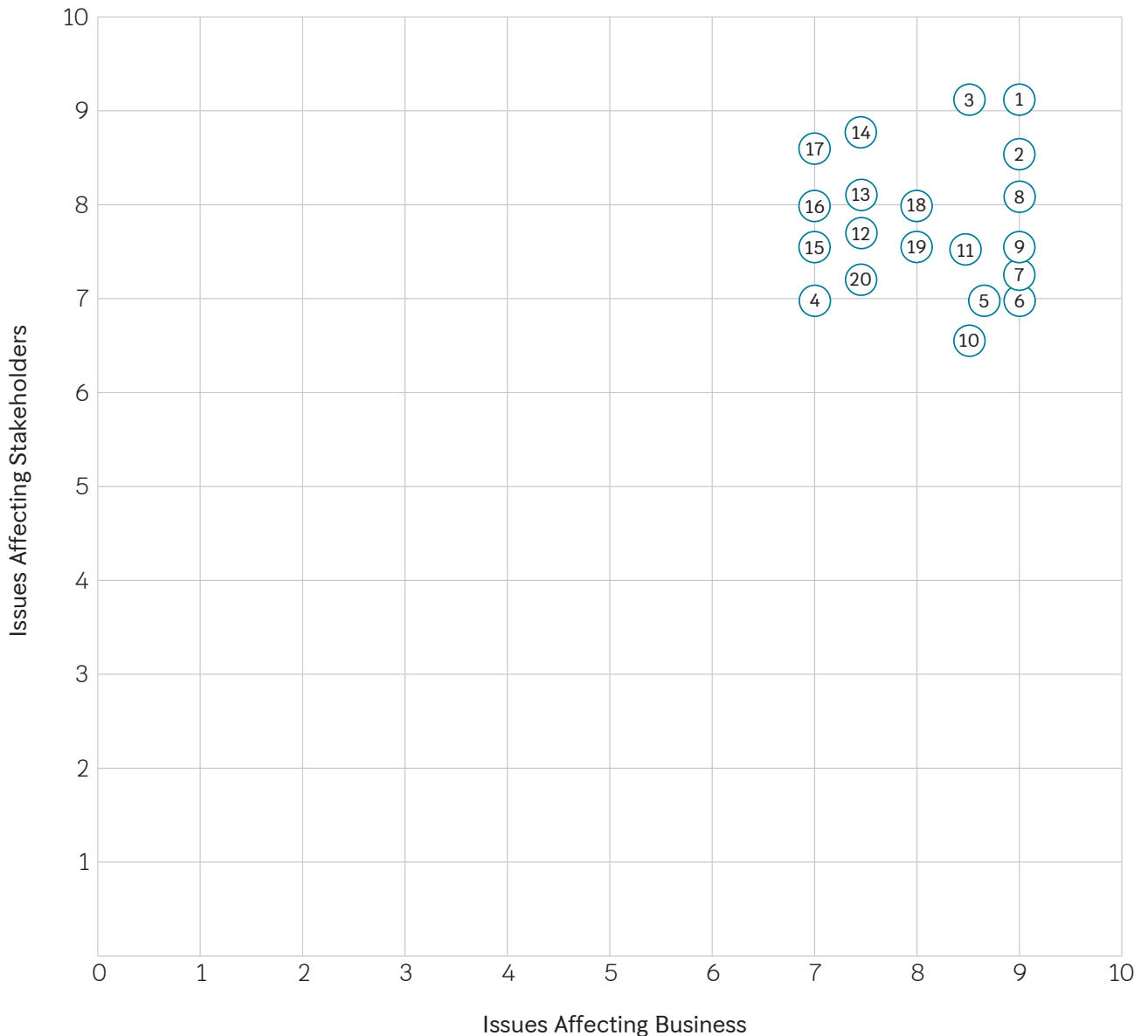
issues that are important to stakeholders and the organization, as well as reviewing other important issues from the same industry or related industries with stakeholders, the executives and employees of the Company participated in giving opinions.

3. Validation of key sustainability issues and continues for improvement.

The Company presents material sustainability issues to the Board of Directors. To ensure prioritization under consideration the level of influence on stakeholder assessments and decisions, along with the level of significance that affects economic, social, and environmental impacts. The Company also validates the assessment and prioritization of key sustainability issues. Especially expect views and suggestions related to the sustainability of the organization to all groups of stakeholders by gathering opinions of stakeholders and hold a meeting within the organization to review the material of the sustainability assessment process continuously.

Sustainability Materiality Matrix

Materiality Matrix



Economic Dimension	Social Dimension	Environmental Dimension
1. Good Corporate Governance	8. Human Rights and Fair Treatment	13. Air Quality Management
2. Business Ethics and Anti-Corruption	9. Employee Development	14. Noise Management
3. Risk and Crisis Management	10. Motivation and Retention of Employees	15. Water Management
4. Economic Performance	11. Occupational Health and Safety	16. Waste Management
5. Supply Chain Management	12. Community and Social Development	17. Climate Change and Greenhouse Gas Management
6. Innovation Management		18. Energy Management
7. Information Technology and Cyber Security for Business		19. Cost-Effective Use of Resources
		20. Environmentally friendly construction

3.3 Environmental Sustainability Management

3.3.1 Environmental Policies and Practice

Sino-Thai Engineering & Construction Plc as determined the Environmental and Climate Change Policy with awareness of sustainable business responsibilities with the guidelines of Stock Exchange of Thailand and international standards (see Company Notification No. Sor. Tor.-Por. Gor. 9/2023 on the Environmental and Climate Change Policy dated 16 May 2023). Guidelines for every work unit under the Company's control are as follows:

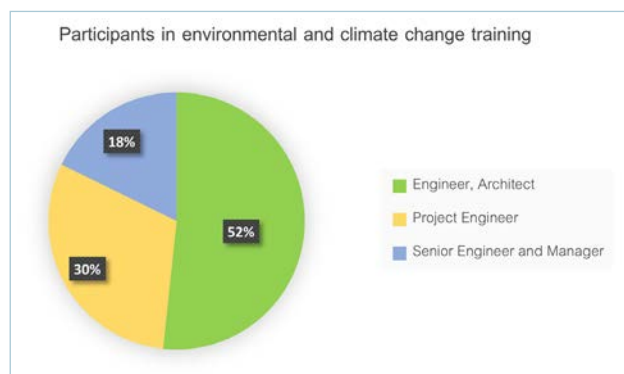
1. To comply with the requirements, standards, and laws.
2. To perform and control environmental management including air quality management, noise management, water quality management, waste management, climate change and greenhouse gas management, cost-effective use of resources, and biodiversity to be efficient and effective together with conducting report and evaluating the performance on a regular basis.
3. To perform operation in compliance with environmental impact assessment report or any other relevant measures to mitigate environmental impacts and climate change arising from the Company's activities.
4. Support activities and operation green construction to mitigate environmental impacts from construction processes.
5. To enhance awareness and participation about environmental operation, environmental conservation, and Cost-effective use of resources for employees and related stakeholders.
6. To support employees for acknowledging and experience in environmental operation and climate change continuously.
7. To develop and encourage environmental technology and innovation on a continuous basis to increase competitiveness and achieve the goals for sustainable growth.



See details of “the Environmental and Climate Change Policy” on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

The Company supervises and ensures compliance with environmental laws, rules, and regulations within appropriate construction sites.

In the past year, the Company provided training for employees and supported employees to attend training, seminars, and exchanges of knowledge with external agencies to exchange knowledge and experience with other organizations. In the past year, the Company provided in-house training on the environment and climate change by training 563 executives and senior engineers, project engineers, engineers, and architects.



Pie Chart of Environment and Climate Change Training Participants

Furthermore, the Company attended trainings and seminars organized by external agencies to improve knowledge and communications with external agencies as follows:

Course	Participants (person)
In-depth Active Training and Organization Carbon Footprint Review by the Greenhouse Gas Emissions Management Organization (Public Organization)	1
In-depth Active Training and Organization Carbon Footprint Assessment by the Greenhouse Gas Emissions Management Organization (Public Organization)	2
Seminar on Carbon Accounting: Observation from Space by the Space and Geoinformatics Technology Development Agency (Public Organization)	2
Facilitating the Growth of Thailand's Carbon Market Seminar by the Stock Exchange of Thailand	2

The scope of environmental sustainability management covers operations in January-December 2023. The Company prepared environmental practice and management guidelines within the scope of the Company's operations with contact channels connecting of environment@stecon.co.th, Tel: 02-260-1321, ext. 1643. Work environment guideline and management follow the framework of related laws such as the Enhancement and Conservation of National Environment Quality Act of B.E. 2535 (1992), the Enhancement and Conservation of National Environment Quality Act (No. 2) of B.E. 2561 (2018), Ministry of Natural Resources and Environment Notifications, Department of Pollution Control Notifications, and National Environment Board Notifications, etc., in order show environmental responsibilities for the Company's work. The Company also uses modern construction technologies to minimize environmental impacts. The Company's environmental management is in the following areas:

1. Air Quality Management
2. Noise Level Management
3. Water Management
4. Garbage and Waste Management
5. Energy and Resource Management
6. Biodiversity
7. Climate Change and Greenhouse Gas Emissions Management
8. Green Construction

3.3.2 Environmental Operations

1. Air Quality Management

Policy and Practice:

The Company recognizes the importance of air quality effects caused by construction project activities that may affect workers and communities around the project. Therefore, the Company has the following policies and guidelines to mitigate potential air quality effects as following:

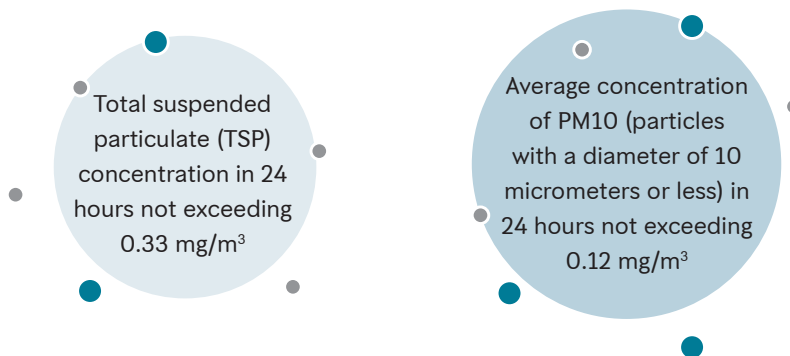
- 1.1 Keep and clean construction sites to prevent the dispersion of dust particles throughout the construction period.
- 1.2 Spray water in the area that may cause the dispersion of dust particles.
- 1.3 The Company uses construction nets between construction sites next to nearby communities. Nets used by the Company have sufficient thickness for filtering particulates from construction to be at acceptable levels.
- 1.4 The Company maintains engines/ machines used in construction sites to protect against exhaust emissions and particulates along with directing vehicles to be cleaned, especially at the lower area and wheels, when wanting to move out from the construction site.
- 1.5 The Company requires trucks in construction sites to use speeds of not over 40 kilometers per hour.



Spray water and limit speed sign in construction site

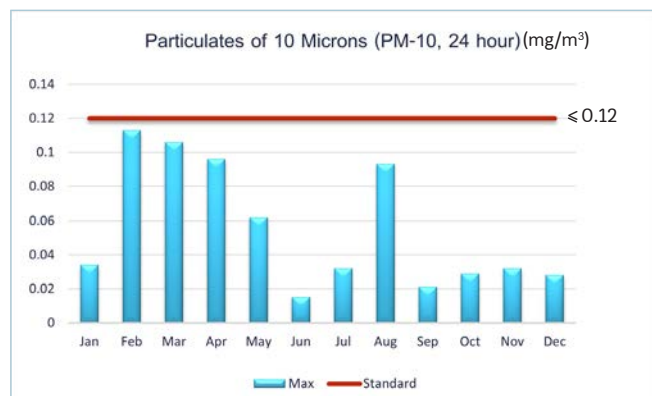
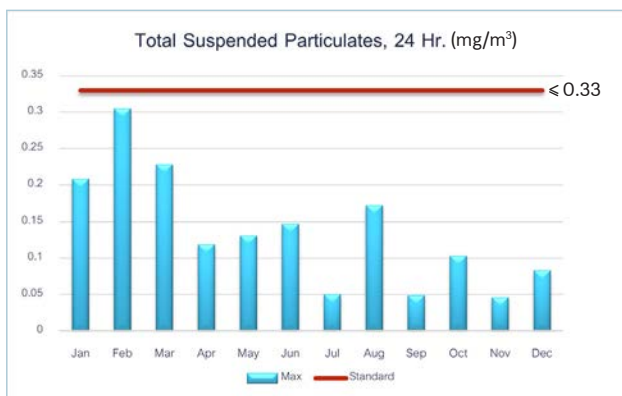
◆ Air Quality Management Goals

The Company has a goal to manage dust disturbance in the project construction sites and prevent dust levels from exceeding standard criteria and indicators in National Environment Board Notification No. 24 (2004) on Specifications of Ambient Air Quality Standards.



Air Quality Management Performance

In an example of air quality measurement results in the Mochit Complex Project (Construction Phase), average total suspended particles in 24 hours and particulate matter sized no more than 10 microns in 24 hours measured in January-December 2023 were at 0.046-0.305 and 0.015-0.113 milligrams per cubic meters, respectively, which met standard criteria.



2. Noise Level Management

Policy and Practice:

Noise level management is one of the factors given importance by the Company in preventing and correcting during work. The Company makes the following policies and guidelines to reduce sound impacts:

- 2.1 The construction equipment generating high noise level is used in daytime. If work needs to be performed outside of this time, the Company must coordinate and ask for permission or approval from the agencies involved along with notifying the community in advance of work.
- 2.2 To require proper inspection, maintenance and repair of tools and equipment to ensure that they are in a good condition and to act in accordance with the tool

and equipment maintenance manual continuously.

- 2.3 Temporary sound barriers or sound absorbing materials are installed as appropriate in areas where loud work will be performed.
- 2.4 The company uses appropriate materials, equipment, and work methods to minimize noise level effects of workers and the community.

Management work to reduce the effects of noise is dependent on appropriateness in each project by following specified laws, rules, or regulations. Many projects followed environmental impact prevention and mitigative measures including measurements and reports of results according to related specifications to reduce potential effects from the project's activities.



Temporary sound barriers and high noise levels area warning sign

◆ Noise levels Management Goals

The Company manages noise levels during construction strictly according to the project owner's regulations or specifications with a goal to manage and prevent noise levels in construction project areas from exceeding standard criteria and indicators in National Environment Board Notification No. 15 (1997) on General Sound Standard Specifications.

Average Sound in 24 hours ($L_{eq, 24hr.}$)

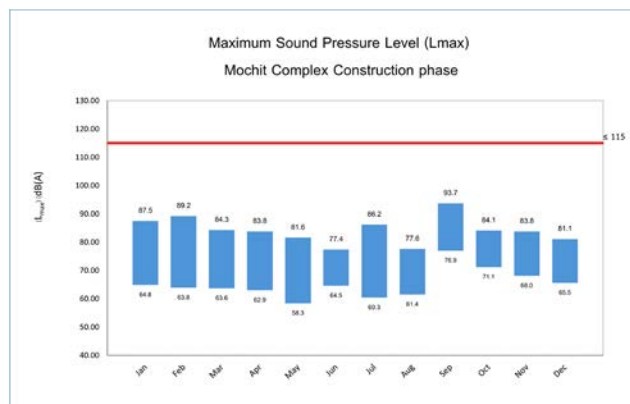
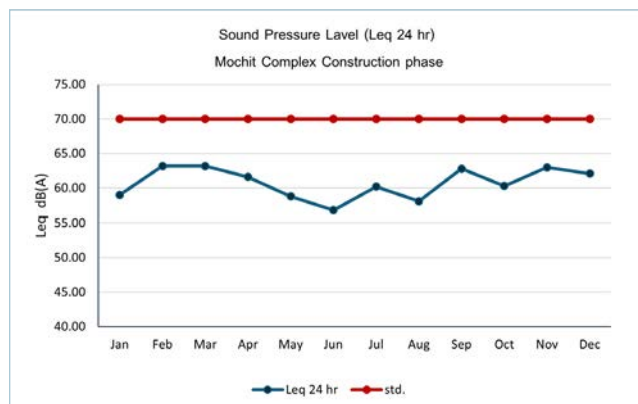
not exceeding 70 dB(A)

Maximum Sound (L_{max})

not exceeding 115 dB(A)

Noise Levels Management Performance

In construction site with required to measure sound levels such as the Pluak Dang Power Plant Project, the Mochit Complex Project, the Hin Kong Power Plant Project (Construction Phase) are not exceeding the limits in sound pressure level 24 hours ($L_{eq, 24 \text{ hr}}$) and maximum sound level (L_{max}).



3. Water Management

Policy and Practice:

The Company's operations do not use large amounts of water directly from natural water sources. Therefore, no natural water sources were directly affected. However, the Company manages water in other areas to prevent and correct environmental impacts. In addition, wastewater quality management is carried out according to environmental conditions and suitability of each project including construction workers' lodgings by strictly complying with the laws or regulations involved and supporting utilizing water to maximum benefit.

The Company determines the following water management policy and practice for various projects' construction phases as follow:

- 3.1 To separate drainage gutter for rainwater and wastewater.
- 3.2 To control wastewater drainage in accordance with the standards or requirements.
- 3.3 Prepare temporary wastewater treatment systems for treating wastewater from activities.
- 3.4 Control and manage to ensure contaminated wastewater is properly treated.

3.5 Prepare temporary water drainage systems or drains to effectively drain water.

3.6 Support measures for reducing water consumption.

3.7 To promote water utilization for maximum benefit.

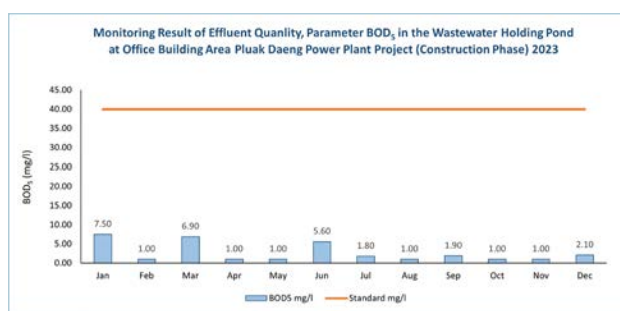
◆ Water Management Goals

Wastewater Quality	• Not exceeding standard criteria.
Water Consumption (Head Office)	• Water consumption reduced by 2%.

Water Management Performance

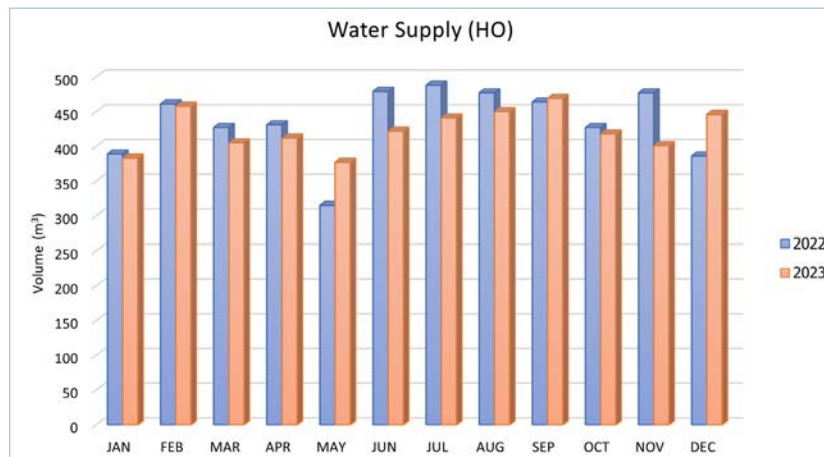
The Company has strict water management in projects during the construction phase by complying with the laws or regulations involved.

In an example of results from measuring wastewater quality from construction workers in the office building area (construction phase) of the Pluak Dang Power Plant Project in January-



December 2023, measurements of BOD₅ were found to be within the range of 1.00 – 7.5 milligrams per liter, which is no more than the standard criteria for wastewater quality from Category C buildings in the Ministry of Natural Resources and Environment Notification on Specification of Standards for Controlling Wastewater Drainage from Buildings of Certain Categories and Sizes (BOD₅ must be no more than 40 milligrams per liter).

The Company recorded water consumption at the main office and found consumption to be at 5,082 cubic meters (1.01 cubic meters/square meter) or 2.66% with an expense of 91,476.00 Baht. From the project to conserve water in office buildings, water consumption was found to have dropped by 139 cubic meters or an expense of 2,502.00 Baht.



4. Garbage & Waste Management

Policies and Practice:

The Company has garbage and waste management guidelines in compliance with the laws involved and promotes material recycling to reduce waste in addition to promoting use of materials to create maximum benefit. Significant garbage and waste management guidelines are as follows:

- 4.1 Prepare sufficient containers for supporting waste with tightly sealed lids at various points in construction sites.



- 4.2 Collect waste within designated areas to maintain order in projects.

- 4.3 To carry out waste separation and disposal in an appropriate way.

- 4.4 To carry out hazardous waste separation and carried for proper disposal and lawful manner.

- 4.5 To determine the separate areas for storing construction material scraps.

- 4.6 Waste shall not be incinerated at the construction site.



◆ Garbage and Waste Management Goals

Segregate waste in every project by 2025.

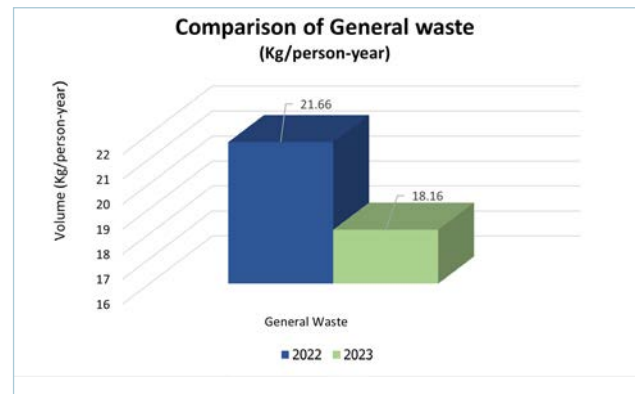
Reduce general waste volume by 5% per person/year when compared to the base year.

Garbage and Waste Management Performance

From 2023, the company implemented garbage and waste management practices in many construction projects. Due to generally the project durations of 3-5 years where permanent garbage or waste management systems cannot be created. However, the Company manages garbage and waste according to project specifications and specifications from the agencies involved to minimize effects. The company requires waste to be sorted, recorded for quantity, and disposed of according to specifications. In addition, the company

manages construction material scraps for maximum cost-efficiency and the company enhances garbage and waste management efficiency.

Example of Waste Management in the Mochit Complex Project (Construction Phase). The Company records garbage and waste volumes sent for disposal according to specifications. In 2023, construction material scraps (steel scraps) were found to have increased due to characteristics of project construction work and the scraps were sent to be recycled. However, general waste from construction workers was less by 3.5 kilograms/ person-year or 16% (when compared to 2022).



The Company has activities and projects to reduce waste and support cost-effective use of resources such as the Waste Sorting for Value

Adding Project and the “Convert Plastics into Monk’s Robes” Project carried out the plastic bottles for the second consecutive year with around 20 kilograms.



5. Energy & Resource Management

Policy and Practice:

The Company has a policy for every employee to have awareness about using resources cost-effectively by specifying guidelines in using resources cost-effectively along with supporting cost-effective and efficient use of resources (see Company Notification No. 063/2565/001 on Head Office Energy Conservation and Expense Reduction Measures) as follows:

5.1 Reduce energy and electricity consumption by change on-off times of air conditioner to be appropriate, setting appropriate air conditioner temperatures, setting computer screensavers when computers are not used, turning lights and electrical appliances off when not

use, using stairs instead of using elevators, and turning lights off daytime, etc.

5.2 Encourage renewable energy and increase energy efficiency through various projects.

5.3 Support activities that reduce resource utilization such as adopting paperless systems for use in the organizations, allowing employees to apply for leave via online systems, and using electronic pay slips, etc.

5.4 Promote resource utilization for maximum benefit such as efficient water consumption, turning off water when not used, promoting use of paper on both sides, and reusing/recycling materials and equipment, etc.

◆ Energy Management Goals

Head Office

- Reduce electricity consumption by 2% when compared to 2022.

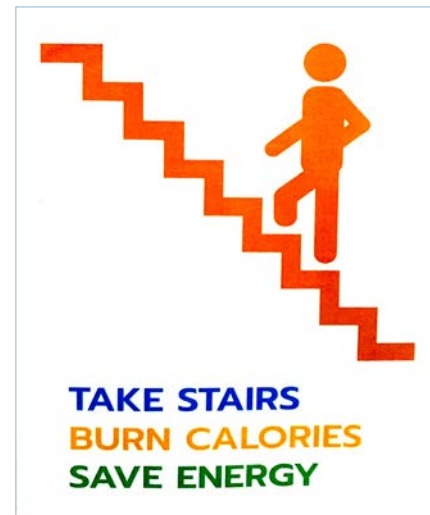
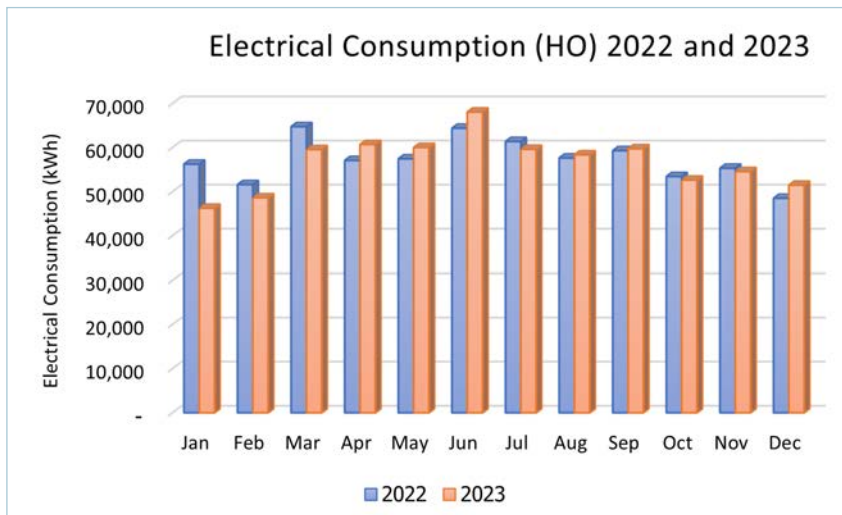
Fabrication plant (Rayong)

- Electricity from renewable energy (Solar) at 25% of electricity use.

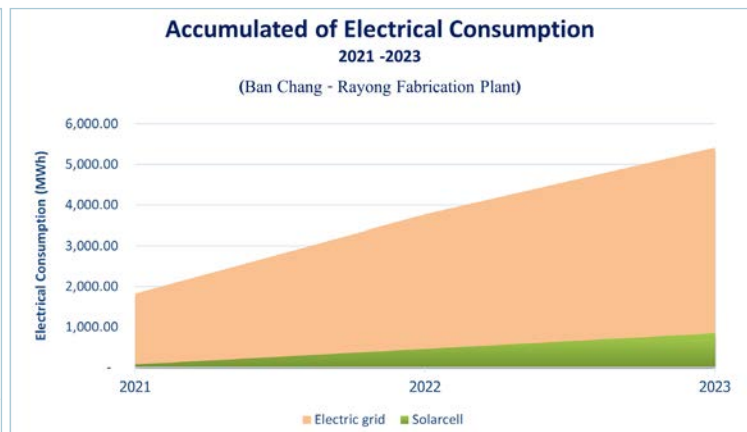
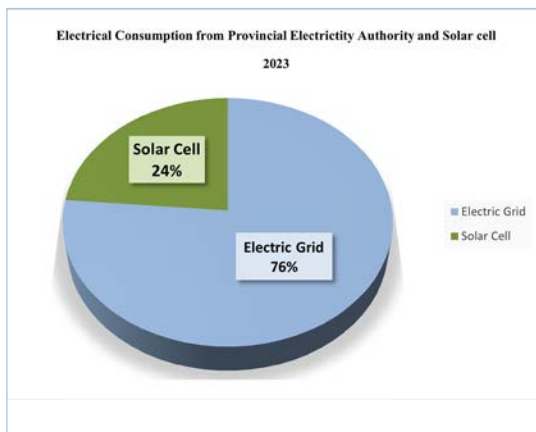
Energy Management Performance

As the head office recorded electricity from the Metropolitan Electricity Authority was used at 679,345 kilowatts-hour (kWh), which reduce by 7,547 kilowatt-hour (kWh) or 1.1% (1.5 kilowatt-hour per square meter). Due to energy conservation projects such as setting air conditioner on-off times, setting computer screensavers, using stairs instead of elevators, and improve office electrical systems.

The fabrication plant in Rayong installed solar panels to generate 324 kilowatts of electricity. In 2023, the plant was able to generate 388,712 kilowatts-hour (kWh) of electricity from solar energy for use in the plant or 23.65% of electricity consumed in the plant. The Company also has other plans for promoting consumption of electricity generated from renewable energy and alternative energy in the construction site of the project to construct the concrete parts manufacturing plant to further reduce fossil fuel consumption.



Electricity consumption and promote saving energy at The Company's head office building.



Ratio of Solar Energy Use and accumulated of electrical consumption at plant, Rayong.

◆ Cost-Effective Resource Utilization Goals

- Reduce paper consumption in offices by 5% by 2025.
- Reuse 50% of materials in constructing workers' campsite.

Cost-Effective Resource Utilization Performance

The Company has a policy for every employee at the head office and construction sites awareness of cost-effective use of resources with practices on energy and resource consumption. Office practices are about utilization in office resources and construction sites are about utilization of construction materials such as wood, steel plates, steel wires, etc. Operations are planned by

divisional/departmental managers. In addition, each project's manager prepares appropriate guidelines for each construction site, monitors, and continually improves performance. It's resulted in reduced energy conservation and reduced the Company's operating costs.

The camp knock-down for workers in construction project was able to reuse more than 80%.



The “SCGP Recycle exchange old paper for new paper” Project to manage recyclable paper from the Company’s business operations was able to deliver 24,110 kilograms of paper for recycling.

6. Biodiversity

The Company has awareness of environmental impacts in biodiversity part around the construction area. Therefore, the Company has climate change and environmental policy with effective management and control of operations in the area for biodiversity including regular reports and performance assessments to reduce effects from the Company’s activities.

Biodiversity Performance

The Company determined construction projects with biodiversity requirements to manage, monitor, and report according to regulations which include the area around construction projects to maintain environmental and biodiversity balance as much as possible. For example, the Khae Rai-Minburi Pink Line Monorail Project monitored aquatic ecosystems, land ecosystems, and wildlife resources and found phytoplankton abundance to have mostly increased during the construction phase while types and biodiversity mostly declined. Zooplankton abundance mostly increased while types and biodiversity mostly did not change when compared to results from monitoring before construction. However, the Company strictly carries out environmental protection and correction measures including ecosystem and biodiversity monitoring.

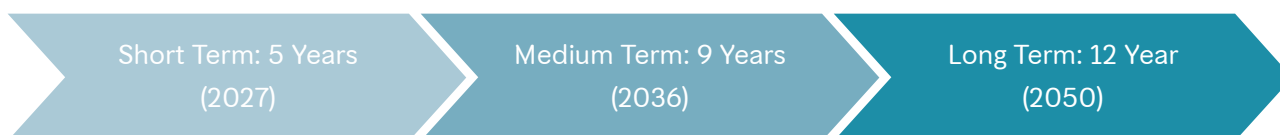


Ecosystem and Biodiversity Monitoring

7. Climate Change and Greenhouse Gas Emissions Management

The Company is aware of the Company’s corporate social responsibility and specified the environment and climate change policy (Company Notification No. Sor. Tor.-Por. Kor. 9/2566) along with specifying goals and plans to participate in Thailand’s efforts to achieve carbon neutrality by 2050. In addition, the company provides climate risk assessment which consists of variety parts as strategies, operational, financial, and compliances. These climate risks will affect company activities in the future. Therefore, the company should prepare to handle these risks.

◆ Climate Change Goals

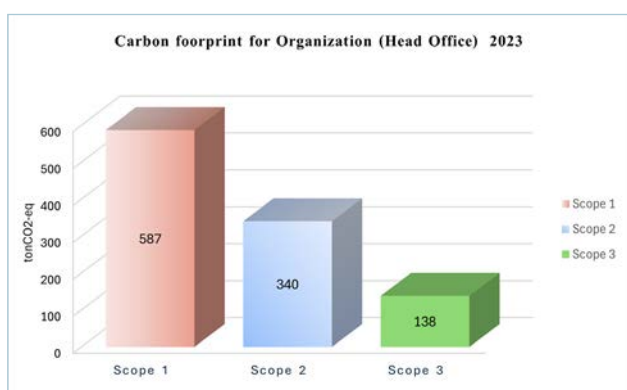


- Reduced by 2% when compared to the base year.
- Reduced by 8% when compared to the base year.
- Reduced by 20% when compared to the base year.

Climate Change and Greenhouse Gas Emissions Management Performance

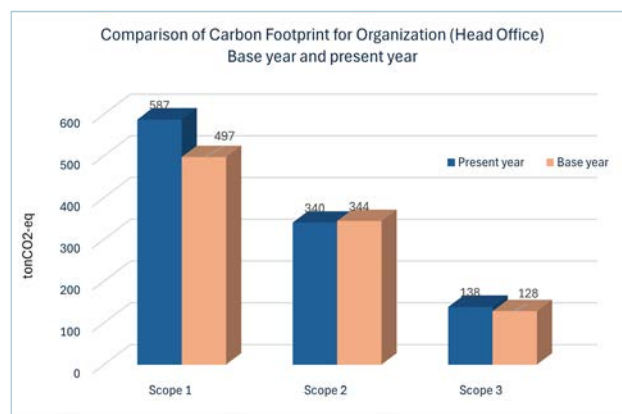
The Company prepares report on Carbon Footprint for Organization (Head office) to shows the organization's greenhouse gas emissions by referring to Specifications in Calculating and

Reporting the Organization's Carbon Footprint by the Thailand Greenhouse Gas Emissions Management Organization (Public Organization), TGO (8th Edition, Revision No. 6, July 2022), which verify by internal audit and register verifier by TGO (ECEE Co., Ltd.). Results are shown as follows:



Greenhouse Gas Emissions (Head Office)
in January-December 2023

As the picture shows, when compared to greenhouse gas emissions in 2022, greenhouse gas emissions were found to have increased by 96 tons of carbon dioxide equivalents. Scope 1 and 3 increased by 100 tons carbon dioxide equivalents, mostly from vehicle fuel combustion due to the growing of operations and business activities in 2023. However, in scope 2 (Emission form electricity consumption), were found to have been reduced by 4.20 tons carbon dioxide equivalents or 1.16% when compared to the base year. Due to the projects to reduce electricity consumption in the office such as adjusting air conditioner on-off times and building awareness to all staff, etc.



Greenhouse Gas Emissions (Head Office)
in 2022 and 2023

Furthermore, the Company has carried out additional project such as:

- The renewable energy project in the Rayong steel structure parts assembly plant installed solar panels to generate 324 kilowatts of electricity and was able to reduce greenhouse gas emissions by 194.31 tons of carbon dioxide equivalents and reduces cumulative greenhouse gas emissions by 425.21 Tco₂
- In the Care the Bear Project, the Company was interested in participating in changing behaviors to reduce greenhouse gas emissions by hosting every event or activity online and onsite. The Company was able to reduce greenhouse gas emissions from Operations Branch meetings by 20.13 kilograms of carbon dioxide equivalents.

The Company also worked with various agencies to support greenhouse gas emissions reduction activities.

- The Company participated in ESG Symposium 2023: Accelerating Change Towards Low Carbon Society to represent the construction contracting business sector brainstorming to propose guidelines for achieve Thailand's target to be a low carbon society.

- The Company supported the “Overcome the Climate Change Crisis with the BCG Model” seminar. To be a part of an organization which is driving action towards the country's main goal of reducing greenhouse gases.
- The Company participated in the “SCGP Recycle Old Paper for New Paper” Project to manage recyclable paper materials from the Company's operations and was able to reduce carbon dioxide emissions by 16,395 kilograms.



8. Green Construction

The company wants to participate in supporting environmentally friendly construction. Therefore, the Company determined Climate change and environmental policy to support green construction activities and operations to reduce effects on the environment from construction. The company is developing management systems, technologies, and innovations, especially construction programs to increase competitive capacity and aim towards achieving sustainable goals.

Due to the Company's activities are to relate in construction part with standardized designs, the Company's operations support and promote use of green materials, particularly in projects with specified standards in the project requirement such as LEED or TREES.

3.4 Sustainability Management in Social Dimension

3.4.1 Human Rights

The Company concerns the importance of human rights of the employees and related parties and respects personal rights in accordance with applicable laws. The Company shall refrain from any acts that are considered a violation of human rights. The “Human Rights Policy” has been established and specify important issues on occupational safety health and environment, fair treatment of employees, rights and freedom of employees related to work, in accordance with the law and the Company Policy.

The Company has adopted the Human Rights Assessment Checklist from the Office of National Human Rights Commission as a guideline for assessing and managing risks to assure our

stakeholders that the Company is aware of the importance of conducting business in accordance with human rights guidelines. In 2023, the Company found no risk of human rights violations.

In 2023, employees have been educated, communicated, and promoted with knowledge and understanding about human rights policy through employee meetings of all departments/divisions, Web Intranet, annual employee meetings. The company has improved the Human Rights Policy and informed all employees through STECON Connect. In addition, the Company provides knowledge about human rights policy via orientation training for every new employee. In 2023, 339 new employees joined the training. Therefore, in conclusion, the Company's directors, management, and employees received explanations and training at the rate of 100%.

In 2023, the Company found no complaints and no breaches according to human rights violations.



See details of “Human Rights Policy” on the Company’s website at www.stecon.co.th under the topic of Good Corporate Governance.

3.4.2 Labor Skills Development

The Company places importance on the labor skills development. Therefore, Skill Development and Training Center (SDC) to provide the up-to-date and standard training courses, which can be used effectively in responding to business operation. The center also enables workers to gain more skills and response to innovation and technology changes. Therefore, workers will have better quality of life, make progress, and attain stability in life.

In 2023, “Skill Development and Training Center” (SDC) organized 4 training courses for 414 new-hired migrant workers with the following details:

Training Course		Myanmar Worker (workers)	Cambodian Worker (workers)	Total (workers)
1.	Carpentry	123	7	130
2.	Masonry	90	48	138
3.	Reinforced Concrete	69	47	116
4.	Scaffolding	18	12	30
Total		300	114	414

In the year 2023, the Skill Training and Development Center (SDC) has tested skill standards for 789 workers with the following details:

Training Courses		Thai Worker (workers)	Myanmar Worker (workers)	Cambodian Worker (workers)	Total (workers)
1.	Carpentry	120	5	-	125
2.	Masonry	78	-	22	100
3.	Reinforced Concrete	41	1	1	43
4.	Machine Installation	27	-	-	27
5.	Steel Structure	113	-	-	113
6.	Piping Work	286	-	-	286
7.	Scaffolding	42	53	-	95
Total		707	59	23	789

3.4.3 Occupational Safety, Health, and Environment

The Company has been adhering to the policy that the success of work must come together with the safety of our employees and workers, as well as all stakeholders. We realize that safety is not just a law or regulation to be followed but is a matter of morality and humanity that all associates must receive equally. Safety is therefore one of the corporate values that has been practiced and must be passed on. All management and employees will be assigned to take responsibility for safety based on their work order without considering safety as an additional component, but it is a task that must be accomplished and considered first.

(1) Policy on occupational safety, health, and environment

1. The company will promote, control, and maintain safety at work to prevent work related illness and injury.
2. The company recognizes that employees are valuable resources of the company. Thus, safety for workers is one of our most important policies.
3. The company will support the creation of safety at work by providing safe tools, safe workplace, and safe work practices to eliminate the hazards and minimize risks at work. The Company will also promote safety knowledge among employees and motivate them to practice safety at work.
4. The Company will appoint the Occupational Safety, Health and Environmental Committee for planning and giving recommendations about Occupational Safety, Health, and Environment; as well as administer and develop these plans and projects to bring about efficient results.
5. The Company will require its management to be responsible for the safety of their employees at work, ensuring that they strictly follow the safety procedures and rules established by the Company.

6. The company will require all employees, contractors, and subcontractors to be responsible for their work and to participate and give recommendations in accordance with Occupational Safety, Health, and Environment Management System Standards. Thereby, to create safety for themselves and their colleagues and strictly follow all safety rules established by the Company.
7. The company will follow up, evaluate, and improve performance continuously in accordance with Occupational Safety, Health, and Environment Policy so as to achieve maximum efficiency in accordance with laws, regulations, and requirements of Occupational Safety, Health, and Environment Standards.

(2) Key components of occupational safety, health, and environment

1. Training for employees at all levels.
2. Training to educate and instill a good attitude for new workers.
3. Promotion, support and rewarding activities relating to occupational safety, health, and environment.
4. Accident investigation and report system for correction and improvement.
5. Preparation of statistics and analysis.
6. Preparation of work methods and protection before starting work.
7. Occupational Safety, Health and Environment monitoring and inspection

(3) Key components of occupational safety, health, and environment

In addition to preventive action by various measures, the Company has divided the safety management process into 2 parts as follows:

1. Plans relating to occupational safety, health, and environment, which consist of induction training for new workers,

leader/supervisor training, appointment of safety committee, equipment and tool inspection, machine inspection, hazard identification and risk assessment, preparation of safety regulations and manuals, Safety Talk/Toolbox Talks, work area inspection, preparation of emergency plans and fire prevention plans, organization of safety promotion activities, for example.

2. Monitoring of operation in accordance with the procedures as specified, which consists of determination of construction zone, installation of warning signs and alarms, wearing personal protective equipment, working at height, fall prevention, working on scaffolding, excavation work, working with machines, working in confined spaces, electricity work, heavy lifting, traffic management, work permit application system, housekeeping, for example.

The Company has inspected, monitored, and assessed those processes and methods from time to time in order to use the results to improve and develop processes and methods for maximum efficiency and safety for operators, and gain trust from customers continuously.

(4) Operation relating to occupational health and safety and environment in 2023

The Company is committed to promoting, controlling, monitoring, protecting, and maintaining sustainable work safety to prevent potential work-related injuries and illnesses among the organization's employees, contractors, and suppliers. The Company prepared the occupational safety and health management system standard (ISO 45001:2018), which has passed evaluation by SGS (Thailand) Co., Ltd. within the scope of "Construction of Building".

1) Safety Awards

In 2023, the Company received the following wards from safety work:

1. The Company was successful in having zero lost-time accidents among employees for 10,000,000 man-hours at the Hin Kong Power Plant Project (HKP).
2. The Company was successful in having zero lost-time accidents among employees for 2,000,000 man-hours at the Main Construction Work Package for LEO Project.
3. The Company was successful in having zero lost-time accidents among employees for 900,000 man-hours at the Thonburi Wastewater Collection System and Wastewater Treatment System Construction Project, Contract 3.



(Awards for having no zero lost-time accidents were given to employees who achieved the goals of 10,000,000 man-hours (HKP), 2,000,000 man-hours (LEO), and 900,000 man-hours (Thonburi, Contract 3))

2) Safety Training Program

1. The Company places importance on occupational safety, health, and environment laws, particularly the Occupational Safety, Health, and Environment Act of B.E. 2554 (2011). The Company provides work safety training for every worker before commencing work, changing work, changing workplace, or changing machinery or equipment, that may be harmful to life, physique, mentality, and health of the workers.
2. The Company recognizes the importance of the Ministerial Regulation on Specification of Occupational Safety, Health, and Environment Management Standards Concerning Fire Protection and Suppression of B.E. 2555 (2012). The Company prepares fire protection and suppression plans in addition to holding basic fire suppression training and holding annual fire evacuation drills in work areas and employee housing.
3. The Company places importance on potential accidents to workers who do work related to scaffolding work and work at height places by making a policy for every construction unit to prevent accidents from occurring to workers who do scaffolding work and work at height places. The Company prepared the following training courses:
 - The Level 1 Basic Scaffolding Installers Course was provided for 500 scaffolding installers in 24 classes.
 - The Level 2 Advanced Scaffolding Installers Course was provided for 31 scaffolding installers.
 - The Scaffolding Installation Supervisor and Inspector Course was provided for 263 foremen, supervisors, engineers, and work safety officers in 11 classes.
4. The Company is aware of work with risks of danger to workers due to use of cranes. Therefore, the Company provides training in the “Safety working with Crane and Lifting” Course for 658 crane operators, crane supervisors, crane signalers, and riggers in 33 classes.
5. The Company provided training in the “Occupational safety in confined space” Course for 500 confined space worker licensors, supervisors, assistant, and confined space workers at risk of hazards such as asphyxiation, toxin or chemical inhalation or other work environment hazards in 19 classes.

(5) Narcotic Substance Prevention and Suppression in the Workplace

The Company also responded to the government sector's policy to prevent and suppress narcotic substances in the business facility by holding random tests of workers' urine to test for



(Occupational and safety training provided for new workers in construction projects.)



(Firefighting and fire evacuation drills)



(Training in the “Scaffolding Installation Supervisor and Inspector” Course.)



(Training in the Crane Work Safety” Course)



(Training in the “Occupational safety in confined space”)

amphetamines to prevent workers from using narcotic substances. Some construction units tested workers' alcohol levels before allowing workers to work on a construction site.

(6) Safety data statistics on Occupational health and working environment of employees.

Safety data statistics on Occupational health and working environment of employees are as follows:

Company Operation		2021	2022	2023
A	Number of working hours (Man-hours)			
	- Staff and employees	32,370,960	30,851,760	34,384,800
	- Partners	25,222,560	24,829,440	21,586,800
B	Number of injuries, minor illnesses from work (persons)			
	- Staff and employees	28	26	50
	- Partners	0	2	1
C	Number of injured, sick, absent from work (persons)			
	- Staff and employees	15	6	0
	- Partners	5	5	0
D	Number of fatalities from work (people)			
	- Staff and employees	1	1	0
	- Partners	3	3	0
E	Number of working days lost due to injury, sickness from work (days)			
	- Staff and employees	120	52	0
	- Partners	68	110	0
F	Injury Frequency Rate (I.F.R) (cases/1,000,000 working hours)			
	- Staff and employees	1.359	1.069	1.454
	- Partners	0.317	0.402	0.046
G	Lost Time Injury Frequency Rate (LTIFR) (cases/1,000,000 working hours)			
	- Staff and employees	0.494	0.194	0
	- Partners	0.317	0.322	0
H	Injury Severity Rate (I.S.R) (day/1,000,000 working hours)			
	- Staff and employees	189.058	196.163	0
	- Partners	716.342	246.078	0

3.4.4 Health Considerations

In 2023, the Company was mindful of workers' occupational health. The construction unit in the project to develop the expansion to the Government Complex in Zone C organized an assessment of work-related risk factors. Doctors of occupational medicine and the work unit provided health examinations for workers based on risk factors specified by doctors of occupational medicine such as pulmonary function tests, digital chest X-rays, audiograms, and urine thinner (hippuric acid) tests. Furthermore, in the Company's construction projects, health examinations were provided for workers who work in areas with health risks such as confined spaces and tunnels, etc.

3.4.5 Caring for communities affected by construction operation.

The Company's construction operation may directly and indirectly affect the current environment and well-being of the surrounding communities. To achieve sustainable development and enhance understanding with the community, each construction project therefore prepares a public relations plan about the operation to ensure that the community will be aware of and understand about the Company's construction project.

(1) Public relations and public participation policy

1. To publicize information on construction project by indicating information related to the project such as project name, project construction plan, contractor company, project owner, point of contact and phone number, setting up signs in important area, and publicize through various social media such as online news agencies, news and traffic radio, Facebook pages, and websites of relevant agencies, etc., so that the public can receive accurate and straightforward news in case of road closure or diversion that may affect the communities or commuters.



(Health examinations for workers based on risk factors)

2. To build good relationships with local government organizations and people in the community, and coordinate and solve problems that may arise from the construction project.
3. To receive news and information from the communities regularly and continuously.
4. To provide support, organize useful activities or take action in various fields to reduce impacts and create enjoyable coexistence among the Company, community and society in order to create good relationships in return for the community and society.
5. To prepare a work plan in order to examine concerns of the community and society that may be affected by the Company's operation at present and in the future in order to make improvement and correction; perform analysis to meet the community's needs by assigning community relations officers to coordinate and connect with the

community, provide information on the implementation of various projects to the community and society so that they will be aware of the process, work method, as well as potential impact through the meeting with community leaders, juristic persons, companies, department stores.

(2) Complaints Management

The Company's construction project assigns a person responsible for receiving complaints, who is responsible for publicizing the information of construction project, and receiving opinions, suggestions, and complaints about the construction project. People can make complaints through various channels as specified such as call center, website, Facebook, etc. The construction agency will coordinate and resolve problems, and the result of all complaint resolution processes will be recorded and notified to the complainant.

3.4.6 Social and Community Development

The Company places importance on participation in developing communities involved in the business with consideration given to stakeholders such as employees, suppliers, customers, communities, and society in the areas of quality of life, living conditions, the environment, and education to help the Company achieve sustainable business development goals.



See details of "Community and Social Engagement and Development Policy" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

(1) Community Development Program

The Company recognizes the importance of education and development for youth, which is an important foundation to develop society and economy for the long-term. The Company has started to operate "Sino-Thai Payback to the Society Project" since 2002 by constructing school buildings, library buildings, multipurpose buildings, offering scholarships and educational equipment to schools and educational institutions

aiming to provide children and youth in need who live in remote area with opportunities to receive education, as well as schools in need of budget for building construction. In the initial phase of the project, the Company selected schools located near the Company's construction site. Subsequently, the company has expanded the scope of the donation project to various areas across the country. The policy and criteria for selecting schools with shortages are clearly defined. To support children and youth in society or communities to receive educational opportunities thoroughly.

Apart from giving school buildings, library buildings, multi-purpose buildings, scholarships and educational materials for schools and educational institutions, the Company has initiative to preserve the buildings which have been constructed and given to schools. It will focus on repairing the damage; painting buildings so that the buildings can be brighten, valuable and usable for the next several years. Those buildings remain keep the title "Charnvirakul Building" in the project of "Sino-Thai return freshness to Charnvirakul Building."

The Company has donated the school buildings, library buildings and multi-purpose buildings to 70 schools which the Company continues to subsidize education and youth development through these 2 projects continuously every year.

(2) Social Activities

In addition to the education and development of young people, the Company has contributed to society in a variety of forms including a donation or support the team with equipment and machinery in order to alleviate the suffering of the victims and support social development as follows:

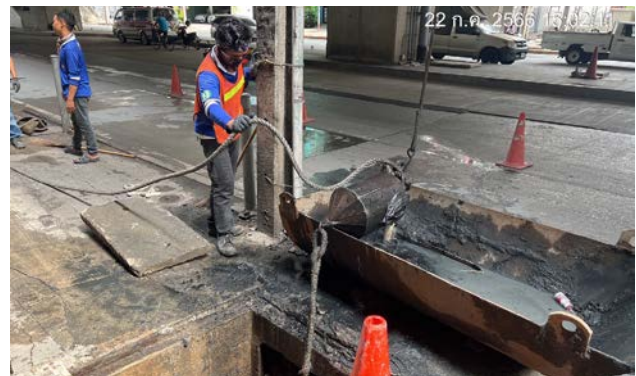
- To help victims of natural disasters, such as floods, earthquakes, tsunamis, etc.
- To help the victims of accidents such as the towers collapsed.
- Support religious and temple community development

To subsidize and help in various matters, the Company has a policy in practice and consider the approval clearly.

(3) Community Development and Social Activities and Projects Carried Out in 2023

In 2023, the Company carried out the following community development and social activities and projects :

1. The Company participates and develops communities and society along with ameliorating problems of communities in the vicinity of the Company's construction units by clearing drains before the rainy season along the construction of the Pink Line Monorail Project from Khae Rai to Minburi and the Yellow Line Monorail Project from Ladprao to Samrong to reduce flooding in flooded communities, etc.



(wastewater drain clearing in the rainy season to reduce flooding in flooded communities)



(Construction of the Charnvirakul 71 Building in Chiang Rai)

2. The Company constructed the Charnvirakul 71 Building as a classroom building for children living in the Mae Fa Luang community. The building had two classrooms and one bathroom zone for the Mae Fa Luang Community Learning Center at Ban Payakoha in Mae Saruay, Chiang Rai, under the "Sino-Thai Returns Profits to Society". The Company was able to increase educational opportunities for more than 100 children in mountain communities and nearby communities. The Company remains committed to carrying out the "Sino-Thai Payback to the Society" Project.

3. The Short - term Vocational training Course Project was organized for 59 conscripts who will be discharged from the Defense Battalion, Royal Thai Army, by signing an MOU with the Royal Thai Armed Forces Headquarters. The project was organized by the Labor Skill Training and Development Center to provide useful knowledge for conscripts who will be discharged. Training was provided in theory by providing basic knowledge and understanding of construction work and practical training was provided based on aptitude in a total of seven courses consisting of floor and wall tiling, welding, pipe assembly, machine operation, machine repair, surveying, and electrical work. Training was provided at the Security Battalion in Don Muang

District, Bangkok. The Company tested knowledge before and after training. Before training, trainees were found to have a mean knowledge score of 24.07 percent. After training, trainees were found to have a mean knowledge score of 83.73 percent. Trainees' knowledge increased after training at a mean of 59.66%. Every trainee met passing criteria and had more knowledge (100%). Satisfaction in training was found to be at 91%. The company will use data to develop and improve training.

In addition, the Company has a process for monitoring results from the project. After training in the Short Vocational Course for 59 conscripts who will be discharged, knowledge from training was used to further occupations or apply to join organizations. Results from inquiry were as follows:

Project Performance Monitoring		Amount (conscripts)	Percent (%)
1.	Trainees will remember knowledge after training.	36	61.02
2.	Trainees will use knowledge in personal occupations.	11	18.64
3.	Trainees applied for a job in the field of training.	10	16.95
4.	Trainees will continue studying in the field of training.	1	1.69
5.	Trainees applied for a job at Sino-Thai.	1	1.69
Total		59	100

This project is part of benefits returned to society by giving beneficial vocational knowledge and creating job opportunities for trainees in the future.



(Short Vocational Training Course for Conscripts Who Will be Discharged from the Security Battalion, Royal Thai Army)

4. The Company recognizes the importance of education, invention, and innovation with an aim to become a society of learning to improve students' knowledge, ability, and capabilities. Therefore, the Company cooperated with the Faculty of Engineering, Chulalongkorn University and Srinakharinwirot University, to host the 1st Construction Innovation Challenge to promote innovation by allowing students in the field of engineering to enter innovation competitions and use knowledge in the field of engineering and creativity to innovate in engineering and construction to enhance efficiency, reduce costs, reduce social impacts,

and be environmentally-friendly. In this project, 14 students from Chulalongkorn University and 20 students from Srinakharinwirot University, a total of 34 students, participated in the project. From monitoring results in the aforementioned project, students from the Faculties of Engineering in both institutions used innovations from the aforementioned project in development, which led to benefits for learning and education in the field of engineering. The Company will continue work on the project with an aim to improve innovation among students to develop the Thai construction industry to become sustainable.



(“Construction Innovation Challenge” Project)

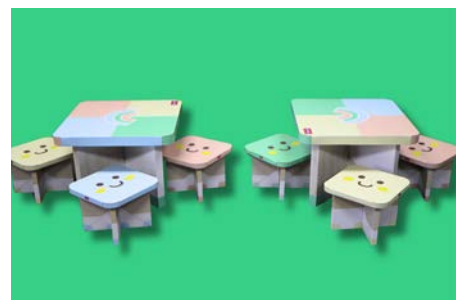
5. In the “Trade Old Paper for New Paper” Project, the Company reduces paper use, uses paper cost-effectively, and recycles paper in the recycling process in the form of paper furniture. The Company donates paper furniture in CSR projects for the community and society to use cost-effectively and to build awareness for communities and society to participate in conserving the environment, which benefits the Company's carbon credits.

The amount of paper collected in 2023 is as follows:

• White-Black Paper:	6,670 kilograms
• Brown Paper:	6,120 kilograms
• Color Paper:	11,320 kilograms
Total:	24,110 kilograms

Currently, the Company exchanges paper into paper furniture to deliver to CSR projects as follows:

- Paper Collection Boxes (for work units): 30 sets
- Large Paper Tables and Chairs: 1 set
- Small Paper Tables and Chairs: 1 sets
- Bookshelves: 2 sets



(Trade Old Paper for New Paper Project)

6. In the “Happiness for the Eyes” activity, the Company collected donations of disused calendars for the Foundation for the Blind of Thailand under the Royal Patronage of Her Majesty the Queen to produce



(“Happiness for the Eyes” Activity)

educational media and braille for visually-impaired persons via media in the middle of Bangkok. This activity was one of the activities carried out by the Company to help society and improve quality of life.



7. The “Safety and First Aid Knowledge” activity was organized by the Pluak Dang Power Plant Project to educate 400 students from Mab Yang Porn School and Pluak Dang School about safety skills in life and first aid methods for heat stroke and influenza. This activity was



(“Safety and First Aid Knowledge” Activity)

organized to participate in community and social development for students to have knowledge, understanding, and the ability to disseminate knowledge in the community to create safety in life and prevent damage, which truly benefits the community and society.



3.5 Sustainability Risks

Businesses are becoming aware of risks and integrating environment, social, and governance (ESG) risks as factors for consideration when determining the Company’s strategies and missions. The Company’s operating risks occur as a result of the Company’s internal and external factors.

Therefore, risks may cause effects that are difficult to estimate in which definite times of occurrence cannot be anticipated. If the Company does not have a risk management process, this may affect the Company’s mid-term and/or long-term ability to drive the business, including investors’ decision to invest. Therefore, risk management in ESG is highly important.

3.5.1 Sustainability Risk - Environment

(1) Sustainability Risk Factors - Environment

1. Risks associated with policies and guidelines on management of energy, resources, waste, and pollution, which must be consistent with sustainable development goals (SDGs) and related specifications.
2. Risks associated with management to reduce greenhouse gas emissions.

(2) Effects from Sustainability Risks - Environment

1. Effects on building capacity in business consideration due to a need to consider environmental management and climate change.
2. Increasingly severe droughts and floods due to climate change lead to risks for the Company's business operations and negative environmental impacts.
3. Effects on community health, safety, and biodiversity in the Company's construction projects.
4. Negative air quality effects caused by construction causing air pollution in construction work.
5. Climate change, which will affect natural resources and living conditions of the local community.

(3) Sustainability Risk Prevention Guideline – Environment

1. The Company sets environmental and climate change policies along with adhering to environmental management guidelines consistent with the Company's sustainable development goals.
2. The Company places importance on energy management in business operations by complying with the government sector's energy policy and promoting activities that build energy conservation awareness among employees through training and public relations.

3. The Company specified water management guidelines and measures by focusing on enhancing water efficiency in construction units.
4. The Company has strict environmental management with coverage of every construction unit, workers' housing, construction material storage areas, and offices of the Company's projects by sorting waste.
5. The Company installs nets between construction sites adjacent to nearby communities and arranges to cover construction materials such as soil, rocks, and sand piled on the project's area to prevent dust from rising.
6. The Company supports and promotes activities to reduce greenhouse gas emissions such as efficient energy use and use of renewable energy in the organization along with providing knowledge about climate change for employees.

3.5.2 Sustainability Risk - Social

(1) Sustainability Risk Factor – Social

1. Management risks in the areas of occupational safety, health, and environment.

(2) Effects from Sustainability Risks – Social

1. Effects from coping with occupational health and safety challenges from diverse situations and risks such as the COVID-19 pandemic and activities or operations of stakeholders that affect the Company's equipment or construction sites may cause accidents that may cause injuries, illnesses, death or property damage.

(3) Sustainability Risk Prevention Guideline – Social

1. The Company arranges for work to be carried out strictly according to occupational safety, health, and environmental rules and regulations.

2. The Company promotes safety awareness and behaviors through training in courses required by law among all employees and the Company works according to specified safety rules on occupational safety, health, and environment management systems. The Occupational Safety, Health, and Environment Policy can be seen at <http://www.stecon.co.th>. Employees can acknowledge the policy to continually comply with effective standards.

3.5.3 Sustainability Risk - Corporate Governance

(1) Sustainability Risk Factors – Corporate Governance

1. The Company's corporate governance policy and guidelines are important in supporting the Company's operations to be effective and supporting sustainable business growth along with creating maximum benefit for all stakeholders involved including directors, executives, employees, investors, shareholders, and other stakeholders.
2. Anti-corruption and anti-bribery risks cause the Company to have to practice policies regularly to ensure corruption risks at work are properly managed and communicated to all employees and all those involved.

(2) Effects from Sustainability Risks – Corporate Governance

1. Effects on the Company's image and confidence from customers, suppliers, and stakeholders.
2. Effects on competitive capacity in the construction industry.
3. Effects from false information and news that may damage the reputation of the Company's personnel and the Company's image.

(3) Sustainability Risk Prevention Guideline – Corporate Governance

1. The Company announced the Corporate Governance Policy and adheres to the following four main principles:
 - 1.1 Transparency and trust-building between the Company and stakeholders within the scope of the Company's competitiveness. Transparency enhances the Company's effectiveness and capital market performance, enabling the Board of Directors to solve problems effectively and allowing shareholders and those involved to consider the Company more thoroughly.
 - 1.2 Honesty and straightforward business operations under the framework of good ethics. Financial reports and other information disseminated by the Company must show accurate and complete images of the Company's financial status.
 - 1.3 Responsibility for performance on duties important to the Board of Directors and shareholders. The Board of Directors shows this responsibility by playing a vital role in presenting reports to shareholders about the Company's performance. The duties and responsibilities of the Board of Directors must depend be based on appropriate rules and specifications. Performance disclosure is a key factor of the Company's success.
 - 1.4 Competitive capacity. The goal is to participate in building prosperity and added value for shareholders. Therefore, governance should be flexible and not pose a barrier for initiative, effectiveness, and entrepreneurship, which will lead to sustainable competitive advantages for the Company.

2. The Company prepared the Company's corporate governance and business ethics manual to improve operations in line with the Corporate Governance Code (CG Code) of the Securities and Exchange Commission (SEC) along with reviewing and improving the Company's corporate governance and business ethics policy and manuals to be in compliance with laws, best practice guidelines, and business operations in changed socioeconomic environments.
3. The Company announced the Anti-Corruption Policy and anti-corruption guidelines along with announcing the policy to cancel gifts and communicating the policy to stakeholders. In addition, the Company designated the Company's Internal Audit Department to audit effectiveness of internal control measures related to corruption prevention. The Company specified diverse communication channels for stakeholders to report clues, recommendations, or complain about corruption directly to the Company Secretary.

3.6 Supply Chain Management

The Company places importance on sustainable business development and growth while mindful of all stakeholders. The Company also recognizes the importance of supply chains and suppliers who are major stakeholders. Therefore, the Company laid down supplier management guidelines to build business opportunities, enhance competitive capacity, and develop the business with sustainability.

3.6.1 Critical Supplier Identification

The Company identified the Company's critical suppliers (Critical Tier 1) by considering criteria in the following areas: (1) suppliers with a high sales volume; (2) suppliers who provide important products or services to operations; (3) irreplaceable/rare suppliers in the market.

The Company's suppliers are divided into the following three groups: (1) purchasing; (2) service; and (3) rent.

Afterwards, suppliers who do not directly do business with the Company (Non-Tier 1 suppliers) were analyzed under the same criteria with consideration given mainly to effects on the Company's business operations to find Critical Non Tier 1 suppliers. Analysis results can be summarized as follows:

Suppliers	No. of Suppliers (suppliers)
Suppliers from Whom Purchases Were Made in 2023 (Tier1)	1,483
Critical Suppliers (Critical Tier1)	11
Suppliers of Critical Suppliers (Critical Non Tier 1)	148

3.6.2 Risk Assessment

In 2023, the Company had an enterprise risk management (ERM). Results from data collection and risk assessment according to COSO guidelines showed the Company has no economic risks from suppliers.

3.6.3 Supplier Recruitment and Selection

To make the Company's procurement effective, maintain corporate social responsibility and corporate governance, and to support business operations to grow with security and sustainability, the Company has a supplier selection policy to make selection systematic, fair, transparent, accountable, and support suppliers who operate a business ethically along with supporting environmentally friendly products and services without violating the law, committing corruption, or have behaviors that indicate corruption according to the Company's regulations and practices.



See details of "Vendor Selection Policy and Guidelines" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

3.6.4 Supplier Code of Conduct

To support suppliers to have business guidelines consistent with sustainable development guidelines, the Company has specified the Supplier Code of Conduct for suppliers to use as a guideline in business operations.

In 2023, the Company had the following guidelines:

- (1) The Company requires all suppliers to acknowledge the Company's Supplier Code of Conduct, which is expected to be completed in 2024.
- (2) The Company requires suppliers to accept and carry out the Supplier Code of Conduct Self-Assessment. In 2023, 50 suppliers were assessed and found to have a mean self-assessment level of 98%.



See details of "Supplier Code of Conduct" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

3.6.5 Supplier Development

The Company places importance on promoting development of supplier capacity in the areas of development of products, services, work processes, and innovations to build relationships and cooperate to achieve business objectives.

Therefore, the Company specified "Supplier Development Policy", set development plan and training guidelines in the areas of work safety, construction work processes, construction project management, products/services/technologies for construction work, etc. Each construction project was planned with suppliers in each year. For example, in 2023, the Government Complex Project held training sessions with 39 suppliers to improve capacity. Training topics for promoting knowledge with suppliers were in building systems, electricity and communication systems, etc., which created mutual understanding at work, making work faster with fewer losses from working in the wrong step and allowing the Company to deliver work to satisfy customers.



See details of "Supplier Development Policy" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

3.7 Customer Relations Management

Customers are important stakeholders in the Company. The Company recognizes the importance of building customer satisfaction with the following work guidelines.

3.7.1 Complete Service Information Provision for Customers

The Company has a policy to provide accurate and complete construction information for customers including specifications, work process, inspecting and delivering work, and construction work guarantee according to contract.

3.7.2 Specification of Customer Contact Channels

The Company specified channels for customers to contact and inquire for information at the Company's head offices, the construction projects involved, and people responsible for coordinating construction projects.

3.7.3 Customer's Information Confidentiality

The Company considers it an important policy to maintain customers' business information and confidential information according to agreements.

3.7.4 Customer Satisfaction Management

The Company is committed to responsibility to customers in providing quality construction services, delivering construction work in time, complying with international work standards. In addition to working according to good construction engineering principles and using modern tools, machines, and technology combined with effective management, the Company also places significant importance on sustainable business operations with consideration given to society and the environment along with using materials and equipment that will not endanger structure service users afterwards. Apart from making customers confident in the Company's current performance, this has caused the Company to improve its competitive capacity

for sustainable growth. The Company assesses customer satisfaction annually with coverage of the following 12 topics: 1. Construction work quality; 2. Quality of materials and components used; 3. Project personnel quality; 4. Features and suitability of method statements; 5. Accuracy and availability of construction drawings, tools, and machinery; 6. Corrections when non-conformity is found on the work site; 7. Work progress compared to plans or on-schedule work delivery; 8. Capacity to accelerate work to recover from barriers and problems; 9. Check Sheet/Inspection & Test Report; 10. Coordination and inspection with the project's consultants; 11. Environment and construction pollution management; and 12. Construction labor and public safety management.

In customer satisfaction assessment, the target satisfaction level was specified at 70%. In 2023, the overall customer satisfaction score was 81.11%, which is satisfactory. The Company used recommendations to further develop and improve customer satisfaction with sustainability.

3.8 Crisis Management

The Company has established Business Continuity Plan (BCP) to ensure that our business operation will be able to continue without interruption and response to situations by taking potential impact from the abovementioned issues on our business, concerned parties and personnel into consideration. The plan addresses operational guidelines, processes, allocation of important resources such as work site, personnel, equipment and tools, information technology, for example, to enable our business processes to continue at a predetermined level.

3.9 Innovation development

3.9.1 Innovation Development Policy

The Company places importance on developing and promoting the organization's innovations to strengthen the organization's competitiveness and develop the business to grow with security and sustainability. Therefore, the Company specified the "Innovation Development & Promotion Policy" to provide guidelines for future relevant operations.



See details of "Innovation Development Policy" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

3.9.2 Innovation Development

The company promotes the development of innovations and work processes involved in every aspect of business operations, including the utilization of modern equipment and advanced information technology systems to suit work requirements, meet customer needs, to enhance work efficiency, develop work standards and deliver internationally recognized results, as well as considering the societal and environmental impacts. The innovations that the company has developed and implemented in operating its business are as follows:

1. Monorail structure in form of continuous beam construction (Petty Patent No. 19072)

The development of innovative monorail structure in form of continuous beam construction for use in MRT Pink Line Project and MRT Yellow Line Project will reduce the cost of guideway beam construction by replacing former system designed as "single-span beam" (resulting in larger guideway beam) with "continuous beam" (resulting in smaller guideway beam), and smaller supporting columns can consequently be used, which helps saving construction cost. The Company has applied for a petty patent registration for such innovation, which is considered an innovation that plays an important role in knowledge development and technology in the construction industry of Thailand.

2. Work process with Building Information Modeling (BIM Process)

The development of work process with Building Information Modeling (BIM Process) offers standards or guidelines for BIM work in various projects, both in form of construction contract project (Build Only) and Engineering, Procurement, and Construction (EPC) project. In performing the work using BIM system, construction will be virtually

simulated in three dimensions before actual construction. The appropriate development and deployment of BIM system can help minimizing errors that may occur before actual construction, and it is also a tool to help resolving conflicts using 3D layout, and status of work process is also trackable.

3. Automatic GWB top grinding machine designed to flatten the upper surface of GWB wet joint connection.

Automatic GWB top grinding machine designed to flatten the upper surface of GWB wet joint connection has been developed to ensure work quality in meeting the standards. The device will replace machinery imported from overseas, and it is convenient to use, and helps reduce number of workers in specific activity, while increasing safety for workers.

Benefits from Innovation development: Automatic GWB top grinding machine designed to flatten the upper surface of GWB wet joint connection

Increase efficiency of work due to adaptation of PLC and Sensor system with high accuracy.

1. Compensation for the imported equipment at lower cost and used less area for installed the equipment.
2. The general employees can work with this equipment on the safety rules.
3. Reduce the number of employees and impacts in terms of environmental and resources use on the staff.
4. Increase safety for staff who are working at high and reduce the fall ratio of materials to ground.
5. Reduce the particle matter which impact to environment, employees, and public health, due to the dust collect system.



(Automatic GWB top grinding machine designed to flatten the upper surface of GWB wet joint connection)

Top grinding equipment imported from Korea, estimated price 22 million Baht/unit. Expected use 2 units.	grinding machine designed to grind concrete beam connection has been developed at price 306,873/unit. Expected use 12 units.	Reduce the cost from imported equipment amount 40.3 million Baht.
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(Concrete grooving machine)

4. Concrete grooving machine

Concrete grooving machine is developed to reduce the height of concrete surface, reduce work hours, minimize potential damage on concrete surface, reduce dust, and it is convenient to use and helps increase safety for workers.

Benefits from Innovation development: Concrete grooving machine

1. Reduce height grinding time by 88% from the original 180 minutes to 20 minutes, resulting in a reduction in labor and environmental impact.
2. Reduce the chance of damaging the surface from grinding.
3. No need for highly skilled operators as the machine has a mechanism to help control the movement.
4. Reduce operator fatigue due to long time working outdoor area and working at high.
5. Increases safety for workers and pedestrians from any falls.



(Concrete Bucket with Remote Control)

5. Concrete Bucket with Remote Control

This remote-control concrete bucket innovation was developed for use with concrete post pouring at a range no accessible to placing booms or concrete pouring at points that save labor costs in supervising concrete bucket opening-closing, making work processes more convenient, increasing safety and reducing fatigue in workers. A 1-cue concrete bucket is used with hydraulic

Concrete skip 1016 F round, radio remote controller, 1000L Imported from Abroad Price: 13,300.00 € (approximately 500,000 baht)	Price of the Developed Concrete Bucket with Remote Control: 56,184 baht	Machine Import Expenses Reduced: 443,816 baht
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transmission controlled by a direct current powered by a battery. Commands can be given with wired and wireless remote control.

Benefits from Innovation development: Concrete Bucket with Remote Control

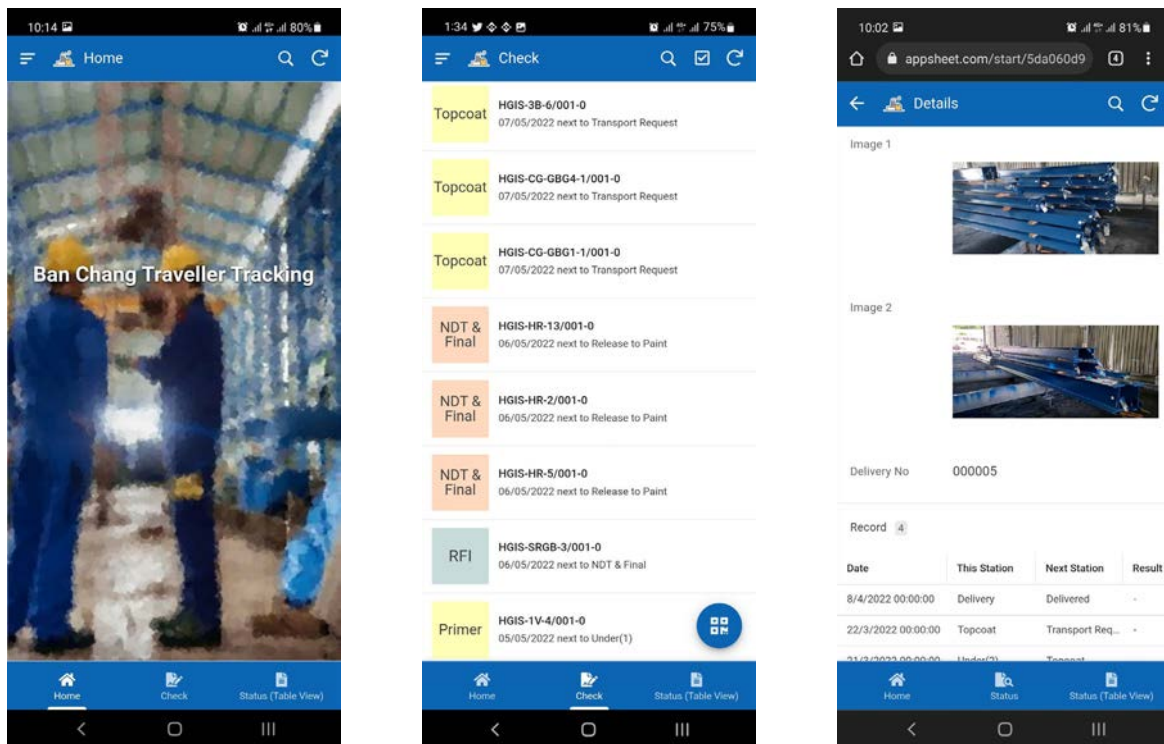
1. Replacement of imported machines with significantly lower construction costs.
2. Simplicity of use without requirements for highly skilled workers. Only on-off buttons are used with limit switches and fuses for protecting the device's system.
3. Increased safety for workers with no need for an employee to climb up to the bucket to open-close the concrete
4. Reduced worker fatigue from exertions in opening and closing after changing to pressing control buttons.
5. Results can be expanded to other work units in need because the equipment is not complicated, is readily available in the market, and prototypes are available for study in the Sino-Thai Learning Center building.

6. Application Smart Data Traveling

Application Smart Data Traveling was developed to inspect the status of workpieces in various production processes of the Rayong Steel Frame Management Center by using telephones to scan QR codes at workpieces to review the workpiece's status or records. The application has a system for giving warnings about leftover work at each station and workpiece coordinates can be checked. This Application Smart Data Traveling system is an online system used to replace an old paper system

for identifying workpiece status, which required human workers to record and send documents from the work site to the office, causing data travel time loss and risk of erroneous or lost data.

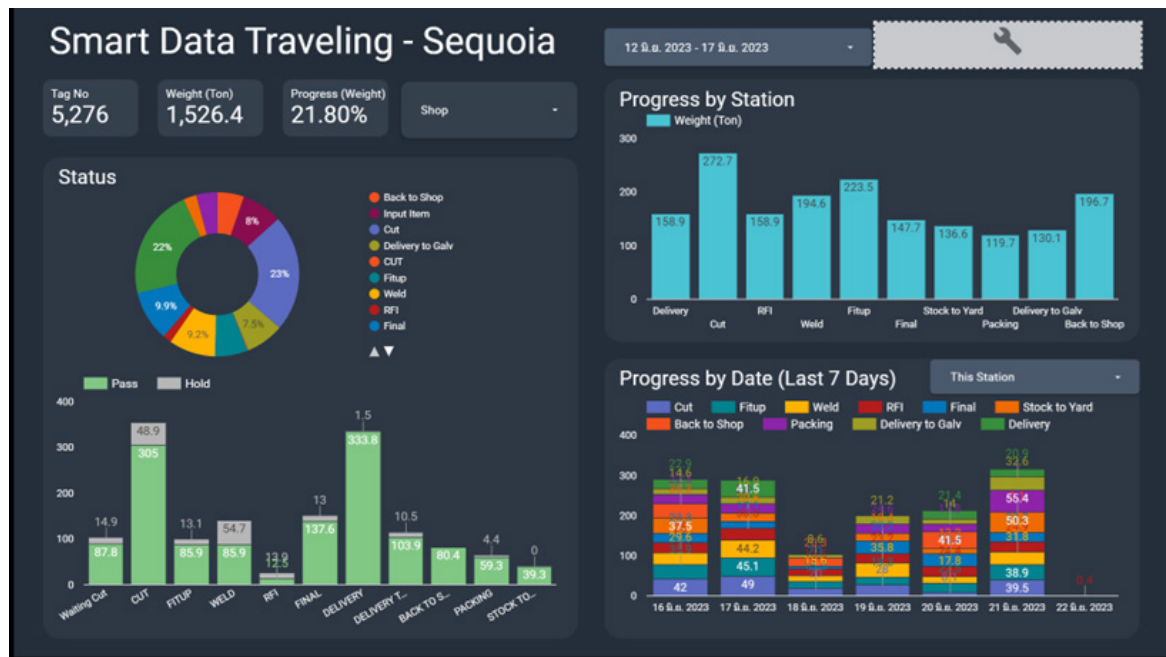
The innovation has been continually developed. Data from the innovation was analyzed to control production line management at each station with a dashboard along with expanding results to recipients at the destination when scanning to accept workpieces or when receiving comments on satisfaction toward that workpiece.



(Application Smart Data Traveling)

Benefits from Innovation development: Application Smart Data Traveling

1. The Company reduced the number of workers and subsequent resource and environmental impacts from manpower use by reducing 9 document messengers (9 Shop).
2. The Company reduced steps in the process by having no need for document delivery steps after changing to an online system.
3. The Company reduced steps in the process by having no need to use people to key data on paper in an Excel file. The
4. The Company reduced waiting for data updates of normal work piece status. Normally, the Company updates at 3:00 pm. The Company changed to real-time updates.
5. The Company reduced risk of data errors or losses by scanning QR codes and having persons in each duty and responsibility simply click "Update Status".
6. The Company can trace work piece data in each step, date, time, coordinates, persons responsible, and test statuses.



(Application Smart Data Traveling)

7. More document storage space saved.
8. The Company can use data to make real-time decisions in a dashboard format in production line management.
9. The Company reduced paper in processes by seven sheets per work piece. Since starting (March – December 2023), the Company had 57,621 work pieces in five projects. In total, the Company reduced paper use by 403,347 sheets.

3.9.3 Promotion of a Culture of Innovation in the Organization

The Company has a policy and plans to support employees and work units to concretely develop innovations and work processes by broadening opportunities and ideas to present concepts and projects from workers to improve and create innovations in the Company and promote an innovative culture in the organization. The Company carried out the Kaizen Succession Note Project, which allowed workers to present new inventions, technology, software, or improvements for maximum efficiency to create business, social, and environmental value from workers at every level. Activities were hosted by the following seven work units:

1. Gulf Pluakdaeng Power Plant Project
2. Hin Kong Power Plant Project
3. Mochit Complex Building
4. RID Diversion Canal, Bang Bal - Bang Sai Ayutthaya
5. Rayong Fabrication Center
6. Thai Oil Clean Fuel Project
7. Sewerage Tunnel, Bung Nong Bon to Chaophraya River

Activities had a total of 241 topics on presenting inventions, technology, software programs or project work methods.

3.10 Information Technology and Cybersecurity

Changes in digital technology and cyber threats are external factors that develop and change rapidly because current business competition and development are dependent on modern technology and internet data connections of devices and departments. Therefore, the Company has potential risks from changes in information technology and cyber threats. The Company is prepared to manage these changes and considers information technology risks and cyber threats that may cause the business to stop. Therefore, the Company made the following management guidelines:

1. The Company specifies a safe password policy by requiring a minimum password length, password life, and number of unsuccessful password entries to prevent random guessing.
2. The Company manages information technology system continuity based on the Business Continuity Policy by specifying roles and duties of the persons responsible, a system for backing up all information technology system data in a back-up computer center, and testing information technology system recovery at the back-up computer center.
3. The Company manages information system assets effectively by preparing asset registration, controlling asset use, and by not violating the intellectual properties of others.
4. The Company manages information by grouping and classifying data, specifying each person's access rights, and verifying user identity before system access.
5. The Company manages information system security by using firewalls to protect against and detect cyber threats, using antivirus/malware/phishing/spam/ransomware programs, and updating computer virus databases.
6. The Company has personal data protection pursuant to the Personal Data Protection Act of B.E. 2562 (2019) and the Company is required to obtain consent from data owners before collecting personal data. The Company reviews the validity of sensitive personal data access at the human resources management system.
7. Disclosures of data on cyber threat prevention methods must be performed by authorized company personnel. Persons not authorized to disclose information when asked are to direct authorized persons to be the data provider to make information disclosure accurate and consistent.

SECTION 1

Business Operations and Performance

4. Management Discussion and Analysis

4.1 Information from financial statements and financial ratios

The financial statements of the Company and its subsidiary companies show the financial position as of December 31, 2023, the operating results and cash flows for the year ended on the same date of the Company and its subsidiary, in accordance with generally accepted accounting principles.

Statement of Financial position (As of 31 December 2023)

(Unit: Baht)

Statement of Financial position	Consolidated financial statements		
	2023	2022	2021
Assets			
Current assets			
Cash and cash equivalents	4,242,240,911	6,992,789,119	4,057,360,720
Trade and other receivables - current portion	2,569,664,692	1,506,543,928	2,170,787,558
Contract assets	7,816,722,408	8,265,324,265	6,009,563,953
Short-term loans to related parties	70,000,000	-	-
Construction materials and supplies	249,601,719	53,528,204	-
Costs to fulfil contracts with customers	8,176,359	15,759,314	22,797,702
Advances to subcontractors	3,016,678,761	2,658,845,464	2,722,551,995
Short-term loans to other companies	6,679,635	21,990,562	33,066,697
Condominium units for sales	440,365,717	351,514,420	351,514,420
Current tax assets	389,654,160	510,293,238	750,557,272
Other current financial assets	1,067,686,994	1,304,153,308	3,603,642,782
Other current assets	758,692,379	479,503,777	362,050,871
Total current assets	20,636,163,735	22,160,245,599	20,083,893,970
Non-current assets			
Trade and other receivables – due over one year	53,569,024	102,234,973	157,380,555
Loans to related parties	589,766,550	122,881,500	48,379,500
Investments in associates	6,249,846,311	5,814,133,748	5,391,043,041
Investments in equity instruments	10,123,477,600	12,611,245,600	10,576,006,610
Investment properties	4,968,347,426	4,944,985,826	4,908,523,699
Property, plant and equipment	4,707,128,637	4,938,168,145	5,431,086,742
Other non-current assets	121,141,016	95,693,911	25,738,983
Total non-current assets	26,813,276,564	28,629,343,703	26,538,159,130
Total assets	47,449,440,299	50,789,589,302	46,622,053,100

Statement of Financial position (As of 31 December 2023)

(Unit: Baht)

Statement of Financial position	Consolidated financial statements		
	2023	2022	2021
Liabilities			
Current liabilities			
Short-term loan from financial institution	4,300,000,000	-	-
Trade and other payables	8,725,333,086	8,117,758,519	5,431,560,894
Contract liabilities	9,780,640,495	16,393,095,894	17,210,382,276
Retention for construction	2,737,532,565	2,384,313,927	2,410,764,291
Short-term loan from related party	445,000,000	-	-
Current portion of liabilities			
Long-term loans from financial institutions	117,000,000	-	-
Current portion of long-term lease liabilities	219,524,164	324,259,701	650,056,230
Provision for loss of construction projects	-	-	1,368,915
Other current liabilities	372,578,880	252,802,013	487,261,491
Total current liabilities	26,697,609,190	27,472,230,054	26,191,394,097
Non-current liabilities			
Long-term lease liabilities - net of current portion	264,909,515	375,689,906	480,246,118
Provision for long-term employee benefits	347,890,054	363,105,311	351,049,633
Deferred tax liabilities	2,056,714,851	2,677,597,443	2,230,010,640
Other non-current liabilities	10,194,571	11,680,074	2,666,139
Total non-current liabilities	2,679,708,991	3,428,072,734	3,063,972,530
Total liabilities	29,377,318,181	30,900,302,788	29,255,366,627

Statement of Financial position (As of 31 December 2023)

(Unit: Baht)

Statement of Financial position	Consolidated financial statements		
	2023	2022	2021
Shareholders' equity			
Share capital			
Registered 1,525,106,540 ordinary shares of Baht 1 each	1,525,106,540	1,525,106,540	1,525,106,540
Issued and fully paid 1,525,106,540 ordinary shares of Baht 1 each	1,525,106,540	1,525,106,540	1,525,106,540
Share premium	2,097,055,812	2,097,055,812	2,097,055,812
Retained earnings - Appropriated statutory reserve	152,510,654	152,510,654	152,510,654
Retained earnings - Unappropriated	9,216,986,064	9,123,313,183	8,647,171,751
Other components of shareholders' equity	4,709,650,117	6,694,266,619	4,656,909,408
Equity attributable to owners of the Company	17,701,309,187	19,592,252,808	17,078,754,165
Non-controlling interests of the subsidiaries	370,812,931	297,033,706	287,932,308
Total shareholders' equity	18,072,122,118	19,889,286,514	17,366,686,473
Total liabilities and shareholders' equity	47,449,440,299	50,789,589,302	46,622,053,100

Statement of Income (As of 31 December 2023)

(Unit: Baht)

Statement of Income	Consolidated financial statements		
	2023	2022	2021
Revenues			
Revenues from construction contracts	29,527,240,703	30,264,771,541	27,612,507,174
Rental income	70,769,507	60,823,785	62,409,380
Gain from fair value adjustment of investment properties	23,361,600	36,462,128	140,893,865
Dividend income	149,801,750	104,080,125	92,942,292
Other income	70,325,446	106,408,746	118,840,042
Total revenues	29,841,499,006	30,572,546,325	28,027,592,753
Expenses			
Cost of construction	28,280,280,084	28,776,042,712	26,387,802,803
Cost of rental	18,934,616	15,679,258	12,311,429
Administrative expenses	834,366,865	779,415,926	674,820,641
Loss from litigation	-	-	123,957,301
Total expenses	29,133,581,565	29,571,137,896	27,198,892,174
Operating profit	707,917,441	1,001,408,429	828,700,579
Share of profit from investments in associates	(69,565,795)	33,736,075	39,723,940
Finance income	42,032,967	38,785,212	43,307,414
Finance cost	(43,117,730)	(19,875,750)	(33,443,864)
Profit before income tax expenses	637,266,883	1,054,053,966	878,288,069
Income tax expenses	(101,647,032)	(187,333,674)	(157,692,059)
Profit for the year	535,619,851	866,720,292	720,596,010
Profit attributable to:			
Equity holders of the Company	527,718,406	857,405,032	710,883,194
Non-controlling interests of the subsidiaries	7,901,445	9,315,260	9,712,816
Profit for the year	535,619,851	866,720,292	720,596,010
Basic earnings per share			
Profit attributable to equity holders of the Company	0.35	0.56	0.47

Statement of Cash Flows (As of 31 December 2023)

(Unit: Baht)

Statement of Cash Flows	Consolidated financial statements		
	2023	2022	2021
Net cash from (used in) operating activities	(5,847,149,256)	1,908,088,558	4,461,107,929
Net cash used in investing activities	(978,297,116)	2,131,530,106	(1,668,684,560)
Net cash from (used in) financing activities	4,074,898,164	(1,104,190,265)	(2,251,376,819)
Net decrease in cash and cash equivalents	(2,750,548,208)	2,935,428,399	541,046,550
Cash and cash equivalents at beginning of year	6,992,789,119	4,057,360,720	3,516,314,170
Cash and cash equivalents at end of year	4,242,240,911	6,992,789,119	4,057,360,720
Supplement cash flows information			
Non-cash items			
Payable of acquisition of equipment	25,656,180	44,882,644	81,365,246
Increase of equipment under lease liabilities	137,201,554	272,698,174	421,576,023

Financial Ratio Analysis

Financial Ratio		2023	2022	2021
Liquidity Ratio				
Current Ratio	(Times)	0.77	0.81	0.77
Quick Ratio	(Times)	0.35	0.37	0.32
Accounts Receivable Turnover	(Times)	14.52	16.50	9.63
Collection Period	(Days)	25	22	37
Account Payable Turnover	(Times)	4.86	5.71	4.85
Payment Period	(Days)	74.15	63.04	74.29
Profitability Ratio				
Gross Profit Margin	(%)	4.22	4.92	4.44
Operating Profit Margin	(%)	2.37	3.28	2.96
Net Profit Margin	(%)	1.79	2.83	2.57
Return on Equities	(%)	2.82	4.65	4.49
Efficiency Ratio				
Return on Assets	(%)	1.09	1.78	1.59
Total Assets Turnover	(Times)	0.61	0.63	0.62
Financial Policy Ratio				
Debt to Equity Ratio	(Times)	1.63	1.55	1.68
Interest Coverage Ratio	(Times)	(121.65)	129.87	158.60
Book Value per Share	(Baht)	11.61	12.85	11.20
Profit attributable to equity holders of the Company	(Baht)	0.35	0.56	0.47

4.2 Management Discussion and Analysis

(1) Management Discussion and Analysis on financial status and operating results

Upon reading the Management Discussion and Analysis, investors ought to study supporting document, namely, past and adjusted consolidated financial position statements and operating figures in brief, in conjunction with notes to financial position statements and the information presented in this document.

1) Performance Overview

Thailand's economy in year 2023 appeared to be improving. The spread of COVID-19 beginning to slow down and resulting in a slight economic recovery. These are driven by factors such as the expansion of private sector consumption, the ongoing recovery of the tourist industry, and increased investments from both the public and private sectors.

In year 2023, the Company continued to grow. As of the end of 2023, the Company had Baht 101,395 million as its backlog order, consisting of projects from the governmental sector and the private sector. The construction projects derived from the governmental sector were the mass transit systems, railways, highways, etc. The construction projects derived from the private sector were power plant projects.

2) Policy and Strategy of the Company

The Company's policy in 2023

Move Towards Sustainability

The Company's strategy is to deliver sustainable and profitable growth through

1. Focus on core business in construction.
2. Delivering the best quality services on time with a high safety standard to our valued customers.
3. Emphasize cost leadership.

4. Maintaining healthy financial strength.
5. Maintaining operational excellence.
6. Developing human capital continuously.

3) The Company Business Line

Sino-Thai Engineering and Construction Public Company Limited has mainly operated construction business. In year 2023, the revenue from construction of the Company and its subsidiary amounting to Baht 29,527 million (or 98.9% of the total revenue) compared to the year of 2022, the revenue from construction was Baht 30,265 million (or 99.0% of the total revenue) which decreased Baht 738 million, or 2.4% due to the decreasing in revenue recognition from construction projects.

In proportion of the revenue from construction categorized by public sectors and private sectors of the Company and its subsidiary companies in 2023 was 38% : 62%

Revenue Structure from the Construction Classified by Customer Type

(Unit: Baht million)

Customer Type	2023		2022		Change
	Amount	%	Amount	%	Amount
Public Sector (Including state enterprises)	11,212	38	11,793	39	-581
Private Sector	18,315	62	18,472	61	-157
Total	29,527	100	30,265	100	-738

Revenue Structure from the Construction Classified by Work Type

(Unit: Baht million)

Construction Work Type	2023		2022		Change
	Amount	%	Amount	%	Amount
Infrastructure	15,968	54	17,622	58	-1,654
Building	4,063	14	3,883	13	180
Energy	6,892	23	7,449	25	-557
Industry	2,328	8	840	3	1,488
Environment	276	1	471	1	-195
Total	29,527	100	30,265	100	-738

Infrastructure projects, there was Baht 15,968 million, or 54.1% of the revenue from construction for example, MRTA Pink Line, MRTA Yellow Line, MRT Orange Line (East) Contract 1, 2, 5, Double Track (Prajuab Kirikhan-Chumphon) Contract 2, Double Track (Nakhon Pathom-Hua Hin) Contract 2, Motorway (Bang Pa In-Saraburi-Nakorn Rachasima), Manhole and Underground Duct Bank with the MRTA Pink Line and Yellow Line Projects, Guide Way Beam and Associated Works for MRT Pink Line and Yellow Line Project, Changing the aerial electrical cable system to underground electrical cable system for Pink Line and Yellow Line Project, Nong Khai city bypass road (East Side) Part 1, PWA Phra Nakhon Sri Ayutthaya water plant and SRT Railway Project (Den Chai-Chiang Rai-Chiang Khong) Contract No.2, 3

Building projects, there was Baht 4,063 million, or 13.8% of the revenue from construction. The significant projects such as Mochit Complex Building, U-Tapao Airport Development and Government Center Phase 2.

Energy projects, there was Baht 6,892 million, or 23.3% of the revenue from construction. The significant projects such as Gulf Sriracha power plant, Gulf Pluak Daeng power plant and Hin Kong power plant.

Industrial projects, there was Baht 2,328 million, or 7.9% of the revenue from construction. The significant projects such as Thai Oil Clean Fuel Project and LEO Project.

Environment projects, there was Baht 276 million, or 0.9% of the revenue from construction. The significant project such as Drainage from Nong-Bon to the Chao Praya River and Thonburi wastewater treatment contract 3

(2) The Company Performance and Profitability

The detail of Management Discussion and Analysis for 2023 and the profitability of the Company and its subsidiary companies are as the followings.

Consolidated Income Statement	Year		Change	
Unit: Baht Million	2023	2022	Amount	%
Revenues from construction contracts	29,527	30,265	-738	-2.4
Other income	314	308	6	1.9
Total revenues	29,841	30,573	-732	-2.4
Cost of construction	28,280	28,776	-496	-1.7
Administrative expenses	834	779	55	7.1
Total expenses	29,134	29,571	-437	-1.5
Operating profit	708	1,001	-293	-29.3
Share of profit from investments in associated	-69	34	-103	-302.9
Finance income	42	39	3	7.7
Finance cost	43	20	23	115.0
Income tax expenses	102	187	-85	-45.4
Profit for the year	536	867	-331	-38.2

Revenue:

In 2023, the Company and its subsidiary companies had total revenue in the amount of Baht 29,841 million, decreasing by Baht 732 million from the year 2022, representing 2.4%. The decreased income came from the construction of Infrastructure and Energy work. The major sources of revenue are from construction contracts, amounting to Baht 29,527 million, rental income, amounting to Baht 71 million, gain from fair value adjustment of investment properties, amounting to Baht 23 million, and dividend income, amounting to Baht 150 million.

Expenses:

In 2023, the Company and its subsidiary companies had overall expenses in the amount of Baht 29,134 million, decreasing Baht 437 million or 1.5 % from 2022 which overall expenses were the amount of Baht 29,571 million. The lower costs come from less construction work. The main expenses were the cost of construction, amounting to Baht 28,280 million, decreasing by Baht 496 million, representing 1.7%, cost of rental, amounting to Baht 19 million, and administrative expenses, amounting to Baht 834 million.

Profitability:

In 2023, the Company and its subsidiary companies had gross profit amount of Baht 1,299 million, representing 4.4%, operating profit amount of Baht 708 million, representing 2.4% and net profit amount of Baht 536 million, representing 1.8%.

Return on Assets:

In 2023, the Company and its subsidiary companies had its return on assets ratio at the rate of 1.1%, decreasing from 2022 when had its return on assets ratio of 1.8%. The Company and its subsidiary companies had decreased ability to utilize more assets.

Return on Equity:

In 2023, the Company and its subsidiary companies its return on equity ratio at the rate of 2.8%, decreasing from 2022 which was at the rate of 4.7%. The Company and its subsidiary companies had decreased ability to generate more returns on equity.

(3) Assets Management Ability**1) Consolidated Financial Positions**

As of December 31, 2023, the Company and its subsidiary companies had assets in the amount of Baht 47,449 million, liabilities in the amount of Baht 29,377 million, and shareholders' equity in the amount of Baht 18,072 million.

Assets:

As of December 31, 2023, the Company and its subsidiary companies had assets in the amount of Baht 47,449 million, decreasing Baht 3,341 million or 6.6% from 2022 which assets were the amount of Baht 50,790 million. The assets comprising of current assets in the amount of Baht 20,636 million, decreasing Baht 1,524 million or 6.9% from 2022 which current assets were the amount of Baht 22,160 million. The decreased current assets were cash and cash equivalents, contract assets and other current financial assets.

The non-current assets were the amount of Baht 26,813 million, decreasing Baht 1,816 million or 6.3% from 2022 which non-current assets were the amount of Baht 28,629 million. The non-current assets that significantly decreased were investments in equity instruments, trade and other receivables, property, plant, and equipment.

1. Cash, Cash Equivalents and Other current financial assets

As of December 31, 2023, the Company and its subsidiary companies had cash and cash equivalents, and other current financial assets in the amount of Baht 5,310 million, decreasing Baht 2,987 million or 36% from 2022 which cash and cash

equivalents, and other current financial assets in the amount of Baht 8,297 million. The Company and its subsidiary companies invested in cash, bank deposits, unit trusts and equity securities. The Company and its subsidiary companies always emphasized the liquidity and investment protection.

2. Account Receivables

As of December 31, 2023, the Company and its subsidiary companies had account receivables in the amount of Baht 2,570 million, increasing Baht 1,063 million or 70.5% from 2022 which account receivables were the amount of Baht 1,507 million. This increase was mainly due to the delivery of work of the Purple Line project, most of which were trade receivables that had been invoiced but not yet due for payment.

Credit Term

Credit Term for the year 2023		
The credit term policy of the Company	30-45	days
The collection period of the Company	25	days

The Company and its subsidiary companies control the account receivables and other account receivables at an appropriate level. The Company set up the policy of account receivables period of 30-45 days.

In 2023, the Company and its subsidiary companies had collection period 25 days from account receivables and other receivables, the Company and its subsidiary companies still have liquidity in normal conditions.

As of December 31, 2023, the Company and its subsidiary companies had accounts receivable-unrelated parties in the amount of Baht 2,612 million less allowance for expected credit losses in the amount of Baht 60 million, accounts receivable-not yet due in the amount of Baht 1,819 million, representing 69.6%, outstanding accounts receivable past due up to 3 months in the amount of Baht 541 million, representing 20.7%, outstanding accounts receivable past due 3-6 months in the amount of Baht 46 million, representing

1.8%, outstanding accounts receivable past due 6-12 months in the amount of Baht 11.7 million, representing 0.4%, and outstanding accounts receivable past due over 12 months in the amount of Baht 196 million, representing 7.5%. The status of the aging of accounts receivable-unrelated parties of the Company and its subsidiary companies were normal condition.

As of December 31, 2023, the Company and its subsidiary companies had accounts receivable-related parties in the amount of Baht 49 million less allowance for less allowance for expected credit losses in the amount of Baht 33 million, accounts receivable-not yet due in the amount of Baht 14 million, representing 28.6%, outstanding accounts receivable past due over 12 months in the amount of Baht 33 million, representing 67.3%. The status of the aging of accounts receivable-related parties of the Company and its subsidiary companies were normal.

Upon estimating the allowance for doubtful debts, the management estimated at their discretion, the doubtful debts of each account receivable by taking into consideration of account receivable reliability, past collection experience, outstanding account receivable aging, and then economic situation. The Company and its subsidiary companies believed that the provision for allowance for doubtful debts was adequate.

3. Costs to fulfil contracts with customers.

As of December 31, 2023, the Company and its subsidiary companies had costs to fulfil contracts with customers in the amount of Baht 8 million, decreasing Baht 8 million or 50.0% from 2022, which costs to fulfil contracts with customers were in the amount of Baht 16 million.

4. Investment Properties

As of December 31, 2023, the Company and its subsidiary companies had investment properties in the amount of Baht 4,968 million, increasing Baht 23 million or 0.5% from 2022, which investment properties were in the amount of Baht 4,945 million.

Liabilities:

As of December 31, 2023, the Company and its subsidiary companies had liabilities in the amount of Baht 29,377 million, decreasing Baht 1,523 Million or 4.9% from 2022 which liabilities were in the amount of Baht 30,900 million, being composed of current liabilities in the amount of Baht 26,698 million, decreasing Baht 774 million or 2.8% from 2022 which current liabilities were in the amount of Baht 27,472 million.

The non-current liabilities were in the amount of Baht 2,680 million, decreasing Baht 748 million or 21.8% from 2022 which non-current liabilities were in the amount of Baht 3,428 million.

Trade and other payables

As of December 31, 2023, the Company and its subsidiary companies had net account payables and other payables in the amount of Baht 8,725 million, increasing Baht 607 million or 7.5% from 2022 which account payables and other trade payables were in the amount of Baht 8,118 million. The Company and its subsidiary companies maintained the quantity of account payables and other payables in the appropriate level despite by performing 74-day period, increasing from that in 2022 which performing 63-day period. The Company and its subsidiaries companies believed that such a performance period was suitable in the normal course of business.

Shareholder's Equity:

As of December 31, 2023, the Company and its subsidiary companies had shareholders' equity in the amount of Baht 18,072 million, decreasing Baht 1,817 million or 9.1% from 2022 which shareholders' equity were in the amount of Baht 19,889 million. The major change in the shareholders' equity of the Company and its subsidiary companies was other components of shareholders' equity.

Total Assets Turnover:

As of December 31, 2023, the Company and its subsidiary companies had total asset turnover ratio of 0.63 times, an increase from 2022 which had an asset turnover rate of 0.60 times. The Company and its subsidiary companies had total asset turnover at a moderate level.

(4) Liquidity and Capital Adequacy

1. Capital Structure

As of December 31, 2023, the Company and its subsidiary companies had asset structure of current assets to non-current assets ratio equal to 43% : 57% slightly changed from that in 2022 which current assets to non-current assets ratio equal to 44% : 56%.

As of December 31, 2023, the Company and its subsidiary companies had source of fund structure from total liabilities and shareholders' equity, the total liabilities to shareholders' equity ratio equal to 62% : 38%, slightly changed from that in 2022 which the total liabilities to shareholders' equity ratio equal to 61% : 39%

2. Capital Expenditure

Upon consideration of investment in fixed assets of the Company and its subsidiary companies, the management will prepare annual investment plans in fixed assets as proposed to the Board of Executive Directors of the Company. Upon the decision made in new investment, the Company and its subsidiary companies made sufficient consideration in every aspect, including return on investment.

In 2023, the Company and its subsidiary companies had capital expenditures for Acquisition and cash paid to settle payables from purchases of equipment in the amount of Baht 449 million, increasing Baht 96 million or 27.1% from 2022 which acquisition of machinery and equipment were in the amount of Baht 353 million.

The Company and its subsidiary companies believed that the capital expenditures, both additional investment and replacement investment for the expired existing fixed assets, would maintain the competitive potentiality of the Company and its subsidiary companies, both at present and in the future, and the fixed assets as additionally invested were utilized in their full capacities.

3. Liquidity

In 2023, the Company and its subsidiary companies had current ratio at 0.77 times, decreasing from that in 2022 which current ratio at 0.81 times, the Company and its subsidiary companies still had a normal level of liquidity.

In 2023, the Company and its subsidiary companies had quick ratio at 0.59 times, slightly decreasing from that in 2022 which quick ratio at 0.66 times. The Company and its subsidiary companies still had a normal level of liquidity.

4. Cash Flow

In 2023, Cash and cash equivalents of the Company and its subsidiary companies increased in the amount of Baht 2,751 million, which cash and cash equivalents brought forward in the amount Baht 6,993 million, and net cash at the end of the period in the amount of Baht 4,242 million, details are as follows:

(Unit: Baht million)

Sources of Cash Flow	2023	2022
Operating Activities	(5,847)	1,908
Investing Activities	(978)	2,132
Financing Activities	4,075	(1,104)
Net increase (decrease) in Cash and Cash Equivalents	(2,751)	2,935
Beginning Balance of Cash and Cash Equivalents	6,993	4,057
Ending Balance of Cash and Cash Equivalents	4,242	6,993

(5) Obligation and Management of Off-Statement of Financial Position Obligation

1. Capital commitments

As of 31 December 2023 and 2022, the Company and its subsidiary companies had capital commitments relating to acquisition of construction machinery and equipment, details are as follows:

(Unit: Baht Million)

Currency	Consolidated Financial Statements	
	2023	2022
Baht	47	66
Yen	149	73

2. Project construction cost commitments

As of 31 December 2023 and 2022, the Company and its subsidiary companies had commitments related to construction costs of the construction contracts, details are as follows:

(Unit: Baht Million)

Currency	Consolidated Financial Statements	
	2023	2022
Baht	28,533	24,291
Yen	54	-

Upon assessment of the liquidity of the Company and its subsidiary companies, the Company and its subsidiary companies had sufficient cash to pay the obligation on liabilities.

(6) Factors or events which may significantly affect the financial position and results of operations in the future

1. The External Factors impact the Business - minimum wage hike

The construction industry is a labor-intensive industry, both direct employment and subcontractors, the cost of wages based on minimum wages will be on the part of construction workers, which accounts for 20-30% of the total cost, minimum wage increase result, construction costs will increase and affected the profit of the Company. However, there will be compensation from K factor for government construction projects, which has inflation as a component of the calculation, thereby reducing the impact of rising costs to some extent.





SECTION 1

Business Operations and Performance

5. Other Significant Information

5.1 Reference

1. Office of the Auditor of the Company and subsidiaries
EY Office Limited
193/136-137 , 33rd Floor, Lake Ratchada Building, New Ratchada Phisek Road, Bangkok 10110
Tel: +66 (0) 2264 0777
Fax: +66 (0) 2264 0789
2. Securities Registrar
Thailand Securities Depository Co., Ltd.
93 Ratchadaphisek Road, Din Daeng, Bangkok 10400
Tel: +66 (0) 2009 9000
Fax: +66 (0) 2009 9991

5.2 Legal Dispute

In 2023, the Company does not have any lawsuits that may have a negative impact on the Company's assets in a proportion greater than 5 percent of the shareholders' equity. Including no case that affects the business significantly, the impact cannot be assessed in numbers.



10MAG01 STEAM DUCT ←

0.5%

SECTION 2

Good Corporate Governance

6. Good Corporate Governance Policy

6.1 Overview of the Good Corporate Governance Policy and Practices

6.1.1 Policy and Practices : the Board of Directors

The Board of Directors realizes that good corporate governance plays an essential role to business operations of the Company. The Board is responsible to the shareholders and independent from the management. The directors shall perform their duties honestly and carefully, develop themselves all the time, and devote enough time to perform their duties and responsibilities to the fullest extent of their competency.

(1) Board of Directors

1) Composition and Qualifications of the Board of Directors

1. The Board of Directors shall consist of at least five directors.
2. Not less than half of the total number of directors shall domicile in the Kingdom of Thailand and possess all qualifications required by laws.
3. The Board of Directors shall consist of independent directors in a number of more than 50% of the total directors and more than 66% of the members of the Board shall not be the management of the Company.
4. The chairman of the Board and President or an equivalent position must not be the same person.

5. The Board of Directors shall consist of directors who are competent, experienced, and skilled in different areas necessary for management of the Company's affairs. The directors shall perform their duties in full conformity with laws and objectives and regulations of the Company as well as resolutions of the shareholders' meeting and in good faith for utmost interests of the Company.
6. Each Directors should be a Director in other listed companies not exceeding 5 companies.
7. Director who is an executive director can be seated as a Director in other listed companies, which are outside the company business group, not exceeding two companies.

2) Term of Office

1. At every Annual General Shareholders' Meeting, one-third of the directors shall retire from office. If the number of directors to retire from office is not a multiple of three, then the number of directors closest to one-third shall retire. A director who retires by rotation shall be eligible for re-election. In addition to the retirement by rotation, the directors shall be vacated upon:

- (1) Death
- (2) Resignation
- (3) Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act B.E. 2535 (A.D. 1992)
- (4) Removal by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act B.E. 2535 (A.D. 1992)
- (5) Removal by order of the court
- (6) The mandatory retirement age for Independent directors, Independent directors shall retire at the age of 75 years. Independent directors who have reached the age of 75 years before the date of the Annual General Meeting, shall resign from the Independent director on the next day of the Annual General Meeting. For the year 2022, Independent directors who have been appointed by shareholders for the year 2022 and earlier shall remain in the duties of the Independent directors until the end of the term.

3) The Authorities and Duties of the Board of Directors

1. To perform their duties by utilizing their knowledge, skills, and experiences in order to benefit the company's business operations. Their duties must be in compliance with the company's objectives and regulations, the Public Limited Companies Act B.E. 2535, Securities and Exchange Commission Act B.E. 2535.

2. Consider and approve the company's vision, mission, trends, and strategy for operating business that had been proposed by the Board of Executives Directors and review it every year.
3. Monitor the implementation of the business strategies to ensure that have been implemented efficiently, as well as the communication of objectives and goals through business strategies across the Company, which includes sustainable business development and climate change.
4. Supervise the company to have its best practices toward nominating qualified person to be a director with transparency according to good corporate governance.
5. Supervise the company to have its best practices toward remuneration of the Board of Directors and other Board Committees to be appropriate reliance with good corporate governance.
6. Supervise the company to have its best practices toward the evaluation of the Board of Directors and other Board Committees including the evaluation for President in accordance with the good corporate governance to stimulate the efficiency in working as a Director.
7. To supervise the management and Board Committees to effectively conduct the business under the company's policies and request the management to report the issues that has significant affects to the company's operation. The Board of Directors shall assure that all related parties' transactions are conducted in accordance with the regulations

of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. In case of necessity, the Board of Directors will require the management to hire advisors in order to give opinions for the management's decision in specialized issues which have significant effect on the company's operation.

8. To supervise the company and to set up effective internal control, and Internal Audit system. The Internal Audit manager shall report directly to the Audit Committee.
9. Independent Directors shall independently consider company's matters related to strategies, management, appointing directors, and issues that have significant affects to the Company for the benefit of the shareholders and shall have access to adequate financial and business information to perform their duties.
10. Review the authorities and duties of the Board of Directors and President at least once a year to assure compliance with applicable laws, relevant regulations, and good corporate governance principles and to comply with the Company's business direction.

(2) The Board of Directors' Approval

1. Appoint, detach, and empower the Board Committees and President to act under the Board of Directors.
2. Consult other expert or the Assistant to President (if any) or outsource the Advisory Board if necessary and all expenses shall be borne by the company.

3. Approve any establishment, merger, and acquisition, or cease any subsidiaries.
4. Propose the increasing and decreasing capital or changing par value including amendment of the company's associate, the article of association and/or the purpose of its business to shareholders.
5. Empower the Management, employees, and other people to act under the authorization of the Board of Directors.
6. The Board members have the right to call Management or other employees of the company to clarify, give opinion, or submit the document to the Board if necessary.
7. Appoint and detach the Corporate Secretary

(3) Authorization and duties of Chairman of The Board of Directors

1. The Chairman of the Board of Directors shall abide by duties as stated in the company's article of association and the resolution of the annual general meeting of shareholders including laws and regulations, the Public Company Act B.E. 2535 and the Securities and Exchange Act B.E. 2535 and other related regulations for Chairman of the Board of Directors.
2. Act as the Chairman at the Board of Directors meeting and ensure that The Company shall convene the Board of Directors meeting in accordance with the Article of Association, laws and good corporate governance policy, including allocating sufficient time for management to propose topics and for directors to debate important thoroughly. The Chairman should encourage directors to exercise independent judgment in the best interest of the Company.

3. Act as the Chairman of the annual general meeting of shareholders and ensure that the company shall convene the annual general meeting of shareholders in accordance with the Article of Association, laws and good corporate governance policy.
4. Support, improve and ensure that the Board of Directors shall perform their duties with integrity according to good corporate governance and code of conduct, including promoting a culture of openness and debate through ensuring constructive relations between directors, and between the Board and management.
5. Monitor and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objectives.

(4) The Definition and qualification of Independent Director

The Board of Directors reviews the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as committed to good corporate governance as follows:

1. Holding shares of no more than 0.5 % of the total voting shares of the Company, its parent company, its subsidiaries, its associated companies, or a related juristic entity with potential conflicts, including of shares held by related persons¹.
2. Not being a management², an employee, or a company consultant who receives a regular salary or a controlling person of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries³, or a related juristic entity with potential conflicts of interest during the period of 2 years before the appointment.
3. Not being a person who has a blood or a legal relationship of a parent, spouse, sibling, and child including a child's spouse, to any executive management, major shareholder, a controlling person, or a person who has been proposed to be an executive management or a controlling person of the Company or its subsidiaries.
4. Not having a business relationship and not being a professional service provider according to the requirements of the Office of Securities and Exchange Commission No.SEC.Gor.(Vor.) 32/2008 on the improvement of Qualification, Duties, and Responsibilities on Independent Directors and members of the Audit Committee.
5. Not having a business relationship and a vested interest, whether directly or indirectly, financially or administratively, including not being a professional advisor to the company such as an auditor, a client, partner, supplier, creditor, or debtor of the parent company, its subsidiaries, its associated companies, its same-level subsidiaries³, or a related juristic entity with potential conflict of interest during the period of 2 years before the appointment.
6. Not having any other characteristics that may potentially prevent from giving independent opinions.
7. An independent director, with qualification under Clauses 1-6, may be assigned by the Board of Directors to make collective decisions on the operation of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries³, or a related juristic entity with potential conflicts

Footnote:

1. "Related Person" means a person defined under the Section 258 of Securities and Exchange Act B.E. 2535.
2. "Management" means any director who holds an executive position, or any director who is in charge of any actions deemed to be taken by management, and shall include any authorized director except where it can be demonstrated that such authorized director, jointly with other directors, signs on transactions which have already passed the board's approval.
3. "same-level subsidiary" means any two or more subsidiaries under the same parent company.

The Board Committees

(5) The Board of Executive Directors

1) Composition and Qualifications of the Board of Executive Directors

1. The Board of Directors shall be responsible for the appointment and/or removal of the Board of Executive Directors.
2. The Board of Executive Directors shall consist of at least three directors. At a minimum, the Board of Executive Directors shall be comprised of President and Chief Financial Officer.

2) Authorities and Duties of the Board of Executive Directors

1. Determine vision, mission, policies, and business strategy under the supervision of the Board of Directors, including reviewing and approving it at least every year.
2. Supervise, consider business plan, financial plan, budget, and other management manners proposed by the management in order to comply with good corporate governance.
3. Monitor, examine the operations according to policies, business strategies, sustainable business development, and climate change, resource management, and other management manners of the Company and report the results to the Company's Board of Directors.
4. Consider and determine rules, regulations, management policies, and any other businesses which will be bound to the Company.
5. Provide recommendations, suggestion and determine the scope of authorities and duties of President including to determine whether

President or his proxy is prohibited from approving any business activities with any persons who have conflicts of interests with the Company or its subsidiaries.

6. Study feasibility, providing advice and suggestions for entering into tender offer or investment in new projects.
7. Approve the usage of the Company's credit facilities maintained with all banks or financial institutions. To approve the opening and closure of any bank accounts or apply for credit facilities in any form with all banks or financial institutions and report the same to the Audit Committee for acknowledgement, except for the mortgage or pledge of the Company's properties which have to be approved by the Board of Directors.
8. Evaluate the performance, determine the remuneration of the high-level executives from the Senior Vice President and above.
9. Evaluate the performance of President at least once a year.
10. Limit a number of taking position as a Director at other companies of President and Top management. President and Top management can take position as a Director in other listed companies, which are outside the company business group, not exceeding 2 companies.
11. Ensure that the company must operate under the good corporate governance in accordance with the announcement or related guidelines derived from The Securities and Exchange Commission and The Stock Exchange of Thailand. The Board of Executive Directors must support and ensure that Directors and

Management team will be responsible for doing as a company's Directors in compliance with good corporate governance.

12. Ensure that management regularly monitors, evaluates, and reports on the Company's performance.
13. Have the power to consider and perform other affairs that the Board of Directors deems fit and that should be used as policy for the business operations of the Company.
14. Conduct other activities according to the policies assigned by the Board of Directors.

3) Term of Office

1. Each executive director shall hold office for a term of three years. Apart from retirement by rotation, the executive directors shall be vacated upon:
 - (1) Death
 - (2) Resignation
 - (3) Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act B.E. 2535 (A.D. 1992)
 - (4) Removal by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act B.E. 2535 (A.D. 1992)
 - (5) Removal by order of the court
2. A member of the Board of Executive Directors who retires by rotation may be re-elected as the Board of Directors deems fit.

(6) The Audit Committee

1) Composition and Qualifications of the Audit Committee

1. The Board of Directors shall consider appointing and/or removing the Audit Committee.

2. The Audit Committee shall consist of at least three members all of which shall be independent directors.

2) Authorities and Duties of the Audit Committee

1. Review the accuracy and sufficiency of the Company's financial report.
2. Review the appropriateness and efficiency of the internal control and the internal audit system; consider the independence of the Internal Audit Section including appointment, rotation, termination for the head of the Internal Audit Section, and any other works related to the internal audit.
3. Review the Company's operation to comply with the Securities and Exchange Acts, Regulations of the Stock Exchange of Thailand, and any relevant laws.
4. Consider, select, and nominate an independent person to act as the Company's Independent Auditor, including remuneration recommendations and arrange a meeting for the Audit Committee to meet with the Independent Auditor without the presence of executive management at least once a year.
5. Attend the Audit Committee meeting with the Auditors except the Executives at least once a year.
6. Consider connected transactions, and the transactions involving conflicts of interest, to ensure that they are in compliance with the related laws and Regulations of the Stock Exchange of Thailand, reasonably, to maximize the Company's benefits.

7. Prepare and disclose the “Reports of Audit Committee” approved by the Chairman of the Audit Committee in the annual report as follows:

- 7.1 Comments on the accuracy, completeness, and credibility of the Company’s financial report.

- 7.2 Comments on the sufficiency of the Company’s internal control system.

- 7.3 Comments on the Company’s business operations in compliance with the Securities and Exchange Commission Act, Regulations of the Stock Exchange of Thailand, and other laws relevant to the Company’s business.

- 7.4 Comments on the suitability of the Independent Auditor.

- 7.5 Comments on the transactions involving conflicts of interest.

- 7.6 The disclosure of the number of Audit Committee meetings and the individual meeting attendance of the Audit Committee.

- 7.7 Comments or notices that have arisen as the Audit Committee performed its duties as defined in its charter.

- 7.8 Other concerns that should be made available to shareholders and the investors within the scope of duties and responsibilities assigned by the Board of Directors.

8. Ensure that the company has risk management policy and continually follow-up the efficiency of the policy.

9. Undertake other assignments for the Board of Directors, with the approval of the Audit Committee.

3) Term of Office

1. Each member of the Audit Committee shall hold office for a term of three years. Apart from retirement by rotation, the committee member shall be vacated upon:

- 1.1 Death

- 1.2 Resignation

- 1.3 Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act, B.E. 2535 (A.D. 1992)

- 1.4 Removal by resolution of the shareholders’ meeting in accordance with Section 76 of the Public Limited Company Act, B.E. 2535 (A.D. 1992)

- 1.5 Removal by order of the court

2. A member of the Audit Committee who retires by rotation may be re-elected as the Board of Directors deems fit.

(7) The Nomination and Remuneration Committee

1) Composition and Qualifications of the Nomination and Remuneration Committee

1. The Board of Directors shall consider appointing and/or removing the Board of Executive Directors and determining their remuneration.

2. The Nomination and Remuneration Committee shall consist of at least three directors and more than 50% of the committee members shall be independent directors.

3. Chairman of the Nomination and Remuneration Committee shall be an independent director.

2) Authorities and Duties of the Nomination and Remuneration Committee

1. Define policies, criteria, and procedures for nominating new directors to substitute the retired directors and/or fill the vacancies and/or appointing additional directors and propose the new or additional directors to the Board of Directors for approval.
2. Recruit, select and nominate qualified persons to the Board of Directors to further present to the shareholders' meeting for appointment as directors of the Company.
3. Define policies, criteria, and procedures for nominating qualified persons to substitute the retired members of supporting committees and/or fill the vacancies and/or appointing additional members of the supporting committees and/or fulfill the other Board Committees and propose to the Board of Directors for approval.
4. Nominate and propose qualified persons to the Board of Directors' meeting to consider approving them as members of the Board Committees.
5. The Nomination of the Board of Directors and Board Committees shall be made with transparency.
6. Establish the policies and criteria for determining remuneration of the Board of Directors and different Board Committees to include meeting allowances, annual gratuity and other benefits. Then, submit the said remuneration plan to the Board of Directors for endorsement and submission to the shareholders' meeting for approval.

7. Clarify all questions due to the annual general meeting of shareholders about the remuneration of the Board of Directors and the Board Committees.
8. Consider the best practices, regulations, and the performance assessment of the Board of Directors, and other Board Committees by making in group and individual to improve the efficiency of the Board.
9. Establish the criteria and procedures for selection and appointment of President and propose to the Board of Directors for approval.
10. Select and propose the qualified person for President position to the Board of Directors for approval.
11. Prepare a succession plan for President position.
12. Ensure that President appoints knowledgeable, skilled, and experienced key executives
13. Perform any other duties as assigned by the Board of Directors.

3) Term of Office

1. Each member of the Nomination and Remuneration Committee shall hold office for a term of three years. Apart from retirement by rotation, the committee members shall be vacated upon:
 - (1) Death
 - (2) Resignation
 - (3) The chairman of the Nomination and Remuneration Committee is not the independent director.
 - (4) Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act, B.E. 2535 (A.D. 1992)

(5) Removal from the Company's Director by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act, B.E. 2535 (A.D. 1992)

(6) Removal by order of the court

2. A member of the Nomination and Remuneration Committee who retires by rotation may be re-elected as the Board of Directors deems fit.

(8) The Nomination of the Board of Directors

To nominate a director, the nomination and remuneration committee shall ensure that the nomination would be preceded transparently before proposing to the Board of Directors. The nomination and remuneration committee must propose qualified person, especially with the missing skills and qualifications for the prevailing Board's components and structure under the Company business strategies by establishing Board Skill Matrix and considering the performance assessment of the Board of Directors, as well as Director Pool or Professional Search Firm. The qualified persons' biography and other personal information will be proposed to the Board of Directors in order to provide adequate information to the Board of Directors and then can be submitted to the annual general meeting of shareholders to approve eventually.

The directors of the company shall be appointed by the shareholders' meeting pursuant to the following criteria and procedures:

1. In voting for the election of each director, each shareholder shall have one vote per share held by him/her.
2. At the election of directors, it is required that one director shall be elected at a time. Each shareholder must exercise all of his/her votes in electing one person nominated as a director.

3. The candidates who have the most votes shall be elected as directors equivalent to the number of directors required. If two candidates have equal votes, the Chairman of the meeting shall have a casting vote.

In the case of any vacancy on the Board of Directors for any reason other than retirement by rotation, the Board of Directors shall elect a person who is qualified and not prohibited by laws to fill the vacancy at the next Board of Directors' meeting, unless the remaining term of the former director is less than two months. The replacement director shall retain his/her office only for the remaining tenure of his/her predecessor. The resolution of the Board of Directors in respect of the appointment of the replacement director shall represent the votes of no less than three-quarters fourth of the remaining directors.

(9) Directors, President, and Top Management's Remuneration

1) Directors' Remuneration

A member of the Board of Directors and other Board Committees are entitled to remuneration from the Company, namely meeting allowances, annual gratuity and other benefits approved by the shareholders' meeting. The Board of Director has assigned the Nomination and Remuneration Committee to establish the remuneration structure of the Board of Directors and submit the same to the Board of Directors for approval and presentation to the shareholders' meeting for final approval.

2) President and Top Management Remuneration

The remuneration of President and top management policy and guidelines is established by the Board of Executive Directors, which based on, such as, key performance indicators, the remuneration of executive in the industry, and the performance

assessment in order to provide the appropriate remuneration which relates to the short-term and long-term of the company's operating result, to attract the qualified executives, to retain quality management within the company, and to be more competitive in the industry.

The opinion of Nomination and Remuneration Committee on the remuneration structure of Directors and Management will be disclosed in Part 2 Good Corporate Governance, 8.1.2 Details on the meeting attendance of Directors and remuneration of the Board of Directors .

(10) The performance assessment of the Board of Directors and Board Committees

1) The performance assessment of the Board of Directors

The performance assessment of the Board of Directors shall be evaluated both as in group and individual (self-assessment) with the details as follows:

The performance Board assessment

The procedure to evaluate the performance of the Board of Directors as in group has been divided into 6 major sessions as suggested by the Stock Exchange of Thailand, which are (1) Qualifications and Structure of the Board (2) Roles and Responsibilities of the Board (3) The Board's meetings (4) The Board's fiduciary (5) The relationship between the Board and the Management (6) Self-improvement of the Board and the Management

The performance assessment procedures are as follows;

1. The performance assessment of the Board of Directors as in group at least once a year.
2. Corporate Secretary summarizes and reports the result of the performance Board assessment to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.

3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board of Directors' performance to the Board.

The performance assessment of individual directors (Self-assessment)

The procedure to evaluate the performance assessment of individual directors (self-assessment) has been divided into 6 major sessions as suggested by the Stock Exchange of Thailand, which are (1) Qualifications and Structure of the Board (2) Roles and Responsibilities of the Board (3) The Board's meetings (4) The Board's fiduciary (5) The relationship between the Board and the Management (6) Self-improvement of the Board and the Management

The performance assessment procedures are as follows;

1. The Board of Directors must do self-assessment at least once a year.
2. Corporate Secretary summarizes and reports the result of the performance assessment of individual directors to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.
3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board of Directors' performance to the Board.

2) The Performance assessment of the Board Committees

The performance assessment of the Board Committees, which is the Board of Executive Directors, the Audit Committee, and the Nomination and Remuneration Committee, shall be evaluated both as in group and individual (self-assessment). The evaluation form is included with the performance of the Board Committees that based on the authorities and duties of each Board Committees and other related guidelines.

The performance Board Committees' assessment

The performance assessment procedures are as follows;

1. The performance assessment of the Board Committees as in group at least once a year.
2. Corporate Secretary summarizes and reports the result of the assessment of every Board Committees to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.
3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board Committees' performance to the Board.

The performance assessment of the individual Directors (Self-assessment)

The performance assessment procedures are as follows;

1. Every Board Committees has to do self-assessment at least once a year.
2. Corporate Secretary summarizes and reports the result of the assessment of every Board Committees to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.
3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board Committees' performance to the Board.

3) The results of the performance assessment of the Board of Directors and Board Committees

In 2022, the Nomination and Remuneration Committee evaluated the performance Board as followed;

- The performance assessment of the Board of Directors (in group)
- The performance assessment of individual directors (Self-assessment)
- The performance assessment of the Board Committees (in group)
- The performance assessment of the individual directors (Self-assessment)

The assessment criteria are presented in the table below.

Score	Description
90% – 100%	Excellent
80%– 89%	Very Good
70% – 79%	Good
60% – 69%	Satisfactory
50% – 59%	Pass
Below 50 %	Need Improvement

The Board of Directors and Board Committees assessment in group and individual (self-assessment) in details are as the following;

1. The performance assessment of the Board of Directors (in group) and the performance assessment of individual directors (self-assessment)

The performance assessment of the Board of Directors in group had 100% score, its description is "Excellent" and the performance assessment of individual directors (self-assessment) had 99% score, its description is "Excellent", the evaluation presented that the Board of Directors has capabilities and different areas of expertise that cover all aspects of

the Company's operations. The Board of Directors performed their duty with efficiency as monitoring and supervising the management team to achieve the Company strategies, goals, policies.

2. The performance assessment of the Board of Executive Directors (in group) and the performance assessment of individual directors (self-assessment)

The performance assessment of the Board of Executive Directors in group had 100% score, its description is "Excellent" and the performance assessment of individual directors (self-assessment) had 99% score, its description is "Excellent", the evaluation presented the Board of Executive Directors have capabilities, expertise and professional experiences that cover all aspects of the Company's operations. The Executives Directors performed their duty with efficiency as the performance of board members has been compliant with regulations and applicable laws, and the good corporate governance principles, allowing the Company's operations to achieve target profits.

3. The performance assessment of the Audit Committee (in group) and the performance assessment of individual directors (self-assessment)

The performance assessment of the Audit Committee in group had 100% score, its description is "Excellent" and the performance assessment of individual directors (self-assessment) had 99% score, its description is "Excellent", the evaluation presented that the Audit Committee has capabilities and different areas of expertise that cover all aspects of the Company's operations, specifically in finance, accounting and laws. The Audit Committee performed their duty with efficiency, according to the good corporate governance principles, as the efficiency of the internal control and the internal audit system and the practical suggestions that support the Company's operations, along with a close monitoring of improvement. Therefore, the Company has continued to perform efficiently with transparency, accuracy, and adequate information disclosure for all stakeholders.

4. The performance assessment of the Nomination and Remuneration Committee (in group) and the performance assessment of individual directors (self-assessment)

The performance assessment of the Nomination and Remuneration Committee in group had 100% score, its description is "Excellent" and the performance assessment of individual directors (self-assessment) had 98% score, its description is "Excellent", the evaluation presented the Nomination and Remuneration Committee has capabilities and different area of expertise, including human resources management, director and executive remuneration, and all aspects of the Company's operations. Therefore, the Nomination and Remuneration Committee performed their duties appropriately and efficiently as can be seen from incumbencies of directors and determination of remunerations in consideration of the nature and size of the business in accordance with the changing circumstances which are proposed to the Board of Directors for consideration as well as the compliance with good corporate governance.

The Board of Directors had its opinion towards the Board of Directors' performance and other Board Committees that had continually improved by courses training for Board members, therefore, the Board of Directors and also to the other Board Committees had an effective performance that complied with international standards and comfortable to best practices of the Stock Exchange of Thailand and other related organizations.

(11) Meeting of the Board of Directors

1. The Company requires the Board of Directors to meet on a regular basis at least once every three months to consider the financial statements, develop policies, and monitor the performance of the company. The Board of Directors shall be ready to hold a meeting in case of a special circumstance.
2. The Board of Directors manages the meeting schedule annually then informs the Board of Directors to be acknowledged except other extraordinary meetings.

The meeting schedule of the Board of Directors and the Board Committees for the year 2022, setting in advance, excluding other extraordinary meetings, as follows;

No.	The Board of Directors Meeting	The Audit Committee Meeting	The Nomination and Remuneration Committee Meeting
1	February 6, 2024	February 29, 2024	February 6, 2024
2	March 15, 2024	May 15, 2024	February 29, 2024
3	June 14, 2024	August 14, 2024	November 8, 2024
4	September 12, 2024	November 14, 2024	
5	December 12, 2024		

3. Each meeting of the Board of Directors shall be attended by more than half of the total number of directors who are in the office at the moment.
4. To cast votes on a motion, the Board of Directors' meeting shall consist of not less than two-thirds of the total number of directors of the Company.
5. Prior to the Board of Directors' meeting, Chairman of the Board and President will jointly fix the meeting agendas and allow the directors to propose any matters to be discussed at the meeting. Members of the Board of Directors shall be notified of the meeting in advance so they will be able to manage time and attend the meeting. Appropriate and sufficient meeting documents shall be sent to the directors at least 5 days prior to the meeting to enable them to make informed decisions.
6. The Board of Directors shall have access to additional data and information through the Corporate Secretary and President.
7. During the Board of Directors' meeting, the Chairman of the Board shall allocate sufficient time for the meeting in order to enable the attendants to consider each agenda thoroughly.
8. President may invite top management to attend the meeting in order to give more details or explanations on related agenda and allow the directors to ask questions or request any additional information.

(12) New Director Orientation

The Board of Directors requires every new director to have an orientation in order to enable them to be aware of and understand the Company's business, industry, procedures, and policies as well as the roles, duties and responsibilities of the Board of Directors. The orientation for new directors will be composed of documentations, training, and tour of various construction sites of the Company to allow the directors to experience the actual operations of the Company. Moreover, to enhance the performance of new director, the arrangement of the discussion session with Chairman of the Board of Directors, President, and new director will be held to inquire them about specific information, organizational culture, and other relevant information of the Company's business operation.

(13) Directors, President and Top Management' Training and Development

The Board of Directors supports and promotes consistent enhancement of the directors' knowledge and skills in relation to duties and responsibilities of the directors or new management procedures. This is to enable the directors to improve their

competency and performance and appropriately use the knowledge and skills obtained to maximize management effectiveness and efficiency. It is required that at least one director shall attend the skill enhancement training or seminar each year.

The Board of Directors encourages and promotes continuous development and education of President and top management that is relevant to their roles in order to achieve the Company's objectives and goals.

(14) Succession Plan of President and Top Management

The Board of Directors realizes the importance of key management like President and top management Positions, then they have to assure that President and Top Management's nomination process is appropriate. To prevent the discontinuous operation due to vacancy positions, the Nomination and Remuneration Committee made the succession plan of President and Top Management. In this regard, the qualified person(s) will be recruited to be a successor by considering knowledge, potentiality, and performance evaluation. Thereafter, the individual development plans, for both short-term and long-term development plans, which emphasizes on crucial knowledge and skills will be provided to ensure the successors will be ready and qualified for the positions that they will assume.

(15) President

1) Authorities and Duties of President

The authorities and duties of President were defined in Board of Directors meeting no. 3/2002 on May 10, 2002, which resolved that President shall be responsible for conducting and supervising the company's business operations in accordance with the policy approved by the Board of Directors. Furthermore, President shall fulfill when such actions are required by the laws, rules and regulations of the governing agencies to get approval from Board of Directors' meeting and/or Shareholders' meetings. President shall have a power to appoint other person(s) as a proxy to act on his behalf to manage and conduct company's

business. President and his proxy have no right to approve any business activities with any persons who have conflicts of interests with the company and its subsidiary.

2) Selection of President

In selecting President, the Nomination and Remuneration committee will initially consider persons who have all qualifications required by the Articles of Association of the Company, possess the knowledge, skills, competence, and experiences beneficial for business operations of the Company, truly understand the Company's business, and are capable of managing the Company's affairs to achieve the objectives and goals set by the Board of Directors. Then, a list of potential candidates will be presented to the Nomination and Remuneration Committee for review and to be further presented to the Board of Directors for approval.

3) Performance assessment of President

The performance assessment of President will be taken once a year according to the regulations of The Stock Exchange of Thailand (CEO Self-assessment) and it can be divided into (1) Leadership (2) Strategy Plan (3) Action comparison to the Strategy Plan (4) Financial Plan and Financial performance (5) Relationship between the Board (6) Relationship with outsiders (7) Management and Relationship with Employees (8) Succession Plan (9) Business Acknowledgement (10) Personal trait (11) President improvement

The performance assessment procedures are as follows;

1. The performance assessment of President shall be made by the Board of Executive Directors at least once a year.
2. Corporate Secretary summarizes and reports the result to the Board of Executive Directors.
3. The Board of Executive Directors reports the result of the performance assessment of President to the Board of Directors and advises best practices to improve the performance.

The result of the performance assessment of the President is considered as confidential information and cannot be disclosed. The result of the President performance assessment will be reviewed in annual compensation.

(16) Corporate Secretary

According to the regulations and good corporate governance, the Board of Directors appointed Corporate Secretary and determined the qualifications and duties of Corporate Secretary as follows;

1) Qualifications of Corporate Secretary

1. Expert in laws and other related regulations, for example Public Company Limited Act, the Securities and Exchange Act, and other laws related to the business operation. A Corporate Secretary shall find various opinions from another expertise or legal advisors to support his/her performance as a Corporate Secretary.
2. Understanding good corporate governance in compliance with other related companies.
3. Basically, having knowledge and understanding of the company's business.
4. Good communication skills.

2) Roles and Responsibilities of Corporate Secretary

1. Preparing and keeping the following documents:
 - A registration of directors;
 - A notice calling director's meetings, minutes of meeting for the Board of Directors and the annual report of the Company;
 - A notice calling shareholder's meeting and the minutes of shareholders' meetings;

- Acquisition/Disposition Form reported by Directors or Management
2. Filing document (as stated in item 1) properly, disseminate useful information in accordance with laws, regulations, and other related guidelines announced by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).
 3. Giving suggestions and supporting the Board of Directors' activities that related to laws, regulations, and guidelines of good corporate governance and sustainability development issues.
 4. Arrange the Board of Directors meetings and other Board Committees meetings in compliance with the guidelines and laws as announced by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).
 5. Verify the Board of Directors' minutes of meetings and other Board Committees' minutes of meetings to be accurate and complete.
 6. Verify the minutes of the annual general meeting of shareholders to be accurate and complete in order to disseminate to shareholders in accordance with laws and regulations.
 7. Approve and disseminate the company's news in compliance with laws and regulations defined by SET and ensure that the company has disseminated news as stated in good corporate governance.
 8. Follow-up the changeable of acquisition/disposition of Directors and Management.

6.1.2 Policies and Practices: Shareholders and Stakeholders

Shareholders' Rights

The Board of Directors is aware of the shareholders' rights to any of the Company's operations and will encourage the shareholders to exercise their rights. The Board of Directors will refrain from any actions that may violate or limit the shareholders' rights.

(1) Shareholders' Meeting

The Board of Directors shall be obliged to supervise the organization of shareholders' meetings to ensure strict compliance with applicable laws, rules, and regulations without any prejudice to the shareholders' rights. The Board of Directors shall refrain from any actions, which may limit the rights of all shareholders, including institutional investors, as follows:

- Notice of shareholders' meeting with details on date and time of the meeting, agenda of the meeting, and complete and sufficient information on each agenda for the shareholders to study in advance of the meeting
- Disclosure of and access to accurate, complete, appropriate and sufficient information for the shareholders
- The Company should give the shareholders clear explanations on how to vote and prepare a person to verify correctness of vote counting during the shareholders' meeting for transparency of the votes.
- Giving shareholders the right to cast vote to elect an individual director
- The Company allocates appropriate time for the shareholders' meeting and encourages the shareholders to express their opinions and raise questions.
- The shareholders should be given an opportunity to attend the shareholders' meeting any time during the meeting.

(2) Chairman of the Board, Directors and Top Management's Attendance at Shareholders' Meeting

Chairman of the Board, all directors, company secretary and top management of the Company shall attend all shareholders' meetings unless they have necessary issues must be cleared. This is to allow them to listen to suggestions and answer questions from the shareholders.

(3) Minutes of the Shareholders' Meeting

The minutes of the shareholders' meeting are disclosed to shareholders in accordance with applicable laws, rules, and regulations. Data are accurately and completely recorded, including methods of how to vote and count the votes, names of directors attending the meeting, questions and answers, and the resolutions on each agenda of the meeting.

The minutes of the shareholders' meeting both in Thai and English languages will be disclosed on the Company's website (www.stecon.co.th).

(4) Equitable Rights of Shareholders to Dividend Payment and Repurchasing Stock

The Company has given all shareholders an equitable right to dividends and/or other benefits and the right to repurchase stock. In this regard, the Company has established a clear dividend payment policy.

Equitable Treatment of Shareholders

The Board of Directors realizes its duty to protect the rights of shareholders, place importance on fair and equal treatment of all shareholders and encourage the shareholders to exercise their rights. The Board of Directors has also developed certain measures to prevent the directors and management of the Company from using internal information for their personal unlawful benefits, which may cause damages to the shareholders.

(5) Notice of Shareholders' Meeting

For equitable treatment of all shareholders, in sending the Notice of Shareholders' Meeting, Proxy Form A, B, and C, and instructions on how to

appoint authorized representatives for shareholders who cannot attend the meeting in person, the Board of Directors requires that the letter of invitation to meeting must be disseminated both in Thai and English languages at least 30 days prior to the meeting date on the Company's website (www.stecon.co.th) and that the notice of shareholder's meeting must be sent to the shareholders at least 21 days before the date scheduled for the shareholders' meeting. In case of a foreign shareholder, the notice of shareholders' meeting and supporting documents in the English language must be sent.

(6) Voting Right

For equitable treatment, a shareholder shall have one vote per share.

(7) Agenda Proposition and Nomination of Directors and Submission of Questions for AGM in advance

The Company adheres to the principle of equitable treatment of all shareholders and in order to give all shareholders an opportunity to propose matters to the Board of Directors as meeting agenda or nominate qualified persons as the Company's directors, the Company has established the criteria for agenda proposition and director nomination. Such criteria consist of qualifications of the shareholders to propose the meeting agenda or nominate a director, procedures for proposition of the agenda and director nomination, matters not to be included as an agenda, consideration and selection procedures, and announcement of the consideration results. Details of such criteria are shown on the Company's website (www.stecon.co.th).

Moreover, the Company allows the shareholders to submit questions for the Annual General Meeting in advance in order to inquire information of each meeting agenda or any important issues of the Company. The Company has clearly determined the qualification of shareholders to submit questions in advance, as well as the criteria and consideration procedures.

(8) Inside Information Prevention and Securities Trading Policy

The Company have established the "Inside Information Prevention and Securities Trading Policy" to ensure that the practices of directors, management and employees of the Company in relation to the use of inside information and the company securities trading are in conformity with the Securities and Exchange Act, B.E. 2535 (A.D.1992) and other relevant laws in order to prevent the use of nonpublic insider information (Insider Trading), which is considered as taking advantage of others investors and unfair trading. Therefore, the Company has set blackout period, prior notification for securities trading at least 1 day in advance, and report of changes in securities holding in order to conduct the Company's business transparently and fairly in accordance with good corporate governance practices, which have been published on the Company's website: www.stecon.co.th.



See details of "Inside Information Prevention and Securities Trading Policy" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

(9) Policy on Connected Transactions, Related Party Transactions, and Conflict of Interest

The Company realizes the benefits of shareholders and fair treatment of all shareholders. To prevent conflict of interests and to achieve transparent and accountable business operations, the Company has a clear policy on disclosure of connected transactions, related party transactions and conflict of interests in order to enhance the confidence of shareholders, investors and stakeholders. The significant connected transactions, related party transactions and conflicts of interests must be reviewed and approved by the Audit Committee and the Board of Directors. The Company will be in strict compliance with criteria, conditions and procedures set forth in

the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Practices of Listed Companies in Connected Transactions B.E. 2546 (A.D. 2003) or amendments thereof.

The Company has clearly established procedures for consideration and approval of connected transactions or related party transactions to ensure that all related transactions will be in accordance with the normal course of business, comparable price, and reasonable conditions. The procedures are in accordance with the Company's rules and regulations in all respects, and The Company has established procedures for directors, management, and employees to prevent conflict of interest as follows:

1. Directors, management, and employees must perform their duties with transparency and integrity by considering the best interest of the Company and shareholders and must not perform any conduct that may cause a conflict of interest against the Company.
2. The Company requires directors, management, and employees to avoid making transactions that may cause conflict of interest against the company. If it is necessary to perform connected transactions for the Company's benefit, such transactions must be in accordance with the approval process as prescribed by the Company's rules and regulations.
3. In considering and approving connected transactions, directors or management who have interest in such transactions will not be able to vote and approve the transaction.
4. Use of nonpublic insider information for personal benefit or for the benefit of other persons, either directly or indirectly, is prohibited.

Directors, management, and employees and their stakeholders and related parties under the law must report about their interest in accordance with the Company's policies and laws.

(10) Report on interests of directors and management

The Board of Directors and The Board of Executive Directors will act as a director in accordance with the Fiduciary Duties by especially focus on making decision to both direct and indirect of the company's transaction with cautious and honesty in order to prevent any conflict of interest that might happen in the connected transactions between the company and its subsidiaries. The Board of Directors defined the best practices for avoiding any conflict of interest by providing the policy that every Directors, and Top Management from Senior Vice President and/or upper levels including Management whose position were related to accounting and financial in Managers or division level must report any conflict of interest that had been made by themselves, spouses, and minor child to the company for the acknowledgement as accordance with The Securities and Exchange Act B.E. 2535 and other additional regulations. The report should be submitted to the company secretary for informing at the audit committee meeting.

Disclosure and Transparency

The Board of Directors supervises the Company's proper, complete, accurate, timely and transparent disclosure of financial and non-financial information through channels that can be easily accessed in an equitable and reliable manner. Moreover, the Board of Directors shall require the investor relations unit to communicate the disclosure and transparency policy to third parties, such as shareholders, institutional investors, general investors, analysts, and relevant government agencies appropriately, equitably, and fairly.

(11) Disclosure of Data and Information of the Company

The Board of Directors has defined the policy regarding disclosure of information on business and operating results of the Company, both financial and non-financial information, in an accurate, adequate, appropriate, timely and transparent manner, to general public, investors and stakeholders. Regarding such disclosure, the Company complies

with provisions of the Public Limited Company Act, the Securities and Stock Exchange Act, relevant regulations and notifications of the Securities and Exchange Commission, the Stock Exchange of Thailand, and other related authorities.

Furthermore, the Company has disseminated disclosure of information on its business and operating results, both financial and non-financial information, such as Good Corporate Governance Policy, code of conduct, management structure, mission and vision, annual report, financial statements, and press release, through the company's website at www.stecon.co.th in both Thai and English languages as another way of communications between the Company and related parties.

The company discloses annual report both in Thai and English languages on to company's website within 120 days after the end of fiscal year.

(12) Investor Relations Office

The Company has set up the Investor Relations Office to communicate with investors, shareholders, analysts, relevant government agencies, and the general public in an appropriate and equal manner. The Investor Relations Office can be reached at

Investor Relations Office

Address : Sino-Thai Engineering and Construction Public Company Limited
32/59-60, Sino-Thai Tower,
Asoke Road, Klongtoey Nua
Sub-district, Wattana District,
Bangkok 10110
E-mail : ir@stecon.co.th
Telephone No.: +662-610-4900 ext. 1490

In 2023, the following investor relations activities were carried out:

- 1 Company Visit
- 1 Roadshow (Onsite)
- 1 Roadshow (Online)
- 20 Conference Calls
- 2 Press Conference
- 1 Opportunity Day
- 1 Analyst Meeting

The Company's Executives attended at all the invest relation activities as usual.

(13) Dividend Payment Policy

It is the Company's policy to pay dividends in an amount of not less than 40% of its net profit before its interest in subsidiary companies. The dividend payment shall be made only if the Company has no accumulated loss or does not plan to make an additional investment in mega projects.

(14) Whistleblowing and Whistleblower Protection Measures

To promote good corporate governance and encourage all employees and stakeholders to report or disclose potential corruption or violation of laws, code of conduct or policies of the Company, to file complaints regarding violation of rights, or to express their opinions regarding business operations, the Company has provided a channel for the employees and stakeholders to report to:

Corporate Secretary

Address : Sino-Thai Engineering and Construction Public Company Limited
32/59-60, Sino-Thai Tower,
Asoke Road, Klongtoey Nua
Sub-district, Wattana District,
Bangkok 10110
E-mail : corporatesecretary@stecon.co.th
Telephone No. : +662-610-4900 ext. 1559

Whistleblowing, complaints, and suggestions will be taken into consideration or implementation appropriately on a case by case basis. The whistleblowing procedure and whistleblower protection policy are as follows;

Whistleblower protection policy

1. Whistleblowers, complainants, or those who provide cooperation in the investigation can decide not to disclose their identities in case such disclosure may jeopardize their safety or cause damage. In case their identities are disclosed, the

Company will notify the result or provide the appropriate remedies in a convenient and timely manner.

2. The Company will treat the personal data of whistleblowers, complainants, or those who provide cooperation in the investigation, as well as the related information in strict confidence. Any disclosure will be done with discretion and as necessary, based on the safety and damage concerns of the whistleblowers, complainants, or those who provide cooperation in the investigation, the source of information, and other related persons.
3. In case the whistleblowers, complainants, or those who provide cooperation in the investigation might feel unsafe or suffer from the investigation process, they can request suitable whistleblower protection. Meanwhile, the Company might determine the whistleblower protection measures without the request if the Company notices that there are chances of damage, suffering or unsafe.
4. Those who are affected or suffered by the case will be provided with the appropriate and fair remedies.

(15) Communicate with the Board of Directors

The Company provides additional channel for stakeholders to communicate with the Board of Directors directly to the Board (without the acknowledgement of the management) in order to receive any suggestions or opinions including claimants such as the operation of the Management, the unfair practices and any other acts that against the code of conduct.

Stakeholders can submit the document that clearly specified name, address, the convenient telephone number and e-mail address (if any) to:

The Audit Committee

Address : Sino-Thai Engineering and Construction Public Company Limited
32/59-60, Sino-Thai Tower,
Asoke Road, Klongtoey Nua
Sub-district, Wattana District,
Bangkok 10110

The Audit Committee will consider and manage such matters by directly report to the Board of Directors (without the acknowledgement of the management) case by case. The company assures that whistle blowers must not be harmed according to the whistleblowing policy.

(16) Risk Management Policy

The company is committed to achieve the goals, objectives, and business and investment plans. The company realized that the importance of the changing in business environment and the risk of uncertainty that may cause the impact on business. To comply with good corporate governance, the company provides the risk management policy and the risk management practical guideline, which consists of analysis, assessment, management, and monitoring, in order to control risk in appropriate level (risk appetite), prevent loss, and minimize impact on business opportunities. All management and employees are provided to have a good knowledge and understanding of the risk management policy and to be involved in the risk management process. Therefore, the company can reach the goals and objectives with the good corporate governance and add the sustainable value for the organization.



See details of “Risk Management Policy and Risk Management Framework” on the Company’s website at www.stecon.co.th under the topic of Good Corporate Governance.

Role of Stakeholders

The Board of Directors realizes the importance of all groups of stakeholders and promotes a process aimed at improving cooperation between

the Company and all groups of stakeholders in contributing to wealth, financial stability, and business sustainability. Moreover, the Board of Directors is aware of the importance of corporate social and environmental responsibility for sustainable development.

(17) Human Resources Management Policy

The company has a human resources management policy that focuses on promoting all employees to work to their full potential based on their knowledge and abilities. It takes care of each employee equally, without discrimination, treating everyone fairly and without bias based on origin, race, religion, gender, or any other status unrelated to work practices. The company has systems for recruitment, employee development, and fair and appropriate compensation. It provides benefits according to legal requirements and additional benefits to enhance quality of life, motivation, and encouragement for employees.

For details, see “Human Resources Management Policy” in Part 7 Governance Structure and Key Data on the Board of Directors, Specific Committees, Management, Employees and Others, Topic 7.5 Employee Structure.

(18) Occupational Safety, Health, and Environment Policy

To maintain good Occupational Safety, Health, and Environment, it requires collaboration of everyone in the organization including Executive Committee and employees of all levels. Therefore, to manage Occupational Safety, Health, and Environment and to bring about efficient results, the Company has established policies as follows:

1. The company will promote, control, and maintain safety at work to prevent work related illness and injury.
2. The company recognizes that employees are valuable resources of the company. Thus, safety for workers is one of our most important policies.

3. The company will support the creation of safety at work by providing safe tools, safe workplace, and safe work practices to eliminate the hazards and minimize risks at work. The Company will also promote safety knowledge among employees and motivate them to practice safety at work.
4. The Company will appoint the Occupational Safety, Health and Environment Committee for planning and giving recommendations about Occupational Safety, Health, and Environment; as well as administer and develop these plans and projects to bring about efficient results.
5. The Company will require its management to be responsible for the safety of their employees at work, ensuring that they strictly follow the safety procedures and rules established by the Company.
6. The company will require all employees, contractors, and subcontractors to be responsible for their work and to participate and give recommendations in accordance with Occupational Safety, Health, and Environment Management System Standards. Thereby, to create safety for themselves and their colleagues and strictly follow all safety rules established by the Company.
7. The company will follow up, evaluate, and improve performance continuously in accordance with Occupational Safety, Health, and Environment Policy so as to achieve maximum efficiency in accordance with laws, regulations, and requirements of Occupational Safety, Health, and Environment Standards.



See details of “Occupational Safety, Health, and Environment Policy” on the Company’s website at www.stecon.co.th under the topic of Good Corporate Governance.

(19) Climate change and Environmental Policy

The Company has realized the significance of the business responsibility towards society, economy, environment, and good governance to achieve the goals for sustainable business growth. To encourage the Company's vision and mission, the Company has set "Climate Change and Environmental policy" to determine the business guidelines regarding the preserving and preventing environmental impacts as follows.

1. To comply with the requirements, standards, and laws.
2. To perform and control environmental management including air quality management, noise management, water quality management, waste management, climate change and greenhouse gas management, cost-effective use of resources, and biodiversity to be efficient and effective together with conducting report and evaluating the performance on a regular basis.
3. To perform operation in compliance with environmental impact assessment report or any other relevant measures to mitigate environmental impacts and climate change arising from the Company's activities.
4. Support activities and operation green construction to mitigate environmental impacts from construction processes.
5. To enhance awareness and participation about environmental operation, environmental conservation, and Cost-effective use of resources for employees and related stakeholders.
6. To support employees for acknowledging and experience in environmental operation and climate change continuously.

7. To develop and encourage environmental technology and innovation on a continuous basis to increase competitiveness and achieve the goals for sustainable growth.



See details of "Climate change and Environmental Policy" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

(20) Anti-Bribery and Anti-Corruption Policy

Sino-Thai Engineering and Construction Public Company Limited commit to operate with fair, transparent, and abide by related laws and regulations for business and realize that the Company should pay attention to its stakeholders as well. The Company defined a business principle for countering bribery against corruption as a best practice for Directors, Executives, and employees. The Company disseminated such principles to its stakeholders.

1) Anti-Bribery and Anti-Corruption Policy

The Board of Directors, the Executives and employees must do their duties with integrity and without any act of bribery; moreover, the Company shall prohibit in any form whether direct or indirect and must adhere to the Company's policies and code of conduct.

Procedures

- Gifts

Giving or receiving gifts on behalf of the Company to or from the Company's business-related parties in accordance with the traditions, customs or business etiquettes for congratulations or as souvenirs in special occasions shall be strictly performed in compliance with the applicable laws, rules and policies to ensure that such gift giving or receiving will not cause any conflict of interest or lead to indulgence, neglect or benefit in connection to business agreements or improper business transactions as well as corruption and bribery.

In 2023, the Company has announced that no new year gifts giving and receiving to/from customers, business partners, government sectors, financial institutions, and other related organizations, to assure the commitments in operating with transparency, justice, fair and equal with moral principal basis.

- Charitable Contributions

Offering sponsorships or charitable contributions to both public and private sectors must strictly do with transparent that did not contrary to the morality, code of conduct, and abide by laws and regulations of the Company. The offering of sponsorships or charitable contributions as the foresaid can be done after the approval of the original affiliation.

The offering charitable contributions, including sponsorships, to public or private sectors must not be used as a subterfuge or route for conflict of interest in both individual benefits and company's benefits and must not be used as a subterfuge for bribery.

The approvals of offering sponsorships or charitable contributions to public or private sectors must strictly adhere to the regulations by writing the report attached with the offering sponsorships or charitable contributions payment for approvals and submit all related papers to the Executives for considering process.

- Political Contributions

The Company is a politically neutral organization and does not support any political parties or politicians, including enabling the Board of Directors, Management and employees not to participate in any act under the name of the Company.

The Company realizes that it is righteous of its people according to the liberty and rights in participating the political activities; therefore, the Company encourages its people to exercise their political rights in compliance with laws but prohibit using employees' status or using any company's assets as a subterfuge or route for any form to political participation or political contributions in the name of the Company.

To express and give political opinion in the Company's office or job site area is penalty to the Company's association.

- Hospitality Expenditures

For provision of hospitality activities in relation to the Company's business to individuals or entities, the relevant hospitality expenses incurred shall be transparent, accountable and in conformity to related rules and regulations, and shall be performed to create good relationship or ensure compliance with business etiquettes while not causing any conflict of interest or lead to indulgence, neglect or benefit in connection to business agreements or improper business transactions as well as corruption and bribery.

The approval of hospitality expenses must be strictly complied with rules and regulations by submitting the report attached with supporting documents to the Management for considering process.

2) Whistleblowing for Bribery and Corruption

The Company supports its personnel to report any misconduct or non-compliance or any form of action that might result bribery by sending their enquiries to managers or other channel that open for this matter. The Company has whistleblowing and whistleblower protection policy as stated in the good corporate governance chapter. The additional complaints channel for whistleblowing as follows;

Corporate Secretary

Address : Sino-Thai Engineering and Construction Public Company Limited
32/59-60, Sino-Thai Tower,
Asoke Road, Klongtoey Nua
Sub-district, Wattana District,
Bangkok 10110
E-mail : corporatesecretary@stecon.co.th
Telephone No. : +662-610-4900 ext.1559

Whistleblowing, complaints, and suggestions will be taken into consideration or implementation appropriately on a case by case basis. The whistleblowing procedure and whistleblower protection policy are as follows;

3) Whistleblowing Procedure

1. The Company secretary will compile and verify the accuracy and adequacy of the complaint. If there are reasonable grounds to suspect that such acts indicate fraud, corruption, bribery or against the laws or ethics or company policy or cause any encroachment, The Company secretary will provide preliminary handling plan to the President.
2. The President will examine the complaint and preliminary handling and appoint and authorize person or working group to handle as appropriate on a case by case basis.
3. The authorized person or working group will consider investigation process and suppress the acts that evolve fraud, corruption, bribery or violate applicable laws or ethics or company policy or cause any encroachment. Appropriate remedy will be provided to affected persons, taking the overall damage into account. The authorized person or working group will be reported directly to the President.
4. Once the investigation is over, the results will be reported to the President and company secretary, as well as the complainant, in case complainant can be identified. The related information will be treated in strict confidence.
5. In case the issue affects the Company's public image or involves the top management or significantly affects the Company's business operations, the President will report the results to the Audit Committee.

4) Whistleblower protection policy

1. Whistleblowers, complainants, or those who provide cooperation in the investigation can decide not to disclose their identities, in case such disclosure may jeopardize their safety or cause damage. In case their identities are disclosed, the Company will notify the result or provide the appropriate remedies in a convenient and timely manner.
2. The Company will treat the personal data of whistleblowers, complainants, or those who provide cooperation in the investigation, as well as the related information in strict confidence. Any disclosure will be done with discretion and as necessary, based on the safety and damage concerns of the whistleblowers, complainants, or those who provide cooperation in the investigation, the source of information, and other related persons.
3. In case the whistleblowers, complainants, or those who provide cooperation in the investigation might feel unsafe or suffer from the investigation process, they can request the suitable whistleblower protection. Meanwhile, the Company might determine the whistleblower protection measures without the request if the Company notices that there are chances of damage, suffering or unsafe.
4. Those who are affected or suffered by the case will be provided with the appropriate and fair remedies.

5) Evaluation for Risk from Bribery and Corruption

The Internal Audit of the Company has responsible for doing the evaluation of risk from countering bribery by evaluate, analyze, follow, and control risk that might result bribery to be acceptable and report the evaluation result to the Audit Committee including follow up the procedures to prevent risk from countering bribery with the Principles for Countering Bribery.

6) Countering Bribery and Corruption Awareness

The Company creates countering bribery awareness by communicating to the Board of Directors, management and employees in order to create the cognitive of countering bribery in the Company. The Company enables its people who might relate to the stakeholders to understand and be aware of countering bribery by providing course trainings, seminars, and through other related media of the Company and disseminate to the Company's stakeholders as well.

7) Punishment

To whom it may breach of the Principles for Countering Bribery and Corruption must be penalized according to the Company's regulations and/or related laws.

(21) Policy and Guidelines on Prevention of Corruption in Procurement Process

Sino-Thai Engineering and Construction Public Company Limited has conducted "Policy and Guidelines on Prevention of Corruption in Procurement in accordance with Notification of Anti-Corruption Cooperation Committee : Minimum Standards of the Policy and Guidelines on Prevention of Corruption in Procurement to be Provided by Business Operators under Section 19 of Public Procurement and Supplies Administration Act, B.E. 2560 (A.D. 2017), of Sino-Thai Engineering and Construction Public Company Limited" in writing as the clear guidelines for business operation. The Company shall conduct business management based on transparency, ethics, adherence to good corporate governance principles and comply with the laws relating to prevention and anti-corruption.

For details, see "Policy and Guidelines on Prevention of Corruption in Procurement in accordance with Notification of Anti-Corruption Cooperation Committee : Minimum Standards of the Policy and Guidelines on Prevention of Corruption in Procurement to be Provided by Business Operators under Section 19 of Public Procurement and

Supplies Administration Act, B.E. 2560 (A.D. 2017), of Sino-Thai Engineering and Construction Public Company Limited" on the Company's website www.stecon.co.th.



See details of "Policy and Guidelines on Prevention of Corruption in Procurement in accordance with Notification of Anti-Corruption Cooperation Committee : Minimum Standards of the Policy and Guidelines on Prevention of Corruption in Procurement to be Provided by Business Operators under Section 19 of Public Procurement and Supplies Administration Act, B.E. 2560 (A.D. 2017), of Sino-Thai Engineering and Construction Public Company Limited" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

(22) Non-infringement of Intellectual Property

The Board of Directors is aware of the importance of non-infringement of intellectual property and conformity with laws governing intellectual property or copyrights; therefore, a policy has been established and clearly disseminated the requirement to the management and employees to carefully consider the products, services, equipment, tools or information technology to be used for business operations of the Company to ensure that the use of such items is not an infringement of other intellectual property.

The company set the best practices for non-infringement of intellectual property by monitoring and preventing the downloadable pirated hardware and software.

(23) Human Rights Policy

The Company concerns the importance of human rights of the employees and related parties and respects personal rights in accordance with applicable laws. The Company shall refrain from any acts that are considered a violation of human rights. The "Human Rights Policy" has been established

and specify important issues on employees' rights, labor rights, rights of stakeholders, rights of the community and environment in accordance with the law and the Company Policy. "Human Rights Policy" will be disclosed on the Company's website (www.stecon.co.th).



See details of "Human Rights Policy" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

(24) Personal Data Protection Policy

The Company realizes the importance of protection of personal data of directors, management, employees, customers, partners, and business-related persons. Therefore, the Company has issued the policy and measure on personal data protection under Personal Data Protection Act, B.E. 2562 (A.D. 2019), and other relevant laws to prevent damage from illegal usage or exploitation of personal data



See details of "Personal Data Protection Policy" on the Company's website at www.stecon.co.th under the topic of Good Corporate Governance.

(25) Best Practices for Stakeholders Policy

The Company has established best practices toward its stakeholders, including clients, business partners, competitors, government agencies, employees, society, and creditors. It is the duties and responsibilities of the directors, management and all employees to be aware of and strictly comply with the established best practices, which are available in the Work Regulations and Intranet of the Company.

Best Practices toward Clients

1. The company's businesses are engineering services and construction services with an acceptable international standard at a fair price. The company aimed to deliver construction projects with quantity, quality, and price as agreed upon dealing and to be responsible for its own commitment.

2. The company must provide an adequate company's information and company's services to clients.
3. The company must treat and provide services equally to all clients with kindness and hospitality.
4. The company must omit to perform any acts to control the decisions of the clients.

Best Practices toward the Competitors

1. The company must strictly abide to laws, regulations and other related guidelines of bidding and proposals.
2. The company must fairly compete with other competitors by omit an act of persecution to cause rivals to lose opportunity unfairly.
3. The company must not violate other competitors' privacy of information.
4. Board of Directors, Management, and employees of the company must beware of the communication between competitors by omit to reveal the confidential information of the company.

In 2023, there were no legal disputes between the company and its competitors.

Best Practices toward Government Organizations

1. The company must abide by laws, regulations, and guidelines that related to the business.
2. Any acts that the company coordinates with the government organizations must be transparent, honest, and fair including the omission of bribery and corruption
3. The company encourages its employees to support and exercise their political rights with the government organizations.

Best Practices toward Employees

1. The company must treat its personnel regarding to the human rights by must not act any acts that violate the human rights including human dignity and personal information as stated in the laws.
2. The company must treat its people equally by providing rights and creativity in working abides by laws and policy of the company.
3. The company must provide the reasonable compensation like salaries, bonuses, welfares, and provident funds including the training courses for improving their abilities to work like seminars, university education, and trainings.
4. The company must provide the channel for advisory or sharing any obstacles from working for example, working atmosphere, any acts that are against the rules and regulations of the company, or any act that leads to bribery and corrupt and criminal. The employees can appeal and be advised freely directly to the supervisors, management or through the providing channel.
5. The company must adhere to the succession policy along with the safety of its people then define best practices and policies on safety and communicate to its people by arranging training courses and acknowledge good practices for operation.
6. The company supports its people to perform their duties to the best of their abilities with integrity and fairness in accordance with the policy, code of conduct and the company's regulations.

Best Practices toward Society and Environment

1. The company must operate by having social and responsibility awareness and adhere to the laws, guidelines, and regulations of the business.

The company coordinates with other related organizations to create creativities for communities.

2. The company must concern with the job hiring and improving skilled labor to people who lives in the communities where jobsites of the company is located.
3. The company must support any operations that violate human rights.
4. The company must strictly concern to the non-infringement of intellectual property by not violate any patents of other people nor other businesses.
5. The company concerns to the importance of natural resources and environment and climate change, therefore, announced to every jobsites to seriously adhere to the laws, rules and regulations that related to the natural resources and environment in order to prevent making an effect to society, environment, and community. The company also aware of natural resources and energy usage by providing the policy and guidelines of natural resources and energy usage for employees to adhere strictly.
6. The company must force every jobsite to operate in compliance with occupational safety, health, and environment policy to ensure the employees to have the best and safety workplace.

Best practices toward Partners

1. The procurement process of the company must be fair, righteous, and transparent. The procurement process must be acted in accordance with the procurement policy and all vendors must be treated equally and accurately.
2. The company must keep the information of its partners confidentially and must not reveal such information to others for benefits.

3. When contracting with trading partners, the company must retain document relevant to fairness without any act that limit the rights of partners and relevant to contract making between the company and partners.

The Company establishes the “Vendor Selection Policy and Guidelines” to ensure that the vendor selection process will be systematic, fair, transparent, and verifiable, and to supports business partners who are committed to ethical business practices, not involved in illegal or behaviors that lead to corruption according to the Company’s regulations and procedures. The Company aims to have the most efficient procurement process which maintains social and environmental responsibility, leading to sustainable growth.



See details of “Vendor Selection Policy and Guidelines” on the Company’s website at www.stecon.co.th under the topic of Good Corporate Governance.

Best practices toward Creditors

1. The company must stringently to the contract or the terms of guarantee between creditors and the company both in terms of payment, loans, interests, and other conditions.
2. The company must report the company’s financial position with accuracy, adequate and punctual to creditors.
3. The company must inform creditors in advance if terms and conditions in the contracts/agreements cannot be observed. Any actions to improve the process are reasonable and made for a proper purpose.

6.2 Code of Conduct

The Board of Directors provided code of conduct for Directors, Executives, and employees for being the guidelines for Directors, Executives and employees to abide, furthermore, the transaction will be transparent, righteous and integrity for stakeholders. The best practices as stated in the Company’s code of conduct will lead us to sustainability firm.

The company’s Code of Conduct has presented on the Company’s website at www.stecon.co.th. The company has promoted knowledge and understanding about the Company’s Code of Conduct among directors, management, and employees through Web Intranet, director’s meetings, management meeting, annual employees’ meetings, and meetings of each department regularly. In 2023, the Company provided a refresher training about the Good Corporate Governance Policy, Sustainable Development Policy, Code of Conduct and Best Practices for Stakeholders Policy. The refresher training was provided onsite at the head office, the project engineer meeting, and the engineer training with 819 management and employees who participated in the training. In addition, the Company provides knowledge via orientation training for every new employee. In 2023, 339 new employees joined the training. Every employee had knowledge and understanding at a level specified by the Company. Therefore, in conclusion, the Company’s directors, management, and employees received explanations and training at the rate of 100%.

In 2023, the Company found no complaints and no breaches according to the company’s code of conduct.



See details of “Code of Conduct” on the Company’s website at www.stecon.co.th under the topic of Good Corporate Governance.

6.3 Changes and Development of Policy, Practices and Corporate Governance System in 2023

6.3.1 Changes and Development of Policy, Practices and Corporate Governance System or Charter of the Board of Directors in 2023

The Board of Directors recognizes the importance of corporate governance. Therefore, the Company reviews the Company’s vision, missions, strategies, and relevant work processes including business ethics annually along with regularly monitoring work related to corporate governance to develop and improve the Company’s corporate governance. In 2023, the Company had the following developments and improvements:

- (1) To ensure compliance with requirements concerning connected transactions and transactions with potential conflicts of interest, company directors and management from the position of Senior Vice President and upper level including management in accounting and finance at the department manager level or an equivalent level must report any conflict of interest to the Company including those of spouses and children who have not reached legal majority to comply with the Securities and Exchanges Act of B.E. 2535 (1992) and amendments. Therefore, the Company made additional specifications in the Good Corporate Governance Policy under the topic of Report on interests of directors and management requiring reports to the Company Secretary to report to the Audit Committee meeting for acknowledgement.
- (2) To make the Code of Conduct up-to-date and consistent with corporate governance guidelines and sustainable business development including relevant company policies, the Company has made developments and improvements to have clarity and coverage of major issues such as corporate social responsibility, climate change, labor practices, human rights, cybersecurity, and information technology systems, etc.
- (3) The Company specified "Supplier Code of Conduct" to encourage the Company's stakeholders, particularly suppliers who are major stakeholders in the Company, to operate the business with the same sustainable development guidelines and for trade partners to use as guidelines in business operations with the Company.
- (4) The Company specified "Innovation Development Policy" in supporting employees' to have creative ideas and enthusiasm in building ideas into

innovative achievements such as work processes, inventions, instruments, or business models that will enhance work efficiency along with building competitive capacity and developing the business to grow with security and sustainability.

- (5) The Company specified "Supplier Development Policy" to promote and support development of trade partners' capacity and capabilities through cooperation in developing products, services, work processes, and innovation to promote effective business operations in the Company and suppliers in line with sustainable business development guidelines.
- (6) The Company specified "Community and Social Engagement and Development Policy" to provide business guidelines with consideration given to stakeholders such as employees, trade partners, customers, communities, and society in line with sustainable business development guidelines in the areas of quality of life, living conditions, the environment, and education to enable communities and society to grow and develop simultaneously with urban development.

6.3.2 Award and Recognitions for Good Corporate Governance

- (1) The Company received a Level A rating at the SET ESG Ratings of 2023 from the Stock Exchange of Thailand.
- (2) The Company was classified at the level of Excellence in the Corporate Governance Report of Thai Listed Companies of 2023 (CGR 2023) by the Thai Institute of Directors.
- (3) The Company was evaluated in the Annual General Meeting Checklist Project of 2023 (AGM Checklist) and received the full score of 100 points (5 coins) from the Thai Investors Association.



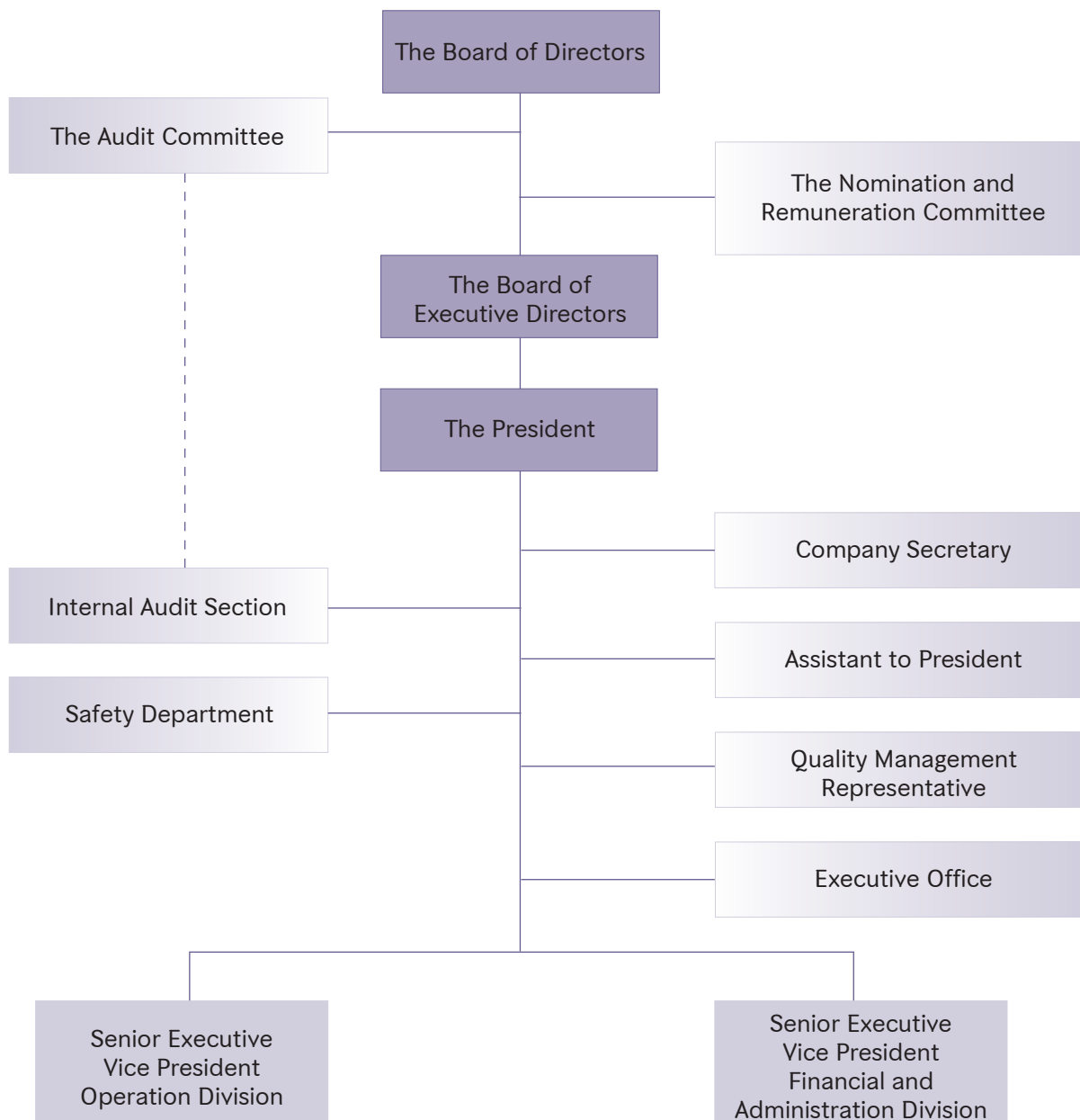
SECTION 2

Corporate Governance

7. Corporate Governance Structure and Key Information about the Board of Directors, Sub-Committees, Management, Employees and Others

7.1 Corporate Governance Structure

The Company governance structure Consisting of Board of Directors. It is divided into sub-committees as follows: Audit Committee, The Nomination and Remuneration Committee and The Board of Executive Directors.



7.2 The Board of Directors

There are 12 Directors in the Board of Directors:

1. Professor Rawat Chamchalerm
Chairman of The Board of Directors and
Independent Director
2. Mr. Chamni Janchai
Independent Director
3. Pol. Gen. Jate Mongkolhutthi
Independent Director
4. Mr. Suchai Poopichayapongs
Independent Director
5. Mr. Thanathip Vidhayasirinun
Independent Director
6. Dr. Chaiyong Satjipanon
Independent Director
7. Gen. Dr. Surapan Poomkaew
Independent Director
8. Mr. Masthawin Charnvirakul
Director
9. Mr. Vallop Rungkijvorasathien
Director
10. Mr. Pakpoom Srichamni
Director
11. *Mrs. Jaikaew Tejapijaya
Director
12. *Mr. Jarunat Jiraratsatit
Director

Note*: Mr. Jarunat Jiraratsatit, director was appointed on February 3, 2024, and Mrs. Jaikaew Techapitchaya was appointed on May 2, 2023.

Term of the Board of Directors

The Company has 7 Independent Directors or 58% of the Board of Directors. The Company has 1 Directors as representatives of shareholders who are Charnvirakuls or 8% of the Board of Directors and The Company has 4 Directors who come from the Management team or 33% of the Board of Directors.

For further information about terms and qualifications, the appointment of the Board, the authorities and duties, meetings, nomination,

remuneration and evaluation of the Board of Directors are also presented in the sub item of good corporate governance.

Authorized Directors

Mr. Pakpoom Srichamni, the President, has been authorized to sign and stamp, with the Company's seal, or Mr. Vallop Rungkijvorasathien, Mr. Jarunat Jiraratsatit, Mrs. Jaikaew Tejapijaya, 2 of 3 Directors have been authorized to sign and stamp, with the Company's seal.

7.3 Sub-Committees

7.3.1 The Board of Executive Directors

There are 4 Directors in the Board of Executive Directors:

1. Mr. Vallop Rungkijvorasathien
Chairman of the Board of Executive
Directors
2. Mr. Pakpoom Srichamni
Executive Director
3. Mrs. Jaikaew Tejapijaya
Executive Director
4. Mr. Jarunat Jiraratsatit
Executive Director

For further information about term and qualification, authorities and duties, evaluation of the Board of Executive Directors are also presented in the sub item of good corporate governance.

7.3.2 The Audit Committee

The Annual General Meeting of Shareholders No. 6/1999 resolved the appointment of Audit Committee and three Independent Directors who are qualified under the rules and regulations of the Stock Exchange of Thailand, to perform as a member of the Audit Committee as the followings:

1. Mr. Chamni Janchai
Chairman of the Audit Committee
2. Pol. Gen. Jate Mongkolhutthi
Member of the Audit Committee
3. Mr. Suchai Poopichayapongs
Member of the Audit Committee

All of three Audit Committees are Independent Directors. Mr. Chamni Janchai is the Chairman of the Audit Committee who has good knowledge in Account and Finance, including the great experience in Financial field. Therefore, Mr. Chamni Janchai has the ability to audit the Company's Financial Statement.

For Further information about term and qualifications, authorities and duties, evaluation of the Audit Committee are also presented in the sub item of good corporate governance number 1.5 Responsibilities of The Board of Directors.

7.3.3 The Nomination and Remuneration Committee

According to the Board of Directors of Sino-Thai Engineering and Construction Public Company Limited, or the Company, held the Board of Directors Meeting No. 1/2014 on February 27, 2014 and resolved that the Nomination and Remuneration Committee was consisting of 3 persons as follows:

1. Pol. Gen. Jate Mongkolhutthi
Chairman of Nomination and Remuneration Committee
2. Mr. Suchai Poopichayapongs
Nomination and Remuneration Committee
3. Mr. Vallop Rungkijvorasathien
Nomination and Remuneration Committee

For Further information about term and qualifications, authorities and duties, evaluation of the Nomination and Remuneration Committee are also presented in the sub item of good corporate governance number 2.3 Responsibilities of The Board of Directors.

7.4 Management

7.4.1 The Management Committee

The Company issued the order Sor Tor-Kor Sor 11/2023 in the topic of Appointment Management

Committee, which is effective on January 2, 2024. The Member of the Management Committee was consisting of 12 persons as follows:

1. Mr. Pakpoom Srichamni
Chairman of the Management Committee
2. Mrs. Jaikaew Tejapijaya
Member of the Management Committee
3. Mr. Jarunat Jiraratsatit
Member of the Management Committee
4. Mr. Sutthipol Patcharanaruemol
Member of the Management Committee
5. Mr. Chalit Ratanavisalnon
Member of the Management Committee
6. Mr. Prasit Prawang
Member of the Management Committee
7. Mr. Thepnikorn Junkhun
Member of the Management Committee
8. Mr. Worachat Suwasin
Member of the Management Committee
9. Mr. Vitoon Salilampai
Member of the Management Committee
10. Mr. Somkid Siriapinun
Member of the Management Committee

Authorities and Duties of the Management Committee

1. To plan, set up regulations, and manage the Company according to the Board of Directors' policies.
2. To monitor the performance of all company's departments by arranging the Executive Committee meeting at least 1-2 times a month, setting the executive committee secretary to record the minute of meeting, and proposing the minute of meeting to the Board of Directors meeting.

7.4.2 The President

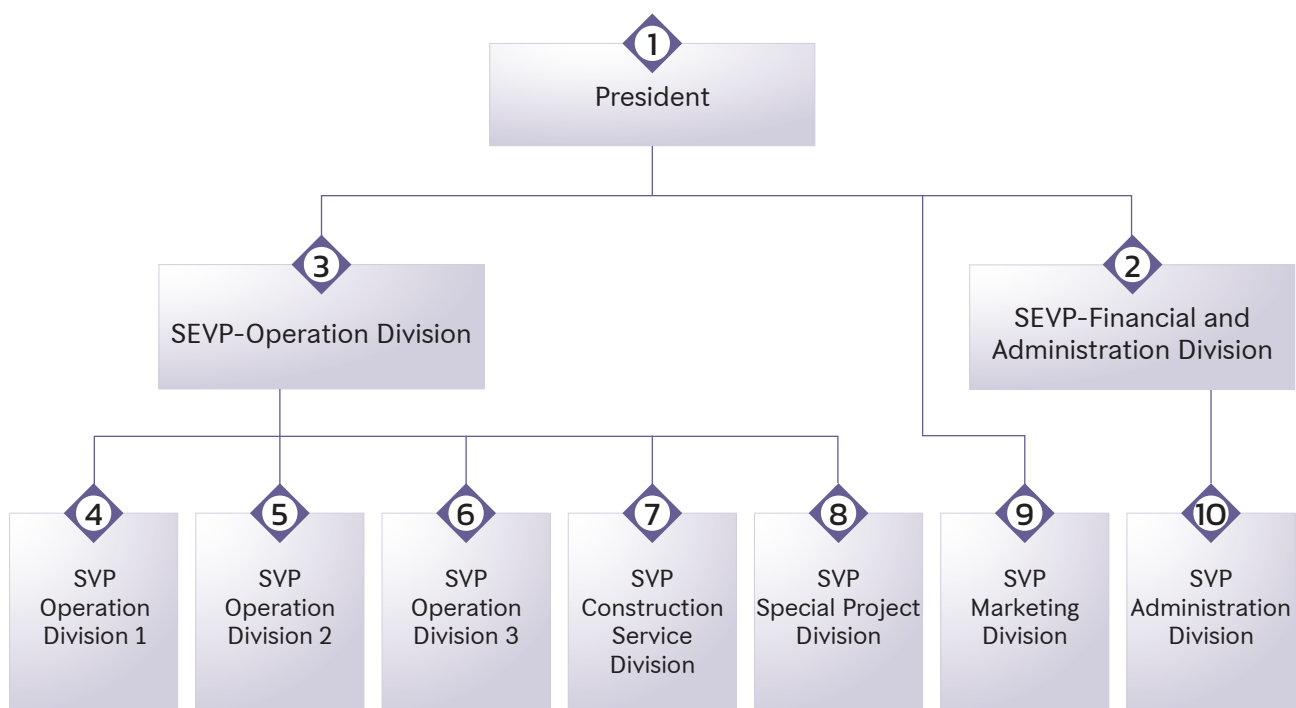
Mr. Pakpoom Srichamni is the President.

Authorities and Duties of the President

The authorities and duties of the President were defined in Board of Directors meeting no. 3/2002 on May 10, 2002 which resolved that the President shall be responsible for conducting and supervising the Company's business operations in accordance with the policy approved by the Board of Directors. Furthermore, the President shall fulfill

when such actions are required by the laws, rules and regulations of the governing agencies to get approval from Board of Directors' meeting and/or Shareholders' meetings. The President shall have a power to appoint other person(s) as a proxy to act on his behalf to manage and conduct Company's business. President and his proxy have no right to approve any business activities with any persons who have conflicts of interests with the Company and its subsidiary.

7.4.3 The Management Committee



The Management Committee

- | | |
|-----------------------------------|---|
| 1. Mr. Pakpoom Srichamni | President |
| 2. Mrs. Jaikaew Tejapijaya | Senior Executive Vice President - Financial and Administration Division |
| 3. Mr. Jarunat Jiraratsatit | Senior Executive Vice President - Operation Division |
| 4. Mr. Sutthipol Patcharanaruemol | Senior Vice President - Operation Division 1 |
| 5. Mr. Chalit Ratanavisalnon | Senior Vice President - Operation Division 2 |
| 6. Mr. Prasit Prawang | Senior Vice President - Operation Division 3 |
| 7. Mr. Thepnikorn Junkhun | Senior Vice President - Construction Service Division |
| 8. Mr. Worachat Suwasin | Senior Vice President - Special Project Division |
| 9. Mr. Vitoon Salilampai | Senior Vice President - Marketing Division |
| 10. Mr. Somkid Siriapinun | Senior Vice President - Administration Division |

Remark : Number 1-10 are the Executives who are qualified under the rules and regulations of the Securities and Exchange Commission

Details on shares holding of each Management Committee as of December 31, 2023

No.	Management Committee	Position	Number of Shares December 31, 2022	Number of Shares December 31, 2023	Increase/ (Decrease)	Proportion of Total Shares
1.	Mr. Pakpoom Srichamni	President	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
2.	Mrs. Jaikaew Tejapijaya	Senior Executive Vice President - Financial and Administration Division	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
3.	Mr. Jarunat Jiratsatit	Senior Executive Vice President - Operation Division	450,000	450,000	-	0.03%
	Spouse		64,179,596	64,179,596	-	4.21%
	Minor Children		-	-	-	-
4.	Mr. Sutthipol Patcharanaruemol	Senior Vice President - Operation Division 1	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
5.	Mr. Chalit Ratanavisalnon	Senior Vice President - Operation Division 2	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
6.	Mr. Prasit Prawang	Senior Vice President - Operation Division 3	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
7.	Mr. Thepnikorn Junkhun	Senior Vice President - Construction Service Division	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
8.	Mr. Worachat Suwasin	Senior Vice President - Special Project Division	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
9.	Mr. Vitoon Salilampai	Senior Vice President - Marketing Division	-	1,501,000	-	0.10%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
10	Mr. Somkid Siriapinun	Senior Vice President - Administration Department	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-

7.4.4 Remuneration of the Directors and Management

1. Aggregated remuneration for 13 Directors in 2023. The amount of Baht 7,240,000 million was the meeting allowance and remuneration
2. Aggregated remuneration for 10 Management in 2023. The amount of Baht 55,698,000 million was the salary and bonus

7.4.5 Other Remuneration;

1. Other remuneration for Directors: None
2. Other remuneration for Management of the Company: The Company provided and contributed the provident fund to the Executive Directors and the management for 10 persons in the amount of Baht 2,054,300 million in 2023.

7.5 Employee Structure

Sino-Thai Engineering and Construction Public Company Limited recognize that the accomplishment of our business operation requires management to ensure full employment of resources. Every personnel is one of the Company's resources that we must take care and manage in line with and supporting business strategies and business goals based on transparency, fairness and equality in employment, remuneration and welfare or other benefits, and giving importance to knowledge and capability enhancement in order to create better working skills for organization development.

1) Human resource management policy

The Company has established a human resource management policy that focuses on encouraging personnel at all levels to work using the best knowledge and capability of each individual, treating all employees equally without discrimination, treating all employees fairly, and not discriminating their origin, race, religion, gender or any other status not related to work. The Company has a system for recruiting, developing personnel and managing wages and remuneration

fairly, equally, and appropriately. There are welfare arrangements as prescribed by law, such as social security funds and provident funds. We also provide additional welfare to enhance the quality of life and to boost employees' morale such as alternative provident funds, life insurance, health insurance, fitness center, the educational fund for employees' children at all levels from elementary to tertiary levels, and appreciation award for continuous and long service, for example.

2) Personnel planning

The Company has manpower planning in place to ensure that our personnel is qualified, consistent with the workload, and strengthen the Company's capability to drive our mission and achieve current and future goals.

3) Personnel recruitment and selection

The Company has a process for recruiting and selecting knowledgeable and qualified personnel to join the Company through a direct application using various public relations channels, including print media, Internet, participation in job fairs of government sectors such as the department of employment, job fair organized by universities, recruitment from leading educational institutes and vocational colleges across the country, academic knowledge test, and Competency Based Interview, focusing on recruiting and selecting personnel with knowledge, ability, vision, and positive attitude, teamwork skills, and creativity in accordance with the nature of work and responsibilities of each job position, regardless of gender, race, religion or disability.

4) Equitable and fair employment/termination

The Company has established a fair employment policy in line with the principles of human rights. We respect differences without discrimination and unfair restrictions on employment based on gender, race, religion, and we do not accept child labor. The Company employs both Thai and foreign workers in many work sections both supervisor and foreign worker levels. The employment is done legitimately, and workers are treated equally same as Thai workers in terms of compensation and welfare.

In 2023, the Company had 1,593 full-time employees as follows:

- 1,159 male employees
- 434 female employees

Number of full-time employees by gender and nationality

Nationality	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Thai	1,248	466	1,218	445	1,154	433
American	1	-	1	-	1	-
Indian	3	-	3	-	3	-
Nepalese	1	-	1	-	1	-
Myanmar	-	1		1	-	1
Total	1,253	467	1,223	446	1,159	434

Number of full-time employees classified by position

Position	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Senior Executive	13	1	12	1	10	1
Executive	61	9	65	9	68	9
Staff	1,179	457	1,146	436	1,081	424
Total	1,253	467	1,223	446	1,159	434

In addition, the Company recognizes the importance of quality-of-life improvement for all employees so that they will have the opportunity to show their ability, have professional development, have a job and income, and become self-reliant. We adhere to the Persons with Disabilities Empowerment Act, B.E. 2007, and accept persons with disabilities through many channels, including direct application, the announcement of job vacancies through the Department of Employment, Ministry of Labor, Ministry of Social Development and Human Security, Yuwa Prasart Waitayopatham Hospital.

In 2023, the Company complies with the Act. Promote and develop the quality of life of people with disabilities, 2007, as follows:

1. Section 33, by employing persons with disabilities to work with the Company, the number of persons with disabilities that the Company had to employ in 2023-2024 is 125 persons. The Company has employed 55 persons with disabilities.

2. Section 35

- Granting concession and organizing product and service selling. The Company has provided 59 stores in the department.
- Providing subcontracting or services Through the Rajanukul Institute There were 6 people with disabilities working at government agencies.
- Support money for King Mongkut's University of Technology Thonburi. It is the cost of training 5 people with disabilities.

In the case that the company If the number of disabled people is not hired in the specified proportion, the company must send money to the Fund for the Promotion and Development of the Quality of Life of Disabled Persons according to Section 34. In 2023-2024, the Company does not have to send it. Because there is full employment in the specified proportion (information as of January 2024)

5) Personnel development

The Company has a goal to promote learning and development of personnel through training and development for personnel and employees at all levels to meet the needs of each nature of work so that our personnel will have knowledge, competence, skills, and expertise in their work, able to work efficiently in line with our business plan at present, and ready to compete in the future sustainably. The development focuses on 3 dimensions as follows:

1. Organization
2. Development of Board of Directors and Executives
3. Employee development on individual and team level

1. Organization development

The Company has the policy to develop the organization in operational, financial and administrative aspects to ensure our strong growth, long-term competitiveness, enhancement of efficiency and effectiveness of overall operation so that the Company will grow continuously and become one of the leading construction companies in Thailand. An important goal for the Company's growth is to develop and promote the organization in becoming a learning organization in order to create operational excellence and a culture for our employees to become people who constantly seek knowledge and transfer knowledge between each other by providing workshops to pass on experience and techniques in managing large construction projects, jointly analyzing and finding solutions to problems together, as well as having a systematic knowledge management system.

The Company believes that employees are the most valuable assets. The Company must be retained and developed continuously. The Company has conducted a survey of employee satisfaction and engagement in order to understand and recognize the actual thoughts and feelings of employees, find opportunities to improve continuously and ensure satisfaction and commitment to the Company. The score of the employee satisfaction and engagement survey in 2023 was 84.40 %

2. Development of Board of Directors and Executives

The Board of Directors has the policy to promote and develop knowledge and skills, and to widen directors' perspective continuously, which will help the directors to lead the organization and achieve the Company's objectives. The Company also arrange new director orientation to provide new directors with knowledge and understanding on their roles and responsibilities, objectives, rules and regulations, policies and business nature of the Company so that all directors will be able to develop and improve their work continuously, able to perform duties efficiently, including the application of various knowledge to be appropriately applied for the greatest benefit of the Company.

Directors	Programs
Professor Rawat Chamchalerm	• DAP 26/2004
Mr. Chamni Janchai	• DAP 30/2004 • RCP 21/2009 • RCL 17/2019
Police General Jate Mongkolhutthi	• DAP 8/2004 • ACP 14/2006 • FND 30/2006 • DCP 117/2009 • BNCP 15/2022
Mr. Suchai Poopichayapongs	• DAP 78/2009 • ACP 26/2009 • MIR 11/2011
Mr. Thanathip Vidhayasirinun	• DCP 7/2001 • FBG 6/2016
Dr. Chaoyong Satjipanon	• BMA 3/2023 • RCP 46/2020 • AACCP 33/2019 • FSD 32/2017 • RMP 6/2015 • DCP 212/2015 • DAP 112/2014
Gen. Dr. Surapan Poomkaew	• DAP 84/2010

Directors	Programs
Mr. Masthawin Charnvirakul	• DAP 1/2003
Mr. Vallop Rungkijvorasathien	• DAP 52/2006 • RCP 34/2014 • DCP 231/2016
Mr. Pakpoom Srichamni	• DAP 52/2006 • DCP 161/2012 • RCP 55/2023
Mrs. Jaikaew Tejapijaya	• DCP 329/2022 • RCL 32/2023
Mr. Jarunat Jiraratsatit	• DAP 169/2020 • DCP 262/2020 • RCL 32/2023

In 2023, 5 directors attended the training “Roles and duties of directors and executives of listed companies” organized by The Securities and Exchange Commission (SEC)

1. Mr. Masthawin Charnvirakul
2. Mr. Vallop Rungkijvorasathien
3. Mr. Pakpoom Srichamni
4. Mrs. Jaikaew Tejapijaya
5. Mr. Jarunat Jiraratsatit

3. Employee development on individual and team level

The Company considers employee development as our main policy in continually developing employee capability to widen the vision for efficient work performance. The Company has surveyed the needs for training in all departments and has made consideration by analyzing skills and knowledge required for work, using a variety of development methods, including training and seminars related to management in order to increase learning and self-development perspectives, organization of workshop activities to increase professional skills and expertise based on job positions, promotion for reduction of unnecessary processes in order to have clear, fast and accurate work process. The Company has organized more than 50 training courses covering all positions each year. Each course has been designed by qualified

speakers both internally and externally. Training courses and seminars with external agencies such as the Council of Engineers, the Safety Promotion Association, etc. are also available with the objective of ensuring connection and consistency with the functional competency of each position. Training for the year 2023 include:

- Mini MBA program in collaboration with the Faculty of Commerce and Accountancy, Chulalongkorn University which is provided to a group of junior executives so that they will have basic knowledge of management and business administration.
- Courses on work safety, such as crane operation course, rigger course, and crane signal person course, for example.
- Subcontractor management
- Construction project management with FIDIC contract
- Design of prestressed concrete floors without beams
- Calculation and design, installation, testing and maintenance of underground electrical systems.
- The latest lightning protection standard.
- Building division design
- Effective teamwork
- ISO 45001 : 2018 Occupational Health and Safety Standard (Requirement Interpretation)
- Sustainability knowledge
- Various knowledge in architect work
- Team relations activities

The Company has established a skill development and training Center on an area of 30 rai in Nonthaburi Province to purpose of educating training labor skills, increasing skills, and preparing before starting work for Thai workers and foreign workers in various fields such as construction

workers, plasterers, carpenters, steel technicians, electricians, etc., under the certification of the department of skill development. Including training to upgrade the skills of workers to have more skills, to comply with government labor skill standards,

the training and skill development center imports and trains foreign workers according to the memorandum of understanding between the government and neighboring countries.

In 2023, the Company has targeted to offer training to employees for 10 hours/person/year.

Employee Training in 2023

Training	No. of Employee (person)	Average No. of training hours of employees (hours/person/year)	Expenses for training and development (Baht)
Staff	2,900	10	10,451,524.30

The Company also offers training and skill enhancement in design and drawing using modern computer programs for engineers. Sino-Thai has been certified by the Council of Engineers as a host organization with Continuing Professional Development (CPD) that encourages engineers to develop knowledge and keep up with technology related to the engineering profession. The Company's Professional Development Unit (PDU) can be used to promote the professional engineering license level. It has also received approval from the Architect Council Committee to be an organizer of the PT. Activities, which is the continuous professional development of Architect Council members. To enhance the knowledge, ability, and experience of the company's architect By participating in academic/professional activities in architecture and related fields. You can count training units. Continuous professional development for promotion. An architect's professional license is also available. It is confirmation of the company's commitment both quantitatively and qualitatively. for the construction industry of Thailand.

6) Fair performance assessment and remuneration

The Company has a concrete performance assessment system in place, individual and team performance assessment criteria have been

established in line with the Company's short-term and long-term operational plan, which is linked to an appropriate and fair remuneration system. It has been developed and improved in accordance with competitive conditions and changing labor market conditions during each period by using human resource management tools such as the Competency Development System and Key Performance Indicator, for example. The Company remunerates our employees and personnel appropriately and in line with the company's overall operation based on short-term and long-term consideration, and in accordance with the compensation offered by the same industry. The Company also offer various benefits to enhance the good quality of life. In addition, the Company takes performance assessment results into consideration, analyzes and determines appropriate guidelines for the capability development of employees in various fields.

The Company has a policy on equitable remuneration comparable to other companies in the labor market and focuses on creating stability, long-term career development and career advancement opportunities (Career Path) for employees in all positions. We also have a standardized performance assessment linked to equitable salary increases based on individual performance on an appropriate and fairly basis.

In 2023, the Company has paid remuneration in form of monthly salary as follows:

- Salary 1,038,360,475 Baht
- Bonus 207,177,520 Baht

	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Total Remuneration of Employees (Baht)	696,609,344	222,805,526	697,419,524	228,844,820	700,500,469	238,484,006
Remuneration ratio (%)	76%	24%	75%	25%	75%	25%

7) Employee benefits

The Company has offered benefits as prescribed by law, including social security fund and workmen's compensation fund, and additional benefits to upgrade the quality of life and boost morale for employees such as a provident fund, which the Company regards as an important policy to encourage employees to have financial security after retirement, and promote money saving habit. The Company have established a registered provident fund in the name of Sino-Thai Group Provident Fund, and an alternative provident fund (Employees' Choices), which promotes money saving and investment based on each employee's intent, whereby fund members can adjust their investment style any time in order to ensure flexibility and adjust money saving or investment corresponding to economic conditions during each period of time. The return on investment is disclosed to employees on a regular basis. Furthermore, The Company offers life insurance, health insurance, uniforms and clothing suitable to the nature of work. The Company offers emergency loans, funeral assistance fund, a fitness center, and the educational fund for employees' children at all levels from elementary to tertiary levels. The Company have cooperated with commercial banks to offer loan options with a special interest rate for employees who want housing loans. The Company also extend appreciation awards for continuous and long service to employees at all levels.

For our employees, the Company arranges accommodation and a shuttle service to and from their living quarters to the Company, drinking water is also provided. Toilets are arranged sufficiently for the number of employees. The Company also provide a Muslim prayer room, department nurse, and daily childcare facility for employees who do not have a carer for their children during the day, for example. The Company has considered improving benefits continually in accordance with current economic and social conditions.

In 2023, there were 1,528 employees who voluntarily subscribed as members of the provident fund out of a total of 1,593 full-time employees, representing 95.91%. The Company has paid contributions to the provident fund in the amount of 31,138,742 Baht.

The Company continues to place importance on recommending or proposing options for general workplace privileges by holding Workplace Welfare Committee elections every two years to represent employees at meetings and consult with the Employer regarding welfare management or improvements for employees to promote good relationships and understanding between the employer and employees. By providing opportunities and listening to and exchanging opinions and recommendations, we promote happy work appropriate for the organization's environment and changes in economic conditions at each time along with enabling the employer and employees to seek

guidelines and solutions together in addition to building employee morale to working happily, which will affect the employer's productivity and business success in another way. Meetings and consultations with the Workplace Welfare Committee are held at least once every three months or when necessary and appropriate.

8) Promotion of employee engagement and retention

The Company believes that employees are the most asset that must be maintained and developed continuously. An employee satisfaction and engagement survey has been conducted to recognize, listen and understand their actual thoughts and feelings in order to find ways to improve and increase satisfaction and continuous engagement with the Company.

The Company annually examines and determines key factors that affect satisfaction and organization engagement, both quantitatively and qualitatively, by collecting data from all projects across the country. The survey results are then used in analyzing and improving organization engagement approach linked to key business outcomes based on 4 main areas of employee engagement survey as follows:

- Job Role, Life Balance, and Organization
- Human Resources Management Policy
- Leadership
- Organization Engagement

According to the employee satisfaction and engagement survey conducted in 2023, the average score in all 4 areas is 84.40%.

Corporate engagement score target	Assessment results
80.00%	84.40%

The survey reveals positive factors, which are the strength of corporate culture that must be maintained and further enhanced, including good cooperation across all functions for the Company's success; operational personnel contributing to the organization's development and achievement of goals. The company has highly competitive potential. Compared to other companies in the same industry, etc. The parts that need to be developed and improved include reviewing wages and employee benefits, career advancement (Career Path), training development, etc. Satisfaction scores and organizational engagement according to various fields have been reported. A meeting has also been convened to discuss and prepare an action plan in order to increase satisfaction and engagement in each line of work and the overall picture of the organization. The employee satisfaction and engagement survey results have been communicated to personnel throughout the organization through online communication channels within the organization and through the annual corporate policy announcement meeting, where top executives will communicate directly in a form of two-way interaction, ask and answer questions, listen to opinions, and express understanding in depth with personnel at all levels.

In 2023, the number of employees who resigned was 157 people, 9.53%.

	2020	2021	2022	2023
Number of employees who resigned	122	165	209	157
Employee turnover rate	7.25%	9.57%	12.56%	9.53 %

7.6 Other Informations

1. The Person Supervising Accounting

The Company assigned Mrs. Krongkaew Trakulsak Vice President - Accounting Department to be directly responsible for the supervision of accounting.

2. Head of Internal Audit

The Company assigned Mr. Chirapat Srivardhana Assistant Vice President Internal Audit to be directly responsible for the Internal Audit.

3. Company Secretary

The Company assigned Mr. Chaiyaporn Imcharoenkul Vice President Legal Department to be directly responsible for the Company secretary.

4. Head of Investor Relations

The Company assigned Mr. Sivil Anantakul Assistant Vice President - Investor Relations to be directly responsible for the Investor Relations. Investors or the public can contact the Investor Relations Department, telephone 02-610-4900 or through the Company's website. www.stecon.co.th

5. Auditor of the Company and its Subsidiaries

EY Office Limited

193/136-137, 33rd Floor, Lake Ratchada Building, New Ratchada Phisek Road, Bangkok 10110

Tel : +66 (0) 2264 0777

Fax : +66 (0) 2264 0789

The period of being the Company's auditor is 23 years.

6. Remuneration on the account audits of the Company and subsidiaries.

1. Company's auditing fee in 2023 is Baht 3,200,000 million
2. The Company's subsidiaries' auditing fee in 2023 is Baht 540,000 million
3. The affiliated companies of the subsidiaries' auditing fee in 2023 is Baht 280,000 million
4. Other service: None



SECTION 2

Corporate Governance

8. Corporate Governance Performance

The corporate management structure consists of 3 groups of sub-committees which are:

8.1 Performance of the Board of Executive Directors

The Board of Executive Directors of Sino-Thai Engineering and Construction Public Company Limited consists of 4 Executive Directors as followed accordingly.

Name - Surname Position	Number of meetings attended
Mr. Vallop Rungkijvorasathien <ul style="list-style-type: none">Chairman of the Board of Executive DirectorsDirectorMember of the Nomination and Remuneration Committee	12
Mr. Pakpoom Srichamni <ul style="list-style-type: none">Executive DirectorDirectorPresidentChairman of the Management Committee	12
Mr. Varatt Kusolmanomai <ul style="list-style-type: none">Executive DirectorDirector	12
Mrs. Jaikaew Tejapijaya <ul style="list-style-type: none">Executive DirectorMember of the Management CommitteeSenior Executive Vice President - Financial and Administration Division	12

In 2023, the Board of Executive Directors has performed according to the duties and responsibilities commissioned by the Board of Directors to review policy, business aspects, and business strategy including financial and investment plan, operating plan, and other management plan, to ensure that the Company's operation is efficient and in compliance

with law, and to ensure that the Company's operation complied with good corporate governance, and to comply with the Notification of the Stock Exchange of Thailand including the best practices defined by the Stock Exchange of Thailand as well. The Board of Executive Directors convened 12 meetings, of which the main activities can be summarized as followed.

1. Define policy, business aspects, and business strategy.

The Board of Executive Directors under the supervision of the Chairman of the Board of Executive Directors gave the policy to ensure that the Company should be carefully operated for the changes through 2023. The Company assures us that we will continually perform business with fair and equal in compliance with moral principle basis.

2. Review business plan

The Board of Executive Directors supervised and reviewed business plan, financial and investment plan, and management plan that proposed by the Management to ensure that all plans are suitable for the business and compliance to the good corporate governance as well.

3. Monitor business policy and business strategy.

The Board of Executive Directors monitored and reviewed the operations according to policy, business strategy, and other management factors as planned as usual and in the past year, the Board of Executive Directors mainly concentrated on Company's active projects in order to ensure that the Company's operation will perform efficiently, and it can be reported to the Board of Directors adequately and accurately as well.

4. Provide suggestions and recommendations.

The Board of Executive Directors recommended, suggested, and assigned the scope of business operations to the President including supervised and reviewed financial and investment plan and budget for Senior Executive Vice President in Financial and Administrative Division along with other related transaction that will be bind to the Company. In addition, the Board of Executive Directors provided suggestions for entering into any tender offer or investment in new projects as well.

5. Supervise financial plans and evaluate business operations.

The Board of Executive Directors supervised and reviewed financial and investment plan including the approval of both opening and closing bank's account with the financial institutions and banks, then the transactions will be reported to the Audit Committee for acknowledgement, without any mortgage or pledge of the Company's properties in the previous year. In addition, the Board of Executive Directors evaluated the performances of business operations to determine remuneration for the Management in both Senior Executive Vice President levels and upper.

The Board of Executive Directors has performed its duties fully in accordance with its charters approved by the Board of Directors and has its opinion that the Company's performance has implemented its good corporate governance practice basis towards its business operations, financial, marketing and other related management factors with efficiency in accordance with its policy and business strategy as planned. The Company has performed its business in compliance with the code of conduct and rules, regulations, and related laws, thus, in conformity with the Notification of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

8.1.1 Independent Directors

The list of Independent Directors is as follows:

1. Professor Rawat
Chamchalerm Independent Director
2. Mr. Chamni Janchai
Independent Director
3. Pol. Gen. Jate Mongkolhutthi
Independent Director
4. Mr. Suchai Poopichayapongs
Independent Director
5. Mr. Thanathip Vidhayasirinun
Independent Director
6. Mr. Chaiyong Satjipanon
Independent Director
7. Gen. Surapan Poomkaew
Independent Director

The Definition and Qualification of Independent Director

The Board of Directors reviews the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as committed to good corporate governance as follows:

1. Holding shares, no more than 0.5% of the total voting shares of the Company, its parent Company, its subsidiaries, its associated companies, or a related juristic entity with potential conflicts, including of shares held by related persons¹.
2. Not being an executive director², an employee, or a Company consultant who receives a regular salary or a controlling person of the Company, its parent Company, its subsidiaries, its associated companies, its same-level subsidiaries³, or a related juristic entity with potential conflict of interest during the period of 2 years before the appointment.

Footnote:

1. "Related Person" means a person defined under the Section 258 of Securities and Exchange Act B.E. 2535.

2. "Executive director" means any director who holds an executive position, or any director who is in charge of any actions deemed to be taken by executives, and shall include any authorized director except where it can be demonstrated that such authorized director, jointly with other directors, signs on transactions which have already passed board's approval.

3. "same-level subsidiary" means any two or more subsidiaries under the same parent Company.

3. Not being a person who has a blood or a legal relationship of a parent, spouse, sibling, and child including a child's spouse, to any executive management, major shareholder, a controlling person, or a person whom has been proposed to be an executive management or a controlling person of the Company or its subsidiaries.
4. Not having a business relationship and a vested interest, whether directly or indirectly, financially or administratively, including not being a professional advisor to the Company such as an auditor, a client, partner, supplier, creditor, or debtor

of the parent Company, its subsidiaries, its associated companies, its same-level subsidiaries, or a related juristic entity with potential conflict of interest during the period of 2 years before the appointment.

5. Not being a director who has been appointed as the representative of the Company's director, major shareholder, or shareholder who is related to a major shareholder of the Company.
6. Not having any other characteristics that may potentially prevent from giving independent opinions.

Board Skill Matrix

Director's Name	Eductions & Experiences	Construction Business	Engineering	Business Administration	Accounting & Finance	Legal	Risk and Crisis Management	Marketing	Environment & Safety	Business Policy & Strategic Management	Organization Development and Innovation
1. Professor Rawat Chamchalerm		•		•		•	•			•	
2. Mr. Chamni Janchai		•		•	•		•	•	•	•	
3. Police General Jate Mongkolhutthi		•		•		•	•		•	•	
4. Mr. Suchai Poopichayapongs		•		•	•		•		•	•	
5. Mr. Thanathip Vidhayasirinun		•		•	•		•	•	•	•	
6. Dr. Chaiyong Satjipanon		•		•	•	•		•			
7. General Dr. Surapan Poomkaew		•		•		•	•		•	•	
8. Mr. Masthawin Charnvirakul		•	•	•	•	•	•	•	•	•	•
9. Mr. Vallop Rungkijvorasathien		•	•	•	•	•	•	•	•	•	•
10. Mr. Pakpoom Srichamni		•	•	•	•	•	•	•	•	•	•
11. Mr. Varatt Kusolmanomai		•	•	•	•	•	•	•	•	•	•
12. Mrs. Jaikaew Tejapijaya		•		•	•	•	•		•	•	•

8.1.2 Details on the meeting attendance of Directors and remuneration of the Board of Directors in 2023.

Directors	Title	The Annual General Meeting of Shareholders	The Board of Directors Meeting (Total 4 times)	The Board of Executive Directors Meeting (Total 12 times)	The Audit Committee Meeting (Total 5 times)	The Nomination and Remuneration Committee Meeting (Total 3 times)
Professor Rawat Chamchalerm	Chairman of the Board of Directors/ Independent Director	1/1	4/4	-	-	-
Mr. Chamni Janchai	Independent Director/ Chairman of the Audit Committee	1/1	4/4	-	5/5	-
Police General Jate Mongkolhutthi	Independent Director/ Chairman of The Remuneration and Nomination Committee/ Member of the Audit Committee	1/1	4/4	-	5/5	4/4
Mr. Suchai Poopichayapongs	Independent Director/ Member of the Audit Committee/ Member of The Remuneration and Nomination Committee	1/1	4/4	-	5/5	4/4
Mr. Thanathip Vidhayasirinun	Independent Director	1/1	4/4	-	-	-
Dr. Chaiyong Satjipanon	Independent Director	1/1	4/4	-	-	-
Gen. Dr. Surapan Poomkaew	Independent Director	1/1	3/4	-	-	-
Mr. Masthawin Charnvirakul	Director	1/1	4/4	-	-	-
Mr. Vallop Rungkijvorasathien	Director/ Chairman of the Board of Executive Directors/ Member of The Remuneration and Nomination Committee	1/1	4/4	12/12	-	4/4
Mr. Pakpoom Srichamni	Director/ Executive Director/ President	1/1	4/4	12/12	4/5	-
Mr. Varatt Kusolmanomai	Director / Executive Director	1/1	3/4	11/12	4/5	-
Mrs. Jaikaew Tejapijaya	Director / Executive Director	1/1	4/4	12/12	4/5	-

Details of attendance at the Board of Directors meeting of the Company's directors for the year 2023

In 2023, The Non-executive Directors held a meeting among themselves without management on December 8th, 2023, and it was reported to the Board of Directors possible and general meeting agenda concerning the collaboration between the Board of Directors and management emphasizing risk management for the Company's operations

by requesting the management to be cautious and more careful in every aspect of operations to control and reduce risks as efficiently as possible, and suggested that the Company should establish the Risk Management Committee specifically responsible for the Company's risk activities. It is important to encourage the person in charge of the project to closely monitor the project. However, Management well- performed their duties with the Board of Directors.

Details on shares holding of each Director as of December 31, 2023

No.	Directors	Position	Number of Shares December 31, 2021	Number of Shares December 31, 2022	Increase/ (Decrease)	Proportion of Total Shares
1.	Professor Rawat Chamchalerm	Chairman of the Board of Directors / Independent Director	12,857	12,857	-	0.00%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
2.	Mr. Chamni Janchai	Independent Director / Chairman of the Audit Committee	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
3.	Pol. Gen. Jate Mongkolhutthi	Independent Director / Chairman of The Remuneration and Nomination Committee / Member of the Audit Committee	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
4.	Mr. Suchai Poopichayapongs	Independent Director / Member of the Audit Committee / Member of The Remuneration and Nomination Committee	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
5.	Mr. Thanathip Vidhayasirinun	Independent Director	12,857	12,857	-	0.00%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-

No.	Directors	Position	Number of Shares December 31, 2021	Number of Shares December 31, 2022	Increase/ (Decrease)	Proportion of Total Shares
6.	Dr. Chaiyong Satjipanon	Independent Director	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
7.	Gen. Surapan Poomkaew	Independent Director	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
8.	Mr. Masthawin Charnvirakul	Director	25,457,142	25,457,142	-	1.67%
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
9.	Mr. Vallop Rungkijvorasathien	Director / Chairman of the Board of Executive Directors / Member of The Remuneration and Nomination Committee	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
10.	Mr. Pakpoom Srichamni	Director / Executive Director / President	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
11.	Mr. Varatt Kusolmanomai	Director / Executive Director	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-
12.	Mrs. Jaikaew Tejapijaya	Director / Executive Director	-	-	-	-
	Spouse		-	-	-	-
	Minor Children		-	-	-	-

The remuneration of the Directors and Management

The remuneration of the Directors was transparently defined by the Nomination and Remuneration Committee, and it was considered on the authorities and duties of the committee along with the circumstances at the present basis. The remuneration of the Directors was set in comparison

with other businesses in the same industry, including the expansion of its business and development of the Company's earning.

The Nomination and Remuneration Committee is of the opinion that such compensation structure is appropriate for responsibilities and can incentivize directors and executives to lead the organization to achieve both short-term and long-term goals.

According to the resolution of the Annual General Meeting of Shareholders No. 29/2023, held on April 28th, 2023 had approved the remuneration of the Board of Directors, Audit Committee, Nomination and Remuneration Committee of the year 2023 as the following.

-	The Board of Directors Meeting		
	• For the Chairman of the Board of Directors	amounted to	40,000 Baht/meeting
	• For each Director	amounted to	20,000 Baht/meeting
-	The Audit Committee Meeting		
	• For the Chairman of the Audit Committee	amounted to	40,000 Baht/meeting
	• For each Audit Committee	amounted to	20,000 Baht/meeting
-	The Nomination and Remuneration Committee		
	• For the Chairman of the Nomination and Remuneration Committee	amounted to	40,000 Baht/meeting
	• For each Nomination and Remuneration Committee	amounted to	20,000 Baht/meeting

-	The Chairman of the Board of Directors	amounted to	600,000 Baht/year
-	The Chairman of the Audit Committee	amounted to	600,000 Baht/year
-	The Chairman of the Nomination and Remuneration Committee	amounted to	500,000 Baht/year
-	For each of the other Directors	amounted to	400,000 Baht/year

Unit : Baht

Directors	Title	Meeting Allowance for Board of Directors Meeting	Meeting Allowance for Audit Committee Meeting	Meeting Allowance for Nomination & Remuneration Committee Meeting	Emoluments	Aggregated Remuneration
Professor Rawat Chamchalerms	Chairman of the Board of Directors/ Independent Director	160,000	-	-	600,000	760,000
Mr. Chamni Janchai	Independent Director/ Chairman of the Audit Committee	80,000	320,000	-	600,000	1,000,000
Police General Jate Mongkolhutthi	Independent Director/ Chairman of The Remuneration and Nomination Committee/ Member of the Audit Committee	80,000	140,000	160,000	500,000	880,000

Directors	Title	Meeting Allowance for Board of Directors Meeting	Meeting Allowance for Audit Committee Meeting	Meeting Allowance for Nomination & Remuneration Committee Meeting	Emoluments	Aggregated Remuneration
Mr. Suchai Poopichayapongs	Independent Director/ Member of the Audit Committee/Member of The Remuneration and Nomination Committee	80,000	160,000	80,000	400,000	720,000
Mr. Thanathip Vidhayasirinun	Independent Director	80,000	-	-	400,000	480,000
Dr. Chaiyong Satjipanon	Independent Director	80,000	-	-	400,000	480,000
Gen. Dr. Surapan Poomkaew	Independent Director	60,000	-	-	400,000	460,000
Mr. Masthawin Charnvirakul	Director	80,000	-	-	400,000	480,000
Mrs. Anilrat Nitisaraj	Director/ Executive Director	20,000	-	-	-	20,000
Mr. Vallop Rungkijvorasathien	Director/Chairman of the Board of Executive Directors/Member of The Remuneration and Nomination Committee	80,000	-	80,000	400,000	56,000
Mr. Pakpoom Srichamni	Director/Executive Director/President	80,000	-	-	400,000	480,000
Mr. Varatt Kusolmanomai	Director / Executive Director	60,000	-	-	400,000	460,000
Mrs. Jaikaew Tejapijaya	Director / Executive Director	60,000	-	-	400,000	460,000
Total		1,000,000	620,000	320,000	5,300,000	7,240,000

8.1.3 Oversight of Performance of Subsidiaries and Associated Companies

In governing subsidiaries, in the past, nominations and votes were used to appoint company directors by the management since 2001. The Company requires nominations and exercises of voting rights to also be approved by the Board of Directors. Persons appointed as directors in subsidiaries or associated companies have a duty to work in the best interests of that subsidiary or associated company and the Company requires appointed persons to be approved by the Board of Directors before a resolution is passed or before exercising votes on important topics at the same

level requiring approval from the Board of Directors in the case of actions by the Company. The number of company directors sent as representatives in the subsidiaries or associated companies is proportional to the ratio of shares held by the Company.

Furthermore, in the case of subsidiaries, the Company has regulations requiring persons appointed by that company to ensure the subsidiary has complete and accurate regulations concerning related parties transactions, acquisition or distribution of assets, or any other significant transactions of the aforementioned company that use the same criteria as the Company in addition to

ensuring collection and recording of the subsidiary's information and accounts for the Company to audit and compile to prepare consolidated financial statements on schedule.

8.1.4 Monitoring Compliance of Corporate Governance Policy and Practices

- **Conflict of interest prevention**

To prevent conflict of interest and to ensure that the operation is transparent and verifiable, the Company therefore has clearly established policies on the disclosure of related-party transactions, connected transactions and conflict of interest to boost confidence of shareholders, investors, and stakeholders. Significant related-party transactions or connected transactions must be considered and approved by the Audit Committee and the Board of Directors. The Company will proceed in accordance with the conditions and procedures according to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Practices of Listed Companies in Connected Transactions. The Company has disclosed connected transactions in Section 9.2 Connected Transactions.

The Company announces and disseminates policies and guidelines on disclosure of connected transactions, related-party transactions, and conflicts of interest via the Company's website and web intranet. In 2023, the Company provided a refresher training about the Good Corporate Governance Policy, Sustainable Development Policy, Code of Conduct and Best Practices for Stakeholders Policy. The Disclosure of Connected Transactions, Related Parties Transactions, and Conflicts of Interest Policy was specified in Good Corporate Governance Policy. The refresher training was provided onsite at the head office, the project engineer meeting, and the engineer training with 819 management and employees who participated in the training. In addition, the Company provides knowledge via orientation training for every new employee. In 2023, 339 new employees joined the training. Every employee had knowledge and understanding at a level specified by the Company. Therefore, in conclusion, the Company's directors,

management, and employees received explanations and training at the rate of 100%.

In 2023, the Company found no complaints and no breaches according to the Disclosure of Connected Transactions, Related Parties Transactions, and Conflicts of Interest Policy.

- **The use of insider information**

"Inside Information Prevention and Securities Trading Policy" is provided in Section 2: Good Corporate Governance, Part 6: Corporate Governance Policy.

The Board of Directors governs, explains, and creates knowledge and understanding among every company director, executive, and employee about the "Inside Information and Securities Trading Policy" to build awareness about the importance of and adherence to the policy regarding use of inside information and securities trading, the Blackout Period, notification given at least one day before securities trading, and annual reports of changes in securities holdings. In 2023, the Company provided a refresher training about the Good Corporate Governance Policy, Sustainable Development Policy, Code of Conduct and Best Practices for Stakeholders Policy, including the topic of the Inside Information. The refresher training was provided onsite at the head office, the project engineer meeting, and the engineer training with 819 management and employees who participated in the training. In addition, the Company provides knowledge via orientation training for every new employee. In 2023, 339 new employees joined the training. Every employee had knowledge and understanding at a level specified by the Company. Therefore, in conclusion, the Company's directors, management, and employees received explanations and training at the rate of 100%.

In 2023, the Company Secretary notified directors, management, and the employees involved about the Blackout Period by email. Securities trading by directors, management, and the employees involved was not found during the Blackout Period. In 2023, company directors and executives reported securities purchases by a spouse for a total of 1 time by completely following the Company's policy.

In 2023, the Company found no complaints and no breaches according to the Inside Information Prevention and Securities Trading Policy.

- **Anti-Corruption**

Anti-Bribery and Anti-Corruption Policy

The Board of Directors has established Anti-Bribery and Anti-Corruption Policy since 2015, and the policy has been continuously reviewed to ensure that the Company's directors, management, and employees, including subsidiaries or other companies that the Company has power to control, will strictly comply with, and perform duties with honesty, not get involved in corruption and bribery of all kinds, either directly or indirectly. The Company has emphasized the policy across all areas of the Company's operation, as well as to comply with the applicable laws, regulations, notifications, ruling and requirements relevant to business operation. The Company will not penalize those who refuse to take bribery or corruption although such action would cause the Company to lose business opportunity.

"Anti-Bribery and Anti-Corruption Policy" is provided in Section 2: Corporate Governance, Part 6: Good Corporate Governance Policy

Operation

In 2023, the Company had proceeded in accordance with "Anti-Bribery and Anti-Corruption Policy" as follows:

1. **Risk assessment and guidelines for follow-up on policy compliance assessment.**

The Internal Audit Department is responsible for doing the evaluation of risk from countering bribery and corruption by evaluating, analyzing, and doing risk management that might result bribery and corruption to be acceptable and reporting the evaluation result to the Audit Committee including following up the procedures to prevent risk from countering bribery and corruption with the Anti-Bribery and Anti-Corruption Policy.

2. **Determination of guidelines to control,**

prevent and monitor the risks of corruption.

The Company has established guidelines related to high risk of corruption and bribery to ensure that the directors, management, and employees, as well as subsidiaries or other companies that the Company has power to control, will perform their duties with caution as follows:

- (1) Gifts
- (2) Charitable Contributions
- (3) Political Contributions
- (4) Hospitality Expenditures

In 2023, the Company found no breaches according to Anti-Bribery and Anti-Corruption Policy.

3. **Communication and training**

The Company internally communicates to ensure that our directors, management, and employees will understand and recognize the importance of the Anti-Bribery and Anti-Corruption Policy, as well as related policies and procedures, through employee meetings, trainings, seminars and other Company media, and the Company has informed the Anti-Bribery and Anti-Corruption Policy to stakeholder in order to assure the understanding.

In 2023, the Company provided a refresher training about the Good Corporate Governance Policy, Sustainable Development Policy, Code of Conduct and Best Practices for Stakeholders Policy, including the topic of the Anti-Bribery and Anti-Corruption. The refresher training was provided onsite at the head office, the project engineer meeting, and the engineer training with 819 management and employees who participated in the training. In addition, the Company provides knowledge via orientation training for every new employee. In 2023, 339 new employees joined the training. Every employee had knowledge and understanding at a level specified by the Company. Therefore, in conclusion, the Company's directors, management, and employees received explanations and training at the rate of 100%.

- **Whistleblowing and Complaints**

To ensure that the Company will have good corporate governance and give all employees and all stakeholders the right to pass on information concerning bribery and corruption, violation of laws, the Company's codes of conduct or policies, or complaints about infringement of right, or offer opinion about the Company's business operation, the Company provides channels for whistleblowing and complaints, as well as measures to protect whistleblowers as specified in Section 2: Corporate Governance, Part 6: Corporate Governance Policy.

In 2023, there was 1 case of complaint from an outsider, in which the Company has investigated the facts according to the process and found no inappropriate behavior as stated in the complaint. The Company has already reported the results to the complainant.

8.2 Report of The Audit Committee 2023

The Audit Committee of Sino-Thai Engineering & Construction Public Co., Ltd., consists of 3 Independent Directors as the following;

Name - Surname Position	Number of meetings attended
Mr. Chamni Janchai • Chairman of the Audit Committee • Independent Director	8
Police General Jate Mongkolhutthi • Member of the Audit Committee • Independent Director • Chairman of the Nomination and Remuneration Committee	7
Mr. Suchai Poopichayapongs • Member of the Audit Committee • Independent Director • Member of the Nomination and Remuneration Committee	8

Mr. Chirapat Srivardhana, Manager of the Internal Audit Department Being secretary of the audit committee.

In 2023, the Audit Committee has performed according to the duties and responsibilities commissioned by the Board of Directors to review the Company's financial reports for accuracy and

reliability, to provide adequate and suitable internal control in compliance with the law, to ensure Company's operation complied with the principle of good corporate governance, and to comply with the Notification of the Stock Exchange of Thailand on Qualifications and Rules and Responsibilities of the Audit Committee and Best Practice Guidelines for the Audit Committee issued by the Listed Companies Division of the Stock Exchange of Thailand; provided that the Audit Committee has convened 5 meetings, of which main activities can be summarized, as follows:

1. Review the Accuracy, Completeness, and Reliability of Quarterly and the Annual Financial Statement

The Audit Committee has reviewed the Quarterly Financial Statements and the Annual Financial Statements 2023 and has inquired and received the clear explanation from the management and the Independent Auditor relating to the accuracy and the completeness of the financial statements, and the adequacy of information disclosure. Therefore, the Audit Committee has agreed that the aforesaid financial statements have reasonable correctness in their essential contents in accordance with the generally accepted accounting principles; and the information disclosure in those financial statements is punctually, correctly, and completely.

2. Review of the Internal Control System

The Audit Committee has reviewed the internal control in cooperation with the Independent Auditor on a regular basis and has considered all reports of internal audit according to the approved work plans, covering the significant work systems of the Company, including the information security management system. The Audit Committee has agreed that the Company has its adequate and suitable internal control and has its improvements in accordance with the changing business activities, therefore, the operations of the Company and its subsidiaries shall achieve the prescribed objectives as stated in the COSO framework. Moreover, the Audit Committee has also urged the management to

improve the internal control system for continuous effectiveness.

3. Monitoring of the Internal Audit

The Audit Committee has considered the work plans, scope of work, independence, manpower, and budgets of the Internal Audit Department to be proper and in conformity with the professional standard of internal audit practices of the Institute of Internal Auditors of Thailand (IIAT), the Information Systems Audit and Control Association (ISACA) in Bangkok; and the internal audit guidelines of the Stock Exchange of Thailand (SET). The Audit Committee has agreed that the Company's internal audit has been carried out continuously on a timely and effective basis. Moreover, the Audit Committee has realized the significance of the internal audit and has therefore given its regular support to the internal audit both in terms of personnel development and guidelines of audit to be in accordance with the prescribed standard.

4. Review and follow up on Risk Management

The Company places great emphasis on risk management and internal control. To achieve the performance of the objectives set, with a risk assessment risk management report internal control system correction and recommendations based on the internal audit report and operating in accordance with the prescribed manual and procedures. It is a risk management approach related to the general operations of the Company. The Audit Committee is of the opinion that the Company There is efficient risk management and ensuring that various risks can be managed. That is provided at acceptable levels. It summarizes details of risk factors that may affect the operations in the risk factor section already.

5. Compliance with the Law and the Government Regulations

The Audit Committee has reviewed the compliance with Rules and Regulations of the Securities and Exchange Commission, regulations of the Stock Exchange of Thailand, the law relating to the Company's business operations; and has

agreed that there is no significant issue relating to non-compliance with the law, regulations, and other related laws.

6. Review and Comments on Related Transactions or those with Potential Conflict of Interest

According to the regulations of the Stock Exchange of Thailand and Exchange Commission. The Audit Committee Meeting No. 7/2023 considered related transactions and/or transactions that may have conflicts of interest with STP & I Plc., which reviewed the transactions and agreed that it is a business transaction with normal trade and/or investment conditions. There are negotiations on prices and delivery without any transfer of interest between them.

7. Self -Performance Appraisal

To comply with the best practices guidelines for the Audit Committee, the Audit Committee should conduct the self-performance appraisal annually. The Audit Committee can be summarized that the Audit Committee has performed its duties fully according to its Charter and complied with the best practice guidelines for the Audit Committee, which will result in effective implementation of the rules of good corporate governance.

8. Selection, Nomination, and Remuneration of the Independent Auditor

The selection, nomination, and remuneration of the Independent Auditor of 2023 shall be proposed for the Board of Directors' approval in the Annual General Meeting (AGM) 2023, whereas, the Audit Committee has considered work performance, independence, and appropriateness of the remuneration, which shall not be contrary to the Notification of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand governing the circulation of auditors. Therefore, it is deemed expedient to appoint Miss Krongkaew Limkittikul, the certified public accountant no.5874; or Miss Siraporn Ouaanunkun, the certified public accountant no.3844; or Mr. Natthawut Santipetch, the certified public accountant no.5730 of EY Office Limited as the

Company's Independent Auditor of 2023, Company's auditing fee in 2023 is Baht 3.20 million.

9. Audit Committee and Independent Auditor Meeting

The Company arranged an Audit Committee Meeting with the Independent Auditor totaling 1 time to review and discuss the appropriateness of the reserves, the accounting policies and basis of international accounting standards. The Company inquired and received clear clarification from the auditor. The auditor recommended that the company prepare evidence for reviewing construction project cost estimates. and approved by the authorized person on a regular basis, at least quarterly. along with controlling, follow up and coordination process to ensure that the accounting department records the actual construction costs completely within the accounting period, along with a review of purchase orders that are due for delivery but did not receive the item to investigate the cause and ensure that the purchase transaction has been recorded completely. The accounting policies and the provision of various types accurate and appropriate in connection with the international accounting standards, and/or financial reporting standards.

10. Reporting of the Resolution of the Board of Directors

Minutes of the Audit Committee's meetings and the internal audit appraisal result shall always be reported to the Board of Directors, thus, in accordance with the guidelines of best practices of the Audit Committee.

Performing the above duties, the Audit Committee made observations and recommendations regarding operations and financial accounting. Internal audit and risk management, including sustainable organizational development for the management to consider and act along with following up on improvements and corrections from the list of suggestions/ improvements according to the audit report by the internal audit department. and report operations to the Board of Directors Know every quarter.

In summary, the Audit Committee has

performed its duties fully in accordance with its Charters approved by the Board of Directors. The Audit Committee has given the comments that the Company has implemented its good corporate governance practice, prepared its financial statements in accordance with the generally-accepted accounting principles, disclosed the correct, complete, and adequate information in the financial report, provided its appropriate internal control, adhered to the business ethics, and complied with the rules, regulations, and related laws taking steps towards sustainable organizational development, thus in conformity with the Notification of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

8.3 Report of the Nomination and Remuneration Committee 2023

The Nomination and Remuneration Committee of Sino-Thai Engineering and Construction Public Company Limited consists of 2 Independent Directors and 1 Executive Director as followed;

Name - Surname Position	Number of meetings attended
Police General Jate Mongkolhutti • Chairman of the Nomination and Remuneration Committee • Independent Director • Member of the Audit Committee	4
Mr. Suchai Poopichayapongs • Member of the Nomination and Remuneration Committee • Independent Director • Member of the Audit Committee	4
Mr. Vallop Rungkijvorasathien • Member of the Nomination and Remuneration Committee • Chairman of the Board of Executive Directors • Director	4

In 2023, the Nomination and Remuneration Committee had conducted its duties and responsibilities as assigned by the Board of Directors in: setting and revising policies and criteria in proposing qualified persons to assumed appropriate posts, defining policies and criteria in

setting appropriate remuneration for the Board of Directors and other posts.

In order that the Nomination and Remuneration Committee attained high efficiency and transparency, the Nomination and Remuneration Committee had adhered to good corporate governance and compliance codes prescribed by the Securities and Exchange Commission, Thailand. The Nomination and Remuneration Committee had convened 4 meetings; the important substance may be summarized below:

1. Defining and Revising policy, criteria, and procedures

The Nomination and Remuneration Committee had revised guidelines, policies, criteria and procedures in nominating of Board of Directors, subcommittees and the respective compensations. Such policies covered - the appointments and composition, incompatibility characteristics of the boards, term in office, duty and responsibilities, criteria in recruiting board of directors and subcommittees, criteria in consideration of compensation, the meeting and reporting. Whereas the above-mentioned policies, criteria, procedures are correct, complete and had been granted approval by the Board of Directors.

2. Proposing qualified person(s) to assume director (s)

The Nomination and Remuneration Committee had recruited and proposed qualified candidates to be new director-by tabling to the Board of Directors who would forward to the Annual General Meeting of Shareholders for approval. In the process, the Nomination and Remuneration Committee would first consider candidates proposed by shareholders (if any); the Nomination and Remuneration Committee had strictly adhered to prescribed principles, criteria, and procedures, weighing on candidates - qualification, knowledge, experience and past records that compliance to policy and strategy of the Company. The Nomination and Remuneration Committee closely monitored the recruitment process to ensure transparency.

3. Remuneration Process

The Nomination and Remuneration Committee had considered and proposed to the Board of Directors - the remuneration of the Board of Directors (compensation, meeting fees, and other benefits) by comparing with other entities with the same size and in the same industry. After approval of the Board of Directors, such proposal was forwarded to the Annual General Meeting of Shareholders for final approval.

4. Providing suggestions and recommendations

The Nomination and Remuneration Committee had, providing suggestions, recommendations and, clarified to the annual general meeting regarding the remuneration of the Board of Directors and related Committees. The Nomination and Remuneration Committee had provided opinion on recruiting qualified candidates to assume new director(s).

5. Evaluating the performance of Board of Directors and related board committees

The Nomination and Remuneration Committee had annually laid down measures, criteria, procedures to assess the performance of the Board of Directors and related committees - whole and individual. The Nomination and Remuneration Committee had forwarded to the Board of Directors-the performance summary reports with recommendations for performance enhancement.

The Nomination and Remuneration Committee is certain that it had fully executed duties and responsibilities assigned by the Board of Directors. The Nomination and Remuneration Committee ensured that the Board of Directors and related committees were well qualified, high efficiency as prescribed in the entity's policies and strategy. In exercising its duties, the Board of Directors adhered to business ethics, in supportive of good governance and observed relevant regulatory requirements notification of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

SECTION 2

Corporate Governance

9. Internal Control and Connected Transactions

9.1 Internal Control

(1) Summary of Opinions of the Board of Directors and the Audit Committee

At the 8/2023 Meeting of the Audit Committee held on December 20, 2023, an annual evaluation of adequacy of the internal control system was performed in accordance with the evaluation form published by the Securities and Exchange Commission. The evaluation results are summarized in five components as follows:

1) Internal Control

1. The Company has defined the Code of Conduct, which require its management and employees to perform their duties in good faith and refrain from seeking personal gains or carrying out any actions that may result in conflicts of interest with business, trade partner, or stakeholder of the Company. Any person violating such a requirement shall be subject to punishment.
2. The Company has constantly engaged in organizational restructuring by dividing into clear departments/ sections/ offices to support construction units located in Thailand and other countries and enable them to work more efficiently.
3. The Company has developed policies, notifications and work procedures in writing to cover all kinds of transactions, especially financial transactions, procurement of goods and services, and management of works. Furthermore, a

manual on each area of work has been developed, reviewed, and updated on a regular basis to achieve maximum benefits and be used as a tool and guideline to perform duties and prevent corruption.

4. The Board of Directors and the Board of Executive Directors have supervised and determined the goals and business plans of the Company as well as acknowledged action plans, annual budget, and operational goals of each department/section, which have been prepared in writing.
5. The Board of Directors and the Board of Executive Directors have reviewed the Company's goals and business plans as well as the annual budget, policies, operational goals of each department/section and found that the Company's employees have enough knowledge and competency required to achieve such goals. The Boards have analyzed the incentives or remuneration provided to the employees and found that they are reasonable and suitable in accordance with the present economic situation.

2) Risk Assessment

1. The Company has analyzed events and factors resulting in risks by evaluating the opportunity for the risks. Then, the Company eliminates risks on a case by case basis before reporting to the Audit Committee for the utmost benefit of the Company.

2. The Company has monitored events and amended any acts that may cause risks, especially by making amendments in accordance with recommendations given in various audit reports. Moreover, measures to prevent risks are developed and taken to minimize damage to the Company.
3. The Company has organized a management meeting to give a report on progress, problems, obstacles and corrective actions carried out on a monthly basis as well as results of the corrective actions in accordance with different audit reports within designated period of time to eliminate/reduce risks and enable the Company to achieve the milestones established.
4. The Company does not allow any person who might gains benefits to approve a transaction that may give rise to a conflict of interest.
5. In making a decision to execute any transactions, the Company usually focuses on long-term benefit. In case of any transactions that may give rise to a conflict of interest, it is necessary to submit such transactions to the Board of Directors and the Audit Committee for approval or endorsement.

4) Information and Communication

1. The Company has assigned the Company Secretary to prepare documents, information and details regarding important meeting agendas for the Board of Directors for making a decision in advance. If additional information is subsequently available, the Company will send such additional information to the Board of Directors prior to the meeting date.
2. The Company has sent a notice of Board of Directors' meeting together with supporting documents for the meeting to all directors at least 7 days prior to the scheduled meeting date in order for the directors to be clearly informed of the matters to be discussed at the meeting.
3. The Company has prepared minutes of all Board of Directors' meetings by recording details that are essence of the meetings. During each meeting, there is an agenda to approve the minutes of the previous meeting to give the Board of Directors an opportunity to make amendments or additions to the minutes of the meeting freely.
4. The Company stores its accounting documents and reports systematically by their categories. If the office space is not appropriate, the Company will

For all construction sites of the Company, there is a risk management committee of the unit. Overseeing risk management risk identification and having an impact assessment and the likelihood of the identified risks to prioritize risks, a risk management report is prepared at least twice a year.

3) Control Activities

1. The Company has clearly determined the scope of authority and duties of the management as well as maximum amounts of money that each level of management can approve in writing.
2. Duties of personnel of the Company have been clearly segregated as follows:
 - (a) A duty to approve.
 - (b) A duty to record accounting items and other information.
 - (c) A duty to safeguard and clearly separate assets for reciprocal audits under the internal control principle.
3. The Company has established procedures for approving related or connected transactions. The conflict of interest policy An audit unit is assigned to inspect the related or connected transactions and report to the Audit Committee on a regular basis.

keep it in standard boxes and assign the Bangpakong Center. The Company has never been notified by any auditors of any defects on this matter.

5. The Company has adopted accounting policies based on the International Accounting Standards and / or financial reporting standards with the most recent accounting policies. The accounting documents have been audited and approved by certified public accountants of EY Office Limited.
6. The Company gives precedence to information technology and communications systems by providing support and encouraging constant system improvement in order to ensure efficient joint operations of the Head Office and construction sites. There is a security policy for information technology systems to ensure proper usage of IT systems and prevent problems that might affect or cause damage to the operations, either by internal or external factors. The practices will enable the Company to achieve its objectives. Additionally, risks have been evaluated. IT risk management and prevention have been determined, based on international standards of IT safety, IT Governance, and the Company's good corporate governance practices.

5) Monitoring Activities

1. The Company has determined and submitted the annual goals and business plans to the Board of Directors for consideration. A report on progress and comparisons between operational results and the goals is given to the Board of Directors on a regular basis.
2. The Company requires that each department/bureau have daily, weekly and monthly performance monitoring in various formats with "Goal Setting and

Metrics (OKR)" and present the progress at management meetings and employee meetings at each level to acknowledge and implement the goals according to the established business plans.

3. The Company has an Internal Audit Section to supervise and be responsible for the internal audit work. To constantly provide reasonable assurance of internal control that:
 - (a) Operations of all units are efficient, cost - effective, and capable of meeting objectives.
 - (b) Financial reports are reliable and prepared in a timely manner.
 - (c) Operations are in compliance with laws, notifications, and regulations of the Company.
 - (d) Access to assets, including databases in the information system, must be permitted by the management and/ or authorized persons. Furthermore, the Internal Audit Section will provide advice and recommendations on control self-assessment to related units.
4. The Company requires that the Internal Audit Section is an independent unit reporting directly to the Audit Committee. The Internal Audit Section is able to operate independently in accordance with the international audit standards and is required to report the auditing results to the Audit Committee, President, and the audited units.
5. When a material defect is detected and/or the audit report indicates recommendations and/or areas of improvements, the audited unit shall carry out corrective actions and prepare and submit a report on results of such corrective actions to the Internal Audit Section within one month from the date of receipt of the audit report.

6. The Company must report the progress on corrective activities carried out to the Board of Directors/ the Audit Committee. The Internal Audit Section will follow up the corrective actions and collect data on such corrective actions from the audited unit to prepare a report regarding the follow-up of the corrective actions and submit the same to the Audit Committee and the President to further present to the Board of Directors for approval.
7. Management of the Company is responsible for formulating plans and procedures, managing the Company's affairs in accordance with the policies established by the Company, monitoring the operations of different departments/ sections, and holding the management committee meeting at least once or twice a month with secretary of the management committee recording and preparing minutes of meetings. The management shall record problems and obstacles arising, such as corruption, illegal acts, and unusual practices, which may affect the Company's reputation and financial position. All of the reports of the management committee shall be presented to the management committee meeting for acknowledgement. Furthermore, there is the Internal Audit Section responsible for reporting unusual circumstances (Red Flag) directly to the Audit Committee/Board of Directors.

In addition, the external auditor, E Y Co., Ltd., attended the meetings. The Audit Committee has evaluated sufficiency of the above five components of the internal control. It can be concluded that the Company's internal control Most of them have adequate and appropriate internal controls.

(2) Opinions of the Audit Committee

Internal control system assessment The Audit Committee has an opinion that the Company has sufficient and appropriate internal control opinion as the external auditors except for

1. Evidence preparation and review Cost estimation and approved by the authorized person on a regular basis, at least quarterly.
2. Control system Follow up and coordinate so that the accounting department can fully record the actual construction cost accounting within the accounting period. Along with reviewing the completeness of purchase orders that are due for delivery but have not received the item, we can investigate the cause and make sure that the purchase record is complete.

(3) Internal Audit Manager is an employee of the Company

At the 1/2542 Audit Committee Meeting held on 23rd June 1999, Mr. Chirapat Srivardhana was appointed as the Internal Audit Section Manager since he had 29 years of experiences in performing the audits of related businesses, attended in internal audit training courses such as Control Self-Assessment Facilitation Techniques for Auditors, IIA'S Endorsed Internal Auditing Program (EIAP-1), and Corporate Governance for Executives 3/2015 and IT Governance and Cyber Resilience Program (ITG 15/2020) as well as participated Global Assembly and International Conference from 7 July 2023 to 11 July 2023 in Amsterdam. Netherlands understand The Company's activities and operations Therefore, it is considered appropriate to perform such duties appropriately and adequately.

9.2 Connected Transactions

1. Related transactions with other than joint ventures

Company Name	Business	Relationship
1. HTR Co., Ltd.	Business: Office building rental	<ul style="list-style-type: none"> The Company holds 80.90% of shares in HTR Co., Ltd. There are 2 co-director, including: <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mrs. Jaikaew Tejapijaya
2. NOUVELLE PROPERTY Co.,Ltd.	Business: Real estate development	<ul style="list-style-type: none"> The Company holds 100.00% of shares in Nouvelle Property Co., Ltd. There are 2 co-director, including: <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mrs. Jaikaew Tejapijaya
3. WISDOM SERVICES Co.,Ltd.	Business: Selling, Renting, and Maintenance Construction Machinery and Equipment and Provide Training Service	<ul style="list-style-type: none"> The Company holds 100.00% of shares in Wisdom Services Co., Ltd. There are 3 co-director, including: <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mrs. Jaikaew Tejapijaya Mr. Jarunat Jiraratsatit
4. DKK Sino-Thai Engineering Co., Ltd.	Business: Design the foundation and structure of telecommunication towers, production of telecommunication steel structure, construction and installation of telecommunication towers, civil works, repairs and maintenance of telecommunication towers, inspection, improvement, and strengthening of telecommunication towers	<ul style="list-style-type: none"> The Company holds 35% of shares in DKK Sino-Thai Engineering Co., Ltd. There is a co-director, Mr. Vallop Rungkijvorasathien
5. STIT Co., Ltd.	Business: Distributor and service provider of machinery and equipment used in the construction and manufacturing industry	<ul style="list-style-type: none"> STIT Co.,Ltd. is related company, as co-director with the Company. There is a co-director, Mr. Masthawin Charnvirakul
6. STP&I Public Co., Ltd.	Business: Processing of steel structure, piping and welding, pressured containers, heat-exchange equipment, boilers and process model; Distributor and service provider of machinery and equipment used in the construction and manufacturing industry;	<ul style="list-style-type: none"> STP&I Public Co.,Ltd. is related company, as co-director with the Company. There are 3 co-directors, including: <ol style="list-style-type: none"> Mr. Masthawin Charnvirakul Pol.Gen. Jate Mongkolhutthi Mr. Chamni Janchai
7. STECON POWER Co., Ltd.	Business: Produce all types of energy.	<ul style="list-style-type: none"> The Company holds 100.00% of shares in STECON POWER Co., Ltd. There are 3 co-director, including: <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mrs. Jaikaew Tejapijaya Mr. Jarunat Jiraratsatit

Company Name	Business	Relationship
8. Northern Bangkok Monorail Co., Ltd.	Business: Mass Transit	<ul style="list-style-type: none"> The Company holds 15% of shares in Northern Bangkok Monorail Co., Ltd. There is a co-director, Mr. Pakpoom Srichamni
9. Eastern Bangkok Monorail Co., Ltd.	Business: Mass Transit	<ul style="list-style-type: none"> The Company holds 15% of shares in Eastern Bangkok Monorail Co., Ltd There is a co-director, Mr. Pakpoom Srichamni
10. U-TAPAO INTERNATIONAL AVIATION Co., Ltd.	Business: Air Transport and Airport Services	<ul style="list-style-type: none"> The Company holds 20% of shares in U-TAPAO INTERNATIONAL AVIATION Co., Ltd. There are 2 co-director, including: <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mrs. Jaikaew Tejapijaya
11. BGSR 6 Co., Ltd.	Business: Management of express ways	<ul style="list-style-type: none"> The Company holds 10% of shares in BGSR 6 Co., Ltd. There is a co-director, Mr. Pakpoom Srichamni
12. BGSR 81 Co., Ltd.	Business: Management of express ways	<ul style="list-style-type: none"> The Company holds 10% of shares in BGSR 81 Co., Ltd. There is a co-director, Mr. Pakpoom Srichamni
13. SINO-THAI HOLDING Co., Ltd.	Business: Holding a controlling interest in the securities of other companies.	<ul style="list-style-type: none"> The Company holds 99.99% of shares in SINO-THAI HOLDING Co., Ltd. There are 3 co-director, including: <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mrs. Jaikaew Tejapijaya Mr. Jarunat Jiraratsatit
14. SITEM ST Engineering and Service Co., Ltd.	Business: Maintenance and building engineering system management	<ul style="list-style-type: none"> The associated Company of SINO-THAI HOLDING Co., Ltd., where SINO-THAI HOLDING Co., Ltd. holds shares representing 30 percent of the registered capital of SITEM ST Engineering and Service Co., Ltd. There is a co-director, Mr. Pakpoom Srichamni
15. SNT Concrete Solution Co., Ltd.	Business: Produce and sell concrete products for use in construction, including design products.	<ul style="list-style-type: none"> The Company holds 100.00% of shares in SNT Concrete Solution Co., Ltd. There are 3 co-director, including: <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mrs. Jaikaew Tejapijaya Mr. Jarunat Jiraratsatit

Company Name	Business	Relationship
16. DC POWER BN1 Co., Ltd.	Business: Build to suit for data center projects.	<ul style="list-style-type: none"> The Company is subsidiary of Stecon Power Company Limited, Stecon Power Company holds shares representing 60 percent of the registered capital of DC POWER BN1 Company Limited. There are 2 co-director, <ol style="list-style-type: none"> Mr. Pakpoom Srichamni Mr. Jarunat Jiraratsatit

2. Related transactions with joint ventures

Company Name	Business	Relationship
1. SA Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 80% of stakes. Aqua Thai Co., Ltd. held 20% of the stake.
2. STEC AS 3 Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 70% of stakes. (but had 100% Control power) AS Associate Engineering (1964) Limited held 30% of the stakes.
3. STEC AS 4 Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas, <ol style="list-style-type: none"> The Company held 60% of stakes in STEC AS 4 Joint Venture Associate Engineering (1964) Limited held 40% of the stakes; (but had 100% Control power)
4. ST-SG Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 99.999% of stakes. (but had 100% Control power) Summit Grade Ltd., Part. (Sam Prasit) held 0.001% of the stakes.
5. STTP Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 51% of stakes. Thaipicon & Industry Co., Ltd. held 49% of the stakes.
6. CKST Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 40% of stakes. CH.KARNCHANG Public Co.,Ltd held 60% of the stakes.

Company Name	Business	Relationship
7. CKST-DC 2 Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 41% of stakes. CH.KARNCHANG Public Co.,Ltd held 54% of the stakes. BURIRAM PANASIT Co., Ltd held 5% of the stakes.
8. CKST-DC 3 Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 39% of stakes. CH.KARNCHANG Public Co.,Ltd held 51% of the stakes. CHIENGMAI CONSTRUCTION Co., Ltd held 10% of the stakes.
9. 11. CKST-PL Joint Venture	Business: Construction Work	<ul style="list-style-type: none"> Joint Venture; whereas <ol style="list-style-type: none"> The Company held 45% of stakes. CH. KARNCHANG Public Co.,Ltd held 55% of the stakes.

The Company has transaction with persons who may have a conflict of interest for fiscal years 2023 and 2022 are as follows.

Company Name	Related Transactions	Gross Value (Baht) As of December 31 st , 2023		Gross Value (Baht) As of December 31 st , 2022		Reason for Transactions
1. HTR Co., Ltd.	1.1 Rental Incomes from office building lease		16,461,420		15,625,860	• The building space is leased as the Company's office at the market price.
	1.2 Trade accounts and notes payable-related parties		20,952		0	
2. Nouvelle Property Co., Ltd.	2.1 Loans to related parties	Opening Balance	2,035,060	Opening Balance	1,462,060	• Loans to Nouvelle Property Co.,Ltd. at interest rate of 4 percent per year and payment of principal and interest on demand.
		Raising During the period	127,000	Raising During the period	573,000	
		Decreasing during the period	0	Decreasing during the period	0	
		Ending Year Balance	<u>2,162,060</u>	Ending Year Balance	<u>2,035,060</u>	
	2.2 Interest receipt from loans under Sub-Clauses 2.1		81,445		58,608	

Company Name	Related Transactions	Gross Value (Baht) As of December 31 st , 2023		Gross Value (Baht) As of December 31 st , 2022	Reason for Transactions
3. Wisdom Services Co.,Ltd.	3.1 Investment on the part of shareholders	12,726,516		12,726,516	• Buys ordinary shares of Wisdom Services Co., Ltd. totaling 22,110,000 shares with a par value of Baht 100 per share which the Company acquired 0.5756 Baht per share, totaling Baht 12.7 million.
	3.2 Loans to related parties	Opening Balance	-	Opening Balance	-
		Raising During the period	-	Raising During the period	-
		Decreasing during the period	(-)	Decreasing during the period	(-)
		Ending Year Balance	-	Ending Year Balance	-
	3.3 Interest receipt from loans under Sub-Clauses 3.2	-		-	• Rental of machine and construction equipment and training service income
	3.4 Service Income	285,193,635		211,960,350	
	3.5 Trade accounts and notes payable	63,917,839		14,672,181	
	3.6 Gain on sale of asset to related party	24,012,087.38		-	
	3.7 Trade accounts and notes receivable	804,802,582		-	
4. STIT Co., Ltd.	4.1 Trade accounts and notes payable	1,146,320		7,285,287	• Spare parts; and repairs of the Company's machinery at the market price.
	4.2 Cost of spare parts, fix and maintenance, Rental of machinery and construction equipment	9,296,211		18,351,979	
	4.3 Aquisition of equipment	-		-	
5. STP&I (Public) Co., Ltd.	5.1 Service Income	-		6,000	• Repairing Land Plot C Erection and Assembly at the market price.

Company Name	Related Transactions	Gross Value (Baht) As of December 31 st , 2023	Gross Value (Baht) As of December 31 st , 2022	Reason for Transactions
6. STECON POWER Co.,Ltd.	6.1 Investment on the past of shareholders	99,999,900	999,700	• Buys ordinary shares of Stecon Power Co.,Ltd. Totaling 999,999 shares with a par value of baht 100 per share which the Company acquired 100 baht per share, totaling 99.99 MB.
	6.2 Trade accounts and notes receivable	1,511,597	-	
7. Sino-Thai Holding Co., Ltd.	7.1 Investment on the past of shareholders	4,999,900	1,499,880	• Buys ordinary shares of Sino-Thai Holding Co., Ltd. Totaling 49,996 shares with a par value of baht 100 per share and 100 percent paid-up share capital, totaling 4.99 MB
	7.2 Loans to related parties	3,720,000	-	
	7.3 Interest receipt from loans under Sub-Clauses 7.2	1,580	-	
8. SNT Concrete solution Co., Ltd.	8.1 Investment on the past of shareholders	74,999,975	-	• Purchased all common shares of SNT Concrete Solution Co., Ltd. in the amount of 2,999,999 shares with a par value of 100 baht per share and 25% paid up, totaling 75 MB.
	8.2 Trade accounts and notes receivable	7,591,650	-	
	8.3 Gain on sale of assets to related party.	7,094,964	-	
9. DC POWER BN1 Co., Ltd.	9.1 Trade accounts and notes receivable	1,427,300	-	-

The Company has transaction with persons who may have a conflict of interest which are joint ventures

Company Name	Related Transactions	Gross Value (Baht) As of December 31 st , 2023	Gross Value (Baht) As of December 31 st , 2022	Reason for Transactions
1. SA Joint Venture	1.1 Trade accounts and notes receivable	17,576,738	17,576,738	• The Company has carried out the construction of waterworks system under the Project on solving the problem of water shortage of Nakhon Ratchasima Municipality, under subcontract and at the market price.
	1.2 Unbilled receivables	-	-	
	1.3 Service income	-	-	

Company Name	Related Transactions	Gross Value (Baht) As of December 31 st , 2023	Gross Value (Baht) As of December 31 st , 2022	Reason for Transactions
2. STEC AS 3 Joint Venture	2.1 Advanced received from construction contracts 2.2 Unbilled receivables 2.3 Service income 2.4 Trade accounts and notes receivable	- - - -	- - - -	<ul style="list-style-type: none"> The Company has carried out the construction of Depot and park & ride facilities, under subcontract at the market price.
3. STEC AS 4 Joint Venture	3.1 Unbilled receivables 3.2 Advanced received from construction contracts	- -	- -	<ul style="list-style-type: none"> The Company has carried out the construction of Green Line Project (North) Mo Chit-Saphan Mai-Khu Khot Section, Contract 4, railway work, under subcontract at the market price.
4. ST-SG Joint Venture	4.1 Trade accounts and notes receivable 4.2 Unbilled receivables 4.3 Service income	95,386,344 452,603,963 -	92,963,058 517,768,247 377,040,811	<ul style="list-style-type: none"> The Company has carried out the construction of Drainage Tunnel from Bung Nongbon to Chao Phaya River under subcontract and at the market price.
5. STTP Joint Venture-Joint operations	5.1 Advanced received from construction contracts 5.2 Unbilled receivables 5.3 Service income 5.4 Trade accounts and notes receivable	- 120,266,616 224,604,018 104,293,698	17,821,930 127,525,839 369,870,428 108,237,532	<ul style="list-style-type: none"> The Company has carried out the construction of Double-Track Railway from Prachuap KhiriKhan-Chumphon under subcontract and at the market price.

Company Name	Related Transactions	Gross Value (Baht) As of December 31 st , 2023	Gross Value (Baht) As of December 31 st , 2022	Reason for Transactions
6. CKST Joint Venture- Joint operations	6.1 Service income 6.2 Trade accounts and notes receivable 6.3 Advanced received from construction contracts	164,445,318 494,266 -	186,814,149 12,048,065 2,747,668	• The Company has joint arrangement which assessed as joint operations between the Company and other joint operators. The Company Construction of the MRT Orange Line Project (East Section), Thailand Cultural Centre - Min Buri Section, Contracts 1, 2 and 5.
7. CKST - DC 2 Joint Venture	7.1 Service income 7.2 Trade accounts and notes receivable 7.3 Interest Income	15,605,458- 693,699 -	6,256 - 86,215	• The Company has joint arrangement which assessed as joint operations between the Company and other joint operators. The Company Construction of Den Chai-Chiang Rai-Chiang Khong Railway, Ngao-Chiang Rai Section Contract 2
8. CKST - DC 3 Joint Venture	8.1 Service income 8.2 Trade accounts and notes receivable 8.3 Interest Income	36,318,047 4,018,925 -	7,915,343 8,465,348 52,006	• The Company has joint arrangement which assessed as joint operations between the Company and other joint operators. The Company Construction of Den Chai-Chiang Rai-Chiang Khong Railway, Chiang Rai-Chiang Khong Section Contract 3
9. CKST - PL Joint Venture	9.1 Service income 9.2 Trade accounts and notes receivable	128,772,328 5,955,084	3,758,526 2,816,847	• The Company has joint arrangement which assessed as joint operations between the Company and other joint operators. The Company Construction of Purple Line Project, Tao Pun - Rat Burana (Kanchanapisek Road)

General Policy on Related transactions of the Company

Policy on Pricing

The value of related transactions shall be in accordance with the market price or competitive prices of non-related parties.

Reasonability of Transactions

Related transactions shall be made on the basis of necessity and reasonability and for the maximum benefits of the Company, and the said transactions existed because the Company has operated its businesses with subsidiaries, affiliated companies, and related companies in the normal course of businesses. Transactions include construction service provision, purchase of equipment and other services; conditions of related transactions shall be prescribed in accordance with the general commercial conditions and with the market prices or competitive prices of non-related parties.

Procedures of Related Transaction Approval

According to the Company's policy, the procedures of related transactions made with parties in conflict have to be verified and approved in conformance with the Company rule and regulation.

Policy or Trends on Related Transactions

The Company shall have its related transactions with particular companies involved, as may be necessary and only in accordance with the normal course of business operations such as sale/purchase of construction materials, construction work, office building lease, etc., and such related transactions may exist in the future, according to normal course of business operations of the Company. The Company has its policy to make related transactions with parties in conflict by comparing prices and quality of operations for the maximum benefit of the Company, and at the most proper price. The Company shall treat the parties in conflict similarly to other entrepreneurs. The Company shall prescribe the terms and conditions of such related transactions in accordance with the normal course of business operations; and prices shall be compared with prices of the third parties; moreover, it shall be considered according to the proper procedures of approval and in accordance with the Company's Rules and Regulations in all respects.



SECTION 3

Reports and Consolidated Financial Statements

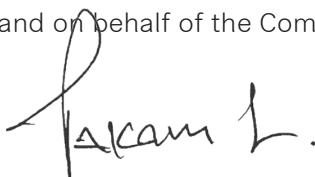
10. Reports on the Responsibilities of the Board of Directors on Financial Reports

The Board of Directors of Sino-Thai Engineering and Construction Public Company Limited has carried out actions in accordance with the Company's Articles of Association on the presentation of Balance Sheets and Income Statement ending December 31, 2023, which has already been audited by the Auditor. These actions are in accordance with the prescribed period of twelve months cycle which was within the period before the end of the Company's accounting period. The Company Board of Directors hereby warrants that the financial reports expressed in the 2023 Annual Reports are true and fairness, having correct, complete, and adequate accounting data. The Company's Board of Directors has already reviewed and deemed the reports to be presentable and requested they be submitted expeditiously to the shareholders.

The Company's Board of Directors is of the view that the Company has duly exercised proper accounting procedures, kept constant practice, and has taken reasonable care in completing the Company's financial statements on time. The Balance Sheets ending December 31, 2023, Income Statement, Statements of Changes in Shareholders' Equity, and Cash Flow Statements ending December 31, 2023, of both the Company's and Consolidated Financial Statements of the Company's Subsidiaries are reasonably correct and completed in accordance with Generally Accepted Accounting Principles.

The Company's Board of Directors is confident that it has verified the Company's important data and information in all respects and has paid close attention to all details regarding the financial reporting of the Company.

For and on behalf of the Company:



(Mr. Pakpoom Srichamni)
Director and President

SECTION 3

Reports and Consolidated Financial Statements

11. Independent Auditor's Report

To the Shareholders of Sino-Thai Engineering and Construction Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Sino-Thai Engineering and Construction Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries and of Sino-Thai Engineering and Construction Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants*

including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the *Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Recognition of revenue from and provision for losses on construction projects

The Group recognised revenue from construction contracts based on the percentage of completion estimated by their engineers. The Group's policies on revenue recognition and provision for losses on construction projects are disclosed in Note 4 and Note 5 to the consolidated financial statements. Because the amount of revenue from construction contracts recognised by the Group in the consolidated income statement is significant, and the process of measurement, determination of appropriate timing of recognition, and the estimation of possible losses are areas requiring management to exercise significant judgment to assess the percentage of completion and measure possible losses, I have identified revenue recognition and estimation of possible losses from construction contracts to be areas significantly impacting the financial statements.

I examined recognition of revenue from construction contracts and provision for losses on construction projects by:

- Inquiring with the responsible management and understanding of the process by which the Group estimates the percentage of completion and allowance for losses on construction projects.
- Assessing the appropriateness of and testing the system of internal controls related to the methods used by management to monitor percentage of completion of construction projects and provision for losses on such projects, and to determine the reasonableness of such figures.
- Testing the effectiveness of the internal controls related to purchases and hiring, and the recognition of costs of construction projects.
- Selecting sample construction contracts and reading them to consider the relevant terms.
- Evaluating the knowledge and capability of engineers, testing the estimates of percentage of completion, and carrying out construction site visits together with the engineers.

- Reviewing the provisions for losses on construction projects, through consideration of the progress of construction, actual costs, and changes in the prices of materials and labour.
- Analysis of the gross profit margin to detect possible irregularities.

Measurement of investment properties

As disclosed in Note 4 and Note 15 to the consolidated financial statements, the Group recognised investment properties at the fair value determined by an independent appraiser, and recognised changes in the fair value in the income statement. As at 31 December 2023, the Group's balance of investment properties is significant. The measurement of fair value was based on the assumptions and judgement of both the management and an independent appraiser.

I assessed the knowledge, ability and independence of the independent appraiser, read the appraisal report, made inquiries with the independent appraiser and the management and analysed the relevant data in order to assess the valuation method and assumptions used in determining the fair value. In addition, I tested the calculation of fair value and considered the completeness and accuracy of the disclosures made in notes to the financial statements.

Other Information

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date

of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

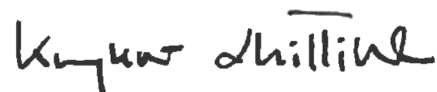
I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

I am responsible for the audit resulting in this independent auditor's report.

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874



EY Office Limited

Bangkok: 29 February 2024

SECTION 3

Reports and Consolidated Financial Statements

12. Statement of Financial Position

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents		4,242,240,911	6,992,789,119	3,909,235,227	6,509,089,933
Trade and other receivables - current portion	7	2,569,664,692	1,506,543,928	3,386,432,123	1,524,574,488
Contract assets	8	7,816,722,408	8,265,324,265	7,820,812,216	8,275,116,207
Short-term loans to related parties	6	70,000,000	-	70,000,000	-
Short-term loans to other companies	9	6,679,635	21,990,562	-	-
Construction materials and supplies		249,601,719	53,528,204	247,829,007	53,528,204
Costs to fulfil contracts with customers		8,176,359	15,759,314	3,782,957	15,759,314
Advances to subcontractors		3,016,678,761	2,658,845,464	3,016,678,761	2,658,845,464
Condominium units for sales		440,365,717	351,514,420	-	-
Current tax assets		389,654,160	510,293,238	377,205,367	495,452,475
Other current financial assets	10	1,067,686,994	1,304,153,308	709,862,713	1,303,855,718
Other current assets		758,692,379	479,503,777	646,494,728	407,452,690
Total current assets		20,636,163,735	22,160,245,599	20,188,333,099	21,243,674,493
Non-current assets					
Investments in equity instruments	11	10,123,477,600	12,611,245,600	10,113,977,500	12,600,945,500
Investments in subsidiaries	12	-	-	1,432,816,296	1,255,315,701
Investments in associates	13	6,249,846,311	5,814,133,748	5,934,799,700	5,409,799,700
Trade and other receivables - due over one year		53,569,024	102,234,973	53,569,024	102,234,973
Loans to related parties	6	589,766,550	122,881,500	595,648,610	124,916,560
Investment properties	15	4,968,347,426	4,944,985,826	3,243,061,000	3,241,979,000
Property, plant and equipment	16	4,707,128,637	4,938,168,145	2,826,573,538	3,794,969,070
Other non-current assets		121,141,016	95,693,911	122,210,419	74,506,925
Total non-current assets		26,813,276,564	28,629,343,703	24,322,656,087	26,604,667,429
Total assets		47,449,440,299	50,789,589,302	44,510,989,186	47,848,341,922

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

Statement of Financial Position (continued)

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	4,300,000,000	-	4,300,000,000	-
Trade and other payables	18	8,725,333,086	8,117,758,519	8,718,146,255	8,099,876,478
Contract liabilities	8	9,780,640,495	16,393,095,894	9,780,640,495	16,393,095,894
Retention for construction		2,737,532,565	2,384,313,927	2,737,532,565	2,384,313,927
Short-term loan from related party	6	445,000,000	-	445,000,000	-
Current portion of liabilities					
Long-term loans from financial institutions	19	117,000,000	-	117,000,000	-
Lease liabilities	20	219,524,164	324,259,701	109,561,534	274,141,170
Other current liabilities		372,578,880	252,802,013	351,084,659	236,109,687
Total current liabilities		26,697,609,190	27,472,230,054	26,558,965,508	27,387,537,156
Non-current liabilities					
Long-term lease liabilities - net of current portion	20	264,909,515	375,689,906	183,518,850	358,317,040
Provision for long-term employee benefits	21	347,890,054	363,105,311	329,145,241	359,532,470
Deferred tax liabilities	25	2,056,714,851	2,677,597,443	1,769,531,545	2,365,052,625
Other non-current liabilities		10,194,571	11,680,074	-	-
Total non-current liabilities		2,679,708,991	3,428,072,734	2,282,195,636	3,082,902,135
Total liabilities		29,377,318,181	30,900,302,788	28,841,161,144	30,470,439,291

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

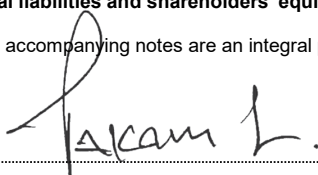
Statement of Financial Position (continued)

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Shareholders' equity					
Share capital					
Registered					
1,525,106,540 ordinary shares of Baht 1 each		1,525,106,540	1,525,106,540	1,525,106,540	1,525,106,540
Issued and fully paid					
1,525,106,540 ordinary shares of Baht 1 each		1,525,106,540	1,525,106,540	1,525,106,540	1,525,106,540
Share premium		2,097,055,812	2,097,055,812	2,097,055,812	2,097,055,812
Retained earnings					
Appropriated - statutory reserve	22	152,510,654	152,510,654	152,510,654	152,510,654
Unappropriated		9,216,986,064	9,123,313,183	7,068,193,035	6,786,693,224
Other components of shareholders' equity		4,709,650,117	6,694,266,619	4,826,962,001	6,816,536,401
Equity attributable to owners of the Company		17,701,309,187	19,592,252,808	15,669,828,042	17,377,902,631
Non-controlling interests of the subsidiaries		370,812,931	297,033,706	-	-
Total shareholders' equity		18,072,122,118	19,889,286,514	15,669,828,042	17,377,902,631
Total liabilities and shareholders' equity		47,449,440,299	50,789,589,302	44,510,989,186	47,848,341,922

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

 Director



Income Statement

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Revenues					
Revenues from construction contracts		29,527,240,703	30,264,771,541	29,527,176,272	30,263,394,862
Rental income		70,769,507	60,823,785	-	-
Gain from fair value adjustment of investment properties	15	23,361,600	36,462,128	1,082,000	32,600,000
Dividend income		149,801,750	104,080,125	174,349,050	126,567,650
Other income		70,325,446	106,408,746	93,085,951	104,778,779
Total revenues		29,841,499,006	30,572,546,325	29,795,693,273	30,527,341,291
Expenses					
Cost of construction		28,280,280,084	28,776,042,712	28,180,092,753	28,831,584,286
Cost of rental		18,934,616	15,679,258	-	-
Administrative expenses		834,366,865	779,415,926	794,843,019	774,410,936
Total expenses		29,133,581,565	29,571,137,896	28,974,935,772	29,605,995,222
Operating profit		707,917,441	1,001,408,429	820,757,501	921,346,069
Share of profit (loss) from investments in associates	13	(69,565,795)	33,736,075	-	-
Finance income		42,032,967	38,785,212	33,733,510	32,514,532
Finance cost	23	(43,117,730)	(19,875,750)	(39,295,495)	(13,791,516)
Profit before income tax expenses		637,266,883	1,054,053,966	815,195,516	940,069,085
Income tax expenses	25	(101,647,032)	(187,333,674)	(110,390,682)	(165,618,383)
Profit for the year		535,619,851	866,720,292	704,804,834	774,450,702
Profit attributable to:					
Equity holders of the Company		527,718,406	857,405,032	704,804,834	774,450,702
Non-controlling interests of the subsidiaries		7,901,445	9,315,260		
		535,619,851	866,720,292		
Basic earnings per share	26				
Profit attributable to equity holders of the Company		0.35	0.56	0.46	0.51
Weighted average number of ordinary shares (shares)		1,525,106,540	1,525,106,540	1,525,106,540	1,525,106,540

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

Statement of Comprehensive Income

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit for the year		535,619,851	866,720,292	704,804,834	774,450,702
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Share of comprehensive income in associate	13	5,475,658	408,952,157	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		5,475,658	408,952,157	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Gain (loss) on changes in value of investments in equity designated at fair value through other comprehensive income		(2,487,768,000)	2,035,238,990	(2,486,968,000)	2,036,639,000
Income tax effect	25	497,553,600	(407,047,798)	497,393,600	(407,327,800)
Actuarial gain	21	29,313,294	-	42,738,921	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(1,966,763,765)	1,628,191,192	(1,955,383,263)	1,629,311,200
Other comprehensive income for the year		(1,961,288,107)	2,037,143,349	(1,955,383,263)	1,629,311,200
Total comprehensive income for the year		(1,425,668,256)	2,903,863,641	(1,250,578,429)	2,403,761,902
Total comprehensive income attributable to:					
Equity holders of the Company		(1,433,447,461)	2,894,762,243	(1,250,578,429)	2,403,761,902
Non-controlling interests of the subsidiaries		7,779,205	9,101,398	-	-
		(1,425,668,256)	2,903,863,641		
		-	-		

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

Statement of Changes in Shareholders' equity

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
	Issued and fully paid-up share capital	Share premium	Retained earnings		Surplus on changes in value of investments	Share of comprehensive income in associates	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated						
Balance as at 1 January 2022	1,525,106,540	2,097,055,812	152,510,654	8,647,171,751	5,178,888,598	(521,979,190)	4,656,909,408	17,078,754,165	287,932,308	17,366,686,473
Profit for the year	-	-	-	857,405,032	-	-	-	857,405,032	9,315,260	866,720,292
Other comprehensive income for the year	-	-	-	-	1,628,405,054	408,952,157	2,037,357,211	2,037,357,211	(213,862)	2,037,143,349
Total comprehensive income for the year	-	-	-	857,405,032	1,628,405,054	408,952,157	2,037,357,211	2,894,762,243	9,101,398	2,903,863,641
Dividend paid (Note 27)	-	-	-	(381,263,600)	-	-	-	(381,263,600)	-	(381,263,600)
Balance as at 31 December 2022	1,525,106,540	2,097,055,812	152,510,654	9,123,313,183	6,807,293,652	(113,027,033)	6,694,266,619	19,592,252,808	297,033,706	19,889,286,514
Balance as at 1 January 2023	1,525,106,540	2,097,055,812	152,510,654	9,123,313,183	6,807,293,652	(113,027,033)	6,694,266,619	19,592,252,808	297,033,706	19,889,286,514
Profit for the year	-	-	-	527,718,406	-	-	-	527,718,406	7,901,445	535,619,851
Other comprehensive income for the year	-	-	-	23,450,635	(1,990,092,160)	5,475,658	(1,984,616,502)	(1,961,165,867)	(122,240)	(1,961,288,107)
Total comprehensive income for the year	-	-	-	551,169,041	(1,990,092,160)	5,475,658	(1,984,616,502)	(1,433,447,461)	7,779,205	(1,425,668,256)
Increase in non-controlling interests of a subsidiary from investment in a subsidiary	-	-	-	-	-	-	-	-	66,000,020	66,000,020
Dividend paid (Note 27)	-	-	-	(457,496,160)	-	-	-	(457,496,160)	-	(457,496,160)
Balance as at 31 December 2023	1,525,106,540	2,097,055,812	152,510,654	9,216,986,064	4,817,201,492	(107,551,375)	4,709,650,117	17,701,309,187	370,812,931	18,072,122,111

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

(Unit: Baht)

Separate financial statements							
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of equity		
			Appropriated - statutory reserve	Unappropriated	Other comprehensive		Total
					income		
					Surplus on changes in value investments	Total other components of shareholders' equity	
Balance as at 1 January 2022	1,525,106,540	2,097,055,812	152,510,654	6,393,506,122	5,187,225,201	5,187,225,201	15,355,404,329
Profit for the year	-	-	-	774,450,702	-	-	774,450,702
Other comprehensive income for the year	-	-	-	-	1,629,311,200	1,629,311,200	1,629,311,200
Total comprehensive income for the year	-	-	-	774,450,702	1,629,311,200	1,629,311,200	2,403,761,902
Dividend paid (Note 27)	-	-	-	(381,263,600)	-	-	(381,263,600)
Balance as at 31 December 2022	1,525,106,540	2,097,055,812	152,510,654	6,786,693,224	6,816,536,401	6,816,536,401	17,377,902,631
Balance as at 1 January 2023	1,525,106,540	2,097,055,812	152,510,654	6,786,693,224	6,816,536,401	6,816,536,401	17,377,902,631
Profit for the year	-	-	-	704,804,834	-	-	704,804,834
Other comprehensive income for the year	-	-	-	34,191,137	(1,989,574,400)	(1,989,574,400)	(1,955,383,263)
Total comprehensive income for the year	-	-	-	738,995,971	(1,989,574,400)	(1,989,574,400)	(1,250,578,429)
Dividend paid (Note 27)	-	-	-	(457,496,160)	-	-	(457,496,160)
Balance as at 31 December 2023	1,525,106,540	2,097,055,812	152,510,654	7,068,193,035	4,826,962,001	4,826,962,001	15,669,828,042

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

Cash Flow Statement

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before tax	637,266,883	1,054,053,966	815,195,516	940,069,085
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities:				
Depreciation	805,129,290	1,038,299,239	585,694,222	897,605,388
Reversal of allowance for expected credit losses	-	(5,937,840)	-	(5,937,840)
Gain from disposal of equipment	(33,744,385)	(45,645,846)	(54,756,028)	(45,719,398)
Increase in fair value of investment properties	(23,361,600)	(36,462,128)	(1,082,000)	(32,600,000)
Reversal of provision for loss of projects	-	(1,368,915)	-	(1,368,915)
Provision for long-term employee benefits	40,954,328	33,511,557	37,768,688	33,254,168
Share of profit (loss) from investments in associates	69,565,795	(33,736,075)	-	-
Dividend received from investment in associate	-	-	(25,197,300)	(23,097,525)
Dividend received from other long-term investments	(149,801,750)	(104,080,125)	(149,151,750)	(103,470,125)
(Gain) loss on changes in value of other current financial assets				
at fair value	(681,471)	807,284	(85,756)	1,335,491
Finance income	(42,032,967)	(38,785,212)	(33,733,510)	(32,514,532)
Finance cost	43,117,730	19,875,750	39,295,495	13,791,516
Profit from operating activities before changes				
in operating assets and liabilities	1,346,411,853	1,880,531,655	1,213,947,577	1,641,347,313
Operating assets (increase) decrease				
Trade and other receivables	(1,014,454,815)	725,327,052	(1,071,046,307)	842,338,485
Contract assets	448,601,857	(2,255,760,312)	454,303,991	(2,381,884,284)
Construction materials and supplies	(196,073,515)	-	(194,300,803)	-
Costs to fulfil contracts with customers	7,582,955	(46,489,816)	11,976,357	(46,489,816)
Advances to subcontractors	(357,833,297)	63,706,531	(357,833,297)	63,706,531
Condominium units for sales	(88,851,297)	-	-	-
Other current assets	(329,341,360)	(78,302,671)	(283,351,221)	(130,127,755)
Operating liabilities increase (decrease)				
Trade and other payables	626,571,515	2,722,680,227	635,112,056	2,714,375,428
Contract liabilities	(6,612,455,399)	(817,286,382)	(6,612,455,399)	(817,286,382)
Retention for construction	353,218,638	(26,450,364)	353,218,638	(26,450,364)
Other current liabilities	113,918,205	(238,246,905)	113,873,861	(200,806,488)
Cash paid for long-term employee benefits	(26,856,292)	(21,455,879)	(25,416,997)	(21,425,786)
Other non-current liabilities	(1,485,503)	9,013,935	-	-
Cash from (used in) operating activities	(5,756,493,560)	1,847,312,143	(5,809,675,038)	1,577,244,595
Cash received from withholding tax refundable	468,170,682	714,060,454	449,127,216	714,060,454
Cash paid for income tax	(558,826,378)	(653,284,039)	(537,362,400)	(631,199,274)
Net cash from (used in) operating activities	(5,847,149,256)	1,908,088,558	(5,897,910,222)	1,660,105,775

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

Cash Flow Statement (Continued)

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease in other current financial assets	237,147,785	2,298,682,190	594,078,761	1,998,125,290
Increase in short-term loans to related parties	(70,000,000)	-	(70,000,000)	-
Decrease in short-term loans to other companies	15,310,927	11,076,135	-	-
Increase in long-term loans to related parties	(466,885,050)	(74,502,000)	(470,732,050)	(75,075,000)
Cash paid for share capital of subsidiaries	-	-	(177,500,595)	(1,499,880)
Cash paid for share capital of associates	(525,000,000)	(3,500,000)	(525,000,000)	(2,000,000)
purchases of equipment	(448,651,289)	(352,986,103)	(446,230,193)	(352,702,290)
Proceeds from sales of equipment	64,733,910	89,466,880	54,238,550	89,464,380
Dividend received from investment in associate	25,197,300	23,097,525	25,197,300	23,097,525
Dividend received from other long-term investments	149,801,750	104,080,125	149,151,750	103,470,125
Interest received	40,047,551	36,115,354	30,107,221	31,018,474
Net cash from (used in) investing activities	(978,297,116)	2,131,530,106	(836,689,256)	1,813,898,624
Cash flows from financing activities				
Increase in short-term loans from financial institutions	4,300,000,000	-	4,300,000,000	-
Increase in short-term loan from related party	445,000,000	-	445,000,000	-
Cash received from long-term loans from financial institutions	722,000,000	-	722,000,000	-
Repayment of long-term loans from financial institutions	(605,000,000)	-	(605,000,000)	-
Payment of principal portion of lease liabilities	(352,717,482)	(703,050,915)	(232,847,758)	(420,240,823)
Dividend paid	(457,496,160)	(381,263,600)	(457,496,160)	(381,263,600)
Interest paid	(42,888,214)	(19,875,750)	(36,911,310)	(13,791,516)
Cash received from non-controlling interests for issuance of ordinary shares of subsidiary	66,000,020	-	-	-
Net cash from (used in) financing activities	4,074,898,164	(1,104,190,265)	4,134,744,772	(815,295,939)
Net increase (decrease) in cash and cash equivalents	(2,750,548,208)	2,935,428,399	(2,599,854,706)	2,658,708,460
Cash and cash equivalents at beginning of year	6,992,789,119	4,057,360,720	6,509,089,933	3,850,381,473
Cash and cash equivalents at end of year	4,242,240,911	6,992,789,119	3,909,235,227	6,509,089,933
	-	-	-	-
Supplement cash flows information				
Payable of acquisition of equipment	25,656,180	44,882,644	25,656,180	44,882,644
Increase of equipment under lease agreements	137,201,554	272,698,174	137,201,554	231,801,671
Decrease in lease liabilities from sales of assets under lease agreements	-	-	243,731,621	-
Receivable of sales of equipment	-	-	742,145,379	-

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

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

1. General information

Sino-Thai Engineering and Construction Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the provision of construction services. The registered office of the Company is 32/59-32/60, Sino-Thai Tower, Sukhumvit 21 Road, Klongtoey-Nua, Wattana, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Sino-Thai Engineering and Construction Public Company Limited (“the Company”) and the following subsidiaries and joint ventures (“the Subsidiaries”) (collectively as “the Group”) which are all incorporated in Thailand:

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

Company's name	Nature of business	Percentage of shareholding	
		<u>2023</u>	<u>2022</u>
		Percent	Percent
HTR Corporation Limited	Office building rental	80.90	80.90
Patumwan Real Estate Company Limited	Provision of document	80.90	80.90
(Wholly owned by HTR Corporation Limited)	storage service		
Kijpracha Tanee Company Limited	Real estate development	80.90	80.90
(Wholly owned by HTR Corporation Limited)			
Nouvelle Property Company Limited	Real estate development	100.00	100.00
Wisdom Services Company Limited	Rental of machinery and construction equipment	100.00	100.00
STECON POWER Company Limited	Electricity generation	100.00	100.00
DC Power BN1 Company Limited	Rental of data center	60.00	-
(60% owned by STECON POWER Company Limited)			
Sino-Thai Holding Company Limited	Investment in other companies	100.00	100.00
SNT Concrete Solution Company Limited	Manufacture and distribution concrete	100.00	-
S.A. Joint Venture	Construction (ceased its operation)	80.00	80.00
STEC - AS - 3 Joint Venture	Construction	70.00	70.00
ST-SG Joint Venture	Construction	100.00	100.00

- b) The Company is deemed to have control over an investee or subsidiaries or joint ventures if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement, the consolidated comprehensive income and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

4. Significant accounting policies

4.1 Revenues recognition

a) Revenues from construction contracts

The Group has determined that its construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using an output method, based on information provided by project engineers or project managers.

The likelihood of contract variations claims and liquidated damages, delays in delivery or contractual penalties are taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

b) Revenues from sales of condominium units

Revenues from sales of condominium units are recognised as revenue when the ownership is transferred to the buyer.

c) Finance income

Interest income is recognised on an accrual basis based on the effective interest rate.

d) Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Expenses

a) Costs of construction

Costs of construction services consist of costs of materials, labour, sub-contractors, services and other expenses.

Costs of construction are recognised in accordance with satisfied performance obligations in the contract when incurred. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

b) Cost of sales of condominium units

In determining the cost of condominium units sold, the anticipated total development costs (after recognising the costs incurred to date) are attributed to units already sold on the basis of the salable area and then recognised as costs in the income statement according to the recorded sales.

Development costs of condominium units for sales are stated at cost, consisting of the cost of land, construction costs, interest and other related costs.

c) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.3 Balances of contracts with customers

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer services to a customer. Contract liabilities are recognised as revenue when the Group fulfils their performance obligations under the contracts.

4.4 Costs to fulfil contracts with customers

The Group recognises costs to fulfil a customer contract as an asset, provided that the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and the costs are expected to be recovered. The asset recognised is amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

4.5 Construction materials and supplies

Construction materials and supplies are valued at the lower of cost (under the weighted average method) or net realisable value and are charged to construction costs whenever consumed.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

4.6 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and cash at banks and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.7 Investments in subsidiaries, associates and joint arrangements

- a) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).
- b) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- c) The joint arrangements which assessed as joint operations, the Company recognises its shares of all assets, liabilities, revenue and expenses of the joint operation in the separate financial statements, in proportion to its interest.

4.8 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in the income statement when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the period when the asset is derecognised.

4.9 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings and building improvements	-	20 years
Leasehold improvements	-	10 years
Machinery and equipment	-	5 - 20 years
Furniture, fixtures and office equipment	-	3 - 7 years
Motor vehicles	-	5 - 10 years

Depreciation is included in the income statement.

No depreciation is provided on land, land improvements and assets under construction.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the income statement when the asset is derecognised.

4.10 Leases

The Group as a lessee

The Group recognises right-of-use assets and leases liabilities for all leases at the date the underlying asset is available for use (the commencement date). The Group recognises as rental expenses on a straight-line basis over the lease term for a lease term less than 12 months or a lease of low-value assets.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any impairment losses, and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs, and lease payments made on or before the commencement date of the lease.

Depreciation of right-of-use assets is calculated by reference to their costs on the straight-line basis over the lease term or their estimated useful lives in case of the ownership of the leased asset is transferred to the Group at the end of the lease term.

Land and land improvements	-	Lease term
Office space	-	Lease term
Machinery and equipment	-	5 years
Motor vehicles	-	5 years

Right-of-use assets are presented as a part of property, plant and equipment in the statement of financial position.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term and discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest, reduced for the lease payments made and is remeasured if there is a change in the lease term.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.11 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Group that give them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the operation of the Group.

4.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in the income statement.

4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use is less than the carrying amount.

An impairment loss is recognised in the income statement.

4.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

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Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the contributions of the Group are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. the Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in the statement of comprehensive income and actuarial gains and losses arising from other long-term employee benefits are recognised immediately in the income statement.

4.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for losses on construction projects is made in the accounts in full when the possibility of loss is ascertained.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

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Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition and balance of contracts with customers.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

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Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are presented as dividend income in the income statement, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Unit trust of open-ended fund and derivatives measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

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Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

4.18 Derivatives and hedge accounting

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date of the derivative contract and are subsequently remeasured at fair value. They are carried as financial assets or financial liabilities depending on the fair value of the derivatives. Subsequent changes in fair value are recognised in profit or loss.

Hedge accounting for cash flow hedges

The associates consider if hedge accounting criteria are met, for cash flow hedges, a change in fair value of the effective portion of the hedging instrument is recognised in other comprehensive income, while a change in fair value of the ineffective portion of the hedging instruments is recognised in profit or loss.

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4.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows.

Construction contracts

The Group recognises revenue from construction contracts over time taking into account the stage of completion. The management has exercised judgement in measuring the progress towards satisfaction of the performance obligation, with reference to information provided by project engineers or project managers and relying on their expertise and past experience.

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Provision for losses on construction projects

Management applies judgment in estimating the loss they expect to be realised on each construction projects, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour and the current situation.

Recording of investments in associates

Management has determined that the Company has significant transactions with, has to provide financial support to, and has representation on the boards of directors of the following companies:-

- Eastern Bangkok Monorail Company Limited and Northern Bangkok Monorail Company Limited, even though its shareholdings and voting rights are at only 15 percent.
- BGSR 6 Company Limited and BGSR 81 Company Limited, even though its shareholdings and voting rights are at only 10 percent.

The investments in the above companies are therefore presented as investments in associates under the equity method in the consolidated financial statements, and presented at cost in the separate financial statements.

Joint arrangements

Management applies judgement to determine the type of joint arrangement, based on consideration of the rights and obligations arising from the arrangement. On this basis, the management of the Company has determined that the Company has 5 joint venture agreements that are joint operations (2022: 5 joint venture agreements).

Investment properties

The Group presents investment properties at the fair value estimated by an independent appraiser, and recognises changes in the fair value in the income statement. The independent appraiser valued an investment property of condominium for rent using the income approach. The key assumptions used in estimating the fair value include yield rate, long-term vacancy rate and long-term growth in real rental rates.

Litigation

The Company has contingent liabilities as a result of litigation. The management has used judgment to assess of the results of the litigation and believes that no loss will be resulted. Therefore no contingent liabilities are recorded as at the end of reporting period.

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6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Revenues from construction contracts	-	-	-	377	Based on contracts
Land rental income	-	-	3	3	Agreed between the parties
Rental of machinery and equipment	-	-	281	195	Closed to prices charged by third parties and based on contracts
Office rental and service expenses	-	-	16	16	Agreed between the parties
Training fee	-	-	6	17	Agreed between the parties
Sales of machinery and equipment	-	-	955	-	Based on contracts and agreed between the parties
Transactions with associated companies					
Revenues from construction contracts	6,393	7,907	6,393	7,907	Based on contracts
Interest income	5	-	5	-	Based on loan agreements
Transactions with related companies					
Revenues from construction contracts	483	297	483	297	Based on contracts
Machinery and equipment rental income	3	-	-	-	Agreed between the parties
Cost of construction	216	532	216	532	Closed to prices charged by third parties and based on contracts
Project management fee	70	53	70	53	Based on contracts
Rental of machinery and equipment	1	6	1	6	Closed to prices charged by third parties and based on contracts
Sales of machinery and equipment	4	4	4	4	Based on contracts and agreed between the parties

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As at 31 December 2023 and 2022, the balance of the accounts between the Group and those related companies were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Assets</u>				
<u>Trade receivables - related parties (Note 7)</u>				
Subsidiaries	-	-	124,396	117,454
Joint arrangement	15,304	34,756	15,304	34,756
Joint ventures	13,756	13,756	13,756	13,756
Related companies (related by common directors)	20,104	18,981	18,978	18,978
Total	49,164	67,493	172,434	184,944
Less: Allowance for expected credit losses	(32,734)	(32,734)	(38,774)	(38,774)
Net	16,430	34,759	133,660	146,170
<u>Amounts due from related party (Note 7)</u>				
Subsidiary	-	-	809,940	-
<u>Advances - related parties (Note 7)</u>				
Subsidiaries	-	-	620	19
Joint venture	130	130	130	130
Other joint operator	492	8,880	492	8,880
Total	622	9,010	1,242	9,029
<u>Unbilled receivables</u>				
Subsidiaries	-	-	452,604	523,880
Associated companies	807,087	169,900	807,087	169,900
Joint arrangement	52,311	-	52,311	-
Total	859,398	169,900	1,312,002	693,780
<u>Retention receivables</u>				
Associated companies	40,815	24,722	40,815	24,722
<u>Advances to subcontractor</u>				
Other joint operator	11,058	16,515	11,058	16,515
<u>Liabilities</u>				
<u>Trade payables - related parties (Note 18)</u>				
Subsidiaries	-	-	64,708	14,673
Other joint operators	47,328	62,095	47,328	62,095
Related company (related by common directors)	1,146	7,285	1,146	7,285
Total	48,474	69,380	113,182	84,053

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(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Construction revenue received in advance</u>				
Associated companies	1,082,579	3,172,514	1,082,579	3,172,514
Joint arrangement	104,794	248,285	104,794	248,285
Total	1,187,373	3,420,799	1,187,373	3,420,799
<u>Advances received from construction contracts</u>				
Associated companies	13,817	120,129	13,817	120,129
Joint arrangement	297,153	4,121	297,153	4,121
Total	310,970	124,250	310,970	124,250
<u>Retention for construction</u>				
Other joint operator	6,657	4,056	6,657	4,056
<u>Lease liabilities</u>				
Subsidiary	-	-	8,427	13,085

Loans to related parties

As at 31 December 2023 and 2022, the balances of loans to related parties and the movements were as follows:

(Unit: Thousand Baht)

		Consolidated/Separate financial statements			
Short-term loans to	Relationship	31 December	Increase	Decrease	31 December
		2022	during the year	during the year	2023
CKST-DC2 Joint Venture	Joint arrangement	-	40,000	-	40,000
CKST-DC3 Joint Venture	Joint arrangement	-	30,000	-	30,000
Total		-	70,000	-	70,000

Short-term loans to CKST-DC2 Joint Venture and CKST-DC3 Joint Venture

Short-term loans to CKST-DC2 Joint Venture and CKST-DC3 Joint Venture represents in the form of a promissory note. The loans carry interest at fixed deposit rate of 12 months and repayment is at call.

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(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loans to	Relationship	31 December 2022	Increase during the year	Decrease during the year	31 December 2023
Northern Bangkok Monorail Company Limited	Associate	122,882	326,635	-	449,517
Eastern Bangkok Monorail Company Limited	Associate	-	140,250	-	140,250
		122,882	466,885	-	589,767

Unit: Thousand Baht)

		Separate financial statements			
Long-term loans to	Relationship	31 December 2022	Increase during the year	Decrease during the year	31 December 2023
Nouvelle Property Company Limited	Subsidiary	2,035	127	-	2,162
Sino-Thai Holding Company Limited	Subsidiary	-	3,720	-	3,720
Northern Bangkok Monorail Company Limited	Associate	122,882	326,635	-	449,517
Eastern Bangkok Monorail Company Limited	Associate	-	140,250	-	140,250
Total		124,917	470,732	-	595,649

Long-term loans to Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited

The Company provided loan facilities of Baht 640 million and 247 million to Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited, respectively. The loans carry interest at a fixed rate specified in the loan agreements and repayment is at call. However, the Company does not expect to call the loans in the foreseeable future and therefore presents these loans as a non-current asset in the statement of financial position.

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Short-term loan from related party

As at 31 December 2023 and 2022, the balances of short-term loan from related party and the movements were as follows:

(Unit: Thousand Baht)

		Consolidated/Separate financial statements			
Short-term loan from	Relationship	31 December 2022	Increase during the year	Decrease during the year	31 December 2023
U-Tapao International					
Aviation Company Limited	Associate	-	500,000	(55,000)	445,000

Short-term loan from U-Tapao International Aviation Company Limited

The Company entered into loan agreement with U-Tapao International Aviation Company Limited which has loan facilities of Baht 500 million. The loan carry interest at a fixed rate specified in the loan agreements and is to be repaid within 3 months.

Directors and management's benefits

For the year 2023, the Group had short-term employee benefits of their directors and management totaling Baht 66 million (2022: Baht 55 million) (Separate financial statements: Baht 63 million (2022: Baht 51 million)).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 13 to the consolidated financial statements.

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7. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,818,728	1,061,560	1,814,478	1,060,787
Past due				
Up to 3 months	540,583	204,101	468,968	203,403
3 - 6 months	45,735	10,250	45,735	10,250
6 - 12 months	11,680	81,937	11,676	25,162
Over 12 months	195,597	163,139	160,443	127,985
Total	2,612,323	1,520,987	2,501,300	1,427,587
Less: Allowance for expected credit losses	(59,710)	(58,212)	(59,710)	(58,212)
Total trade receivables - unrelated parties, net	2,552,613	1,462,775	2,441,590	1,369,375
<u>Trade receivables - related parties (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	13,554	34,751	16,078	35,665
Past due				
Up to 3 months	2,876	8	80,884	8
3 - 6 months	-	-	-	31,748
6 - 12 months	-	-	-	61,172
Over 12 months	32,734	32,734	75,472	56,351
Total	49,164	67,493	172,434	184,944
Less: Allowance for expected credit losses	(32,734)	(32,734)	(38,774)	(38,774)
Total trade receivables - related parties, net	16,430	34,759	133,660	146,170
Total trade receivables - net	2,569,043	1,497,534	2,575,250	1,515,545
<u>Other receivables</u>				
Amounts due from related parties (Note 6)	-	-	809,940	-
Advances - related parties (Note 6)	622	9,010	1,242	9,029
Total other receivables	622	9,010	811,182	9,029
Total trade and other receivables - net	2,569,665	1,506,544	3,386,432	1,524,574

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Set out below is the movements in the allowance for expected credit losses of trade and other receivables.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Beginning balance	90,946	95,328	96,986	101,368
Reversal of provision for expected credit losses	-	(5,938)	-	(5,938)
Amount written off	(11,332)	(9,776)	(11,332)	(9,776)
Transferred from amount due over one year	12,830	11,332	12,830	11,332
Ending balance	92,444	90,946	98,484	96,986

8. Contract assets/Contract liabilities

8.1 Contract balances

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Contract assets				
Unbilled receivables	6,774,532	7,636,796	6,828,859	7,688,960
Retention receivables	1,042,190	628,528	991,953	586,156
Total contract assets	7,816,722	8,265,324	7,820,812	8,275,116
Contract liabilities				
Construction revenue received in advance	(3,806,832)	(8,360,308)	(3,806,832)	(8,360,308)
Advances received from customers	(5,973,808)	(8,032,788)	(5,973,808)	(8,032,788)
Total contract liabilities	(9,780,640)	(16,393,096)	(9,780,640)	(16,393,096)

8.2 Unbilled receivables

As at 31 December 2023, the balance of unbilled receivables of Baht 6,775 million (2022: Baht 7,637 million) (Separate financial statements: Baht 6,829 million (2022: Baht 7,689 million)) was expected to be billed within one year.

8.3 Revenue recognised in relation to contract balances

During the year 2023, the Group recognised contract liabilities at the beginning of the year of Baht 10,778 million (2022: Baht 15,344 million) (Separate financial statements: Baht 10,778 million (2022: Baht 15,344 million)) as revenue.

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8.4 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, the Group expected to recognise revenue totaling Baht 69,212 million (2022: Baht 129,385 million) (Separate financial statements: Baht 69,137 million (2022: Baht 129,310 million)) in the future in respect of performance obligations under contracts with customers that have not been satisfied or partially unsatisfied. The Group expects to satisfy these performance obligations within 4 years.

9. Short-term loans to other companies

The balances represent factoring receivables of a subsidiary from unrelated companies which are due for repayment within one year. These loans carry interest at the rates from 11.0 - 12.0 percent per annum (2022: 11.0 - 12.0 percent per annum).

10. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Debt instruments at amortised cost				
Fixed deposits with maturity over 3 months	10,000	-	-	-
Corporate bonds	195,415	-	-	-
Debt instruments measured at fair value through profit or loss				
Unit trusts of open-ended fund	862,272	1,304,153	709,863	1,303,856
Total other current financial assets	<u>1,067,687</u>	<u>1,304,153</u>	<u>709,863</u>	<u>1,303,856</u>

Investments in unit trusts of open-ended fund are stated at fair value using inputs of level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in unit trusts has been determined by using the net asset value.

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11. Investments in equity instruments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Equity instruments designated at FVOCI				
Listed equity instruments	10,113,978	12,600,946	10,113,978	12,600,946
Units of property fund	9,500	10,300	-	-
Total	10,123,478	12,611,246	10,113,978	12,600,946

Equity instruments designated at FVOCI which the Group considers these investments to be strategic in nature.

During the year 2023, the Group received dividends from equity instruments designated at FVOCI, which still existed at the reporting date, in the amount of Baht 150 million (2022: Baht 104 million) (Separate financial statements: Baht 149 million (2022: Baht 103 million)).

Investments in listed equity and units of property fund are stated at fair value using inputs of level 1 which is use of quoted market prices in an observable active market for such assets or liabilities.

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)			
	Paid-up capital		Cost	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
HTR Corporation Limited	500,000	500,000	440,090	440,090
Nouvelle Property Company Limited	800,000	800,000	800,000	800,000
Wisdom Services Company Limited	2,211,000	2,211,000	12,726	12,726
STECON POWER Company Limited	100,000	1,000	100,000	1,000
Sino-Thai Holding Company Limited	5,000	1,500	5,000	1,500
SNT Concrete Solution Company Limited	75,000	-	75,000	-
Total			1,432,816	1,255,316

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STECON POWER Company Limited

On 25 September 2023, the extraordinary general meetings of STECON POWER Company Limited's shareholders passed a resolution to approve the increase in its registered capital of Baht 99 million, through the issue of 990,000 ordinary shares of Baht 100 each. The Company has invested in such increased shares capital in full to maintain its existing shareholding in this company. STECON POWER Company Limited registered the new share capital with the Ministry of Commerce on 28 September 2023.

Sino-Thai Holding Company Limited

On 1 June 2023, the Board of Directors meeting of Sino-Thai Holding Company Limited passed a resolution to call up of another 70 percent of the 50,000 ordinary shares of Baht 100 each. The Company paid the called-up share capital of Baht 3.5 million in June 2023.

SNT Concrete Solution Company Limited

On 8 September 2023, the Company's Board of Directors passed a resolution to establish SNT Concrete Solution Company Limited for concrete foundry business. The registered share capital of the newly established company is Baht 300 million (3 million ordinary shares with a par value of Baht 100 each), with 25 percent paid-up share capital. The Company fully made payment of Baht 75 million for the share capital and registered the establishment with the Ministry of Commerce on 15 September 2023.

DC Power BN1 Company Limited

On 31 October 2023, STECON POWER Company Limited, a subsidiary of the Company, and the two joint investors established a joint investment to incorporate DC Power BN1 Company Limited, with a registered share capital of Baht 165 million. The subsidiary made payment of Baht 99 million for its share capital, in proportion to its 60 percent interest.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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13. Investments in associates

13.1 Details of associates domiciled in Thailand:

Company's name	Nature of business	Shareholding percentage		Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
				Carrying amounts based on equity method		Cost	
				2023	2022	2023	2022
DKK Sino-Thai Engineering Company Limited	Installation of telecommunication and transmission line installation	35	35	27,921	71,028	2,800	2,800
Eastern Bangkok Monorail Company Limited	Mass transit business	15	15	2,284,082	2,368,770	2,160,000	2,160,000
Northern Bangkok Monorail Company Limited	Mass transit business	15	15	2,401,166	2,347,302	2,160,000	2,160,000
U-Tapao International Aviation Company Limited	Airport operations	20	20	1,338,242	839,649	1,425,000	900,000
BGSR 6 Company Limited	Management of express ways	10	10	104,865	99,467	100,000	100,000
BGSR 81 Company Limited	Management of express ways	10	10	89,175	84,439	85,000	85,000
UTB Company Limited	Management of airport city	20	20	1,778	1,981	2,000	2,000
SITEM ST Engineering and Services Company Limited	Maintenance and building engineering system management	30	30	2,617	1,498	-	-
Total				6,249,846	5,814,134	5,934,800	5,409,800

Eastern Bangkok Monorail Company Limited (“Eastern”) and Northern Bangkok Monorail Company Limited (“Northern”)

The Company pledged all of its shares in Eastern and Northern as collateral for their loans from banks.

In addition, the Company has entered into agreements to provide financial support to Eastern and Northern in the form of loans or guarantees, in proportion to its shareholdings. As at 31 December 2023, the Company has provided loan to Northern, as described in the Note 6 to the consolidated financial statements.

Notes to consolidated financial statements

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U-Tapao International Aviation Company Limited (“U-Tapao”)

On 9 June 2023, the Company’s Board of Directors passed a resolution approving the Company’s additional investment in ordinary shares of U-Tapao totaling Baht 2,100 million (21 million ordinary shares with a par value of Baht 100 each) to maintain its existing shareholding, with 25 percent paid-up share capital. The Company made payment of Baht 525 million for these additional ordinary shares on 31 August 2023.

The Company used letter of guarantee facilities of Baht 900 million provided by a commercial bank to issue a letter of guarantee for U-Tapao, to guarantee compliance with the joint venture contract for the U-Tapao International Airport and Eastern Aviation City Development Project. In addition, the Company provided a guarantee of up to Baht 5,889 million to the Eastern Economic Corridor Office for any damages in excess of the amount of the bank guarantee.

BGSR 6 Company Limited (“BGSR 6”) and BGSR 81 Company Limited (“BGSR 81”)

The Company pledged all of its shares in BGSR 6 and BGSR 81 as collateral for their loans from banks.

In addition, the Company has entered into agreements to provide financial support to BGSR 6 and BGSR 81 in the form of loans or guarantees, in proportion to its shareholdings. As at 31 December 2023 these were no loan provided by the Company to both companies.

DKK Sino-Thai Engineering Company Limited

On 6 July 2023, the extraordinary general meetings of DKK Sino-Thai Engineering Company Limited’s shareholders passed a resolution to approve its dissolution. This company registered its dissolution with the Ministry of Commerce on 6 July 2023 and it is currently in the process of liquidation.

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Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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13.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit (loss) and other comprehensive income from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

Associates	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of profit (loss)		Share of other comprehensive income		Dividend received	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
DKK Sino-Thai Engineering Company Limited	(17,910)	(12,981)	-	-	25,197	23,098
Eastern Bangkok Monorail Company Limited	(85,552)	36,195	865	200,355	-	-
Northern Bangkok Monorail Company Limited	49,253	35,415	4,611	208,597	-	-
U-Tapao International Aviation Company Limited	(26,407)	(24,615)	-	-	-	-
BGSR 6 Company Limited	5,398	(125)	-	-	-	-
BGSR 81 Company Limited	4,736	(132)	-	-	-	-
UTB Company Limited	(203)	(19)	-	-	-	-
SITEM ST Engineering and Services Company Limited	1,119	(2)	-	-	-	-
Total	<u>(69,566)</u>	<u>33,736</u>	<u>5,476</u>	<u>408,952</u>	<u>25,197</u>	<u>23,098</u>

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Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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13.3 Summarised financial information about material associates

Summarised information about financial position as at 31 December

(Million Baht)

	DKK Sino-Thai Engineering Company Limited		Eastern Bangkok Monorail Company Limited		Northern Bangkok Monorail Company Limited		U-Tapao International Aviation Company Limited		BGSR 6 Company Limited		BGSR 81 Company Limited	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current assets	81	178	2,763	17	2,310	139	3,907	2,166	48	108	195	137
Non-current assets	-	37	44,813	46,853	50,752	47,137	3,226	2,512	2,890	1,450	2,606	1,299
Current liabilities	(1)	(10)	(2,290)	(2,017)	(2,828)	(2,135)	(432)	(475)	(270)	(66)	(322)	(49)
Non-current liabilities	-	(3)	(30,059)	(29,062)	(34,226)	(29,492)	(10)	(5)	(1,619)	(498)	(1,587)	(543)
Net assets	80	202	15,227	15,791	16,008	15,649	6,691	4,198	1,049	994	892	844
Shareholding percentage (%)	35	35	15	15	15	15	20	20	10	10	10	10
Carrying amounts of associates based on equity method	28	71	2,284	2,369	2,401	2,347	1,338	840	105	99	89	84

Summarised information about income and comprehensive income for the year ended 31 December

(Unit: Million Baht)

	DKK Sino-Thai Engineering Company Limited		Eastern Bangkok Monorail Company Limited		Northern Bangkok Monorail Company Limited		U-Tapao International Aviation Company Limited		BGSR 6 Company Limited		BGSR 81 Company Limited	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue	13	65	2,817	2,943	4,927	3,740	36	17	1,451	1,317	1,312	1,180
Profit (loss) for the year	(26)	(62)	(570)	241	328	236	(132)	(123)	24	28	21	24
Other comprehensive income	-	-	6	1,336	31	1,391	-	-	-	-	-	-
Total comprehensive income	(26)	(62)	(564)	1,577	359	1,627	(132)	(123)	24	28	21	24

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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14. Joint ventures - joint operations

The Company has joint arrangements which assessed as joint operations between the Company and other joint operators are all incorporated in Thailand and are engaged in the provision of construction services. The Company recognises its shares of assets, liabilities, revenue and expenses of the joint operations, in proportion to its interest, in the separate financial statements, the details as follows:

Company's name	Nature of business	Interests in joint operations	
		<u>2023</u> Percent	<u>2022</u> Percent
CKST Joint venture	Construction of MRT	40	40
STTP Joint venture	Construction of railway	100	100
CKST-DC2 Joint venture	Construction of railway	41	41
CKST-DC3 Joint venture	Construction of railway	39	39
CKST-PL Joint Venture	Construction of MRT	45	45

Financial information of the Company only and the joint arrangements are presented including in the separate financial statements as below.

(Unit: Million Baht)

	As at 31 December 2023			
	The Company only	The joint arrangements	Elimination entries	Separate financial statements
Summarised information about financial position:				
Current assets	14,904	5,831	(547)	20,188
Non-current assets	23,954	369	-	24,323
Current liabilities	21,263	5,843	(547)	26,559
Non-current liabilities	2,231	51	-	2,282
Unappropriated retained earnings	6,763	305	-	7,068

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(Unit: Million Baht)

	As at 31 December 2022			
	The Company only	The joint arrangements	Elimination entries	Separate financial statements
Summarised information				
about financial position:				
Current assets	16,127	5,595	(478)	21,244
Non-current assets	26,415	190	-	26,605
Current liabilities	22,257	5,609	(478)	27,388
Non-current liabilities	3,037	46	-	3,083
Unappropriated retained earnings	6,657	130	-	6,787

(Unit: Million Baht)

	For the year ended 31 December 2023			
	The Company only	The joint arrangements	Elimination entries	Separate financial statements
Summarised information				
about profit or loss:				
Total revenues	25,218	5,148	(570)	29,796
Total expenses	(24,597)	(4,948)	570	(28,975)
Operating profit	621	200	-	821
Finance income	21	16	(4)	33
Finance cost	(32)	(11)	4	(39)
Profit before income tax	610	205	-	815
Income tax	(80)	(30)	-	(110)
Profit for the year	530	175	-	705

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Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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(Unit: Million Baht)

	For the year ended 31 December 2022			
	The Company only	The joint arrangements	Elimination entries	Separate financial statements
Summarised information about profit or loss:				
Total revenues	27,343	4,152	(968)	30,527
Total expenses	(26,063)	(4,111)	568	(29,606)
Operating profit	1,280	41	(400)	921
Finance income	23	10	-	33
Finance cost	(14)	-	-	(14)
Profit before income tax	1,289	51	(400)	940
Income tax	(153)	(13)	-	(166)
Profit for the year	1,136	38	(400)	774

15. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land	Condominium for rent	Condominium units	Total
1 January 2022	4,156,262	704,982	47,279	4,908,523
Gain from fair value adjustment	32,600	3,240	622	36,462
31 December 2022	4,188,862	708,222	47,901	4,944,985
Gain from fair value adjustment	23,362	-	-	23,362
31 December 2023	4,212,224	708,222	47,901	4,968,347
Basis of valuation	Market Approach	Income Approach	Market Approach	

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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		Unit: Thousand Baht)	
		Separate financial statements	
		Land	
		<u>2023</u>	<u>2022</u>
Balance at beginning of year		3,241,979	3,209,379
Gain from fair value adjustment		1,082	32,600
Balance at end of year		3,243,061	3,241,979
Basis of valuation		Market Approach	Market Approach

Investment properties are stated at fair value using inputs of level 3 which is use of unobservable inputs such as estimates of future cash flows.

Key assumptions used in the valuation of condominium for rent are summarised below:

	Consolidated financial statement	Result to fair value where as an increase in assumption value
Occupancy rate (%)	90 - 95	Increase in fair value
Discount rate (%)	11	Decrease in fair value
Rental rate (Baht per square metre per month)	532 - 643	Increase in fair value

16. Property, plant and equipment

		(Unit: Thousand Baht)	
		Consolidated financial statements	Separate financial statements
		<u>2023</u>	<u>2022</u>
Net book value:			
Property, plant and equipment		3,950,850	3,441,596
Right-of-use assets (Note 20)		756,279	1,496,572
Total		4,707,129	4,938,168

Movements of property, plant and equipment for the years ended 31 December 2023 and 2022 are summarised as follows:

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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16. Property, plant and equipment (continued)

Consolidated financial statements								
	Land and land improvements	Buildings and building improvements	Leasehold improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2022	784,429	823,709	110,682	6,042,302	499,938	587,504	379,423	9,227,987
Additions	-	-	-	71,605	35,877	802	208,220	316,504
Disposals	-	-	-	(641,033)	(13,488)	(37,453)	-	(691,974)
Transfer in (out)	3,166	7,833	-	4,171	3,686	(6,155)	(12,701)	-
Transfer from right-of-use assets (Note 20)	-	-	-	847,995	-	68,144	-	916,139
31 December 2022	787,595	831,542	110,682	6,325,040	526,013	612,842	574,942	9,768,656
Accumulated depreciation:								
1 January 2022	-	345,127	92,387	4,582,438	417,343	506,021	-	5,943,316
Depreciation	-	30,476	6,115	634,289	41,991	47,563	-	760,434
Disposals	-	-	-	(597,781)	(12,933)	(37,439)	-	(648,153)
Transfer in (out)	-	-	-	2,473	3,609	(6,082)	-	-
Transfer from right-of-use assets (Note 20)	-	-	-	237,902	-	33,561	-	271,463
31 December 2022	-	375,603	98,502	4,859,321	450,010	543,624	-	6,327,060
Net book value:								
31 December 2022	787,595	455,939	12,180	1,465,719	76,003	69,218	574,942	3,441,596
Depreciation for the year:								
2022 (Baht 732 million included in cost, and the balance in administrative expenses)								760,434

(Unit: Thousand Baht)

Consolidated financial statements								
	Land and land improvements	Buildings and building improvements	Leasehold improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2023	787,595	831,542	110,682	6,325,040	526,013	612,842	574,942	9,768,656
Additions	-	-	-	106,690	34,414	979	325,312	467,395
Disposals/Write-off	-	-	-	(257,435)	(12,849)	(31,913)	-	(302,197)
Transfer in (out)	-	-	673	16,956	350	-	(17,979)	-
Transfer from right-of-use assets (Note 20)	-	-	-	897,141	-	82,143	-	979,284
31 December 2023	787,595	831,542	111,355	7,088,392	547,928	664,051	882,275	10,913,138
Accumulated depreciation:								
1 January 2023	-	375,603	98,502	4,859,321	450,010	543,624	-	6,327,060
Depreciation	-	25,513	5,576	517,134	38,630	26,450	-	613,303
Disposals/Write-off	-	-	-	(227,764)	(12,182)	(31,387)	-	(271,333)
Transfer from right-of-use assets (Note 20)	-	-	-	259,588	-	33,670	-	293,258
31 December 2023	-	401,116	104,078	5,408,279	476,458	572,357	-	6,962,288
Net book value:								
31 December 2023	787,595	430,426	7,277	1,680,113	71,470	91,694	882,275	3,950,850
Depreciation for the year:								
2023 (Baht 590 million included in cost, and the balance in administrative expenses)								613,303

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16. Property, plant and equipment (continued)

(Unit: Thousand Baht)

	Separate financial statements							
	Land and land improvements	Buildings and building improvements	Leasehold improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2022	784,429	678,960	110,682	4,823,351	463,074	505,886	303,977	7,670,359
Additions	-	-	-	71,596	35,604	802	208,218	316,220
Disposals	-	-	-	(640,905)	(13,406)	(37,453)	-	(691,764)
Transfer in (out)	3,166	7,833	-	1,702	-	-	(12,701)	-
Transfer from right-of-use assets (Note 20)	-	-	-	340,025	-	63,234	-	403,259
31 December 2022	787,595	686,793	110,682	4,595,769	485,272	532,469	499,494	7,698,074
Accumulated depreciation:								
1 January 2022	-	338,961	92,387	3,403,758	385,033	452,809	-	4,672,948
Depreciation	-	30,476	6,115	548,892	41,437	45,949	-	672,869
Disposals	-	-	-	(597,722)	(12,858)	(37,439)	-	(648,019)
Transfer from right-of-use assets (Note 20)	-	-	-	122,369	-	29,221	-	151,590
31 December 2022	-	369,437	98,502	3,477,297	413,612	490,540	-	4,849,388
Net book value:								
31 December 2022	787,595	317,356	12,180	1,118,472	71,660	41,929	499,494	2,848,686
Depreciation for the year:								
2022 (Baht 646 million included in cost, and the balance in administrative expenses)								672,869

(Unit: Thousand Baht)

	Separate financial statements							
	Land and land improvements	Buildings and building improvements	Leasehold improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2023	787,595	686,793	110,682	4,595,769	485,272	532,469	499,494	7,698,074
Additions	-	-	-	105,971	33,605	87	325,311	464,974
Disposals/Write-off	-	-	-	(253,919)	(12,821)	(31,156)	-	(297,896)
Disposals to subsidiaries	-	-	-	(2,070,565)	-	(449,164)	-	(2,519,729)
Transfer in (out)	-	-	673	16,956	350	-	(17,979)	-
Transfer from right-of-use assets (Note 20)	-	-	-	226,379	-	79,779	-	306,158
31 December 2023	787,595	686,793	111,355	2,620,591	506,406	132,015	806,826	5,651,581
Accumulated depreciation:								
1 January 2023	-	369,437	98,502	3,477,297	413,612	490,540	-	4,849,388
Depreciation	-	25,513	5,576	342,405	37,969	15,621	-	427,084
Disposals/Write-off	-	-	-	(224,640)	(12,161)	(30,631)	-	(267,432)
Disposals to subsidiaries	-	-	-	(1,620,675)	-	(380,367)	-	(2,001,042)
Transfer from right-of-use assets (Note 20)	-	-	-	80,881	-	33,431	-	114,312
31 December 2023	-	394,950	104,078	2,055,268	439,420	128,594	-	3,122,310
Net book value:								
31 December 2023	787,595	291,843	7,277	565,323	66,986	3,421	806,826	2,529,271
Depreciation for the year:								
2023 (Baht 406 million included in cost, and the balance in administrative expenses)								427,084

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As at 31 December 2023, the Group's certain plant and equipment items had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2,348 million (2022: Baht 3,428 million) (Separate financial statements: Baht 1,925 million (2022: Baht 3,009 million)).

17. Short-term loans from financial institutions

The Company borrowed short-term loans from financial institutions in the form of a promissory note that is to be repaid within 3 - 6 months. The loan carries interest at a fixed rate stipulated in the agreement and is unsecured.

18. Trade and other payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Trade payables - related parties (Note 6)	48,474	69,380	113,182	84,053
Trade payables - unrelated parties	5,949,222	5,582,586	5,901,631	5,564,835
Unbilled payables	2,548,512	2,288,015	2,548,512	2,288,015
Other payables - unrelated parties	66,325	82,982	65,267	82,982
Accrued expenses	112,800	94,796	89,554	79,991
Total trade and other payables	8,725,333	8,117,759	8,718,146	8,099,876

19. Long-term loans from financial institutions

As at 31 December 2023 and 2022, the balances of the long-term loans from financial institutions are as follows:

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	2023	2022
Long-term loans from financial institutions	117,000	-
Less: Current portion	117,000	-
Long-term loans from financial institutions - net of current portion	-	-

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Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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Movements of the long-term loans from financial institutions account during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	-	-
Add: Borrowing during the year	722,000	-
Less: Repayment during the year	(605,000)	-
Balance at end of year	117,000	-

Two joint arrangements entered into long-term loan agreements with two local commercial banks. The loans carry interest at the rates based on Minimum Loan Rate minus margin (MLR - margin). Repayment is to be made each time the joint arrangements collection of revenue from construction projects at rate specified in the loan agreements and the final payment is due within 36 months. Such loans are secured by the transfer of rights over collection of revenue from construction projects of the joint arrangements.

As at 31 December 2023, the long-term credit facilities of the joint arrangements which have not yet been drawn down of Baht 2,037 million.

20. Leases

20.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 6 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

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(Unit: Thousand Baht)

Consolidated financial statements					
	Land and land improvements	Office space	Machinery and equipment	Motor vehicles	Total
1 January 2022	29,125	-	1,755,071	362,220	2,146,416
Additions	40,814	618	49,658	181,608	272,698
Depreciation for the year	(20,257)	(206)	(122,901)	(134,501)	(277,865)
Transfer to property, plant and equipment (Note 16)	-	-	(610,093)	(34,584)	(644,677)
31 December 2022	49,682	412	1,071,735	374,743	1,496,572
Additions	25,748	-	-	111,936	137,684
Depreciation for the year	(23,464)	(206)	(49,833)	(118,323)	(191,826)
Disposals/write-off during the year	-	-	(125)	-	(125)
Transfer to property, plant and equipment (Note 16)	-	-	(637,553)	(48,473)	(686,026)
31 December 2023	51,966	206	384,224	319,883	756,279

(Unit: Thousand Baht)

Separate financial statements					
	Land and land improvements	Office space	Machinery and equipment	Motor vehicles	Total
1 January 2022	29,125	12,835	787,278	361,649	1,190,887
Additions	40,814	4,781	4,598	181,608	231,801
Depreciation for the year	(20,257)	(4,544)	(65,434)	(134,501)	(224,736)
Transfer to property, plant and equipment (Note 16)	-	-	(217,656)	(34,013)	(251,669)
31 December 2022	49,682	13,072	508,786	374,743	946,283
Additions	25,748	-	-	111,936	137,684
Depreciation for the year	(23,464)	(4,726)	(20,509)	(109,911)	(158,610)
Disposals/Write-off during the year	-	-	(337,190)	(99,018)	(436,208)
Transfer to property, plant and equipment (Note 16)	-	-	(145,498)	(46,348)	(191,846)
31 December 2023	51,966	8,346	5,589	231,402	297,303

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease liabilities	505,081	729,214	308,682	659,797
Less: Deferred interest expenses	(20,647)	(29,264)	(15,602)	(27,339)
Total	484,434	699,950	293,080	632,458
Less: Portion due within one year	(219,524)	(324,260)	(109,561)	(274,141)
Lease liabilities - net of current portion	264,910	375,690	183,519	358,317

A maturity analysis of lease payments is disclosed in note 31 to the consolidated financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	191,826	277,865	158,610	224,736
Interest expense on lease liabilities	17,665	27,639	13,612	21,555
Expense relating to short-term leases	160,898	52,589	158,729	49,328
Expense relating to leases of low-value assets	65,667	45,958	65,667	45,958
Expense relating to variable lease payments that do not depend on an index or a rate	483,604	463,638	764,395	657,997

d) Others

The Group has total cash outflows for leases for the year ended 31 December 2023 of Baht 1,063 million (2022: Baht 1,387 million) (Separate financial statements: Baht 1,222 million (2022: Baht 1,290 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
For the year ended 31 December 2023

20.2 Group as a lessor

The Group has entered into operating leases for its investment property portfolio consisting of condominium for rent (Note 15) of the lease terms are between 1 - 3 years.

The Group has future minimum rentals receivable under operating leases as at 31 December 2023 and 2022 as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
Within 1 year	50,783	61,952
Over 1 and up to 3 years	39,421	51,809
Total	90,204	113,761

21. Provision for long-term employee benefits

Provision for long-term employee benefits which is compensations on employees' retirement and long service awards, are as follows:

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Post-employment		Other long-term		Total	
	benefits		employee benefits			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee						
benefits at beginning of year	323,340	312,793	39,765	38,257	363,105	351,050
Included in the income statements:						
Current service cost	25,315	24,734	4,725	4,685	30,040	29,419
Interest cost	4,083	3,735	405	358	4,488	4,093
Actuarial loss	-	-	6,426	-	6,426	-
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Financial assumptions changes	(46,821)	-	-	-	(46,821)	-
Experience adjustments	17,508	-	-	-	17,508	-
Benefits paid during the year	(22,612)	(17,922)	(4,244)	(3,535)	(26,856)	(21,457)
Provision for long-term employee						
benefits at end of year	300,813	323,340	47,077	39,765	347,890	363,105

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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(Unit: Thousand Baht)

	Separate financial statements					
	Post-employment benefits		Other long-term employee benefits		Total	
	2023	2022	2023	2022	2023	2022
Provision for long-term employee benefits at beginning of year	320,080	309,760	39,452	37,944	359,532	347,704
Included in the income statements:						
Current service cost	24,953	24,537	4,691	4,657	29,644	29,194
Interest cost	4,050	3,705	402	355	4,452	4,060
Actuarial loss	-	-	3,673	-	3,673	-
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Financial assumptions changes	(44,323)	-	-	-	(44,323)	-
Experience adjustments	1,584	-	-	-	1,584	-
Benefits paid during the year	(21,218)	(17,922)	(4,199)	(3,504)	(25,417)	(21,426)
Provision for long-term employee benefits at end of year	285,126	320,080	44,019	39,452	329,145	359,532

The Group expects to pay Baht 21 million (2022: Baht 22 million) of long-term employee benefits during the next year (Separate financial statements: Baht 21 million (2022: Baht 22 million)).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit of the Group were 16 years (2022: 17 years) (Separate financial statements: 16 years (2022: 17 years)).

Principal actuarial assumptions at the valuation date are as follows:

	Consolidated/Separate financial statements	
	2023 (% per annum)	2022 (% per annum)
Discount rate	3.1	1.6
Future salary increase rate (depending on age)	3.0 - 6.0	2.0 - 6.0
Staff turnover rate	0.0 - 20.0	3.0 - 20.0

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

(Unit: Million Baht)

	As at 31 December 2023			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(28)	32	(26)	31
Salary increase rate	28	(25)	27	(24)
Staff turnover rate	(1)	1	(1)	1

(Unit: Million Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(32)	37	(32)	37
Salary increase rate	37	(32)	37	(32)
Staff turnover rate	(1)	1	(1)	1

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

23. Finance cost

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	34,800	201	34,800	201
Interest expenses on lease liabilities	8,318	19,675	4,495	13,591
Total	43,118	19,876	39,295	13,792

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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24. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salary and wages of employees and temporary staffs	4,062,948	3,681,160	3,934,250	3,668,727
Depreciation	805,129	1,038,299	585,694	897,605
Rental expenses from operating lease agreements	743,365	668,354	1,021,988	860,544
Construction materials and subcontractors	21,835,012	22,378,291	21,833,606	22,378,248

25. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Current income tax charge	230,839	146,795	217,066	135,747
Deferred tax:				
Relating to origination and reversal of temporary differences	(129,192)	40,539	(106,675)	29,871
Income tax expenses reported in the statement of income	<u>101,647</u>	<u>187,334</u>	<u>110,391</u>	<u>165,618</u>

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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The amounts of income tax relating to each component in the statements of comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to:				
Gain (loss) on investments in equity designated at fair value through other comprehensive income	(497,554)	407,048	(497,394)	407,328
Actuarial gain	5,863	-	8,548	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	637,267	1,054,054	815,196	940,069
Applicable tax rate (percent)	20	20	20	20
Accounting profit before tax multiplied by income tax rate	127,453	210,811	163,039	188,014
Unrecognised tax losses that is used to reduce current tax expense	(9,085)	-	(9,085)	-
Tax loss	3,184	19,915	-	18,816
Tax effect of income and expense that are not taxable income or not deductible in determining taxable profit	(19,905)	(43,392)	(43,563)	(41,212)
Income tax reported in the statement of income	101,647	187,334	110,391	165,618

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax assets				
Allowance for expected credit losses	4,439	6,705	4,439	6,705
Effect on elimination of intercompany transaction	11,427	-	-	-
Provision for long-term employee benefits	69,578	72,621	65,829	71,906
Unused tax loss	52,092	60,733	-	-
Other	5,793	778	5,793	680
Total	143,329	140,837	76,061	79,291
Deferred tax liabilities				
Revaluations of investment properties to fair value	677,220	671,922	470,061	469,845
Gain on investments in equity designated at fair value through other comprehensive income	1,364,154	1,861,690	1,367,154	1,864,530
Lease	158,520	284,793	8,349	109,940
Others	150	29	29	29
Total	2,200,044	2,818,434	1,845,593	2,444,344
Total deferred tax liabilities - net	2,056,715	2,677,597	1,769,532	2,365,053

As at 31 December 2023, the Group had unused tax losses totaling Baht 84 million (2022: Baht 113 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of unused tax losses. The unused tax losses will expire by 2028.

26. Basic earnings per share

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

Notes to consolidated financial statements

Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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27. Dividends

	Approved by	Dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 29 April 2022	381	0.25
Total dividends for 2022		381	
Final dividends for 2022	Annual General Meeting of the shareholders on 28 April 2023	457	0.30
Total dividends for 2023		457	

28. Segment information

Operating segment information is reported in a manner consistent with the internal reports of the Group that are regularly reviewed by the Managing Director who is the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The operations of the Group principally involve construction services, office building rental, machinery and construction equipment rental and property development, and are mostly carried on in the single geographic area of Thailand. There were no material activities pertaining to the office building rental, machinery and construction equipment rental and property development segments. For this reason, financial information has not been presented by industry segment. All of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

Major customers

During the year 2023, the Group recognised construction income from 3 major customers in total amount of Baht 10,119 million (2022: 3 major customers in total amount of Baht 10,689 million).

29. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and employees contributed to the fund on a monthly basis at the rate of 3 - 5 percent of basic salaries. The fund, which is managed by Tisco Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 32 million (2022: Baht 31 million) were recognised as expenses.

Notes to consolidated financial statements

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30. Commitments and contingent liabilities

30.1 Capital commitments

As at 31 December 2023 and 2022, the Group had capital commitments relating to acquisition of machinery and construction equipment as follows:-

(Unit: Million)

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Baht	47	66	47	66
Yen	149	73	149	73

30.2 Project construction cost commitments

As at 31 December 2023 and 2022, the Group had commitments related to agreements of project construct costs as follows:-

(Unit: Million)

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Baht	28,533	24,291	28,533	24,291
Yen	54	-	54	-

The Group will make payment of these commitment upon delivery of the relevant goods or services.

30.3 Guarantees

As at 31 December 2023 and 2022, there were outstanding bank guarantees issued by banks on behalf of the Group as detail below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Performance bonds	20,354	20,675	19,779	20,099
Advance and retention bonds	12,326	14,623	11,848	14,144
Others	3,350	3,412	3,348	3,411
Total	36,030	38,710	34,975	37,654

Notes to consolidated financial statements

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30.4 Litigation

The Company was sued for compensation totaling approximately Baht 114 million (2022: Baht 152 million). In most of such cases the Company is accused of breaches of hire of work contracts. The cases are still being considered by the court. The Company's management and the Company's legal advisors believe that the outcome of these cases will be favorable to the Company therefore no provision for liability has been set aside in the accounts.

31. Financial instruments

31.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, contract assets, loans to related parties, investments, trade and other payables, retention for construction, loans from financial institutions and lease liabilities. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable contract assets, loans to related parties, deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables and contract assets

The Group manages risk by applying appropriate credit policies and procedures and does not expect to incur significant financial losses. Moreover, most trade receivables are large state and private enterprises and the Group closely monitors collections from customers.

At the end of each reporting period the Group determines expected credit losses based on aging of groups of receivables with similar credit risk profiles or based on estimates of the cash flows the Group expects to receive, discounted using the effective interest rate.

Cash deposits

The Group's credit risk associated with cash deposits is low because the Company's policy is that credit limits assigned to each counterparty are to be determined and approved by the Group's Board of Directors and the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

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Sino-Thai Engineering and Construction Public Company Limited and its subsidiaries
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Foreign currency risk

The Group's main exposure to foreign exchange risk relates to purchases of construction machinery, materials and equipment denominated in foreign currency. The Group manages the risk mostly by making purchases through local distributors and by entering into forward foreign currency contracts, most of which have terms no longer than one year. Management assess the foreign exchange risk related to the Group as low, since the Group does not have significant balances of assets and liabilities in foreign currency.

Interest rate risk

The Group's main exposures to interest rate risk relate to deposits at bank, loans to related parties, loans from financial institutions and lease liabilities. However, the Group manages the risk by entering into contracts with fixed interest rate that are closed to the market rate. The Group's current exposure to interest rate risk is low and future changes in interest rate would not have a significant impact.

Liquidity risk

The Group has a policy to carefully manage liquidity and to accept projects accepted must be paid in advance. The Group manages liquidity risk by utilising bank overdrafts, bank loans and lease liabilities. Management assess the risk related to the Group's ability to settle its liabilities as low, since the Group has adequate access to a range of funding sources and is able to roll over liabilities coming due in the next 12 months.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statements		
	As at 31 December 2023		
	Less than 1 year	1 - 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	4,300	-	4,300
Trade and other payables	8,725	-	8,725
Retention for construction	2,738	-	2,738
Short-term loan from related party	445	-	445
Lease liabilities	219	265	484
Long-term loans from financial institutions	117	-	117
Total non-derivatives	16,544	265	16,809

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(Unit: Million Baht)

Consolidated financial statements			
As at 31 December 2022			
	Less than 1 year	1 - 5 years	Total
Non-derivatives			
Trade and other payables	8,118	-	8,118
Retention for construction	2,384	-	2,384
Lease liabilities	324	376	700
Total non-derivatives	10,826	376	11,202

(Unit: Million Baht)

Separate financial statements			
As at 31 December 2023			
	Less than 1 year	1 - 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	4,300	-	4,300
Trade and other payables	8,718	-	8,718
Retention for construction	2,738	-	2,738
Short-term loan from related party	445	-	445
Lease liabilities	110	183	293
Long-term loans from financial institutions	117	-	117
Total non-derivatives	16,428	183	16,611

(Unit: Million Baht)

Separate financial statements			
As at 31 December 2022			
	Less than 1 year	1 - 5 years	Total
Non-derivatives			
Trade and other payables	8,100	-	8,100
Retention for construction	2,384	-	2,384
Lease liabilities	274	358	632
Total non-derivatives	10,758	358	11,116

Notes to consolidated financial statements

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31.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates closed to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

32. Capital management

The primary objectives of the Group capital management is to ensure that it has an appropriate financing structure and preserves the ability to continue its business as a going concern.

As at 31 December 2023, the Group's debt-to-equity ratio was 1.63:1 (2022: 1.55:1) and the Company's debt-to-equity ratio was 1.84:1 (2022: 1.75:1).

33. Event after the reporting period

On 15 February 2024, the Extraordinary General Meetings of the Company's shareholders approved the following matters:

- a) Approved the shareholding and management restructuring plan by establishing a public company limited as a holding company (Holding Company) whose securities will be listed on the Stock Exchange of Thailand (the "SET") in place of the Company's securities.
- b) Approved the delisting of the Company's shares from the SET.
- c) Approved the transfer shares of subsidiaries, associates and investments in other companies held by the Company, including the shares of the company to be established to support the expansion of the Group, to the Holding Company or its newly established subsidiaries.

34. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised director on 29 February 2024.



ATTACHMENT 1

Details of Executives, Chief Officers in Accounting and Finance and Company Secretary



Mr. Vallop Rungkijvorasathien

- Member of the Nomination and Remuneration Committee
- Director, Chairman of the Board of Executive Directors



Mr. Pakpoom Srichamni

- Director, Executive Director
- President and Chairman of the Management Committee



Mrs. Jaikaew Tejapijaya

- Director, Executive Director, Management Committee
- Senior Executive Vice President Financial and Administration Division



Mr. Jarunat Jiratsatit

- Director, Executive Director
- Management Committee
- Senior Executive Vice President Operation Division



Mr. Sutthipol Patcharanaruemol

- Management Committee
- Senior Vice President Operation Division 1



Mr. Chalit Ratanavisalnon

- Management Committee
- Senior Executive Vice President Operation Division 2



Mr. Prasit Prawang

- Management Committee
- Senior Vice President Operation Division 3



Mr. Thepnikorn Junkhun

- Management Committee
- Senior Vice President Construction Service Division



Mr. Worachat Suwasin

- Management Committee
- Senior Vice President Special Project Division



Mr. Vitoon Salilampai

- Management Committee
- Senior Vice President Marketing Division



Mr. Somkid Siriapinun

- Management Committee
- Senior Vice President Administration Division



Ms. Jarima Napaporn

- Vice President Financial & Investment Department



Mrs. Krongkaew Trakulsak

- Vice President Accounting Department



Mr. Chaipayorn Imcharoenkul

- Vice President Legal Department
- Company Secretary



Mr. Vallop Rungkijvorasathien

- Member of the Nomination and Remuneration Committee
- Director, Chairman of the Board of Executive Directors



Mr. Pakpoom Srichamni

- Director, Executive Director
- President and Chairman of the Management Committee

Shareholding in The Company: None

Age 72 years

Appointed date as Member of the Nomination and Remuneration Committee: April 18, 2014

Appointed date as Chairman of the Board of Executive Directors: August 28, 2012

Appointed date as Director: April 3, 1995

Education:

- Honorary Doctoral Degree in Civil Engineering, Chiang Mai University
- Energy Literacy Class No. 4, Thailand Energy Academy
- Training Course on Administrative Justice for Executives Class No. 4, The Administrative Court
- Advanced Security Management Program Class No. 3 (ASMP 3), The National Defence College Association of Thailand
- Capital Market for Executives Class No. 8 (CMA8), Capital Market Academy
- SPP Certificate Class. 2549, National Defence College of Thailand
- Graduate Diploma in Management of Government and Private Sectors, King Prajadhipok's Institute Certificate, National Defence College of Thailand
- Executive MBA, Chulalongkorn University
- B.S. Engineering, Chiang Mai University

Experience:

- President, Sino-Thai Engineering and Construction Plc.
- SEVP. Operation Division, Sino-Thai Engineering and Construction Plc.
- SVP. Operation Division, Sino-Thai Engineering and Construction Plc.
- Director, STECON Power Co., Ltd.
- Director and Chairman, Chiang Mai University Alumni Association, Chiang Mai University

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Director, DKK Sino-Thai Co., Ltd.
- Committee of the Council of Engineers
- Director, Thai Contractors Association Under H.M. The King's Patronage
- Chairman of Chiangmai University Engineering Alumni Foundation (CMUEAF)

Completed programs by Thai Institute of Directors (IOD):

- 2016 - Director Certification Program Class No. 231
- 2014 - Role of the Chairman Program Class No. 34
- 2006 - Director Accreditation Program Class No. 52

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None

Shareholding in The Company: None

Age 62 years

Appointed date as President and Chairman of the Management Committee: October 1, 2012

Appointed date as Executive Director: August 28, 2012

Appointed date as Director: April 26, 2012

Education:

- Executive Management with Business Development and Investment Class No. 3, Institute of Business and Industrial Development
- The Program for Senior Executives on Justice Administration Class 19, National Justice Academy
- Capital Market for Executives Class No. 18 (CMA18), Capital Market Academy
- SPP Certificate Class. 2554, National Defence College of Thailand
- Certificate, Management of Government and Private Sectors, King Prajadhipok's Institute
- MBA, Thammasat University
- Bachelor of Engineering (Civil Engineering), Kasetsart University

Experience:

- Director, Senior Executive Vice President Operation Division, Sino-Thai Engineering and Construction Plc.
- Senior Vice President Operation Division, Sino-Thai Engineering and Construction Plc.
- Advisor to Chairman of Thai Contractors Association Under H.M. The King's Patronage

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Chairman of the Board, HTR Co., Ltd.
- Chairman of the Board, Wisdom Services Co., Ltd.
- Chairman of the Board, STECON Power Co., Ltd.
- Chairman of the Board, Sino-Thai Holding Co., Ltd.
- Chairman of the Board, SNT Concrete Solution Co., Ltd.
- Chairman of the Board, DC Power BN1 Co., Ltd.
- Chairman of the Board, Patumwan Real Estate Co., Ltd.
- Chairman of the Board, Kijpracha Tanee Co., Ltd.
- Director, Eastern Bangkok Monorail Co., Ltd.
- Director, Northern Bangkok Monorail Co., Ltd.
- Director and Executive Director, U-TAPAO International Aviation Co., Ltd.
- Director, UTB Co., Ltd.
- Director, UTA Land 1 Co., Ltd.
- Director, BGSR 6 Co., Ltd.
- Director, BGSR 81 Co., Ltd.
- Director, Sitem ST Engineering and Services Co., Ltd.

Completed programs by Thai Institute of Directors (IOD):

- 2023 - Role of Chairman Program Class No. 55
- 2012 - Director Certification Program Class No. 161
- 2006 - Director Accreditation Program Class No. 52

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None



Mrs. Jaikaew Tejapijaya

- Director, Executive Director
- Management Committee
- Senior Executive Vice President Financial and Administration Division



Mr. Jarunat Jiraratsatit

- Director, Executive Director
- Management Committee
- Senior Executive Vice President Operation Division

Shareholding in The Company: None

Age 56 year

Appointed date as a Director: May 2, 2023

Appointed date as Executive Director: March 11, 2022

Appointed date as Senior Executive Vice President Financial and Administration Division: January 11, 2021

Appointed date as Management Committee: January 17, 2020

Education

- MBA, The National Institute of Development Administration
- B. Business Administration, Thammasat University
- Certified Public Accountant

Experience

- Management Committee and Senior Executive Vice President Financial and Administration Division, Sino-Thai Engineering and Construction Plc.
- Management Committee and Senior Vice President-Accounting & Financial, Sino-Thai Engineering and Construction Plc.
- Vice President Accounting Department, Sino-Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Director, SNT Concrete Solution Co., Ltd.
- Director, STECON Power Co., Ltd.
- Director, Wisdom Services Co., Ltd.
- Director, Sino-Thai Holding Co., Ltd.
- Director, U-TAPAO International Aviation Co., Ltd.
- Director, UTA Land 1 Co., Ltd.
- Director, UTB Co., Ltd.
- Director, HTR Co., Ltd.
- Director, Patumwan Real Estate Co., Ltd.
- Director, Kijpracha Tanee Co., Ltd.
- Director, Nouvelle Property Co., Ltd.

Completed programs by Thai Institute of Directors (IOD):

- 2023 - Risk Management Program for Corporate Leaders (RCL 32/2023)
- 2022 - Director Certification Program Class No.329

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None

Shareholding in The Company: 0.03% (450,000 shares)

Spouse shareholding in The Company: 4.21% (64,179,596 shares)

Age 51 year

Appointed date as a Director and Executive Director: February 3, 2024

Appointed date as Senior Executive Vice President Operation Division : January 2, 2024

Appointed date as Management Committee and Senior Vice President Operation Division 2: January 17, 2020

Education

- MBA, Thammasat University
- Bachelor of Engineering, Civil Engineering, Chiang Mai University

Experience

- Senior Executive Vice President Operation Division
- Management Committee and Senior Vice President Operation Division 2, Sino -Thai Engineering and Construction Plc.
- Vice President Operation Department 2, Sino -Thai Engineering and Construction Plc.
- Senior Engineer, Sino -Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- Director, Nouvelle Property Co., Ltd.
- Director, Wisdom Services Co., Ltd.
- Director, STECON Power Co., Ltd.
- Director, SNT Concrete Solution Co., Ltd.
- Director, Sino-Thai Holding Co., Ltd.
- Director, Sitem ST Engineering and Services Co., Ltd.
- Director, Chiang Mai University Alumni Association, Chiang Mai University

Completed programs by Thai Institute of Directors (IOD):

- 2020 - Director Accreditation Program Class No.169
- 2020 - Director Certification Program Class No. 262
- 2023 - Risk Management Program for Corporate Leaders (RCL 32/2023)

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None



Mr. Sutthipol Patcharanaruemol

- Management Committee
- Senior Vice President Operation Division 1



Mr. Chalit Ratanavisalnon

- Management Committee
- Senior Executive Vice President Operation Division 2

Shareholding in The Company: None

Age 55 year

Appointed date as Management Committee and Senior Vice President Operation Division 1: January 17, 2020

Education

- MBA, Thammasat University
- Bachelor of Engineering, Civil Engineering, Khon Kaen University

Experience

- Management Committee and Senior Vice President Operation Division, Sino -Thai Engineering and Construction Plc.
- Vice President Operation Department 3, Sino -Thai Engineering and Construction Plc.
- Senior Engineer, Sino -Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None

Shareholding in The Company: None

Age 50 year

Appointed date as Management Committee and Senior Vice President Operation Division 2 : January 2, 2024

Education

- Bachelor of Engineering (Civil Engineering), Kasetsart University
- Master of Business Administration, Sukhothai Thammathirat Open University

Experience

- Senior Vice President Operation Division 2
- Vice President Operation Department 1

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Family relationship:

- None



Mr. Prasit Prawang

- Management Committee
- Senior Vice President Operation Division 3



Mr. Thepnikorn Junkhun

- Management Committee
- Senior Vice President Construction Service Division

Shareholding in The Company: None

Age 54 year

Appointed date as Management Committee and Senior Vice President Operation Division 3: January 17, 2020

Education

- MBA, Chulalongkorn University
- Bachelor of Engineering, Civil Engineering

Experience

- Management Committee and Senior Vice President Operation Division 3, Sino-Thai Engineering and Construction Plc.
- Vice President Operation Department 5, Sino-Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Completed programs by The Securities and Exchange

Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None

Shareholding in The Company: None

Age 58 year

Appointed date as Management Committee and Senior Vice President Construction Service Division: January 2, 2024

Education

- Bachelor of Engineering (Civil Engineering), Chiang Mai University
- Master of Business Administration, Kasetsart University

Experience

- Senior Vice President Construction Service Division
- Vice President Construction Service Department 2

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Family relationship:

- None



Mr. Worachat Suwasin

- Management Committee
- Senior Vice President
Special Project Division



Mr. Vitoon Salilampai

- Management Committee
- Senior Vice President Marketing Division

Shareholding in The Company: None

Age 57 year

Appointed date as Senior Vice President Special Project Division: January 11, 2021

Appointed date as Management Committee: January 1, 2013

Education

- Diploma of Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, Class No.23, Year 2020, King Prajadhipok's Institute
- Diploma of Certificate Course in The Regular Course of The Royal Thai Army Command and General Staff, AWC Class No.58, Year 2013, Royal Thai War College
- MBA, Khon Kaen University
- Bachelor of Engineering, King Mongkut's University of Technology Thonburi

Experience

- Management Committee and Senior Vice President Special Project Division, Sino -Thai Engineering and Construction Plc.
- Management Committee and Senior Vice President Construction Service Division, Sino -Thai Engineering and Construction Plc.
- Management Committee and Senior Vice President Operation Division 1, Sino -Thai Engineering and Construction Plc.
- Vice President Operation Department 1, Sino -Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None

Shareholding in The Company: 1,501,000 shares

Age 59 year

Appointed date as Management Committee and Senior Vice President Marketing Division: January 2, 2024

Education

- Master of Business Administration, Thammasat University
- Master of Science (Civil Engineering, 2535), University of Southwestern Louisiana, U.S.A.
- Bachelor of Engineering, Kasetsart University

Experience

- Vice President – Project Support Department, Sino-Thai Engineering and Construction Plc.
- Vice President – Engineering Department, Sino-Thai Engineering and Construction Plc.
- Assistant Vice President – Engineering Section, Sino-Thai Engineering and Construction Plc.
- Senior Engineer, Sino-Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Family relationship:

- None



Mr. Somkid Siriapinun

- Management Committee
- Senior Vice President
Administration Department



Miss Jarima Napaporn

- Vice President
Financial & Investment Department

Shareholding in The Company: None

Age 57 year

Appointed date as Management Committee and Senior Vice President Marketing Division: January 11, 2021

Education

- MBA, Thammasat University
- Bachelor of Engineering, Mechanical Engineering, Chulalongkorn University

Experience

- Management Committee and Senior Vice President Administration Department, Sino -Thai Engineering and Construction Plc.
- Vice President Construction Service Department, Sino-Thai Engineering and Construction Plc.
- Vice President Operation Department 4, Sino-Thai Engineering and Construction Plc.
- Vice President Information Technology Department, Sino-Thai Engineering and Construction Plc.
- Vice President Procurement Department, Sino-Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Completed programs by The Securities and Exchange Commission (SEC):

- 2023 - Roles and duties of directors and executives of listed companies

Family relationship:

- None

Shareholding in The Company: None

Age 56 year

Appointed date as Vice President Financial & Investment Department: July 1, 2023

Education

- Master of Business Administration, University of St. Thomas

Experience

- Vice President Joint Venture Accounting Department, Sino-Thai Engineering and Construction Plc
- Vice President Administration Department, Sino-Thai Engineering and Construction Plc

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Family relationship:

- None



Mrs. Krongkaew Trakulsak

- Vice President Accounting Department



Mr. Chaiyaporn Imcharoenkul

- Vice President Legal Department
- Company Secretary

Shareholding in The Company: None

Age 54 year

Appointed date as Vice President Accounting Department: January 11, 2021

Education

- Master's degree in Accounting, Siam University
- Bachelor of Accounting, University of the Thai Chamber of Commerce

Experience

- Vice President Accounting Department, Sino -Thai Engineering and Construction Plc.
- Professional Accounting Officer, Sino-Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- None

Family relationship:

- None

Shareholding in The Company: None

Age 64 year

Appointed date as Company Secretary: March 4, 2008

Education

- Legal of Administration, Administrative Court Procedure, Class No. 9/2018
- Banking and Finance Law, Class No.3, Ramkhamhaeng University
- Graduate Diploma in Public Law Faculty of Law Sripatum University
- Bachelor of Laws, Ramkhamhaeng University

Experience

- Vice President Legal Department, Sino -Thai Engineering and Construction Plc.
- Law Office Manager, Sino -Thai Engineering and Construction Plc.
- Company Secretary, Sino-Thai Engineering and Construction Plc.

Other position in listed company in SET:

- None

Other positions in non-listed companies:

- None

Completed programs by Thai Institute of Directors (IOD):

- 2014- Anti – Corruption : The Practical Guide Class No.12
- 2013- Secretary Program Company Class No.106

Family relationship:

- None

ATTACHMENT 2

Details of Directors and Subsidiaries

Company Name List of Executives and Persons with Controlling Authority	Company	Subsidiary Company						
	Sino-Thai Engineering & Construction Public Company Limited	HTR Corporation Limited	Nouvelle Property Co., Ltd.	Wisdom Services Co., Ltd.	Stecon Power Co., Ltd.	Sino-Thai Holding Co., Ltd.	SNT Concrete Solution Co., Ltd.	DC Power BN1 Co., Ltd.
Professor Rawat Chamchalerm	⌘							
Mr. Chamni Janchai	■							
Police General Jate Mongkolhutthi	■							
Mr. Suchai Poopichayapongs	■							
Mr. Thanathip Vidhayasirinun	■							
Mr. Masthawin Charnvirakul	■							
Gen. Dr. Surapan Poomkaew	■							
Dr. Chaiyong Satjipanon	■							
Mr. Vallop Rungkijvorasathien	■ ◆							
Mr. Pakpoom Srichamni	■ ●	⌘	■	⌘	⌘	⌘	⌘	⌘
Mrs. Jaikaew Tejapijaya	■ ●	■	■	■	■	■	■	
Mr. Jarunat Jiraratsatit	■ ●		■	■	■	■	■	■
Mr. Sutthipol Patcharanaruemol								
Mr. Prasit Prawang								
Mr. Charkphan Leelaporn				■				
Mr. Worachat Suwasin								
Mr. Somkid Siriapinun								

Remark : ⌘ = Chairman, ■ = Director, ● = Executive Director, ◆ = Chairman of the Board of Executive Directors

ATTACHMENT 2

Details of Directors Affiliated

Company Name List of Executives and Persons with Controlling Authority	Company	Affiliated Company							
	Sino-Thai Engineering & Construction Public Company Limited	DKK Sino-Thai Engineering Co., Ltd.	Northern Bangkok Monorail Co., Ltd.	Eastern Bangkok Monorail Co., Ltd.	U-TAPAO International Aviation Co., Ltd.	BGSR 6 Co., Ltd.	BGSR 81 Co., Ltd.	UTB Co., Ltd.	Sitem ST Engineering and Services Co., Ltd.
Professor Rawat Chamchalerm	☼								
Mr. Chamni Janchai	■								
Police General Jate Mongkolhutthi	■								
Mr. Suchai Poopichayapongs	■								
Mr. Thanathip Vidhayasirinun	■								
Mr. Masthawin Charnvirakul	■								
Gen. Dr. Surapan Poomkaew	■								
Dr. Chaiyong Satjipanon	■								
Mr. Vallop Rungkijvorasathien	■ ◆								
Mr. Pakpoom Srichamni	■ ●		■	■	■	■	■	■	■
Mrs. Jaikaew Tejapijaya	■ ●				■			■	
Mr. Jarunat Jiraratsatit	■ ●								■
Mr. Sutthipol Patcharanaruemol									
Mr. Prasit Prawang									
Mr. Charkphan Leelaporn									
Mr. Worachat Suwasin									
Mr. Somkid Siriapinun									

Remark : ☼ = Chairman, ■ = Director, ● = Executive Director, ◆ = Chairman of the Board of Executive Directors

ATTACHMENT 3

Detail of the Head of Internal Audit

Mr. Chirapat Srivardhana

• Assistant Vice President Internal Audit



Age 66 years

Education

- IIA Global Assembly and International Conference Amsterdam, Netherlands July 7-11 2023
- IT Governance and Cyber Resilience Program (ITG 15/2020), Thai Institute of Directors Association, November 19 - 20, 2020
- Corporate Governance for Executives (CGE 3/2015), Thai Institute of Directors Association, March 2-3, 2015
- Mini-MBA, Thammasat University, September 30, 2007
- Organization Risk Management Program (ORMP-1), Sasin Graduate Institute of Business Administration, February 21, 2004
- Control Self-Assessment Facilitation Techniques for Auditors, The Institute of Internal Auditors of Thailand, September 6, 2003
- IIA'S Endorsed Internal Auditing Program (EIAP-1) Chulalongkorn University, September 4, 2000
- B.S. (Accounting), Kasetsart University, 1979

Experience

- Vice Chairman of The Institute of Internal Auditors of Thailand (IIAT)
- Vice Chairman of The Accounting Association of Kasetsart University
- Assistant Manager Control and Operation Siam Commercial Bank Plc. Chonburi Branch
- Internal Audit Supervisor of Siam Commercial Bank Plc.

Responsibilities

- Secretary of The Audit Committee, Sino-Thai Engineering and Construction Plc.
- Internal Audit Manager, Sino-Thai Engineering and Construction Plc.

ATTACHMENT 4

Business Assets and Details on Asset Valuation

Business Assets and Details on Asset Valuation

For further information about the business asset and details on asset valuation from section 1 business operations and performance is also presented in the sub item of business asset number (3) business asset.

Asset Valuation Report No. GEN 11/131/66(R)(L)

The Subject Property : Vacant land (Appraised only the land, excluding buildings, according to the wishes of the employer) 2 plots, The total land area is about 8-0-60.0 rai (or 3,260.0 square wa)

Location : Located on Rama 3 Road and next to the Chao Phraya River. in the local administrative area of Yan Nawa District Bang Phong Phang Subdistrict, Yan Nawa District, Bangkok.

2011-19: Prime Minister Award, Labour Relation
2016-17: Good Governance Award, Min of Commerce
2011: Integrity Award: N'it Anti-Corruption Commission
2009: Good Governance Cert., SMEs Institute
2007: Sufficiency Economy Award, Royal Devt Proj Board
2005: PM Award on Ethics, Thai Chamber of Commerce

AGENCY FOR REAL ESTATE AFFAIRS

องค์กรที่ปรึกษา: ประเมินค่าทรัพย์สินและศูนย์วิจัยอสังหาริมทรัพย์ในไทย
Property Consultants : Valuation and Real Estate Research Centre in Thailand

Our Ref.A.R.E.A GEN 11/131/66(R)(L)
December 6, 2023

Managing Director
Sino-Thai engineering & construction public company limited

Dear Sir,

I refer to your assignment for our company to appraise your property, details of which are below. Now, we are pleased to inform you that the appraisal has been completed and, hence, are taking this opportunity to send you this report. A summary of the valuation as follows:

The Subject Property: Vacant land (Appraised only the land, excluding buildings, according to the wishes of the employer) 2 plots, The total land area is about 8-0-60.0 rai (or 3,260.0 square wah).

Location : Located on Rama 3 Road and next to the Chao Phraya River. in the local administrative area of YanNawa District Bang Phong Phang Sub-district, YanNawa District, Bangkok.

Land Right Document: It has a land title deed no. 58776,58777. total of 2 issues. The land owner is Sino-Thai Engineering and Construction Public Company Limited (บริษัท ซิโน-ไทย เอ็นจีเนียริง แอนด์ คอนสตรัคชั่น จำกัด (มหาชน))

Encumbrance : There are no registered obligations.

Land Expropriation : No eminent domain in this area affects the site.
Purpose of Valuation: to know the current asset value and used for reference for public purposes in the Stock Exchange of Thailand

Basis of Valuation : "Market Value" assessment

Valuation Assumption: There are conditions and restrictions according to Section 3.1, 3.3

Valuation Approach : Market Approach and Residual Approach (or Hypothetical Development Analysis).

Date of Valuation : November 28, 2023

The Market Value of the Subject Property is Thai Baht 1,238,800,000.00
(One billion two hundred thirty-eight million eight hundred thousand Baht only)

The Agency for Real Estate Affairs Co., Ltd. (<http://www.area.co.th>) and valuers are not involved in any benefit from the subject property and our careful action follows the regulations and professional morals of the Valuers' Association of Thailand.

Sincerely yours,



Sopon Pornchokchai, PhD D.FIABCI MRICS
President
Agency for Real Estate Affairs



5/15 Nonsi Road, Bangkok 10120, THAILAND Tel.66.2295.3905 Facsimile 66.2295.1154
Bangkok : Chiang Mai : Khon Kaen : Pattaya : Surat Thani
<http://www.area.co.th> E-mail: area@area.co.th

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ATTACHMENT 4

Business Assets and Details on Asset Valuation

Asset Valuation Report No. GEN 11/132/66(R)(L)

The Subject Property : Vacant land (Appraised only the land, excluding buildings. according to the wishes of the employer) 18 plots, total land area 28 rai 53 square wa, divided into 2 groups according to location See section 1.4 for details.

Location : Property Group 1: Located on Debaratana Road (Formerly, Bangna-Trad Road (Thor Lor 34)) at the 4.5th kilometer area and next to Soi Bangna-Trad 50 in Bang Na Sub-District, Bang Na District, Bangkok
Property Group 2 : Located next to Soi Bangna-Trad 50, away from Debaratana Road. (Formerly, Bangna-Trad Road (Thor Lor 34)), a distance of about 400 meters in the area of Bangna Subdistrict, Bang Na District, Bangkok

2011-19: Prime Minister Award, Labour Relation
2016-17: Good Governance Award, Min of Commerce
2011: Integrity Award: N'it Anti-Corruption Commission
2009: Good Governance Cert., SMEs Institute
2007: Sufficiency Economy Award, Royal Devt Proj Board
2005: PM Award on Ethics, Thai Chamber of Commerce

AGENCY FOR REAL ESTATE AFFAIRS

องค์กรที่ปรึกษา: ประเมินค่าทรัพย์สินและศูนย์วิจัยอสังหาริมทรัพย์ไทย
Property Consultants : Valuation and Real Estate Research Centre in Thailand

Our Ref.A.R.E.A GEN 11/132/66(R)(L)
November 30, 2023

Managing Director
Sino-Thai engineering & construction public company limited

Dear Sir,

I refer to your assignment for our company to appraise your property, details of which are below. Now, we are pleased to inform you that the appraisal has been completed and, hence, are taking this opportunity to send you this report. A summary of the valuation as follows:

The Subject Property: Vacant land (Appraised only the land, excluding buildings. according to the wishes of the employer) 18 plots, The total land area is about 28-0-53.0 rai (or 11,253.0 square wah).

Location : According to the details as follows:
• Group 1 : Located on Debaratana Road. in the local administrative area of Bangna District Bangna Sub-district, Bangkok.
• Group 2 : Located on Soi Bangna-Trad 50 Debaratana Road. in the local administrative area of Bangna District Bangna Sub-district, Bangkok.

Land Right Document: It has a land title deed no. 6029, 47128, 81542-81544, 81554-81557, 103632-103640. total of 18 issues. The land owner is Sino-Thai Engineering and Construction Public Company Limited (บริษัท ชีโน-ไทย เอ็นจิเนียริง แอนด์ คอนสตรัคชั่น จำกัด (มหาชน))

Encumbrance : There are no registered obligations.

Land Expropriation : No eminent domain in this area affects the site.
Purpose of Valuation: to know the current asset value and used for reference for public purposes in the Stock Exchange of Thailand

Basis of Valuation : "Market Value" assessment

Valuation Assumption: There are conditions and restrictions according to Section 3.1, 3.3

Valuation Approach : Market Approach and Residual Approach (or Hypothetical Development Analysis).

Date of Valuation : November 27, 2023

The Market Value of the Subject Property is Thai Baht 1,872,196,000.00
(One thousand eight hundred seventy-two million one hundred ninety-six thousand baht only)

The Agency for Real Estate Affairs Co., Ltd. (<http://www.area.co.th>) and valuers are not involved in any benefit from the subject property and our careful action follows the regulations and professional morals of the Valuers' Association of Thailand.

Sincerely yours,



Sopon Pornchokchai, PhD D.FIABCI MRICS
President
Agency for Real Estate Affairs



5/15 Nonsi Road, Bangkok 10120, THAILAND Tel.66.2295.3905 Facsimile 66.2295.1154
Bangkok : Chiang Mai : Khon Kaen : Pattaya : Surat Thani
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ATTACHMENT 4

Business Assets and Details on Asset Valuation

Asset Valuation Report No. GEN 11/133/66(R)(L)

The Subject Property : Vacant land 6 plots, the total land area is approximately 54 rai 50.0 square wa (or 21,650.0 square wa).

Location : Adjacent to Khanong Phra Tai Road - Nong Sarai And next to an unidentified alley, Khanong Phra Subdistrict, Khanong Phra Subdistrict, Pak Chong District, Nakhon Ratchasima Province

2011-19: Prime Minister Award, Labour Relation
2016-17: Good Governance Award, Min of Commerce
2011: Integrity Award: N'it Anti-Corruption Commission
2009: Good Governance Cert., SMEs Institute
2007: Sufficiency Economy Award, Royal Devt Proj Board
2005: PM Award on Ethics, Thai Chamber of Commerce

AGENCY FOR REAL ESTATE AFFAIRS

องค์กรที่ปรึกษา: ประเมินค่าทรัพย์สินและศูนย์วิจัยอสังหาริมทรัพย์ไทย
Property Consultants : Valuation and Real Estate Research Centre in Thailand

Our Ref.A.R.E.A GEN 11/133/66(R)(L)
December 13, 2023

Managing Director
Sino-Thai engineering & construction public company limited

Dear Sir,

I refer to your assignment for our company to appraise your property, details of which are below. Now, we are pleased to inform you that the appraisal has been completed and, hence, are taking this opportunity to send you this report. A summary of the valuation as follows:

The Subject Property: Vacant land (Appraised only the land, excluding buildings. according to the wishes of the employer) 6 plots, The total land area is approximately 54 rai 50.0 square wa (or 21,650.0 square wa).

Location : Adjacent to Khanong Phra Tai Road - Nong Sarai And next to an unidentified alley, Khanong Phra Subdistrict, Khanong Phra Subdistrict, Pak Chong District, Nakhon Ratchasima Province

Land Right Document: It has a CERTIFICATE UTILISATION [NS. 3K.] no. 6748-6753. total of 6 issues. Current owner is Sino-Thai Engineering and Construction Public Company Limited (บริษัท ชีโน-ไทย เอ็นจิเนียริง แอนด์ คอนสตรัคชั่น จำกัด (มหาชน))

Encumbrance : There are no registered obligations.

Land Expropriation : No eminent domain in this area affects the site.

Purpose of Valuation: to know the current asset value and used for reference for public purposes in the Stock Exchange of Thailand

Basis of Valuation : "Market Value" assessment

Valuation Assumption: There are conditions and restrictions according to Section 6.2.

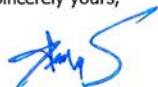
Valuation Approach : Market Approach

Date of Valuation : December 4, 2023

The Market Value of the Subject Property is Thai Baht 132,065,000.00
(one hundred thirty-two million sixty-five thousand)

The Agency for Real Estate Affairs Co., Ltd. (<http://www.area.co.th>) and valuers are not involved in any benefit from the subject property and our careful action follows the regulations and professional morals of the Valuers' Association of Thailand.

Sincerely yours,



Wanna Poonpan
Deputy Managing Director
Agency for Real Estate Affairs



5/15 Nonsi Road, Bangkok 10120, THAILAND Tel.66.2295.3905 Facsimile 66.2295.1154
Bangkok : Chiang Mai : Khon Kaen : Pattaya : Surat Thani
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ATTACHMENT 5

Policy and Practice Guidelines for Corporate Governance and Business Ethics

Good Corporate Governance Policy

1. Definitions

The Company	means	Sino-Thai Engineering and Construction Public Company Limited.
Board of Directors	means	Board of Directors of Sino-Thai Engineering and Construction Public Company Limited.
Directors of the Company	means	Directors of Sino-Thai Engineering and Construction Public Company Limited.
Boards of Executive Directors	means	Boards of Executive Directors of Sino-Thai Engineering and Construction Public Company Limited.
Audit Committee	means	Audit Committee of Sino-Thai Engineering and Construction Public Company Limited.
Nomination & Remuneration Committee	means	Nomination & Remuneration Committee of Sino-Thai Engineering and Construction Public Company Limited.
President	means	President of Sino-Thai Engineering and Construction Public Company Limited.
Corporate Secretary	means	Corporate Secretary of Sino-Thai Engineering and Construction Public Company Limited.
Management	means	President and Management who are under the supervision of President in according with the organization structure of Sino-Thai Engineering and Construction Public Company Limited.

2. Vision and Mission

Vision

The Company continues to move forward and become the leading Engineering and Construction firm in Thailand and ASEAN, while delivering projects that consistently meet international standards, for sustainable business development.

Mission

1. To undertake the engineering and construction business with a focus on becoming the leader in product

costing while building excellence in every aspect to meet customers' stringent requirements regarding quality, on-time delivery, safety and environmental concerns.

2. To develop an effective management that stresses productivity, perpetual development of the organization, and instilling work ethics in all personnel.
3. To build value for the organization in order to become a unique and distinct firm.

4. To remain focused on controlled organizational growth and recognizing those who contribute to this growth.

3. Corporate Values

- 1) People
- 2) Commitment
- 3) Integrity
- 4) Adaptability & Flexibility
- 5) Continuous Learning
- 6) Trust
- 7) Client Satisfaction

4. Good Corporate Governance Policy

Sino-Thai Engineering and Construction Public Company Limited has realized the significance of the good corporate governance policies, which will improve the excellence of work and management processes, as well as the Company's performance and its reliabilities among investors and the related parties; moreover, it will increase the maximum value to shareholders; the Company has thus determined the principle of good corporate governance policy in accordance with the guidelines of the Stock Exchange of Thailand (SET) and rely on 4 items:

- 1) "Transparency" is the basement for trust amongst stakeholders and the Company. Transparency creates the Company's effectiveness and the capital market procedures; it also helps the Board of Directors solve problems effectively and gives shareholders and the related parties an opportunity to scrutinize the Company more thoroughly.
- 2) "Integrity" is the way of undertaking business with straightforwardly beyond good morale. The financial statements and other information have been disseminated to public and other investors should fairly and accurate prepared in compliance with the company's financial status.
- 3) "Accountability" is essential toward the Board of Directors and shareholders. The Board of Directors must express

the accountability and have a crucial role in proposing the reports on the Company's performance to shareholders. The accountability of the Board of Directors must be based on suitable rules and regulations; and the disclosure of the Company's performance must be accurate due to the Company's success.

- 4) "Competitiveness" aims for creating progress and increasing shareholders' value. Corporate governance shall enhance the initiation without hinder, efficiency and the ability of leadership and vision. Therefore, this will cause the Company advantages in competitiveness amongst the others.

4.1 Shareholders' Rights

4.1.1 Principle : Shareholders' Rights

The Board of Directors is aware of the shareholders' rights to any of the Company's operations and will encourage the shareholders to exercise their rights. The Board of Directors will refrain from any actions that may violate or limit the shareholders' rights.

4.1.2 Best Practices : Shareholders' Rights

Shareholders' Meeting

The Board of Directors shall be obliged to supervise the organization of shareholders' meetings to ensure strict compliance with applicable laws, rules and regulations without any prejudice to the shareholders' rights. The Board of Directors shall refrain from any actions, which may limit the rights of all shareholders, including institutional investors, as follows:

- Notice of shareholders' meeting with details on date and time of the meeting, agenda of the meeting, and complete and sufficient information on each agenda for the shareholders to study in advance of the meeting
- Disclosure of and access to accurate, complete, appropriate and sufficient information for the shareholders

- The Company should give the shareholders clear explanations on how to vote and prepare a person to verify correctness of vote counting during the shareholders' meeting for transparency of the votes.
- Giving shareholders the right cast vote to elect individual director
- The Company allocates appropriate time for the shareholders' meeting and encourages the shareholders to express their opinions and raise questions.
- The shareholders should be given an opportunity to attend the shareholders' meeting any time during the meeting.

Chairman of the Board, Directors and Top Management's Attendance at Shareholders' Meeting

Chairman of the Board, all directors, company secretary and top management of the Company shall attend all shareholders' meetings unless they have necessary issues must be cleared. This is to allow them to listen to suggestions and answer questions from the shareholders.

Minutes of the Shareholders' Meeting

The minutes of the shareholders' meeting are disclosed to shareholders in accordance with applicable laws, rules and regulations. Data are accurately and completely recorded, including methods of how to vote and count the votes, names of directors attending the meeting, questions and answers, and the resolutions on each agenda of the meeting.

The minutes of the shareholders' meeting both in Thai and English languages will be disclosed on the Company's website (www.stecon.co.th).

Equitable Rights of Shareholders to Dividend Payment and Repurchasing Stock

The Company has given all shareholders an equitable right to dividends and/or other benefits and the right to repurchase stock. In this regard, the Company has established a clear dividend payment policy.

4.2 Equitable Treatment of Shareholders

4.2.1 Principle: Equitable Treatment of Shareholders

The Board of Directors realizes its duty to protect the rights of shareholders, place importance on fair and equal treatment of all shareholders and encourage the shareholders to exercise their rights. The Board of Directors has also developed certain measures to prevent the directors and management of the Company from using internal information for their personal benefits, which may cause damages to the shareholders.

4.2.2 Best Practices: Equitable Treatment of Shareholders

Notice of Shareholders' Meeting

For equitable treatment of all shareholders, in sending the Notice of Shareholders' Meeting, Proxy Form A, B, and C and instructions on how to appoint authorized representatives for shareholders who cannot attend the meeting in person, the Board of Directors requires that the letter of invitation to meeting must be disseminated both in Thai and English languages at least 30 days prior to the meeting date on the Company's website (www.stecon.co.th) and that the notice of shareholder's meeting must be sent to the shareholders at least 21 days before the date scheduled for the shareholders' meeting. In case of a foreign shareholder, the notice of shareholders' meeting and supporting documents in the English language must be sent.

Voting Right

For equitable treatment, a shareholder shall have one vote per share.

Agenda Proposition and Nomination of Directors and Submission of Questions for AGM in advance

The Company adheres to the principle of equitable treatment of all shareholders and in order to give all shareholders an opportunity to propose matters to the Board of Directors as meeting agenda or nominate qualified persons as the Company's directors, the Company has established the criteria for agenda proposition and director

nomination. Such criteria consist of qualifications of the shareholders to propose the meeting agenda or nominate a director, procedures for proposition of the agenda and director nomination, matters not to be included as an agenda, consideration and selection procedures, and announcement of the consideration results. Details of such criteria are shown on the Company's website (www.stecon.co.th).

Moreover, the Company allows the shareholders to submit questions for the Annual General Meeting in advance in order to inquire information of each meeting agenda or any important issues of the Company. The Company has clearly determined the qualification of shareholders to submit questions in advance, as well as the criteria and consideration procedures.

Inside Information Prevention and Securities Trading Policy

The Company have established the "Inside Information Prevention and Securities Trading Policy" to ensure that the practices of directors, management and employees of the Company in relation to the use of inside information and the company securities trading are in conformity with the Securities and Exchange Act, B.E.2535 (A.D.1992) and other relevant laws in order to prevent insider trading, which is considered an unfair practice, and to improve transparency and Good Corporate Governance of the Company. "Inside Information Prevention and Securities Trading Policy" will be disclosed on the Company's website (www.stecon.co.th).

Policy on Connected Transactions, Related Party Transactions, and Conflict of Interest

The Company realizes the benefits of shareholders and fair treatment of all shareholders. To prevent conflict of interests and to achieve transparent and accountable business operations, the Company has a clear policy on disclosure of connected transactions, related party transactions and conflict of interests in order to enhance the confidence of shareholders, investors and stakeholders. The significant connected transactions, related party transactions and conflict

of interests must be reviewed and approved by the Audit Committee and the Board of Directors. The Company will be in strict compliance with criteria, conditions and procedures set forth in the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Practices of Listed Companies in Connected Transactions B.E. 2546 (A.D.2003) or amendments thereof.

The Company has clearly established procedures for consideration and approval of connected transactions or related party transactions to ensure that all related transactions will be in accordance with the normal course of business, comparable price, and reasonable conditions. The procedures are in accordance with the Company's rules and regulations in all respects, and The Company has established procedures for directors, management, and employees to prevent conflict of interest as follows:

1. Directors, management, and employees must perform their duties with transparency and integrity by considering best interest of the Company and its shareholders and must not perform any conducts that may cause a conflict of interest against the Company.
2. The Company requires directors, management, and employees to avoid making transaction that may cause conflict of interest against the company. If it is necessary to perform connected transaction for the Company's benefit, such transaction must be in accordance with approval process as prescribed by the Company's rules and regulations.
3. In considering and approving connected transaction, directors or management who have interest in such transaction will not be able to vote and approve the transaction.
4. Use of nonpublic insider information for personal benefit or for benefit of other persons, either directly or indirectly, is prohibited.

Directors, management, and employees and their stakeholders and related parties under the law must report about their interest in accordance with the Company's policies and laws.

Report on interests of directors and management

The Board of Directors and The Board of Executive Directors will act as a director in accordance with the Fiduciary Duties by especially focus on making decision to both direct and indirect of the company's transaction with cautious and honesty in order to prevent any conflict of interest that might happen in the connected transaction between the company and its subsidiaries. The Board of Directors defined the best practices for avoiding any conflict of interest by providing the policy that every Directors, and Top Management from Senior Vice President and/or upper levels including Management whose position were related to accounting and financial in Managers or division level must report any conflict of interest that had been made by themselves, spouses, and minor child to the company for the acknowledgement as accordance with The Securities and Exchange Act B.E.2535 and other additional regulations. The report should be submitted to the company secretary for informing at the audit committee meeting.

4.3 Role of Stakeholders

4.3.1 Principle : Role of Stakeholders

The Board of Directors realizes the importance of all groups of stakeholders and promotes a process aimed at improving cooperation between the Company and all groups of stakeholders in contributing to wealth, financial stability, and business sustainability. Moreover, the Board of Directors is aware of the importance of corporate social and environmental responsibility for sustainable development.

4.3.2 Best Practices : Role of Stakeholders

Human Resources Management Policy

The company has a human resources management policy that focuses on promoting all employees to work to their full potential based on

their knowledge and abilities. It takes care of each employee equally, without discrimination, treating everyone fairly and without bias based on origin, race, religion, gender, or any other status unrelated to work practices. The company has systems for recruitment, employee development, and fair and appropriate compensation. It provides benefits according to legal requirements and additional benefits to enhance quality of life, motivation, and encouragement for employees.

- Personnel Planning

The company has manpower planning to ensure a high-quality and appropriately sized workforce, aiming to align with the workload and enhance the company's capability to drive its mission and achieve both present and future objectives.

- Personnel Recruitment

The company has processes for recruiting and selecting qualified and capable personnel to join the company, either through direct recruitment or various channels such as print media, the internet, participating in job fairs organized by government agencies such as the Department of Employment and university-organized job markets. Recruiting process involves testing academic knowledge and conducting Competency Based Interviews, focusing on selecting individuals with expertise, vision, positive attitudes, teamwork skills, and creative thinking that aligns with job descriptions and responsibilities, without considering gender, race, religion, or disabilities.

- Hiring/Termination Practices

The company maintains a consistent and fair employment policy, aligned with principles of respecting human rights, honoring diversity, refraining from discriminatory practices, and avoiding unjust restrictions on employment due to gender, race, religion, and prohibits child labor. The company employs both Thai and foreign employees across different job categories, in according with the labor laws and equal treatment regarding compensation and benefits for Thai and foreign employees.

- Performance Evaluation and Compensation

The company creates the performance evaluation system by combining the individual performance along with team working performance to be in accordance with the company performance, and it is also the combination of the company performance and the appropriate and fair compensation. This management shall always be developed since the Labor Market and other competitive companies are usually change by the time goes by. The company use evaluation tools for example competency and KPI for Human Resources Development. Moreover, the company consider the performance evaluation results for analyzing and determining appropriate guidelines for the employee development plan in various areas.

- Employees Welfare

The Company has many beneficial welfare programs for its employees as follows;

1. Legal Welfare programs complying with Labor Law such as Social Security Fund, Workmen's Compensation Fund.
2. Special Welfare programs, which the company provides additional benefits aimed at enhancing quality of life, motivation, and encouragement for employees. These include a Provident fund, which the company considers a crucial policy to ensure employees have financial security upon retirement, encouraging financial discipline through the establishment of the Sino-Thai Provident Fund, registered and allowing for the Employees' Choices Fund, allowing members to adjust their investment portfolios at any time to adapt to economic conditions. There's transparency in disclosing investment returns to employees regularly. Additionally, the company offers life insurance, health insurance, appropriate uniforms, emergency loan funds, mutual assistance funds, fitness

centers, educational funds for employees' children from elementary to tertiary levels. Furthermore, the company collaborates with commercial banks to provide special interest rate loans for housing. There are recognition awards and continuous appreciation for employees at all levels for their long-term dedication. Accommodation and transportation are provided for employees, along with adequate provisions of drinking water, break rooms in sufficient numbers, on-site nurses, childcare facilities for employees without caretakers during the day. The company continuously improves benefits to remain current and in line with the economy and society's needs.

Training and Development

The company has always concerned about training roadmap and supported the employee in every level on providing the training courses in which they are interested or the most useful for their career. Therefore, the employee will have skill, knowledge and expertise to perform their potential as the aim of the company business plan. With the personnel training and development policy, it will perform us well in both at the present and lasting in the future. The development emphasized on 3 categories as followed:

- Organizational Development
- Development of the Board of Directors and Management
- Individual and group employee development

- Employee Engagement and Retention

The company believes that employees are its most valuable assets and must be maintained and developed continuously. Employee satisfaction survey is conducted to understand their thoughts and opinions. The company conducts employee satisfaction survey every year, and consider its result to create development plan for increasing the employee satisfaction.

Occupational Safety, Health, and Environment Policy

To maintain good, Occupational Safety, Health, and Environment, it requires collaboration of everyone in the organization including Executive Committee and employees of all levels. Therefore, to manage Occupational Safety, Health, and Environment and to bring about efficient results, the Company has established policies as follows:

1. The company will promote, control, and maintain safety at work to prevent work related illness and injury.
2. The company recognizes that employees are valuable resources of the company. Thus, safety for workers is one of our most important policies.
3. The company will support the creation of safety at work by providing safe tools, safe workplace, and safe work practices to eliminate the hazards and minimize risks at work. The Company will also promote safety knowledge among employees and motivate them to practice safety at work.
4. The Company will appoint the Occupational Safety, Health and Environmental Committee for planning and giving recommendations about Occupational Safety, Health, and Environment; as well as administer and develop these plans and projects to bring about efficient results.
5. The Company will require its management to be responsible for the safety of their employees at work, ensuring that they strictly follow the safety procedures and rules established by the Company.
6. The company will require all employees, contractors, and subcontractors to be responsible for their work and to participate and give recommendations in accordance with Occupational Safety, Health, and Environment Management System Standards. Thereby, to create safety for themselves and their colleagues and strictly follow all safety rules established by the Company.

7. The company will follow up, evaluate, and improve performance continuously in accordance with Occupational Safety, Health, and Environment Policy so as to achieve maximum efficiency in accordance with laws, regulations, and requirements of Occupational Safety, Health, and Environment Standards.

Moreover, the company has disclosed Occupational safety, health, and environment policy on its website www.stecon.co.th.

Climate change and Environmental Policy

The Company has realized the significance of the business responsibility towards society, economy, environment, and good governance to achieve the goals for sustainable business growth. To encourage the Company's vision and mission, the Company has set "Environment and Climate Change policy" to determine the business guidelines regarding the preserving and preventing environmental impacts as follows.

1. To comply with the requirements, standards, and laws.
2. To perform and control environmental management including air quality management, noise management, water quality management, waste management, climate change and greenhouse gas management, cost-effective use of resources, and biodiversity to be efficient and effective together with conducting report and evaluating the performance on a regular basis.
3. To perform operation in compliance with environmental impact assessment report or any other relevant measures to mitigate environmental impacts and climate change arising from the Company's activities.
4. Support activities and operation green construction to mitigate environmental impacts from construction processes.

5. To enhance awareness and participation about environmental operation, environmental conservation, and Cost-effective use of resources for employees and related stakeholders.
6. To support employees for acknowledging and experience in environmental operation and climate change continuously.
7. To develop and encourage environmental technology and innovation on a continuous basis to increase competitiveness and achieve the goals for sustainable growth.

The company has disclosed its Climate Change and Environmental policy on its website www.stecon.co.th.

Anti-Bribery and Anti-Corruption Policy

The Company recognizes the importance of Anti-Bribery and Anti-Corruption by launching the written policy of Anti-Bribery and Anti-Corruption policy with giving an explanation, knowledge and support the Board of Directors, Management and employees understand and recognize the importance Anti-Bribery and Anti-Corruption together with the practice involved, such as receiving or giving gifts, giving the donation or subsidize money for governmental and private sectors, risk assessment of corruption, creating awareness against bribery and corruption and giving explanation about the policies to those involved. “Anti-Bribery and Anti-Corruption Policy” will be disclosed on the Company’s website (www.stecon.co.th)

Non-infringement of Intellectual Property

The Board of Directors is aware of the importance of non-infringement of intellectual property and conformity with laws governing intellectual property or copyrights; therefore, a policy has been established and clearly disseminated the requirement to the management and employees to carefully consider the products, services, equipment, tools or information technology to be used for business operations of the Company to ensure that the use of such items is not an infringement of other intellectual property.

The company set the best practices for non-infringement of intellectual property by monitoring and preventing the downloadable pirated hardware and software.

Human Rights Policy

The Company concerns the importance of human rights of the employees and related parties and respects personal rights in accordance with applicable laws. The Company shall refrain from any acts that are considered a violation of human rights. The “Human Rights Policy” has been established and specify important issues on employees’ rights, labor rights, rights of stakeholders, rights of the community and environment in accordance with the law and the Company Policy. “Human Rights Policy” will be disclosed on the Company’s website (www.stecon.co.th).

4.4 Disclosure and Transparency

4.4.1 Principle : Disclosure and Transparency

The Board of Directors supervises the Company’s proper, complete, accurate, timely and transparent disclosure of financial and non-financial information through channels that can be easily accessed in an equitable and reliable manner. Moreover, the Board of Directors shall require the investor relations unit to communicate the disclosure and transparency policy to third parties, such as shareholders, institutional investors, general investors, analysts and relevant government agencies appropriately, equitably, and fairly.

4.4.2 Best Practices : Disclosure and Transparency

Disclosure of Data and Information of the Company

The Board of Directors has defined the policy regarding disclosure of information on business and operating results of the Company, both financial and non-financial information, in an accurate, adequate, appropriate, timely and transparent manner, to general public, investors and stakeholders. Regarding such disclosure, the Company complies with provisions of the Public Limited Company Act, the Securities and Stock Exchange Act, relevant regulations and notifications of the Securities and Exchange Commission, the Stock Exchange of Thailand, and other related authorities.

Furthermore, the Company has disseminated disclosure of information on its business and operating results, both financial and non-financial information, such as Good Corporate Governance Policy, code of conduct, management structure, mission and vision, annual report, financial statements and press release, through the company's website at www.stecon.co.th in both Thai and English languages as another way of communications between the Company and related parties.

The company discloses annual report both in Thai and English languages on to company's website within 120 days after the end of fiscal year.

Investor Relations Office

The Company has set up the Investor Relations Office to communicate with investors, shareholders, analysts, relevant government agencies, and the general public in an appropriate and equal manner. The Investor Relations Office can be reached at

Investor Relations Office

Address: Sino-Thai Engineering and
Construction Public
Company Limited
32/59-60, Sino-Thai Tower,
Asoke Road, Klongtoey Nua
Sub-district, Wattana District,
Bangkok 10110
E-mail: ir@stecon.co.th
Tel: +662-610-4900 ext. 1490

Dividend Payment Policy

It is the Company's policy to pay dividend in an amount of not less than 40% of its net profit before its interest in subsidiary companies. The dividend payment shall be made only if the Company has no accumulated loss or does not plan to make an additional investment in mega projects.

Whistleblowing and Whistleblower Protection Measures

To promote corporate good governance and encourage all employees and stakeholders to report or disclose potential corruption or violation of laws, code of conduct or policies of the Company, to file complaints regarding violation of rights,

or to express their opinions regarding business operations, the Company has provided a channel for the employees and stakeholders to report to:

Corporate Secretary

Address: Sino-Thai Engineering and
Construction Public
Company Limited
32/59-60, Sino-Thai Tower,
Asoke Road, Klongtoey Nua
Sub-district, Wattana District,
Bangkok 10110

E-mail: corporatesecretary@stecon.co.th
Tel: 0-2610-4900 ext. 1559

Whistleblowing, complaints, and suggestions will be taken into consideration or implementation appropriately on a case by case basis. The whistleblowing procedure and whistleblower protection policy are as follows;

Whistleblowing Procedure

- The company secretary will compile and verify the accuracy and adequacy of the complaint. If there are reasonable grounds to suspect that such acts indicate fraud, corruption, bribery or against the laws or ethics or company policy or cause any encroachment, the company secretary will provide preliminary handling plan to President.
- President will examine the complaint and preliminary handling and appoint and authorize person or working group to handle as appropriate on a case by case basis.
- The authorized person or working group will consider investigation process and suppress the acts that involve fraud, corruption, bribery or violate applicable laws or ethics or company policy or cause any encroachment. Appropriate remedy will be provided to affected persons, taking the overall damage into account. The authorized person or working group will be reported directly to President.

- Once the investigation is over, the results will be reported to President and company secretary, as well as the complainant, in case complainant can be identified. The related information will be treated in strict confidence.
- In case the issue affects the Company's public image or involves the top management or significantly affects the Company's business operations, President will report the results to the Audit Committee.

Communicate with the Board of Directors

The company provides additional channel for stakeholders to communicate with the Board of Directors directly to the Board (without the acknowledgement of the management) in order to receive any suggestions or opinions including claimants such as the operation of the Management, the unfair practices and any other acts that against the code of conduct.

Stakeholders can submit the document that clearly specified name, address, the convenient telephone number and e-mail address (if any) to:

The Audit Committee

Address: Sino-Thai Engineering and
Construction Public
Company Limited
32/59-60, Sino-Thai Tower,
Asoke Road, Klongtoey Nua
Sub-district, Wattana District,
Bangkok 10110

The Audit Committee will consider and manage such matters by directly report to the Board of Directors (without the acknowledgement of the management) case by case. The company assures that whistle blowers must not be harmed according to the whistleblowing policy.

Risk Management Policy

The company is committed to achieve the goals, objectives, and business and investment plans. The company realized that the importance of the changing in business environment and the risk of

uncertainty that may cause the impact on business. To comply with good corporate governance, the company provides the risk management policy and the risk management practical guideline; which consists of analysis, assessment, management, and monitoring, in order to control risk in appropriate level (risk appetite), prevent loss, and minimize impact on business opportunities. All management and employees are provided to have a good knowledge and understanding in the risk management policy and to be involved in the risk management process. Therefore, the company can reach the goals and objectives with the good corporate governance, and add the sustainable value for the organization.

4.5 Responsibilities of the Board of Directors

4.5.1 Principle: Responsibilities of the Board of Directors

The Board of Directors realizes that Corporate Good Governance plays an essential role to business operations of the Company. The Board is responsible to the shareholders and independent from the management. The directors shall perform their duties honestly and carefully, develop themselves all the time, and devote enough time to perform their duties and responsibilities to the fullest extent of their competency.

4.5.2 Best Practices: Responsibilities of the Board of Directors

Board of Directors

Composition and Qualifications of the Board of Directors

1. The Board of Directors shall consist of at least five directors.
2. Not less than half of the total number of directors shall domicile in the Kingdom of Thailand and possess all qualifications required by laws.
3. The Board of Directors shall consist of independent directors in a number of more than 50% of the total directors and more than 66% of the members of the Board shall not be the management of the Company.

4. The Chairman of the Board and President or an equivalent position must not be the same person.
5. The Board of Directors shall consist of directors who are competent, experienced, and skilled in different areas necessary for management of the Company's affairs. The directors shall perform their duties in full conformity with laws and objectives and regulations of the Company as well as resolutions of the shareholders' meeting and in good faith for utmost interests of the Company.
6. Each Directors should be a Director in other listed companies not exceeding 5 companies.
7. Director who is an executive director can be seated as a Director in other listed companies, which are outside the company business group, not exceeding 2 companies.
4. Supervise the company to have its best practices toward nominating qualified person to be a director with transparency according to good corporate governance.
5. Supervise the company to have its best practices toward remuneration of the Board of Directors and other Board Committees to be appropriate reliance with good corporate governance.
6. Supervise the company to have its best practices toward the evaluation of the Board of Directors and other Board Committees including the evaluation for President in accordance with the good corporate governance to stimulate the efficiency in working as a Director.
7. To supervise the management and Board Committees to effectively conduct the business under the company's policies and request the management to report the issues that has significant affects to the company's operation. The Board of Directors shall assure that all related parties' transactions are conducted in accordance with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. In case of necessity, the Board of Directors will require the management to hire advisors in order to give opinions for the management's decision in specialized issues which have significant effect on the company's operation.

The Authorities and Duties of the Board of Directors

1. To perform their duties by utilizing their knowledge, skills, and experiences in order to benefit the company's business operation. Their duties must be in compliance with the company's objectives and regulations, the Public Limited Companies Act B.E.2535, Securities and Exchange Commission Act B.E.2535.
2. Consider and approve the company's vision mission trends and strategy for operating business that had been proposed by the Board of Executives Directors and review it every year.
3. Monitor the implementation of the business strategies to ensure that have been implemented efficiently, as well as the communication of objectives and goals through business strategies across the Company, which includes sustainable business development and climate change.
8. To supervise the company and to set up effective internal control, and Internal Audit system. The Internal Audit manager shall report directly to the Audit Committee.
9. Independent Directors shall independently consider company's matters related to strategies, management, appointing directors, and issues that have significant affects to the Company for the benefit

of the shareholders and shall have an access to adequate financial and business information to perform their duties.

10. Review the authorities and duties of the Board of Directors and President at least once a year to assure compliance with applicable laws, relevant regulations and good corporate governance principles and to comply with the Company's business direction.

The Board of Directors' Approval

1. Appoint, detach, empower to the Board Committees and President to act under the Board of Directors.
2. Consult other expertise or the Assistant to President (if any) or outsource the Advisory Board if necessary and all expenses shall be borne by the company.
3. Approve any establishment, merger and acquisition, or cease any subsidiaries.
4. Propose the increasing and decreasing capital or changing par value including amendment of the company's associate, the article of association and/or the purpose of its business to shareholders.
5. Empower the Management, employees and other people to act under the authorization of the Board of Directors.
6. The Board members have rights to call Management or other employees of the company to clarify, give opinion, or submit the document to the Board if necessary.
7. Appoint and detach Corporate Secretary

Authorization and duties of Chairman of The Board of Directors

1. The Chairman of the Board of Directors shall abide by duties as stated in the company's article of associate and the resolution of the annual general meeting of shareholders including laws

and regulations, the Public Company Act B.E. 2535 and the Securities and Exchange Act B.E.2535 and other related regulations for Chairman of the Board of Directors.

2. Act as the Chairman at the Board of Directors meeting and ensure that The Company shall convene the Board of Directors meeting in accordance with the Article of Association, laws and good corporate governance policy, including allocating sufficient time for management to propose topics and for directors to debate important thoroughly. The Chairman should encourage directors to exercise independent judgment in the best interest of the Company.
3. Act as the Chairman of the annual general meeting of shareholders and ensure that the company shall convene the annual general meeting of shareholders in accordance with the Article of Association, laws and good corporate governance policy.
4. Support, improve and ensure that the Board of Directors shall perform their duties with integrity according to good corporate governance and code of conduct, including promote a culture of openness and debate through ensuring constructive relations between directors, and between the Board and management.
5. Monitor and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objectives.

The Definition and qualification of Independent Director

The Board of Directors reviews the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as committed to good corporate governance as follows:

1. Holding shares no more than 0.5% of the total voting shares of the Company, its parent company, its subsidiaries, its associated companies, or a related juristic entity with potential conflicts, including of shares held by related persons¹.
2. Not being a management², an employee, or a company consultant who receives a regular salary or a controlling person of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries³, or a related juristic entity with potential conflicts of interest during the period of 2 years before the appointment.
3. Not being a person who has a blood or a legal relationship of a parent, spouse, sibling, and child including a child's spouse, to any executive management, major shareholder, a controlling person, or a person who has been proposed to be an executive management or a controlling person of the Company or its subsidiaries.
4. Not having a business relationship and not being a professional service provider according to the requirements of the Office of Securities and Exchange Commission No.SEC.Gor.(Vor.) 32/2008 on the improvement of Qualification, Duties, and Responsibilities on Independent Directors and members of the Audit Committee.
5. Not having a business relationship and a vested interest, whether directly or indirectly, financially or administratively, including not being a professional advisor to the company such as an auditor, a client, partner, supplier, creditor, or debtor of the parent company, its subsidiaries, its associated companies, its same-level subsidiaries³, or a related juristic entity with potential conflict of interest during the period of 2 years before the appointment.
6. Not having any other characteristics that may potentially prevent from giving independent opinions.
7. An independent director, with qualification under Clauses 1-6, may be assigned by the Board of Directors to make the collective decisions on the operation of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries³, or a related juristic entity with potential conflicts

The Nomination of the Board of Directors

To nominate a director, the nomination and remuneration committee shall ensure that the nomination would be preceded transparently before proposing to the Board of Directors. The nomination and remuneration committee must propose qualified person, especially with the missing skills and qualifications for the prevailing Board's components and structure under the Company business strategies by establishing Board Skill Matrix and considering the performance assessment of the Board of Directors, as well as Director Pool or Professional Search Firm. The qualified persons' biography and other personal information will be proposed to the Board of Directors in order to provide adequate information to the Board of Directors and then can be submitted to the annual general meeting of shareholders to approve eventually.

Footnote:

¹ "Related Person" means a person defined under the Section 258 of Securities and Exchange Act B.E.2535.

² "Management" means any director who holds an executive position, or any director who is in charge of any actions deemed to be taken by management, and shall include any authorized director except where it can be demonstrated that such authorized director, jointly with other directors, signs on transactions which have already passed board's approval.

³ "same-level subsidiary" means any two or more subsidiaries under the same parent company.

The directors of the company shall be appointed by the shareholders' meeting pursuant to the following criteria and procedures:

1. In voting for the election of each director, each shareholder shall have one vote per share held by him/her.
2. At the election of directors, it is required that one director shall be elected at a time. Each shareholder must exercise all of his/her votes in electing one person nominated as a director.
3. The candidates who have the most votes shall be elected as directors equivalent to the number of directors required. If two candidates have equal votes, the Chairman of the meeting shall have a casting vote.

In the case of any vacancy on the Board of Directors for any reason other than retirement by rotation, the Board of Directors shall elect a person who is qualified and not prohibited by laws to fill the vacancy at the next Board of Directors' meeting, unless the remaining term of the former director is less than two months. The replacement director shall retain his/her office only for the remaining tenure of his/her predecessor. The resolution of the Board of Directors in respect of appointment of the replacement director shall represent the votes of no less than three-quarters fourth of the remaining directors.

Term of Office

At every annual general Shareholders Meeting, one-third of the directors shall retire from office. If the number of directors to retire from office is not a multiple of three, then the number of directors closest to one-third shall retire. A director who retires by rotation shall be eligible for re-election. In addition to the retirement by rotation, the directors shall be vacated upon:

- (1) Death
- (2) Resignation
- (3) Disqualification or being of a forbidden

nature under Section 68 of the Public Limited Company Act B.E.2535 (A.D.1992)

- (4) Removal by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act B.E.2535 (A.D.1992)
- (5) Removal by order of the court
- (6) The mandatory retirement age for Independent directors, Independent directors shall retire at the age of 75 years. Independent directors who have reached the age of 75 years before the date of the Annual General Meeting, shall resign from the Independent director on the next day of the Annual General Meeting. For the year 2022, Independent directors who have appointed by shareholders for the year 2022 and earlier shall remain in the duties of the Independent directors until the end of the term.

Directors' Remuneration

A member of the Board of Directors and other Board Committees are entitled to remuneration from the Company, namely meeting allowances, annual gratuity and other benefits approved by the shareholders' meeting. The Board of Director has assigned the Nomination and Remuneration Committee to establish the remuneration structure of the Board of Directors and submit the same to the Board of Directors for approval and presentation to the shareholders' meeting for final approval.

President and Top Management Remuneration

The remuneration of President and top management policy and guidelines is established by the Board of Executive Directors, which based on, such as, key performance indicators, the remuneration of executive in the industry, and the performance assessment in order to provide the appropriate remuneration which relates to the short-term and long-term of the company's operating result, to attract the qualified executives, to retain quality management within the company, and to be more competitive in the industry

The performance assessment of the Board of Directors and Board Committees

The performance assessment of the Board of Directors

The performance assessment of the Board of Directors shall be evaluated both as in group and individual (self-assessment) with the details as follows:

- **The performance Board assessment**

The procedure to evaluate the performance of the Board of Directors as in group has been divided into 6 major sessions as suggested by the Stock Exchange of Thailand, which are (1) Qualifications and Structure of the Board (2) Roles and Responsibilities of the Board (3) The Board's meetings (4) The Board's fiduciary (5) The relationship between the Board and the Management (6) Self-improvement of the Board and the Management

The performance assessment procedures are as follows;

1. The performance assessment of the Board of Directors as in group at least once a year.
2. The Corporate Secretary summarizes and reports the result of the performance Board assessment to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.
3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board of Directors' performance to the Board.

- **The performance assessment of individual directors (Self-assessment)**

The procedure to evaluate the performance assessment of individual directors (self-assessment) has been divided into 6 major sessions as suggested by the Stock Exchange of Thailand, which are

- (1) Qualifications and Structure of the Board
- (2) Roles and Responsibilities of the Board
- (3) The Board's meetings
- (4) The Board's fiduciary
- (5) The relationship between the Board and the Management
- (6) Self-improvement of the Board and the Management

The performance assessment procedures are as follows;

1. The Board of Directors has to do self-assessment at least once a year.
2. Corporate Secretary summarizes and reports the result of the performance assessment of individual directors to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.
3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board of Directors' performance to the Board.

The Performance assessment of the Board Committees

The performance assessment of the Board Committees, which is the Board of Executive Directors, the Audit Committee, and the Nomination and Remuneration Committee, shall be evaluated both as in group and individual (self-assessment). The evaluation form is included with the performance of the Board Committees that based on the authorities and duties of each Board Committees and other related guidelines.

- **The performance Board Committees' assessment**

The performance assessment procedures are as follows;

1. The performance assessment of the Board Committees as in group at least once a year.
2. Corporate Secretary summarizes and reports the result of the assessment of

every Board Committees to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.

3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board Committees' performance to the Board.

- **The performance assessment of the individual Directors (Self-assessment)**

The performance assessment procedures are as follows;

1. Every Board Committees has to do self-assessment at least once a year.
2. Corporate Secretary summarizes and reports the result of the assessment of every Board Committees to the Nomination and Remuneration Committee in order to consider any guidelines to improve the performance of the Board of Directors efficiently.
3. The Nomination and Remuneration reports the result and other additional guidelines to improve the efficiency of the Board Committees' performance to the Board.

Meeting of the Board of Directors

1. The Company requires the Board of Directors to meet on a regular basis at least once every three months to consider the financial statements, develop policies, and monitor the performance of the company. The Board of Directors shall be ready to hold a meeting in case of a special circumstance.
2. The Board of Directors manages the meeting schedule annually then inform to the Board of Directors to be acknowledged except other extraordinary meetings.

3. Each meeting of the Board of Directors shall be attended by more than half of the total number of directors who are in the office at the moment.

4. To cast votes on a motion, the Board of Directors' meeting shall consist of not less than two-thirds of the total number of directors of the Company.

5. Prior to the Board of Directors' meeting, Chairman of the Board and President will jointly fix the meeting agendas and allow the directors to propose any matters to be discussed at the meeting. Members of the Board of Directors shall be notified of the meeting in advance so they will be able to manage time and attend the meeting. Appropriate and sufficient meeting documents shall be sent to the directors at least 5 days prior to the meeting to enable them to make informed decisions.

6. The Board of Directors shall have access to additional data and information through the Corporate Secretary and President.

7. During the Board of Directors' meeting, the Chairman of the Board shall allocate sufficient time for the meeting in order to enable the attendants to consider each agenda thoroughly.

8. President may invite top management to attend the meeting in order to give more details or explanations on related agenda and allow the directors to ask questions or request any additional information.

New Director Orientation

The Board of Directors requires every new director to have an orientation in order to enable them to be aware of and understand the Company's business, industry, procedures, and policies as well as the roles, duties and responsibilities of the Board of Directors. The orientation for new directors will be composed of documentations, training, and tour of

various construction sites of the Company to allow the directors to experience the actual operations of the Company. Moreover, to enhance the performance of new director, the arrangement of the discussion session with Chairman of the Board of Directors, President, and new director will be held to inquire them about specific information, organizational culture, and other relevant information of the Company's business operation.

Directors, President and Top Management' Training and Development

The Board of Directors supports and promotes consistent enhancement of the directors' knowledge and skills in relation to duties and responsibilities of the directors or new management procedures. This is to enable the directors to improve their competency and performance and appropriately use the knowledge and skills obtained to maximize management effectiveness and efficiency. It is required that at least one director shall attend the skill enhancement training or seminar each year.

The Board of Directors encourages and promotes continuous development and education of President and top management that is relevant to their roles in order to achieve the Company's objectives and goals.

Succession Plan of President and Top Management

The Board of Directors realizes the importance of key management like President and top management Positions, then they have to assure that President and Top Management's nomination process is appropriate. To prevent the discontinuous operation due to vacancy positions, the Nomination and Remuneration Committee made the succession plan of President and Top Management. In this regard, the qualified person(s) will be recruited to be a successor by considering knowledge, potentiality, and performance evaluation. Thereafter, the individual development plans, for both short-term and long-term development plans, which emphasizes on crucial knowledge and skills will be provided to ensure the successors will be ready and qualified for the positions that they will assume.

The Board of Executive Directors

- **Composition and Qualifications of the Board of Executive Directors**

1. The Board of Directors shall be responsible for appointment and/or removal of the Board of Executive Directors.
2. The Board of Executive Directors shall consist of at least three directors. At a minimum, the Board of Executive Directors shall comprise of President and Chief Financial Officer.

- **Authorities and Duties of the Board of Executive Directors**

1. Determine vision, mission, policies, and business strategy under the supervision of the Board of Directors including review and approve it as least every year.
2. Supervise, consider business plan, financial plan, budget and other management manners proposed by the management in order to comply with good corporate governance.
3. Monitor, examine the operations according to policies, business strategies, sustainable business development and climate change, resources management and other management manners of the Company and report the results to the Company's Board of Directors.
4. Consider and determine rules, regulations, management policies and any other businesses which will be bound to the Company.
5. Provide recommendation, suggestion and determine the scope of authorities and duties of President including to determine whether President or his proxy is prohibited from approving any business activities with any persons who have conflict of interests with the Company or its subsidiaries.

6. Study feasibility, providing advice and suggestion for entering into tender offer or investment in new projects.
 7. Approve the usage of the Company's credit facilities maintained with all banks or financial institutions. To approve the opening and closure of any bank accounts or apply for credit facilities in any form with all banks or financial institutions and report the same to the Audit Committee for acknowledgement, except for the mortgage or pledge of the Company's properties which have to be approved by the Board of Directors.
 8. Evaluate the performance, determine the remuneration of the high level executives from the Senior Vice President and above.
 9. Evaluate the performance of President at least once a year.
 10. Limit a number of taking position as a Director at other companies of President and Top management. President and Top management can take position as a Director in other listed companies, which are outside the company business group, not exceeding 2 companies.
 11. Ensure that the company must operate under the good corporate governance in accordance with the announcement or related guidelines derived from The Securities and Exchange Commission and The Stock Exchange of Thailand. The Board of Executive Directors must support and ensure that Directors and Management team will responsible for doing as a company's Directors in compliance with good corporate governance.
 12. Ensure that management regularly monitors, evaluates and reports on the Company's performance.
 13. Have the power to consider and perform other affairs that the Board of Directors deems fit and that should be used as policy for business operations of the Company.
 14. Conduct other activities according to the policies assigned by the Board of Directors.
- **Term of Office**
 1. Each executive director shall hold office for a term of three years. Apart from retirement by rotation, the executive directors shall be vacated upon:
 - 1.1 Death
 - 1.2 Resignation
 - 1.3 Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act B.E.2535 (A.D.1992)
 - 1.4 Removal by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act B.E.2535 (A.D.1992)
 - 1.5 Removal by order of the court
 2. A member of the Board of Executive Directors who retires by rotation may be re-elected as the Board of Directors deems fit.

The Audit Committee

- **Composition and Qualifications of the Audit Committee**
 1. The Board of Directors shall consider appointing and/or removing the Audit Committee.
 2. The Audit Committee shall consist of at least three members all of which shall be independent directors.
- **Authorities and Duties of the Audit Committee**
 1. Review the accuracy and sufficiency of the Company's financial report.

2. Review the appropriateness and efficiency of the internal control and the internal audit system; consider the independence of the Internal Audit Section including appointment, rotation, termination for the head of the Internal Audit Section, and any other works related to the internal audit.
 3. Review the Company's operation to comply with the Securities and Exchange Acts, Regulations of the Stock Exchange of Thailand, and any relevant laws.
 4. Consider, select, and nominate an independent person to act as the Company's Independent Auditor, including remuneration recommendation and arrange a meeting for the Audit Committee to meet with the Independent Auditor without the presence of executive management at least once a year.
 5. Attend the Audit Committee meeting with the Auditors except the Executives at least once a year.
 6. Consider connected transactions, and the transactions involving conflict of interest, to ensure that they are in compliance with the related laws and Regulations of the Stock Exchange of Thailand, reasonably, to maximize the Company's benefits.
 7. Prepare and disclose the "Reports of Audit Committee" approved by the Chairman of the Audit Committee in the annual report as follows:
 - 7.1 Comments on the accuracy, completeness, and credibility of the Company's financial report.
 - 7.2 Comments on the sufficiency of the Company's internal control system.
 - 7.3 Comments on the Company's business operations in compliance with the Securities and Exchange Commission Act, Regulations of the Stock Exchange of Thailand, and other laws relevant to the Company's business.
 - 7.4 Comments on the suitability of the Independent Auditor.
 - 7.5 Comments of the transactions involving conflicts of interest.
 - 7.6 The disclosure of the number of Audit Committee meetings and the individual meeting attendance of the Audit Committee.
 - 7.7 Comments or notices that have arisen as the Audit Committee performed its duties as defined in its charter.
 - 7.8 Other concerns that should be made available to shareholders and the investors within the scope of duties and responsibilities assigned by the Board of Directors.
 8. Ensure that the company has risk management policy and continually follow-up the efficiency of the policy
 9. Undertake other assignments for the Board of Directors, with the approval of the Audit Committee.
- **Term of Office**
1. Each member of the Audit Committee shall hold office for a term of three years. Apart from retirement by rotation, the committee member shall be vacated upon:
 - 1.1 Death
 - 1.2 Resignation
 - 1.3 Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act, B.E.2535 (A.D.1992)
 - 1.4 Removal by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act, B.E.2535 (A.D.1992)
 - 1.5 Removal by order of the court

2. A member of the Audit Committee who retires by rotation may be re-elected as the Board of Directors deems fit.

The Nomination and Remuneration Committee

● Composition and Qualifications of the Nomination and Remuneration Committee

1. The Board of Directors shall consider appointing and/or removing the Board of Executive Directors and determining their remuneration.
2. The Nomination and Remuneration Committee shall consist of at least three directors and more than 50% of the committee members shall be independent directors.
3. Chairman of the Nomination and Remuneration Committee shall be an independent director.

● Authorities and Duties of the Nomination and Remuneration Committee

1. Define policies, criteria and procedures for nominating new directors to substitute the retired directors and/or fill the vacancies and/or appointing additional directors and propose the new or additional directors to the Board of Directors for approval.
2. Recruit, select and nominate qualified persons to the Board of Directors to further present to the shareholders' meeting for appointment as directors of the Company.
3. Define policies, criteria and procedures for nominating qualified persons to substitute the retired members of supporting committees and/or fill the vacancies and/or appointing additional members of the supporting committees and/or fulfill the other Board Committees and propose to the Board of Directors for approval.

4. Nominate and propose qualified persons to the Board of Directors' meeting to consider approving them as members of the Board Committees.
5. The Nomination of the Board of Directors and Board Committees shall be made with transparency.
6. Establish the policies and criteria for determining remuneration of the Board of Directors and different Board Committees to include meeting allowances, annual gratuity and other benefits. Then, submit the said remuneration plan to the Board of Directors for endorsement and submission to the shareholders' meeting for approval.
7. Clarify all questions due to the annual general meeting of shareholders about the remuneration of the Board of Directors and the Board Committees.
8. Consider the best practices, regulations, and the performance assessment of the Board of Directors, and other Board Committees by making in group and individual to improve the efficiency of the Board.
9. Establish the criteria and procedures for selection and appointment of President and propose to the Board of Directors for approval.
10. Select and propose the qualified person for President position to the Board of Directors for approval.
11. Prepare a succession plan for President position.
12. Ensure that President appoints knowledgeable, skilled, and experienced key executives
13. Perform any other duties as assigned by the Board of Directors.

- **Term of Office**

1. Each member of the Nomination and Remuneration Committee shall hold office for a term of three years. Apart from retirement by rotation, the committee members shall be vacated upon:
 - 1.1 Death
 - 1.2 Resignation
 - 1.3 The chairman of the Nomination and Remuneration Committee is not the independent director.
 - 1.4 Disqualification or being of a forbidden nature under Section 68 of the Public Limited Company Act, B.E.2535 (A.D.1992)
 - 1.5 Removal from the Company's Director by resolution of the shareholders' meeting in accordance with Section 76 of the Public Limited Company Act, B.E. 2535 (A.D.1992)
 - 1.6 Removal by order of the court
2. A member of the Nomination and Remuneration Committee who retires by rotation may be re-elected as the Board of Directors deems fit.

President

- **Authorities and Duties of President**

The authorities and duties of President were defined in Board of Directors meeting no. 3/2002 on May 10, 2002, which resolved that President shall be responsible for conducting and supervising the company's business operations in accordance with the policy approved by the Board of Directors. Furthermore, President shall fulfill when such actions are required by the laws, rules and regulations of the governing agencies to get approval from Board of Directors' meeting and/or Shareholders' meetings. President shall have a power to appoint other person(s) as a proxy to act on his behalf to manage and conduct company's business. President and his proxy have no right to approve any business activities with any persons who have conflicts of interests with the company and its subsidiary.

- **Selection of President**

In selecting President, the Nomination and Remuneration committee will initially consider persons who have all qualifications required by the Articles of Association of the Company, possess the knowledge, skills, competence, and experiences beneficial for business operations of the Company, truly understand the Company's business, and are capable of managing the Company's affairs to achieve the objectives and goals set by the Board of Directors. Then, a list of potential candidates will be presented to the Nomination and Remuneration Committee for review and to be further presented to the Board of Directors for approval.

- **The Performance assessment of President**

The performance assessment of President will be taken once a year according to the regulations of The Stock Exchange of Thailand (CEO Self-assessment) and it can be divided into (1) Leadership (2) Strategy Plan (3) Action comparison to the Strategy Plan (4) Financial Plan and Financial performance (5) Relationship between the Board (6) Relationship with outsiders (7) Management and Relationship with Employees (8) Succession Plan (9) Business Acknowledgement (10) Personal trait (11) President improvement

The performance assessment procedures are as follows;

1. The performance assessment of President shall be made by the Board of Executive Directors at least once a year.
2. Corporate Secretary summarizes and reports the result to the Board of Executive Directors.
3. The Board of Executive Directors reports the result of the performance assessment of President to the Board of Directors and advises best practices to improve the performance.

Corporate Secretary

According to the regulations and good corporate governance, the Board of Directors appointed Corporate Secretary and determined the qualifications and duties of Corporate Secretary as follows;

● Qualifications of Corporate Secretary

1. Expert in laws and other related regulations for example Public Company Limited Act, the Securities and Exchange Act, and other laws related to the business operation. Corporate Secretary shall find various opinions from another expertise or legal advisors to support his/her performance as a Corporate Secretary.
2. Understanding the good corporate governance in compliance with other related companies.
3. Basically having knowledge and understanding the company's business.
4. Good communication skills.

● Roles and Responsibilities of Corporate Secretary

1. Preparing and keeping the following documents:
 - A registration of directors;
 - A notice calling director's meetings, minutes of meeting for the Board of Directors and the annual report of the Company;
 - A notice calling shareholder's meeting and the minutes of shareholders' meetings;
 - Acquisition/Disposition Form reported by Directors or Management

2. Filing document (as stated in item 1) properly, disseminate useful information in accordance with laws, regulations, and other related guidelines announced by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).
3. Giving suggestions and supporting the Board of Directors' activities that related to laws, regulations, and guidelines of good corporate governance and sustainability development issues.
4. Arrange the Board of Directors meetings and other Board Committees meetings in compliance with the guidelines and laws as announced by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).
5. Verify the Board of Directors' minutes of meetings and other Board Committees' minutes of meetings to be accurate and complete.
6. Verify the minutes of the annual general meeting of shareholders to be accurate and complete in order to disseminate to shareholders in accordance with laws and regulations.
7. Approve and disseminate the company's news in compliance with laws and regulations defined by SET and ensure that the company has disseminated news as stated in good corporate governance.
8. Follow-up the changeable of acquisition/disposition of Directors and Management.

ATTACHMENT 5

Policy and Practice Guidelines for Corporate Governance and Business Ethics

Code of Conduct

1. Introduction

The Board of Directors provided code of conduct for Directors, Management and employees for being the guidelines for Directors, Management and employees to abide, furthermore, the transaction will be transparent, righteous and integrity for stakeholders. The best practices as stated in the company's code of conduct will lead us to sustainability firm.

2. Code of Business Conduct

2.1 Code of Business Conduct

Sino-Thai Engineering & Construction Public Company Limited is one of the country's leading construction companies with more than 60 years of experience. The Company is engaged in the business of all types of construction and has clients from public sector, state enterprise, and private sector with a focus on medium to large construction projects, requiring high expertise and technologies. The Company's construction works can be classified into 5 categories, including, power and energy, infrastructure, industrial, and environment.

Based on our long experiences in construction business, the Company has been generally recognized for the effective operations as a result of its full conformity with the business code of conduct as follows:

1. Integrity

The Company has an essential policy to conduct business in accordance with moral

principles. The Company's directors, management and employees are encouraged to perform their duties and responsibilities in conformity with the rules of morality, established principles, fairness and righteousness.

2. Law Abiding

The Company strictly complies with laws, rules and regulations in relation to the business operations. A variety of requirements and procedures have been conducted to ensure that the Company's operations will be in full conformity with the laws, regulations and rules applying to its business.

3. Commitment to Excellence

The Company strives and encourages the directors, management and employees to strive for excellence. A variety of activities has been carried out to enable management and employees at all levels to have the knowledge and skills required for completing their responsibilities and to be prepared to perform their duties effectively and diligently all the time.

4. Reputation and Morale

The Company encourages the directors, management and employees to be aware of the good reputation, pride and morale. The employees will not perform or involve in any actions that may result in destruction of the good relationship among them and that they will jointly carry out any necessary acts to prevent or correct improper behaviors of the other employees.

5. Accountability

The Company has a crucial policy that requires the directors, management and all employees to be liable to account for their actions and work enthusiastically, diligently, carefully and in full compliance with relevant policies, regulations and ethics.

6. Transparency

In the course of business operations, the Company has an important policy to disclose adequate and accurate information in accordance with supervision laws and regulations.

7. Equitable Treatment

The Company has an important policy to treat all stakeholders, including shareholders, clients, employees, partners, creditors and debtors, as well as communities and the society as a whole in a fair and equitable manner in accordance with related rules and regulations.

8. Social and Environmental Responsibilities

The Company has a policy to be committed to conducting business in a socially responsible and environmentally sustainable manner and in full compliance with related principles, rules and regulations on environmental and climate change issues. For sustainable development and stability of the Company, all of our activities conducted both inside and outside the premises of the Company are carried out in a way that takes account of both near and far communities and society, aiming for sustainable and stable business development.

9. Occupational Safety, Health and Environment

The Company realizes the importance of occupational safety and health and requires all employees to strictly comply with related laws, regulations and industrial safety standards. Furthermore, it is crucial to create safe working environment to ensure the wellbeing and healthiness of the employees.

10. Avoidance of Conflict of Interest

To conduct the business, the overall benefits of the Company, shareholders and all groups of stakeholders are primarily taken into account. As a result, the Company has created a number of supervisory mechanisms to assure that the directors, management and employees perform their duties and responsibilities in an honest manner, taking account of the benefits of the Company. To prevent conflict of interests and to achieve transparent and accountable business operations, the Company has a clear policy on disclosure of connected transactions, related party transactions and conflict of interests in order to enhance the confidence of shareholders, investors and stakeholders. The significant connected transactions, related party transactions and conflict of interests must be reviewed and approved by the Audit Committee and the Board of Directors. The Company will be in strict compliance with criteria, conditions and procedures set forth in the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Practices of Listed Companies in Connected Transactions B.E. 2546 (A.D. 2003) or amendments thereof.

The Company has clearly established procedures for consideration and approval of connected transactions or related party transactions to ensure that all related transactions will be in accordance with the normal course of business, comparable price, and reasonable conditions. The procedures are in accordance with the Company's rules and regulations in all respects, and The Company has established procedures for directors, management, and employees to prevent conflict of interest.

11. Inside information prevention

The Company have established the "Inside Information Prevention and Securities Trading Policy" to ensure that the practices of directors, management and employees of the Company in relation to the use of inside information and the

company securities trading are in conformity with the Securities and Exchange Act B.E. 2535 (A.D.1992) and other relevant laws in order to prevent insider trading, which is considered an unfair practice, and to improve transparency and Good Corporate Governance of the Company.

12. Labor Practice and Human Rights

The company recognizes and respects the human rights of the board of directors, management, employees, and stakeholders. The company ensures rights according to the laws and adheres to international practices or guidelines recommended by related parties. The Company shall refrain from any acts that are considered a violation of human rights such as forced labor, illegal migrant labor, child labor, human trafficking. The company places importance on treating employees equally without discrimination. The Company does not ignore any action that is considered a violation of human rights in connection with the Company's business operations.

13. Anti-Bribery and Anti-Corruption

The company is committed to operate with fair, transparent, and abide by related laws, regulations, notifications, ruling and requirements relevant to business operation. The company's board of directors, management, employees, they must perform their duties with integrity and refrain from direct and indirect bribery or corruption of all sorts. In this regard, the company will not penalize those who refuse to take bribery or corruption although such action would cause the company to lose business opportunity.

14. Business Information Confidentiality

The company highly prioritizes the confidentiality of business information and maintains business secrecy in accordance with agreements, refraining from disclosing it to other parties for personal gain, thereby avoiding breaches of others' confidentiality.

15. Fair Business Competition

The company emphasizes and promotes fair business competition by adhering to laws, practices, and relevant criteria in participating in bidding competitions. It refrains from any actions that involve price fixing/price limitations or imposing conditions on sales. This also includes abstaining from bid rigging.

16) Cyber and IT Security

In order to adapt to the rapid development and changes in information technology relevant to current business operations and competition, the company recognizes the importance of utilizing information technology systems to enhance efficiency and effectiveness in conducting business. Additionally, policies for preventing threats and maintaining cyber security practices have been clearly outlined for company directors, executives, and employees. This includes measures such as data backups, emergency system preparedness, non-infringement of intellectual property, data classification management, confidentiality maintenance, threat prevention, intrusion detection, and monitoring of personal data access.

2.2 Policies and Practices Related to Code of Business Conduct

- 1) Sustainable Development Policy
- 2) Good Corporate Governance Policy
- 3) Inside Information Prevention and Securities Trading Policy
- 4) Anti-Corruption and Anti-Bribery Policy
- 5) Human Rights Policy
- 6) Occupational Safety, Health, and Environmental Policy
- 7) Environmental and Climate Change Policy
- 8) Personal Data Protection Policy
- 9) Computer System and Information Technology Security Policy

3. Code of Conduct for Directors, Management, and Employees

3.1 Conduct for Directors of the Company

For the Company:

- 1) Perform duties based on the principle of integrity, ethics, and good corporate governance to the highest benefits of the Company.
- 2) Have responsibilities, commitments, and devotion to the duties of the Company's directors by applying knowledge, skills, and experiences for the management of the Company with their full capacity.
- 3) Ensure that the compliance with laws and regulations related to business operations. And adhere to the principles of good corporate governance.
- 4) Supervise and prioritize the adoption of sustainable business development guidelines in conducting business, encompassing environmental, social, economic, and good corporate governance aspects.
- 5) Avoid any actions, which may cause any conflict of interests to the Company.
- 6) Avoid seeking any benefit by using the internal company information, which the Company has not yet disclosed to the public.
- 7) Refuse to disclose any secret information of the Company to the third parties, particularly to competitors.
- 8) Avoid receiving or offering gifts and gratuities to competitors which may affect one's decisions when discharging duties.
- 9) Support the fight against bribery and corruption.
- 10) To recruit the management who qualified with proper knowledge, abilities, and experiences to the highest benefits of the Company.

- 11) Stay politically neutral without actions in alignment with any particular dominant political party or individuals.
- 12) Respect to the intellectual property rights of others including patents, copyrights, trademarks, and know-how, and shall not intentionally infringe or improperly use such intellectual property. For example, not using unlicensed software.

For the Shareholders:

- 1) Determine the policy of good corporate governance by taking account of the shareholders' rights; to promote the exercise of rights; and to refrain from violating, limiting, or depriving shareholders' rights.
- 2) Supervise the Company to disclose adequate, precise, complete, proper, and timely information.
- 3) Supervise equitable treatment to shareholders.

For Employees:

- 1) Give precedence to the policy on the development of knowledge, abilities, and potential of employees.
- 2) Supervise the compliance with the law and regulations relating to employees so that they shall be treated in a fair manner.
- 3) Give precedence to the treatment to employees with integrity and politeness, to respect the individualism and human dignity according to human rights, and to protect employees from direct and indirect discrimination of any kind, in particular as to race, religion, gender, age, or education.
- 4) Supervise the Company's business operations in accordance with the law, regulations, and criteria relating to the safety and occupational health so that employees shall have good environment.

- 5) Provide support to encourage employees to report or disclose potential bribery and corruption or violation of laws, code of conduct or policies of the Company, to file complaints regarding violation of rights, or to express their opinions regarding business operations and also providing the whistleblower protection policy.

For Clients:

- 1) Give precedence to quality services, honesty, and sincerity.
- 2) Give precedence to the policy on the disclosure of information relating to services correctly and completely.
- 3) Emphasize the maintenance of business data and confidentiality in accordance with mutually agreed-upon terms.

For Partners:

- 1) Give precedence to treat partners with honesty and sincerity.
- 2) Emphasize the maintenance of business data and confidentiality in accordance with mutually agreed-upon terms.

For Creditors:

- 1) Give precedence to treat creditors with honesty and sincerity.

For Competitors:

- 1) Give precedence to treat with fair competition rules and regulations.
- 2) Emphasize the importance of preserving business data and confidentiality as per the mutually agreed-upon terms.

For the Overall Society and the Environment:

- 1) Give precedence to the policy of “Sino-Thai Payback Program”.
- 2) Give precedence to the Company’s business operations, which are in accordance with the law, regulations, and criteria relating to the environment and climate change

- 3) Give precedence to the Corporate Social Responsibility, which are in accordance with the law, regulations, and criteria relating to the Corporate Social Responsibility.

3.2 Code of Conduct for the Management

For the Company:

- 1) Perform duties based on the principle of integrity, ethics, and good corporate governance to the highest benefits of the Company.
- 2) Have responsibilities, commitments, and devotion to their duties as the Management by applying knowledge, skills, and experiences for the management with their full capacity.
- 3) Ensure the adoption of sustainable business development guidelines in conducting business, encompassing environmental, social, economic, and good corporate governance aspects.
- 4) Avoid any action which may cause any conflict of interests to the Company.
- 5) Avoid seeking any benefit by using the internal company information, which the Company has not yet disclosed to the public.
- 6) Refuse to disclose any business data and secret information of the Company to the third parties, particularly competitors.
- 7) Avoid receiving or offering gifts and gratuities to competitors which may affect one’s decisions when discharging duties.
- 8) Perform the fight against corruption.
- 9) Utilize the company resources more effectively can bring benefits to the Company.
- 10) Monitor the Company’s performance regularly in order to achieve the objectives efficiently.

- 11) Stay politically neutral without actions in alignment with any particular dominant political party or individuals.
- 12) Supervise work processes without infringing intellectual property rights, including patents, copyrights, trademarks, or any other information, such as not using unlicensed software.
- 13) Supervise to ensure that personal data is handled in accordance with the policies and regulations.

For Employees:

- 1) Determine the policy and solid work plans to develop the knowledge, abilities, and potential of employees.
- 2) Adhere to the law and regulations that relating to employees strictly.
- 3) Give fair remunerations to employees in terms of wages and welfare.
- 4) Treat employees with integrity and politeness, to respect the individualism and human dignity in accordance with human rights, and protect employees from direct and indirect discrimination of any kind, in particular as to race, religion, gender, age, or education.
- 5) Protect personal data of employees. Employees' personal data disclosures to the public will be processed after the permission of the employee or the legal requirement only.
- 6) Behave themselves as role models in terms of code of conduct, and to promote the strict compliance among the management and employees.
- 7) Adhere to laws, regulations, and standards related to occupational safety, health, and environmental conditions at work to ensure the safety of employees within the organization, free from any threats, hazards, illnesses, or potential risks that may arise from work.

- 8) Give opportunities to employees to acknowledge and comply with the Company's policies and action plans.
- 9) Give opportunities and listen to employees' complaints; and treat all employees fairly.
- 10) Provide a channel to report or disclose potential bribery and corruption or violation of laws, code of conduct or policies of the Company, to file complaints regarding violation of rights, or to express their opinions regarding business operations and also providing the whistleblower protection policy.

For Clients:

- 1) Render quality services with honesty and sincerity to clients.
- 2) Disclose accurate and complete information relating to services.
- 3) Give clients the opportunities to fully check the information relating services.
- 4) Give clients the opportunities to complain in case of defective services and to assume responsibilities for such defects.
- 5) Ensure that the compliance with all terms and conditions as agreed with the clients in an equitable manner. .
- 6) Aim for excellence and to improve the quality of services continuously in order to meet the clients' demands.
- 7) Protect clients' information; the clients' information disclosure to the public will be processed after the clients' permission.
- 8) Avoid disclosure of clients' business data to others to gain an improper personal or any associated person's benefits.

For Partners:

- 1) Treat partners with honesty and sincerity.
- 2) Ensure that the compliance with all terms and conditions as agreed with the partners in an equitable manner.

- 3) Protect partners' information; the partners' information disclosure to the public will be processed after the partners' permission.
- 4) Avoid disclosure of partners' business data to others to gain an improper personal or any associated person's benefits.

For Creditors:

- 1) Treat creditors with honesty and sincerity.
- 2) Ensure that the compliance with all terms and conditions as agreed with the creditors in an equitable manner.

For Competitors:

- 1) Ensure the compliance with the fair competition rules and regulations and omit an act of persecution to cause rivals to lose opportunity unfairly.

For the Society and the Environment:

- 1) Implement the policy of "Sino-Thai Payback Program" in a concrete manner.
- 2) Encourage employees to realize the significance of social and environmental responsibilities under systematic work plans, and to behave themselves as role models for all employees.
- 3) Supervise the Company's business operations strictly in accordance with the law, rules, and criteria relating to the environment and climate change.
- 4) Give precedence to the Corporate Social Responsibility, which are in accordance with the law, regulations, and criteria relating to the Corporate Social Responsibility.

3.3 Code of Conduct for Employees

- 1) Ensure the compliance with the Company's policies, rules, regulations, announcements, and notices strictly.

- 2) Ensure the compliance with the Company's strategic plans, as well as action plans.
- 3) Perform their duties with honesty, diligence, and devotion to the Company's affairs at their full capacity.
- 4) Create and maintain the Company's images and good reputations to the public.
- 5) Refuse to disclose any secret information of the Company to the third parties, particularly to competitors.
- 6) Avoid taking any action, which may cause any conflict of interests to the Company.
- 7) Avoid seeking any benefit by using the internal information, which the Company has not yet disclosed to the public.
- 8) Study and acquire knowledge, in order to develop them regularly for effective performance.
- 9) Treat clients, partners, and the related parties to the Company with politeness, respect, kindness, sincerity, and good relationship.
- 10) Treat colleagues with integrity and politeness, to respect the individualism and human dignity according to human rights, and protect employees from direct and indirect discrimination of any kind, in particular as to race, religion, gender, age, or education.
- 11) In case of bribery and corruption, or actions in violation of the law and the Company's regulations and notices, employees shall report the related units immediately.
- 12) Maintain the Company's assets and use the Company's assets properly in favor of the best performance.
- 13) Refuse to use the Company's assets to the benefits of themselves or companions.
- 14) Create the unity among employees and prohibit any actions that may cause the disharmony in workplace.

- 15) Persistently obey and comply with duties as assigned by the superior, such duties shall not contrary to the law, regulations, announcements, and notices of the Company.
- 16) Avoid bringing any weapons, hazardous substances, or any illegal objects into the compound of the working area.
- 17) Not infringing intellectual property rights, including patents, copyrights, trademarks, or any other data, such as using unlicensed software.

4. Best Practices for Stakeholders Policy

The Company has established best practices toward its stakeholders, including clients, business partners, competitors, government agencies, employees, society and creditors. It is the duties and responsibilities of the directors, management and all employees to be aware of and strictly comply with the established best practices, which are available in the Work Regulations and Intranet of the Company.

Best Practices toward Clients

- 1) The company's businesses are engineering services and construction services with an acceptable international standard at a fair price. The company aimed to deliver construction projects with quantity, quality, and price as agreed upon dealing and to be responsible for its own commitment.
- 2) The company must provide an adequate company's information and company's services to clients.
- 3) The company must treat and provide services equally to all clients with kindness and hospitality.
- 4) The company must omit to perform any acts to control the decisions of the clients.

Best Practices toward the Competitors

- 1) The company must strictly abide to laws, regulations and other related guidelines of bidding and proposals.
- 2) The company must fairly compete with other competitors by omit an act of persecution to cause rivals to lose opportunity unfairly.
- 3) The company must not violate other competitors' privacy of information.
- 4) Board of Directors, Management, and employees of the company must beware of the communication between competitors by omit to reveal the confidential information of the company.

Best Practices toward Government Organizations

- 1) The company must abide by laws, regulations, and guidelines that related to the business.
- 2) Any acts that the company coordinates with the government organizations must be transparent, honest, and fair including the omission of bribery and corruption
- 3) The company encourages its employees to support and exercise their political rights with the government organizations.

Best Practices toward Employees

- 1) The company must treat its personnel regarding to the human rights by must not act any acts that violate the human rights including human dignity and personal information as stated in the laws.
- 2) The company must treat its people equally by providing rights and creativity in working abides by laws and policy of the company.
- 3) The company must provide the reasonable compensation like salaries, bonuses, welfares, and provident funds including the training courses for improving their abilities to work like seminars, university education, and trainings.

- 4) The company must provide the channel for advisory or sharing any obstacles from working for example, working atmosphere, any acts that against the rules and regulations of the company, or any act that leads to bribery and corrupt and criminal. The employees can appeal and be advised freely directly to the supervisors, management or through the providing channel.
- 5) The company must adhere to the succession policy along with the safety of its people then defined best practices and policies on safety and communicate to its people by arranging training courses and acknowledge good practices for operation.
- 6) The company supports its people to perform their duties to the best of their abilities with integrity and fairness in accordance with the policy, code of conduct and the company's regulations.
- 5) The company concerns to the importance of natural resources and environment, and climate change therefore, announced to every jobsites to seriously adhere to the laws, rules and regulations that related to the natural resources and environment in order to prevent making an effect to society, environment, and community. The company also aware of natural resources and energy usage by providing the policy and guidelines of natural resources and energy usage for employees to adhere strictly.
- 6) The company must force every jobsites to operate in compliance with Occupational, safety, health and environmental policy to ensure the employees to have the best and safety workplace.

Best practices toward Partners

- 1) The company must operates by having social and responsibility awareness and adhere to the laws, guidelines and regulations of the business. The company coordinates with other related organizations to create creativities for communities.
- 2) The company must concern with the job hiring and improving skilled labor to people who lives in the communities where jobsites of the company is located.
- 3) The company must support any operations that violate human rights.
- 4) The company must strictly concern to the non-infringement of intellectual property by not violate any patents of other people nor other businesses.
- 1) The procurement process of the company must be fair, righteous and transparent. The procurement process must be acted in accordance with the procurement policy and all vendors must be treated equally and accurately.
- 2) The company must keep the information of its partners confidentially and must not reveal such information to others for benefits.
- 3) When contracting with trading partners, the company must retain document relevant to fairness without any act that limit the rights of partners and relevant to contract making between the company and partners.
- 4) The Company established the "Vendor Selection Policy and Guidelines" to ensure that the vendor selection process will be systematic, fair, transparent, and verifiable, and to supports business partners who are committed to ethical

Best Practices toward Society and Environment

business practices, not involved in illegal or behaviors that lead to corruption according to the Company's regulations and procedures. The Company aims to have the most efficient procurement process which maintain social and environmental responsibility, leading to sustainable growth.

Best practices toward Creditors

- 1) The company must stringently to the contract or the terms of guarantee between creditors and the company both in terms of payment, loans, interests, and other conditions.
- 2) The company must report the company's financial position with accuracy, adequate and punctual to creditors.
- 3) The company must inform creditors in advance if terms and conditions in the contracts/agreements cannot be observed. Any actions to improve the process are reasonable and made for a proper purpose.

5. Whistleblowing and Whistleblower Protection Measures

5.1 The channels for whistleblowing

To promote corporate good governance and encourage all employees and stakeholders to report or disclose potential corruption or violation of laws, code of conduct or policies of the Company, to file complaints regarding violation of rights, or to express their opinions regarding business operations, the Company has provided a channel for the employees and stakeholders to report to:

Corporate Secretary

Address : Sino-Thai Engineering and
Construction Public Company
Limited
32/59-60, Sino-Thai Tower, Asoke
Road, Klongtoey Nua Sub-district,
Wattana District, Bangkok 10110
E-mail : corporatesecretary@stecon.co.th
Tel : 0-2610-4900 ext.1559

Whistleblowing, complaints, and suggestions will be taken into consideration or implementation appropriately on a case by case basis. The whistleblowing procedure and whistleblower protection policy are as follows:

5.2 Whistleblowing Procedure

- 1) The company secretary will compile and verify the accuracy and adequacy of the complaint. If there are reasonable grounds to suspect that such acts indicate fraud, corruption, bribery or against the laws or code of conduct or company policy or cause any encroachment, the company secretary will provide preliminary handling plan to President.
- 2) President will examine the complaint and preliminary handling and appoint and authorize person or working group to handle as appropriate on a case by case basis.
- 3) The authorized person or working group will consider investigation process and suppress the acts that evolve fraud, corruption, bribery or violate applicable laws or code of conduct or company policy or cause any encroachment. Appropriate remedy will be provided to affected persons, taking the overall damage into account. The authorized person or working group will be reported directly to President.
- 4) Once the investigation is over, the results will be reported to President and company secretary, as well as the complainant, in case complainant can be identified. The related information will be treated in strict confidence.
- 5) In case the issue affects the Company's public image or involves the top management or significantly affects the Company's business operations, President will report the results to the Audit Committee.

5.3 Whistleblower protection policy

- 1) Whistleblower, complainants or those who provide cooperation in the investigation can decide not to disclose their identities, in case such disclosure may jeopardize their safety or cause damage. In case their identities are disclosed, the Company will notify the result or provide the appropriate remedies in a convenient and timely manner.
- 2) The Company will treat the personal data of whistleblowers, complainants, or those who provide cooperation in the investigation, as well as the related information in strict confidence. Any disclosure will be done with discretion and as necessary, basing on the safety and damage concerns of the whistleblowers, complainants, or those who provide cooperation in the investigation, the source of information, and other related persons.
- 3) In case the whistleblowers, complainants, or those who provide cooperation in the investigation might feel unsafe or suffer from the investigation process, they can request the suitable whistleblower protection. Meanwhile, the Company might determine the whistleblower protection measures without the request if the Company notices that there are chances of damage, suffering or unsafe.
- 4) Those who are affected or suffered by the case will be provided with the appropriate and fair remedies.

6. Creating the Code of Conduct Awareness

The Board of Directors, Management and employees must adhere and sign to acknowledge that they have understood the code of conduct as working guidelines with the aim of preserving the company's good corporate governance, code of conduct, and excellent management. The company posts the code of conduct on both the company's website and the intranet to enable the Board of Directors, Management and employees to be easily acknowledged and adhere to the code of conduct. The code of conduct has been continuously communicated to the Board of Directors, Management and employees through orientation such as training courses, in-house training courses, and employees meet executives program.

This code of conduct cannot be specifically written guidelines for every behavior, event or circumstance in the code of conduct. If there are some cases that encountered difficulties in decision making or operation, thus shall be first employ its own judgment before proceeding by asking for the suggestions with Chief Officers/Management/Corporate Secretary for case by case.

7. Monitoring and Ensuring Compliance with the Code of Conduct

Monitoring and ensuring compliance with the code of conduct, is considered the duty of management at all levels. And the internal audit department will evaluate and inspect compliance with the code of conduct on an annual basis.

8. Punishment

The punishment is compliance with the company's regulations and/or related laws.

ATTACHMENT 6

Report of the Audit Committee

For further information about the Audit Committee Report is also presented in the sub item of corporate governance number 8.2 Audit Committee Report for the Year 2023.





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