



บริษัท อีเอ็มซี จำกัด (มหาชน)  
EMC PUBLIC COMPANY LIMITED

“Dedication to Engineering Excellence”



รายงานประจำปี 2555  
ANNUAL REPORT

2012



## VISION

Our commitment is to be large contractor,  
With total customer satisfaction,  
Effective advance technology,  
Continuous quality Improvement.



“Dedication to Engineering Excellence”

## MISSION

Continuous Keep Growing Construction and Electrical & Mechanical,  
To Complete Quality of Work on Schedule and Under Budget in the Contract,  
Continuous Quality Improvement as Performance Control System,  
To Implement the Company Management Effectively,  
Continuous Development of Competence and Knowledge for Personnel.



## Message from The Chairman for year 2012



**Chairman and CEO**

Although overall Thai economy in 2012 has quickly recovered after the event of huge flood during the year 2011, which resulted in growth of real estate business sector, including policy in stimulating economy of the government also caused good result to overall of construction business. For operations in year 2012, the company still focused in expanding proportion of continued receiving of works from government sector and it has resulted in proportion of receiving works from government sector to have proportion of about 65% comparing with the past 5 years, when the company did not have proportion of work in government sector at all. In 2012, the company is able to manage risk of backlog well in both proportion of work of state sector and private sector including proportion of construction engineering work and system work engineering. However, the company has operational achievement in profit for two consecutive years.

In this year 2013, it is expected that Thai economy shall grow by about 5% related with trend to grow in long term of the country, which shall be in this level and in this year it shall be bright year of overall construction business with many supporting factors, such as large investment project of government sector in the field of infrastructure, expansion of real estate business, expansion of shopping mall and retailing

businesses. All these factors shall result in continued positive result to construction business. However, there is still factor, which we must monitor; whether economic and financial crisis of group of European Union, fluctuation of exchange rate of Baht, interest rate, labor shortage problem including price of construction materials, which may be higher. All these things have caused the company still expanding business with care so that expansion of the company shall be expansion with strength for the company in long term.

The achievement and future of EMC depends on support of shareholders, customers, business partners, business alliances, financial institutes and stakeholder, who give confidence, opportunity and well supports to EMC for all times. I and all EMC staff would like to express thanks to all of you and we are still engrossing, devoting to working with full ability in order to build further sustainable growth and stability.

(Mr. Chanachai Leenabanchong)  
Chairman and CEO





## Summary of Financial Information

	Consolidated Financial Statements					
	2012		2011		2010	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Total Assets	2,902.35	11.92	2,593.25	20.23	2,156.88	9.38
Total Liabilities	1,986.13	15.69	1,716.79	30.59	1,314.63	24.37
Shareholders' Equity	916.22	4.54	876.47	4.06	842.25	(7.95)
Revenue from Construction	3,925.53	13.03	3,472.91	51.84	2,287.20	(19.70)
Gross Profit	120.93	(22.73)	156.50	7,862.54	(2.02)	(102.07)
Net Profit (Loss)	12.02	(44.12)	21.51	130.14	(71.36)	20.24

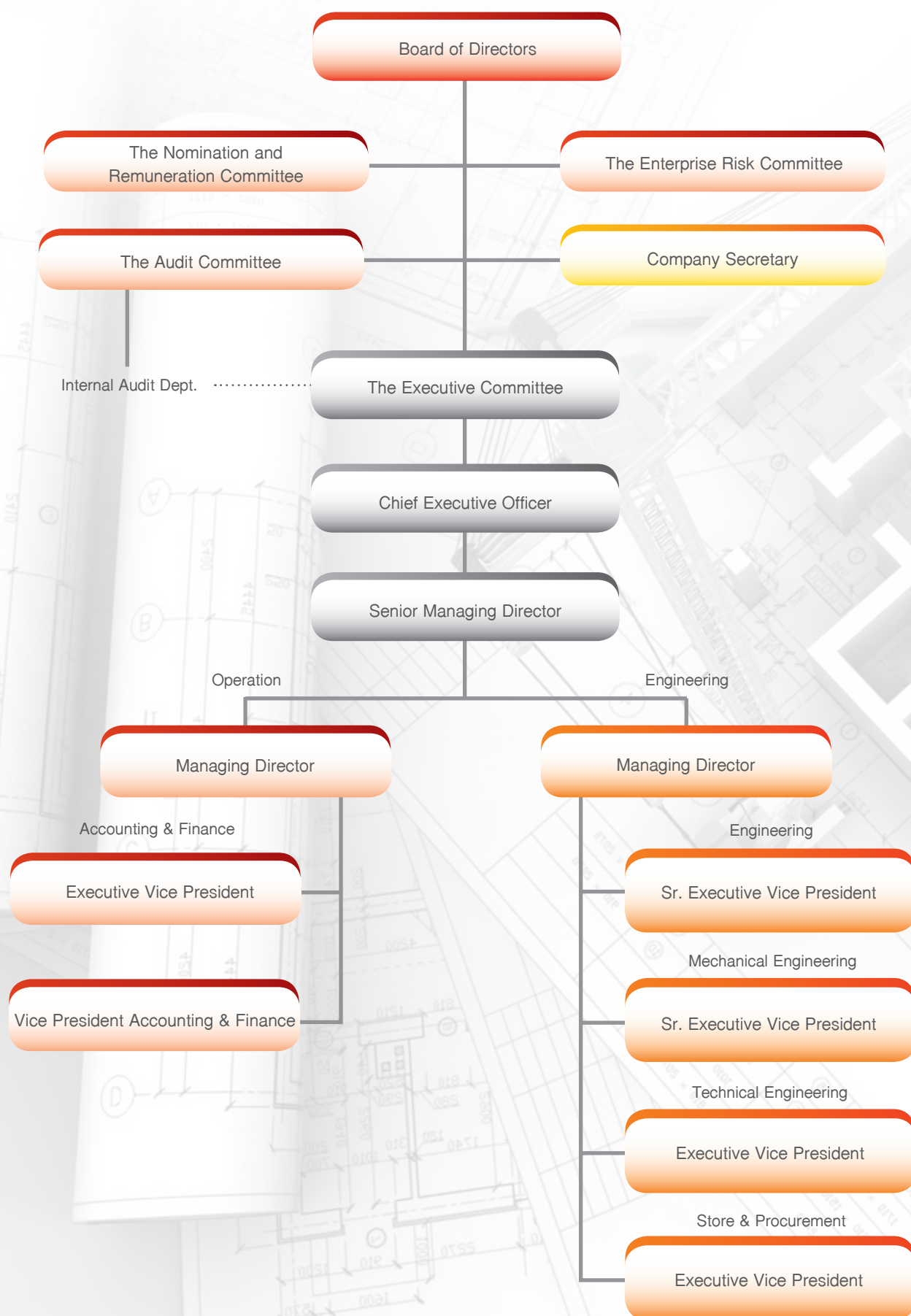
Financial Ratio		2012	2011	2010
Gross Profit Margin	(%)	3.08	4.51	(0.09)
Net Profit Margin	(%)	0.31	0.61	(3.12)
Return on Equity	(%)	1.34	2.50	(8.18)
Return on Asset	(%)	0.44	0.91	(3.48)
Total Assets Turnover	(Times)	1.43	1.46	1.11
Debt to Equity Ratio	(Times)	2.17	1.96	1.56

	2012		2011		2010	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Public Sector	2,296.94	58.51	1,359.10	39.13	548.10	23.96
Private Sector	1,628.59	41.49	2,113.81	60.87	1,739.10	76.04
Total Revenue from Construction	3,925.53	100.00	3,472.91	100.00	2,287.20	100.00





## Organization Chart





## ประวัติกรรมการและผู้บริหาร



นายชนะชัย ลิ่นบรรจง

อายุ 56 ปี

สัดส่วนการถือหุ้นในบริษัท 19.42%

### ตำแหน่ง

ประธานกรรมการบริษัท,  
ประธานกรรมการบริหาร,  
ประธานเจ้าหน้าที่บริหาร,  
กรรมการผู้มีอำนาจลงนามผูกพันบริษัท

คุณวุฒิการศึกษาสูงสุด : ปริญญาตรี วิศวกรรมศาสตร์  
จุฬาลงกรณ์มหาวิทยาลัย

ประวัติการทำงาน 5 ปีย้อนหลัง  
2550 - ปัจจุบัน : ประธานกรรมการบริษัท, ประธานกรรมการบริหาร,  
กรรมการผู้มีอำนาจลงนามผูกพันบริษัท,  
ประธานเจ้าหน้าที่บริหาร  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

ประสบการณ์/การอบรมอื่น : หลักสูตรการบริหารเศรษฐกิจสาธารณะ สำหรับนักบริหาร  
ระดับสูงปีการศึกษา 2552 - 2553  
วิทยาลัยการเมืองการปกครอง สถาบันพระปกเกล้า  
: หลักสูตรการป้องกันราชอาณาจักร ภาครัฐร่วมเอกชน  
(ปรอ.) รุ่นที่ 23 ปีการศึกษา 2553 - 2554  
วิทยาลัยป้องกันราชอาณาจักร สถาบันวิชาป้องกันประเทศ  
: หลักสูตรผู้บริหารระดับสูง สถาบันวิทยาการตลาดทุน  
(วตท.) รุ่นที่15 ปีการศึกษา 2555

การอบรมหลักสูตรของสมาคม : DAP รุ่น 66/2551, FND รุ่น 25/2550  
ส่งเสริมสถาบันกรรมการบริษัทไทย

ประวัติการทำผิดทางกฎหมาย : ไม่มี  
ในระยะ 10 ปีที่ผ่านมา



นายเชิดศักดิ์ วิฑูรธารณ์

อายุ 54 ปี

สัดส่วนการถือหุ้นในบริษัท ไม่มี

### ตำแหน่ง

กรรมการ

คุณวุฒิการศึกษาสูงสุด : ปริญญาตรี วศบ. (ไฟฟ้า)  
จุฬาลงกรณ์มหาวิทยาลัย

ประวัติการทำงาน 5 ปีย้อนหลัง  
ปัจจุบัน : กรรมการบริษัท  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

ปัจจุบัน : กรรมการผู้จัดการใหญ่  
บริษัท เซคโก้ เอช วี จำกัด  
- รับเหมาก่อสร้าง

2550 - 2555 : กรรมการบริษัท, กรรมการบริหาร,  
กรรมการผู้มีอำนาจลงนามผูกพัน, กรรมการผู้จัดการใหญ่  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2537 - 2550 : กรรมการผู้จัดการ  
บริษัท บิวเทค จำกัด  
- พัฒนาอสังหาริมทรัพย์

ประสบการณ์/การอบรมอื่น : ไม่มี

การอบรมหลักสูตรของสมาคม : DAP รุ่น 77/2551  
ส่งเสริมสถาบันกรรมการบริษัทไทย

ประวัติการทำผิดทางกฎหมาย : ไม่มี  
ในระยะ 10 ปีที่ผ่านมา



**นายไพบูลย์ ทองระอา**

อายุ 54 ปี  
สัดส่วนการถือหุ้นในบริษัท 0.51%

#### ตำแหน่ง

กรรมการบริษัท, กรรมการบริหาร,  
กรรมการผู้มีอำนาจลงนามผูกพันบริษัท,  
กรรมการผู้จัดการ สายงานวิศวกรรม

คุณวุฒิการศึกษาสูงสุด : ปริญญาตรี วิศวกรรมศาสตร์  
มหาวิทยาลัยเกษตรศาสตร์

ประวัติการทำงาน 5 ปีย้อนหลัง  
ปัจจุบัน

: กรรมการผู้จัดการ สายงานวิศวกรรม  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2550 - ปัจจุบัน

: กรรมการบริษัท, กรรมการบริหาร,  
กรรมการผู้มีอำนาจลงนามผูกพัน  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2542 - 2549

: กรรมการ  
บริษัท ไตรโพลีคอน จำกัด  
- รับเหมาก่อสร้าง

ประสบการณ์/การอบรมอื่น : ไม่มี

การอบรมหลักสูตรของสมาคม : DAP รุ่น 66/2550  
ส่งเสริมสถาบันกรรมการบริษัทไทย

ประวัติการทำผิดทางกฎหมาย : ไม่มี  
ในระยะ 10 ปีที่ผ่านมา



**นายศิริพงษ์ ว่องวุฒิพรชัย**

อายุ 48 ปี  
สัดส่วนการถือหุ้นในบริษัท 0.74%

#### ตำแหน่ง

กรรมการบริษัท, กรรมการบริหาร,  
กรรมการผู้มีอำนาจลงนามผูกพันบริษัท,  
กรรมการผู้จัดการ สายงานบริหาร

คุณวุฒิการศึกษาสูงสุด : ปริญญาโท คณะพาณิชยศาสตร์และการบัญชี  
จุฬาลงกรณ์มหาวิทยาลัย

ประวัติการทำงาน 5 ปีย้อนหลัง

2550 - ปัจจุบัน

: กรรมการบริษัท, กรรมการบริหาร,  
กรรมการผู้มีอำนาจลงนามผูกพันบริษัท,  
กรรมการผู้จัดการ สายงานบริหาร  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2549 - 2550

: ประธานเจ้าหน้าที่บริหาร สายงานการตลาด  
บริษัท กระดาษศรีสยาม จำกัด (มหาชน)  
- ผลิตและจำหน่ายกระดาษ

2545 - 2548

: ประธานเจ้าหน้าที่บริหาร สื่อธุรกิจสิ่งพิมพ์  
บริษัท ทราฟฟิคคอร์เนอร์ พับลิชชิ่ง จำกัด  
- สื่อสิ่งพิมพ์

2539 - 2544

: รองประธานสายงานขาย  
บริษัท นิปปอนเพนต์ (ประเทศไทย) จำกัด  
- ผลิตและจำหน่ายสี

ประสบการณ์/การอบรมอื่น : ไม่มี

การอบรมหลักสูตรของสมาคม : DAP รุ่น 21/2547, FND รุ่น 19/2548  
ส่งเสริมสถาบันกรรมการบริษัทไทย

ประวัติการทำผิดทางกฎหมาย : ไม่มี  
ในระยะ 10 ปีที่ผ่านมา



## ประวัติกรรมการและผู้บริหาร



นายกฤษณะ สง่าแสง

อายุ 49 ปี

สัดส่วนการถือหุ้นในบริษัท ไม่มี

ตำแหน่ง

กรรมการบริษัท

คุณวุฒิการศึกษาสูงสุด : ปริญญาโท บริหารธุรกิจ สาขาบริหารการจัดการ  
มหาวิทยาลัยเกษตรศาสตร์  
: ปริญญาตรี วิศวกรรมศาสตร์ สาขาวิศวกรรมเครื่องกล  
มหาวิทยาลัยเทคโนโลยีพระจอมเกล้าธนบุรี

ประวัติการทำงาน 5 ปีย้อนหลัง

2555 - ปัจจุบัน	: กรรมการบริษัท บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2555 - ปัจจุบัน	: รองกรรมการผู้จัดการอาวุโส สายงานวิศวกรรมระบบ บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2550 - 2555	: รองกรรมการผู้จัดการ สายงานวิศวกรรมระบบ บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2545 - 2550	: ผู้ช่วยกรรมการผู้จัดการ สายงานประมาณราคาและจัดซื้อ บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2540 - 2545	: ผู้อำนวยการฝ่ายประมาณราคาและจัดซื้อ บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2538 - 2540	: ผู้จัดการฝ่ายประมาณราคา บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2536 - 2538	: ผู้จัดการแผนกประมาณราคางานเครื่องกล บริษัท อีเอ็มซีแมคคานิค จำกัด - ธุรกิจการก่อสร้าง
2534 - 2536	: ผู้จัดการแผนก บริษัท สยามไดกันเซลล์ จำกัด - ธุรกิจการก่อสร้าง

ประสบการณ์/การอบรมอื่น : -

การอบรมหลักสูตรของสมาคม : -  
ส่งเสริมสถาบันกรรมการบริษัทไทย

ประวัติการทำผิดทางกฎหมาย : ไม่มี  
ในระยะ 10 ปีที่ผ่านมา





**ดร.จุไรรัตน์ ร่มลำดวน (อุณหกะ)**

อายุ 48 ปี  
 สัดส่วนการถือหุ้นในบริษัท ไม่มี

**ตำแหน่ง**

ประธานกรรมการตรวจสอบ,  
 กรรมการบริษัท, กรรมการอิสระ

คุณวุฒิการศึกษาสูงสุด	: ปริญญาเอก เศรษฐศาสตรดุษฎีบัณฑิต Pennsylvania State University : ปริญญาโท บริหารธุรกิจมหาบัณฑิต มหาวิทยาลัยธรรมศาสตร์ : ปริญญาตรี บัญชีบัณฑิต มหาวิทยาลัยธรรมศาสตร์
ประวัติการทำงาน 5 ปีย้อนหลัง	
2552 - ปัจจุบัน	: กรรมการบริษัท พัฒนาอสังหาริมทรัพย์ บริษัท ธนาสิริกรุ๊ป จำกัด (มหาชน)
2550 - ปัจจุบัน	: ประธานกรรมการตรวจสอบ, กรรมการอิสระ บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2550 - ปัจจุบัน	: กรรมการ และกรรมการบริหาร Value Focus Group, UK - Business Advisory
2550 - ปัจจุบัน	: หัวหน้าส่วนกรรมการ และกรรมการบริหาร บริษัท มิลล์ แอนด์ ไวน์ สโตน จำกัด - Audit and Assurance
2550 - ปัจจุบัน	: กรรมการ และกรรมการบริหาร บริษัท ฟิอาร์ที แฟคเตอร์ จำกัด - พัฒนาอสังหาริมทรัพย์
2554 - ปัจจุบัน	: กรรมการ และกรรมการบริหาร บริษัท ริเวนเดลล์ จำกัด - พัฒนาอสังหาริมทรัพย์
2547 - 2549	: กรรมการ และประธานกรรมการบริหาร บริษัท กระดาษศรีสยาม จำกัด (มหาชน) - Paper Manufacturing
2544 - 2546	: กรรมการ และรองกรรมการผู้อำนวยการสายงานการเงิน บริษัท จีเอ็มเอ็ม แกรมมี่ จำกัด (มหาชน) - Entertainment and Media
2532 - 2545	: รองกรรมการผู้อำนวยการสายงานการเงิน กลุ่มบริษัท ชินวัตรคอมพิวเทอเรส แอนด์คอมมิวนิเคชั่นส์ - Telecommunications
ประสบการณ์/การอบรมอื่น	: ผู้สอบบัญชีรับอนุญาต เลขที่ 3630 Advance Management Program, Wharton, University of Pennsylvania : High Diploma in Auditing, มหาวิทยาลัยธรรมศาสตร์
การอบรมหลักสูตรของสมาคม ส่งเสริมสถาบันกรรมการบริษัทไทย	: DAP รุ่น 46/2548, DCP รุ่น 81/2549, ACP รุ่น 21/2550, MIA รุ่น 2/2551, RCP รุ่น 20/2551
ประวัติการทำผิดทางกฎหมาย ในระยะ 10 ปีที่ผ่านมา	: ไม่มี



## ประวัติกรรมการและผู้บริหาร



นางนිරนุช ณ ระนอง

อายุ 55 ปี

สัดส่วนการถือหุ้นในบริษัท ไม่มี

ตำแหน่ง

กรรมการบริษัท

คุณวุฒิการศึกษาสูงสุด	: ปริญญาโท บริหารธุรกิจ มหาวิทยาลัยเกษตรศาสตร์
ประวัติการทำงาน 5 ปีย้อนหลัง	
2550 - ปัจจุบัน	: กรรมการบริษัท บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2548 - ปัจจุบัน	: กรรมการ บริษัท ไลฟ์ อินคอร์ปอเรชั่น จำกัด (มหาชน) - สื่อและสิ่งพิมพ์
2542 - ปัจจุบัน	: ผู้อำนวยการอาวุโส บริษัทหลักทรัพย์ เกียรตินาคิน จำกัด - เงินทุนและหลักทรัพย์
ประสบการณ์/การอบรมอื่น	: ไม่มี
การอบรมหลักสูตรของสมาคม ส่งเสริมสถาบันกรรมการบริษัทไทย	: DAP รุ่น 48/2549, DCP รุ่น 69/2549, ACP รุ่น 16/2550
ประวัติการทำผิดทางกฎหมาย ในระยะ 10 ปีที่ผ่านมา	: ไม่มี



นางสุนีย์ ศรีไชยธนสุข

อายุ 51 ปี

สัดส่วนการถือหุ้นในบริษัท ไม่มี

ตำแหน่ง

ประธานกรรมการสรรหาและ  
พิจารณาค่าตอบแทน,  
กรรมการบริษัท, กรรมการตรวจสอบ,  
กรรมการอิสระ

คุณวุฒิการศึกษาสูงสุด	: ปริญญาโท สาขาวิชาธุรกิจอุตสาหกรรม ผู้สอบบัญชีรับอนุญาต เลขที่ 3733 : ประกาศนียบัตรชั้นสูงทางการสอบบัญชี มหาวิทยาลัยธรรมศาสตร์ : ปริญญาตรีบัญชี มหาวิทยาลัยธรรมศาสตร์
ประวัติการทำงาน 5 ปีย้อนหลัง	
2550 - ปัจจุบัน	: ประธานกรรมการสรรหาและพิจารณาค่าตอบแทน, กรรมการตรวจสอบ, กรรมการอิสระ บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
2547 - ปัจจุบัน	: กรรมการบริษัท บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง
ปัจจุบัน	: ที่ปรึกษากิตติมศักดิ์ รองประธานมูลนิธิสมาคมที่ 2 (ท่าน รศ.ดร.ทัศนาศรี บุญทอง) : กรรมการและเลขานุการ กองทุนพระราชทานเพื่อสงเคราะห์คนไข้ยากไร้ ในสมเด็จพระเทพรัตนราชสุดาฯ สยามบรมราชกุมารี ประจำศูนย์การแพทย์สมเด็จพระเทพรัตนราชสุดาฯ สยาม บรมราชกุมารี มหาวิทยาลัยศรีนครินทรวิโรฒ องครักษ์ : กรรมการบริหารหลักสูตรคณะแพทยศาสตร์ ศูนย์การแพทย์สมเด็จพระเทพรัตนราชสุดาฯ สยามบรมราชกุมารี มหาวิทยาลัยศรีนครินทรวิโรฒ องครักษ์ : ที่ปรึกษาศูนย์การแพทย์ด้านการคลัง ศูนย์การแพทย์สมเด็จพระเทพรัตนราชสุดาฯ สยามบรมราชกุมารี มหาวิทยาลัยศรีนครินทรวิโรฒ องครักษ์

<p><b>นางสุนีย์ ศรีไชยชนะสุข</b></p> <p>อายุ 51 ปี</p> <p>สัดส่วนการถือหุ้นในบริษัท ไม่มี</p> <p><b>ตำแหน่ง</b></p> <p>ประธานกรรมการสรรหาและพิจารณาคำตอบแทน, กรรมการบริษัท, กรรมการตรวจสอบ, กรรมการอิสระ</p>	<p><b>ประวัติการทำงาน 5 ปีย้อนหลัง (ต่อ) ปัจจุบัน</b></p> <ul style="list-style-type: none"> <li>: กรรมการและเหรัญญิก สมาคมวิจัยวิศวกรรมชีวการแพทย์ไทย <ul style="list-style-type: none"> <li>- สมาคมเพื่อประโยชน์อย่างยั่งยืนต่อวงการการศึกษาและสาธารณสุขของประเทศ</li> </ul> </li> <li>: กรรมการผู้ทรงคุณวุฒิในคณะกรรมการดำเนินงาน ศูนย์การแพทย์สมเด็จพระเทพรัตนราชสุดาฯ สยามบรมราชกุมารี มหาวิทยาลัยศรีนครินทรวิโรฒ องครักษ์</li> <li>: กรรมการ, กรรมการตรวจสอบ บริษัท ปุ๋ยเอ็นเอฟซี จำกัด (มหาชน) <ul style="list-style-type: none"> <li>- ผลิตและจำหน่ายปุ๋ยเคมี</li> </ul> </li> <li>: กรรมการ, กรรมการผู้จัดการ บริษัท ศูนย์การไต่ยีนดีเมต จำกัด <ul style="list-style-type: none"> <li>- นำเข้าและจำหน่ายเครื่องช่วยฟัง</li> </ul> </li> <li>: กรรมการ / กรรมการผู้จัดการ บริษัท ดุสิตเมต จำกัด <ul style="list-style-type: none"> <li>- ร้านจำหน่ายผลิตภัณฑ์ยา</li> </ul> </li> <li>: กรรมการบริหาร บริษัท เฮลซ์ เทรตติ้ง (ประเทศไทย) จำกัด <ul style="list-style-type: none"> <li>- ผลิตน้ำหวาน</li> </ul> </li> </ul> <p><b>2550 - 2553</b></p> <ul style="list-style-type: none"> <li>: กรรมการ, กรรมการตรวจสอบ บริษัท อังเปา แอสเสทจำกัด (มหาชน) <ul style="list-style-type: none"> <li>- ผลิตผลิตภัณฑ์สิ่งทอและส่งออก</li> </ul> </li> </ul> <p><b>2550 - 2551</b></p> <ul style="list-style-type: none"> <li>: ประธานกรรมการบริษัท บริษัท เจนเนอรัล เอนจิเนียริง จำกัด (มหาชน) <ul style="list-style-type: none"> <li>- ผลิตผลิตภัณฑ์คอนกรีตสำเร็จรูป</li> </ul> </li> </ul> <p><b>2548 - 2551</b></p> <ul style="list-style-type: none"> <li>: กรรมการ, กรรมการตรวจสอบ องค์การสวนสัตว์ ในพระบรมราชูปถัมภ์ <ul style="list-style-type: none"> <li>- ส่วนงานรัฐวิสาหกิจ</li> </ul> </li> </ul> <p><b>2536 - 2550</b></p> <ul style="list-style-type: none"> <li>: กรรมการ บริษัท เชียงใหม่ไทยซิลค์ จำกัด <ul style="list-style-type: none"> <li>- จำหน่ายผ้าไหม</li> </ul> </li> </ul> <hr/> <p><b>ประสบการณ์/การอบรมอื่น</b></p> <ul style="list-style-type: none"> <li>: ที่ปรึกษาและวางแผนด้านภาษี, ที่ปรึกษาด้านบัญชีการเงิน ผู้ตรวจสอบด้านอุตสาหกรรมไฟฟ้า, อุตสาหกรรมสิ่งทอ, อุตสาหกรรมเหล็ก, อุตสาหกรรมโรงแรม, อุตสาหกรรมเครื่องอัญมณี, อุตสาหกรรมรถยนต์, เงินทุนหลักทรัพย์, เชื้อเชื้อ และอุตสาหกรรมเหมืองแร่วางระบบ และพัฒนาระบบปฏิบัติงานและระบบบัญชีเกี่ยวกับอุตสาหกรรมไฟฟ้า, อุตสาหกรรมสิ่งทอ, อุตสาหกรรมเหล็ก และโรงแรม</li> <li>: หลักสูตรผู้บริหารระดับสูง (หลักสูตร วทท.) รุ่นที่ 11 สถาบันวิทยาการตลาด English for Academic and Research Communication the University of Queensland, Australia</li> <li>: การเมืองการปกครองในระบอบประชาธิปไตย สำหรับนักบริหารระดับสูง รุ่นที่ 10 สถาบันพระปกเกล้า</li> <li>: Strategic Management Workshop University of California, Berkeley</li> </ul> <hr/> <p><b>การอบรมหลักสูตรของสมาคม ส่งเสริมสถาบันกรรมการบริษัทไทย</b></p> <ul style="list-style-type: none"> <li>: DAP รุ่น 28/2547, DCP รุ่น 53/2548, ACP รุ่น 5/2548, MIR รุ่น 3/2551, MIA รุ่น 2/2551, RCP รุ่น 18/2551, R-CDC 3/2551 Director Diploma Examination 18/2548 (Fellow member) Current Issue Seminar 1/2551</li> </ul> <hr/> <p><b>ประวัติการทำผิดทางกฎหมาย ในระยะ 10 ปีที่ผ่านมา</b></p> <ul style="list-style-type: none"> <li>: ไม่มี</li> </ul>
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## ประวัติกรรมการและผู้บริหาร



นายชูพงศ์ อันตรสรกุล

อายุ 56 ปี

สัดส่วนการถือหุ้นในบริษัท ไม่มี

### ตำแหน่ง

กรรมการบริษัท,  
กรรมการตรวจสอบ, กรรมการอิสระ

คุณวุฒิการศึกษาสูงสุด : ปริญญาโท บริหารธุรกิจ (MBA)  
University of Detroit, USA  
: ปริญญาตรี วิทยาศาสตร์บัณฑิต  
จุฬาลงกรณ์

ประวัติการทำงาน 5 ปีย้อนหลัง

2551 - ปัจจุบัน : กรรมการผู้จัดการ  
บริษัทหลักทรัพย์ คันทรีกรุ๊ป จำกัด (มหาชน)  
- เงินทุนและหลักทรัพย์

2550 - ปัจจุบัน : กรรมการตรวจสอบ, กรรมการอิสระ  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2547 - ปัจจุบัน : กรรมการบริษัท  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2550 - 2551 : กรรมการผู้จัดการ  
บริษัทหลักทรัพย์ เคทีซีมีโก้ จำกัด  
- เงินทุนและหลักทรัพย์

2546 - 2550 : รองกรรมการผู้จัดการ  
บริษัทหลักทรัพย์ ซีเอ็มไอ จำกัด (มหาชน)  
- เงินทุนและหลักทรัพย์

2544 - 2546 : กรรมการบริหาร  
บริษัทหลักทรัพย์ ฟิลลิป จำกัด (มหาชน)  
- เงินทุนและหลักทรัพย์

ประสบการณ์/การอบรมอื่น : ไม่มี

การอบรมหลักสูตรของสมาคม : DCP รุ่น 19/2545, ACP รุ่น 21/2550, MFR รุ่น 6/2551,  
ส่งเสริมสถาบันกรรมการบริษัทไทย MIR รุ่น 3/2551

ประวัติการทำผิดทางกฎหมาย : ไม่มี  
ในระยะ 10 ปีที่ผ่านมา



นายตฤณ ปิมหทัยวุฒิ

อายุ 34 ปี

สัดส่วนการถือหุ้นในบริษัท ไม่มี

### ตำแหน่ง

กรรมการบริษัท

คุณวุฒิการศึกษาสูงสุด : ปริญญาโท Project Management Engineer  
University of New South Wales, Sydney, Australia  
: ปริญญาตรี วิศวกรรมศาสตร์  
สถาบันเทคโนโลยีนานาชาติ สิรินคร  
มหาวิทยาลัยธรรมศาสตร์

ประวัติการทำงาน 5 ปีย้อนหลัง

2553 - ปัจจุบัน : กรรมการอิสระ  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2552 - ปัจจุบัน : กรรมการบริษัท  
บริษัท ซี.ไอ.กรุ๊ป จำกัด (มหาชน)  
- การผลิตชิ้นส่วน

2550 - ปัจจุบัน : กรรมการบริษัท  
บริษัท อีเอ็มซี จำกัด (มหาชน)  
- ธุรกิจการก่อสร้าง

2548 - ปัจจุบัน : หัวหน้าวิศวกร  
เลกซ์กรุ๊ป บริษัท โตโยต้า มอเตอร์ ประเทศไทย จำกัด

ประสบการณ์/การอบรมอื่น : ไม่มี

การอบรมหลักสูตรของสมาคม : DAP รุ่น 72/2551  
ส่งเสริมสถาบันกรรมการบริษัทไทย

ประวัติการทำผิดทางกฎหมาย : ไม่มี  
ในระยะ 10 ปีที่ผ่านมา



**นายปณัตต์ ศรีว่องไทย**

อายุ 50 ปี  
สัดส่วนการถือหุ้นในบริษัท ไม่มี

**ตำแหน่ง**

กรรมการบริษัท

คุณวุฒิการศึกษาสูงสุด

: นิติศาสตรบัณฑิต  
มหาวิทยาลัยรามคำแหง

ประวัติการทำงาน 5 ปีย้อนหลัง

2555 - ปัจจุบัน

: กรรมการตรวจสอบ  
บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง

2553 - ปัจจุบัน

: กรรมการอิสระ  
บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง

2551 - ปัจจุบัน

: กรรมการบริษัท  
บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง

ปัจจุบัน

: กรรมการ  
มูลนิธิพิพิธภัณฑ์ วังวรดิศ - มูลนิธิ

ปัจจุบัน

: ที่ปรึกษากฎหมายและทนายความ  
บริษัท ไทยคอปเปอร์ อินดัสตรี จำกัด (มหาชน)  
- อุตสาหกรรมผลิตทองแดง  
: มูลนิธิหม่อมเจ้าหญิงพูนพิศมัยดิศกุล - มูลนิธิ  
: บริษัท คิมเบอร์ลีย์ - คลีค ประเทศไทย จำกัด  
- ผลิตและจำหน่ายกระดาษ  
: บริษัท เปาจินจง จำกัด และบริษัทในเครือ  
- สร้างภาพยนตร์ ละคร  
: บริษัท โชคพิริวธร จำกัด  
เจ้าของโรงแรมอมารีไวค รีสอร์ท แอนด์ สปา  
- กิจการโรงแรม  
: ห้างไวค กระบี่ และบริษัทในเครือ - ห้างสรรพสินค้า  
: บริษัท โฟสต์ พับลิชชิง จำกัด (มหาชน) และบริษัทในเครือ  
หนังสือพิมพ์บางกอกโพสต์ บริษัทเอกชนอีกหลายบริษัท  
- หนังสือพิมพ์, วารสาร  
2532 - ปัจจุบัน : เจ้าของสำนักงาน สำนักงานทนายความ ศรีว่องไทย  
- ทนายความ

ประสบการณ์/การอบรมอื่น

: ไม่มี

การอบรมหลักสูตรของสมาคม  
ส่งเสริมสถาบันกรรมการบริษัทไทย

: DAP รุ่น 72/2551

ประวัติการทำผิดทางกฎหมาย  
ในระยะ 10 ปีที่ผ่านมา

: ไม่มี



**นายชโลธร ลีลามะลิ**

อายุ 46 ปี  
สัดส่วนการถือหุ้นในบริษัท ไม่มี

**ตำแหน่ง**

กรรมการบริษัท, กรรมการผู้  
มีอำนาจลงนามผูกพันบริษัท

คุณวุฒิการศึกษาสูงสุด

: ปริญญาโทบริหารธุรกิจ สาขาการบริหารเงิน  
สถาบันบัณฑิตพัฒนบริหารศาสตร์  
: ปริญญาตรีเศรษฐศาสตร์  
จุฬาลงกรณ์มหาวิทยาลัย

ประวัติการทำงาน 5 ปีย้อนหลัง

2555 - ปัจจุบัน

: กรรมการบริษัท, กรรมการผู้มีอำนาจลงนามผูกพัน  
บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง

2555 - ปัจจุบัน

: ผู้อำนวยการฝ่ายบัญชีการเงิน  
บริษัท อีเอ็มซี จำกัด (มหาชน) - ธุรกิจการก่อสร้าง

2551 - 2554

: ผู้จัดการทั่วไป ฝ่ายบัญชีการเงิน  
บริษัท สามมิตรมอเตอร์แมนูแฟคเจอร์ จำกัด (มหาชน)  
- อุตสาหกรรมชิ้นส่วนยานยนต์

2546 - 2550

: ผู้อำนวยการฝ่ายบัญชีการเงิน  
บริษัท จีเอส จำกัด (มหาชน) - อุตสาหกรรมเหล็กแผ่นรีดร้อน

2542 - 2545

: ผู้จัดการฝ่ายการเงินโครงการ  
บริษัท เมโทร รีซอร์สเซส จำกัด (มหาชน) - ธุรกิจร่วมลงทุน

ประสบการณ์/การอบรมอื่น

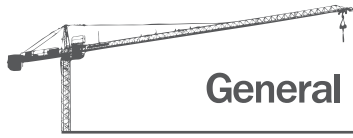
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การอบรมหลักสูตรของสมาคม  
ส่งเสริมสถาบันกรรมการบริษัทไทย

: ไม่มี

ประวัติการทำผิดทางกฎหมาย  
ในระยะ 10 ปีที่ผ่านมา

: ไม่มี



## General Information



### 1. Company Information

Company Name	: EMC Public Company Limited
Type of Business	: Provide integrated civil and mechanical and electrical construction service
Registration No.	: 0107538000321
Head Office	: 28 <sup>th</sup> -30 <sup>th</sup> Floor, ITF Tower, 140/66-67 Silom Road, Suriyawong, Bangrak, Bangkok 10500
Telephone	: 02-615-6100
Facsimile	: 02-615-6128 - 30
Website	: www.emc.co.th
Registered Capital	: 879,807,064 Baht
Paid-up Capital	: 586,538,199 Baht
Par value	: 1 Baht per share

### 2. Juristic persons, which the Company holds more than 10% of shares

Subsidiary	Type of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Par Value (Baht)	% of share
<b>Joint Venture EMC &amp; Power Line</b> 28 <sup>th</sup> -30 <sup>th</sup> Floor, ITF Tower, 140/66-67 Silom Road, Suriyawong, Bangrak, Bangkok 10500	Construction service	-	-	-	49
<b>BR Construction Company Limited</b> Head Office : 120/1 Moo 3, Nakornchum, Muang Kamphaengphet Branch : 20 <sup>th</sup> Floor, ITF Tower, 140/43 Silom Road, Suriyawong, Bangrak, Bangkok 10500	Construction service	60,000,000	60,000,000	1,000	51

### 3. Other References

- **Company Registrar**

Thailand Securities Depository Co., Ltd.  
 62 The Stock Exchange of Thailand Building,  
 Ratchadaphisek Road, Klongtoey, Bangkok 10110  
 Telephone 02-229-2800 Facsimile 02-654-5427  
 Call Center 02-229-2888  
 Website : www.tsd.co.th

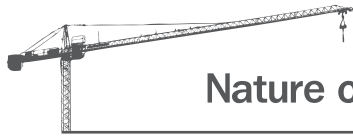


- **Auditor**

1. Mr. Apichart Sayasit CPA no. 4229 or
  2. Ms. Waleerat Akkarasrisawad CPA no. 4411 or
  3. Mr. Sonthorn Sarakwan CPA no. 4869
- Baker Tilly Audit and Advisory Services (Thailand) Ltd.  
Level 21/1 Sathorn City Tower, 175 South Sathorn Road, Sathorn, Bangkok 10120  
Telephone 02-679-5400 Facsimile 02-679-5008  
Website : [www.bakertillythailand.com](http://www.bakertillythailand.com)

- **Legal Counsels**

- IT Law and Accounting Co., Ltd.  
38/2 Soi Ladprao 94, Ladprao Road, Wangthonglang, Bangkok 10310  
Telephone 02-514-3203-5 Facsimile 02-514-3206
- Chinnadej & Associates Co., Ltd.  
12 Floor, ITF Tower, 140/22 Silom Road, Suriyawong, Bangrak, Bangkok 10500  
Telephone 02-231-6083-7 Facsimile 02-231-6491
- Soonthornthep & Partners Co.,Ltd.  
6 Floor, Silom Condominium 52/16 Soi Saladaeng 2, Silom Road, Bangrak, Bangkok 10500  
Telephone 02-236-5906-8 Facsimile 02-236-6909
- FarEast International Legal Co.,Ltd.  
24 Floor, RS Tower, 121/75, Ratchadaphisek Road, DinDaeng, Bangkok 10400  
Telephone 02-641-3181 Facsimile 02-641-3799
- Siam Premier International Law Office Ltd.  
26 Floor, The Offices at Central World, 999/9 Rama 1 Road, Pathumwan, Bangkok 10330  
Telephone 02-646-1888 Facsimile 02-646-1919
- Arunsaeng Law Office  
130 Soi Intraporn, Plup-pla, Wangthonglang, Bangkok 10310  
Telephone 02-538-0230 Facsimile 02-933-8339
- Srisamlan Law Office  
40/131 Katiya Village 3 BangPud , Pak Kret District, NONTABURI 11120  
Telephone 081-939-5330 Facsimile 02-938-7575-7



EMC Public Co., Ltd. (“EMC” or “the Company”), formerly named EMC Engineering Ltd., Part., was founded on April 4, 1979. The business was later expanded and registered under the named EMC Co.,Ltd. on March 1, 1988 with an initial registered capital of 2,000,000 baht. Objectives of the Company establishment were to provide construction contracting services in civil construction and installation of electrical and plumbing systems.

EMC was transformed into a public company on June 9, 1995 and listed on the Stock Exchange of Thailand on May 15, 1996 in Property Development sector.

### Business Overview

EMC Public Co., Ltd. operates the business on civil engineering and layouts electrical, mechanical systems in full scale, divided into 2 major lines, namely: Civil Engineering, as well as commercial buildings, residential buildings, institutions, industrial etc. Electrical and Mechanical Engineering, provided infrastructure installation such as design and installation of electrical system, fire protection system, plumbing and sanitary system and air conditioning and ventilation system.

### Strategy and competition

#### 1. Nation-class, leading system contractor

EMC is a leading contractor for electrical, mechanical and sanitation system engineering. Its credentials and achievements in system works have earned acceptability across the nation. The Company focuses on efficient and quality works with punctual delivery under the management certification of ISO 9001:2008, where the existing work systems have been developed and upgraded.

The Company has also developed its cost control and accounting system to allow for consistent monitoring of the cost status. Its personnel development has been an on-going process, with performance-based compensation and under good corporate governance principles. Its strategies have been set out mainly with a view to cost reduction and efficiency improvement.

#### 2. Fully integrated service provider

The Company has thus become a source of capable and experienced executives and engineers with potential to push for project achievements. Its efficiency improvement efforts have started to bear fruit as its cost reduction and expense saving have been achieved as planned. With such full-fledged contractor services, the Company has been well prepared for contract mega-projects or turn-key projects.

Other than that, another policy of the Company is for expansion of the construction in various styles, such as small sized mall in the form of community mall, as well as factory group in order for reducing risks in work operations.

#### 3. Extend target group to government

To support stimulate economic policy of government, the company has established team for extended target group from private sector to governmental sector. Extension target group will reduce the operation risk of private sector and project for government will have better support credit facilities from financial institution.

#### **4. Policy on quality, efficiency and punctuality, as well as security at workplace**

The Company has instituted the key policy of producing quality works by staff with efficient and secure performance and completed as scheduled, being up to the standard of the ISO 9001:2008 certification. It also has good internal audit system in place, with development of computer system and software programs to ensure consistent monitoring of construction work status. This has allowed for top executives' access to clear and accurate information for timely decision making.

#### **5. Business alliance**

Business alliance is a key factor in competing with construction companies, both local and overseas. Besides collaborating with its alliances for local projects, EMC has expanded its work scope to overseas markets with its system engineering works.

#### **6. Clients' confidence and trust**

Having projects completed with high quality all along, the Company has gained full confidence and trust with consistent bidding invitations by the existing clients, the new clients as recommended by the existing ones, and the new clients who have seen its past achievements.

#### **7. Executives with keen experience**

Besides the managerial expertise, the Company's management team has accumulated knowledge and long-time experience in engineering contractor works with on-going management system development to enhance work efficiency, cut down cost and ensure generation of quality works in a rapid pace.

#### **8. Pricing policy**

The Company has instituted a marked to market pricing policy, with calculation of raw material cost plus wages, miscellaneous expenses and gross profit margin pursuant to the criteria and with due regards to reasonableness and fairness to the consumers.

### **Target customer profile**

EMC's target customers can be classified into 2 groups, one being government agencies and state enterprises, and the other being private sector customers. The revenue proportion between these 2 groups is indefinite, as the Company's business operations are of the project by project nature. Project bidding may take place at any time, and the type of customers will depend on the nature of the project and the time of the bidding on a case by case basis.

Since 2009, budgeting allocation for construction in government project was significantly increased more than 2-3 year ago. This is the opportunity to extend group of customer from private sector to governmental sector with higher efficiency, result of company can keep the good backlog quantity with increasing 30% of government project.

### **Distribution and distribution channels**

In the construction contractor business, direct contacts with the customers are the main channel for the contractors. The Company set up Business Development Department to follow up latest news on the bidding invitations by both the public and private sectors. The Company may acquire private projects in an unlimited contract value, but for public projects, there are stricter requirements. Particularly, past track records with public sector projects are required. The Company has thus compiled its achievements for use in the bidding for government projects. To retain its private sector distribution channels, the Company has a policy of maintaining good relationship with the project owners, with assessment conducted from time to time to retain the existing customer base, while the new customer base is expanded through generation of quality contract works and reliable track records.



## Sourcing of the product

- **Capacity to produce**

Capacity of business in construction engineering and mechanical and electrical engineering unable to calculate in a figure clearly because of production capacity of this type of business have many variable factors such as

- Number of engineer which are project director, project manager, project engineer and engineer.
- Number of sub-contractor who have talent, experience and expertise in the construction and installation engineering for each type.

The company will manage the number of engineers and the number of sub-contractor each projects for deliver within the determinate time and serve demand of customers.

- **Raw material**

- a. **The main raw material used in construction**

Main raw material used in the electrical and mechanical engineering can be classified as division as the details in the following :

Electrical system : electrical cable, electrical pipe, transformer BUS DUCT, electricity generator, plug, lamp, communications equipment, fire alarm equipment, audio equipment, TV antenna equipment, CCTV equipment, security devices.

Sanitation and Fire : PVC pipe, galvanized steel pipe, black iron pipe, turn off water valves, water pump, septic toilet tank, fire cabinet, fire line, Fire water dispenser, fire pumps, water supply.

Air conditioning : Water pipes, refrigerant piping, air duct, air duct ventilation, air nozzle air conditioning, ventilation fan, the tower just air, cold water machine, water pump.

The main raw material used in the engineering construction general, construction engineering, infrastructure and environmental engineering and engineering in the petrochemical industry and energy is a common material used in construction such as concrete, cement, steel, rebar, surface materials, wall surfaces and materials, lotus wall oriented material, ceiling materials, wood, composite roof, window and door, color. But with some material that will vary according to their career and the needs of customers.

- b. **Sourcing of raw materials**

The company purchased all raw materials from domestic supplier; these included the domestic manufacturers and distributors within the country. Most of the material that the company purchases from manufacturers are common material used in electrical and mechanical engineering and general construction engineering such as steel, cement, electricity wire, PVC pipe etc. The raw material that company purchase from local distributors are the material's that characteristic needs of customers such as expensive luxury such as lamp, transformer, switches, high power pump, refrigerator, fire cabinet, fire alarms.

## Industry and competition

General construction contracting normally changes and moves in the same direction as domestic construction industry, which expands in line with the GDP growth. By type of investments, investments in public construction and those in private construction are generally in the contrasting direction. That is, when the economy is buoyant, private sector investments in construction will be in high volume, but the public sector will scale down the construction investments to cool down the economy and control the inflation at the level that will not impair the overall economic stability. On the contrary, amid the economic slowdown or downturn, private sector construction investments are in meager volume, prompting the government sector to step up investments particularly in construction industry to stimulate the economy.

Value of construction industry derived from investment of State Sector approximately 60-70% of total construction value, the remaining 30-40% is investment from Private Sector. State Sector has policy for stimulating construction and is expected as major factor to push the growth of construction industry in the future, due to investment project which is going to start in the future and projects in progress, especially investment in transportation, health system development and education which is still the important pushing strength in construction sector of the State.

### Project Awarded in 2012

Project Name	Location	Scope of Work	Contract Value (Million Baht)	Progress (%)
Tesco Lotus - Nongrua	Khon Kaen	Civil	88.9	100.0
The Walk Kaset-Nawamin, Building C & D	Kaset Nawamin Rd.	Civil, Architecture	200.1	85.1
Airport Link Square, Building D	Ramkhamhaeng Rd.	M&E, Architecture	116.0	2.3
The Kris Extra 5	Rachadapisek Rd.	Civil, M&E, Architecture	140.2	73.3
Showroom Honda Pattanakarn Automobile	Pattanakarn Rd.	Civil, Architecture	110.0	72.5
Bangkok International Futsal Stadium	Cheumsumpan Rd.	Civil, M&E, Architecture	1,157.9	72.3
Futsal Stadium - Landscape	Cheumsumpan Rd.	Civil, M&E	271.0	54.9
Futsal Stadium - Equipments	Cheumsumpan Rd.	M&E, Architecture	103.7	94.0
Futsal Stadium - Facade	Cheumsumpan Rd.	Civil, Architecture	102.8	76.0
Chiangmai International Convention & Exhibition Center (Additional)	Chiangmai	Civil, M&E, Architedture	177.3	25.1
Tesco Lotus - Bangpakong	Chacheungsao	Civil	106.0	24.2
Pyramid Thai Factory	Chonburi	Civil	80.0	-

## Work in Progress

The contract value of the on-going projects is 4,949.2 million Baht, and the remaining unrealized value is 1,688.0 million Baht as follows:

Project Name	Contract Value (Million Baht)	Backlog (Million Baht)
The Breeze	572.4	200.4
Co-educational International Building (Chulalongkorn University)	741.1	444.7
Urban Flood Protection: Pattani - Phase I	115.5	20.9
Urban Flood Protection: Rusa Milae, Pattani	120.8	27.1
Airport Link Square	834.4	261.8
The Walk Kaset-Nawamin, Building C & D	200.1	29.9
Bangkok International Futsal Stadium	1,157.9	76.0
The Kris Extra 5	140.2	37.4
Showroom Honda Pattanakarn Automobile	110.0	30.3
Airport Link Square, Building D	116.0	113.3
Futsal Stadium - Landscape	271.0	122.3
Futsal Stadium - Equipments	103.7	6.2
Futsal Stadium - Facade	102.8	24.7
Chiangmai International Convention & Exhibition Center (Additional)	177.3	132.7
Tesco Lotus - Bangpakong	106.0	80.3
Pyramid Thai Factory	80.0	80.0
<b>Total</b>	<b>4,949.2</b>	<b>1,688.0</b>

## Revenue Structure

Consolidated revenue structure of EMC Public Co., Ltd., dating back 3 years (2010-2012) can be classified types of core businesses as follows:-

	Consolidated Financial Statements						Separate Financial Statements					
	2012		2011		2010		2012		2011		2010	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Revenues												
Revenue from Construction	3,925.53	98.32	3,472.91	99.95	2,287.20	97.59	3,706.84	97.61	2,884.23	95.68	2,016.01	94.48
Other revenue												
Interest income	13.24	0.33	6.67	0.19	3.56	0.15	14.42	0.38	6.81	0.22	4.12	0.19
Others	53.80	1.35	30.16	0.85	52.93	2.26	76.18	2.01	123.47	4.10	113.70	5.33
<b>Total revenue</b>	<b>3,992.57</b>	<b>100.00</b>	<b>3,509.74</b>	<b>100.00</b>	<b>2,343.69</b>	<b>100.00</b>	<b>3,797.44</b>	<b>100.00</b>	<b>3,014.51</b>	<b>100.00</b>	<b>2,133.83</b>	<b>100.00</b>
Revenue increase (decrease)		13.76		49.75		(18.37)		25.97		41.27		(25.60)



## Singnificant Changes and Development

### 2010 Management changes

- The appointment of existing directors, whom holding qualifications in line with Qualifications of Independent Directors specified of the Notification of Capital Market Supervisory Board, as the following

1. Mr.Trin Pimhataivut
  2. Mr.Pannatee Sriwongthai
- Mr. Kennosuke Ochiai has resigned as director of the Company.

The structure of the major shareholders on 8 April 2010 (with the paid-up capital of 586,319,361 baht)

No.	Name - Surname	Shares	(%)
1.	Mr.Chanachai Leenabanchong	69,144,760	11.79
2.	Capital Engineering Network Public Co.,Ltd.	35,214,670	6.01
3.	Mr.Koravut Leenabanchong	24,050,000	4.10
4.	Thai NVDR Co.,Ltd.	22,417,438	3.82
5.	Mr.Detchkajorn Teeravijaranayankul	19,173,600	3.27
6.	EMC Public Co.,Ltd. (Treasury Stock)	16,118,010	2.75
7.	Mr.Tavorn Serideelert	14,769,800	2.52
8.	Mr.Prapas Setapongsat	8,000,000	1.36
9.	Ms.Pornpan Theptrakarnporn	7,710,584	1.32
10.	Ms.Supasorn Chokchainarong	7,449,600	1.27

### Capital Restructure

The Board of director had resolved to invest in BR Construction Company Limited in a portion of 51% in order to take the right on license to civil construction



## 2011 Significant Changes and Development

- January - Authorized Directors to sign on behalf of the company  
Mr. Siriphong Vongvuttipornchai or Mr.Somphop Prompanapitak had to sign with Mr. Chanachai Leenabanchong or Mr. Paiboon Thong-Ra-Ar or Mr.Chirdsak Vitooraporn with the seal of the company.
- April - The Board of director had resolved to invest in M.one Property Company Limited in a portion of 10% for invest in Real Estate.  
The 2010 Annual General Meeting of shareholder of the company has passed the resolutions about capital structure as follows:
- The amendment of Memorandum no.3 of the Objective of the company from 53 to 61 items.
  - The amendment of Article of Association article 10 and article 11.

The structure of the major shareholders on 12 April 2011 (with the paid-up capital of 586,319,361 baht)

No.	Name - Surname	Shares	(%)
1.	Mr.Chanachai Leenabanchong	88,000,000	15.01
2.	Thai NVDR Co.,Ltd.	54,020,238	9.21
3.	Capital Engineering Network Public Co.,Ltd.	49,716,570	8.48
4.	Mr.Voravit Leenabanchong	25,801,700	4.40
5.	Mr.Koravut Leenabanchong	24,050,000	4.10
6.	EMC Public Co.,Ltd. (Treasury Stock)	16,118,010	2.75
7.	Mr.Surasak Devaaksorn	15,668,200	2.67
8.	Mr.Voravit Leenabanchong	14,388,000	2.45
9.	Mr.Prapas Setapongsat	11,000,000	1.88
10.	Ms.Prewpaka Suwanpho	8,800,000	1.50

- August - The Board of director approved on the resale of share repurchased. The period for the resale of shares will be from 25 August 2011 to 6 March 2012
- September - The Company registered the change in its paid-up capital from Baht 586,319,361 to Baht 586,583,043. That change results from the exercise of the Company warrants issued exist shareholders.

### Warrant 2 : 137,826,289 units

The date of first exercise date of EMC-W2 to be on August 25, 2009, which warrants are exercisable on the last business day of every quarter or on the last business day of March, June, September, and December of each year. And the final exercise date on August 24, 2011.

As of 31 December 2010, the number of remaining unexercised warrants : 137,826,289 units

As of 24 August 2011, the number of remaining unexercised warrants : 137,607,607 units.

## 2012 Management changes

Authorized Directors to sign on behalf of the company

Mr. Chanachai Leenabanchong or Mr. Paiboon Thongra-ar or Mr. Siriphong Vongvuttipornchai or Mr. Chalothorn Leelamali jointly co-signs their names, totaling two Directors and affix with the company seal.

- January - Mr.Boonchai Surapakpinyo has resigned from the position of Director, Executive Director, Senior Executive Vice President, effective from January 1, 2012 onwards.
- May - Mr.Somphop Prompanapitak has resigned from the position of Director, Senior Executive Vice President, and company secretary has effective from 8 May 2012 onwards.  
- Mr. Chirdsak Vitooraporn has resigned from the position of the Managing Director, has effective from 8 May 2012 onwards.
- August - Appointed Mr.Krissana Sangarsang and Mr. Chalothorn Leelamali as a director in place of the vacant position, effective from 14 August 2012 onwards.
- September- Approved the increase of registered capital from 586,538,043 Baht to 586,538,199 Baht by issuing new ordinary shares of 156 shares at par value of 1 Baht per share reserve for exercising the 1<sup>st</sup> right warrants offering to existing shareholders (EMC-W3).
- October - Approved to change the authorized signatories binding the Company to be as follows:  
Mr.Chanachai Leenabanchong or Mr.Paiboon Thong ra-ar or Mr.Siriphong Vongvuttipornchai or Mr. Chalothorn Leelamali jointly co-sign their names, totaling two Directors and affix with the Company's seal.
- November - Appointed Mr.Punnathee Sriwongthai a company's independent director, to be a Audit Committee. has effective from 14 November 2012 onwards.

List of the first 10 major shareholders (as of closing of the register book on 16 March 2012)

No.	Name - Surname	Shares	(%)
1.	Mr. Chanachai Leenabanchong	101,000,000	17.22
2.	Thai NVDR Company Limited	68,243,308	11.64
3.	Capital Engineering Network Public Company Limited	53,199,970	9.10
4.	Mr. Voravit Leenabanchong	25,801,700	6.53
5.	Mr. Thanin Leenabanchong	24,050,000	4.10
6.	Mr. Thavorn Seredeelert	19,704,000	3.34
7.	Mr. Surasak Tevauksorn	15,400,000	2.63
8.	Mrs.Preawpraka Suwannapho	6,750,000	1.50
9.	Miss Patcharin Toungsittisombat	6,000,000	1.02
10.	Mr. Unporn Sriphothong	5,950,000	1.01

### Capital Restructure

The 2012 Annual General Meeting of shareholder of the company has passed the resolutions about capital structure as follows:

- Approved the decrease of registered capital from 724,343,476 Baht to 586,538,043 Baht, share value at 1 Baht per share by reducing registered common stocks which issued for 2nd warrant assertion (EMCW2) to the existing shareholders remained of the last exercise and was expired on 24 August 2011 in the number of 137,805,433 shares.
- Approved the issuance of the 3rd right warrants (EMC-W3) of 293,269,021 units, free of charge, offering to existing shareholders. Allocated in proportion to the number of shares in the ratio of 2 existing shares for 1 unit of warrant.
- Approved the increase of registered capital from 586,538,043 Baht to 879,807,064 Baht by issuing new ordinary shares of 293,269,021 shares at par value of 1 Baht per share reserve for exercising the 3<sup>rd</sup> right warrants offering to existing shareholders (EMC-W3).
- Approved the allocation of 293,269,021 new ordinary shares at par value of 1 Baht reserve for exercising the 3<sup>rd</sup> right warrants offering to existing shareholders of the Company (EMC-W3).



# Shareholding and Management Structures

## 1. Shareholding

### Ordinary shares

On December 31, 2012, The company has registered capital of 879,807,064 baht which divided into ordinary shares totally 879,807,064 shares at par value of 1 baht per share. Paid - up capital 586,538,199 baht divided into ordinary shares totally 586,538,199 shares at par value of 1 baht per share

Name list of the top 10 shareholders on record as of November 5, 2012 by Thailand Securities Depository Co.,Ltd. but do not include Thailand Securities Depository Co.,Ltd. for Depositors and treasury stock.

Name - Surname		No. of shares	%
1.	Mr.ChanachaiLeenabanchong	113,928,200	19.42
2.	Thai NVDR Co.,Ltd.	66,272,308	11.30
3.	Capital Engineering Network Public Co.,Ltd.	53,199,970	9.10
4.	Mr.Voravit Leenabanchong	38,294,500	6.53
5.	Mr.Thavorn Sereedelert	24,050,000	4.10
6.	Mr. Thanin Leenabanchong	20,257,050	3.45
7.	Mr.Surasak Dheva-aksorn	6,750,000	1.12
8.	Mrs.Preawpaka Suwanpho	6,000,000	1.02
9.	Miss. Phatcharin Tungsitsombat	5,605,600	0.96
10.	Miss. Khajarin SorShotsathitkul	5,565,000	0.95

### Warrant

Name list of the top 10 warrant holders (EMC-W3) on record as of November 5, 2012 by Thailand Securities Depository Co.,Ltd.

Name - Surname		No. of shares	%
1.	Mr. Chanachai Leenabanchong	57,046,100	19.46
2.	Mr. Voravit Leenabanchong	14,595,050	4.98
3.	Mr.Buncha Kieatsooksathit	11,900,000	4.06
4.	Thai NVDR Co.,Ltd.	9,913,449	3.38
5.	Mr.Surasak Dheva-aksorn	8,850,000	3.02
6.	Mr. Vichit Shinwongworakul	8,200,000	2.80
7.	Miss. Phatcharin Tungsitsombat	6,000,000	2.05
8.	Mr. Sombat Buranateerakit	4,500,000	1.53
9.	Mrs. Khajarin SorShotsathitkul	4,202,800	1.43
10.	Miss.Suphan Piyajedsadakul	4,000,000	1.37



## 2. Management

### 2.1 Management Structure

The management structure consisted of 5 committees, i.e. the Board of Directors, the Nomination and Remuneration Committee, the Audit Committee, the Executive Committee and the Enterprise Risk Committee along with the management team as follows :

#### 1. The Board of Director

On December 31, 2012, the Board of Directors composed of 12 members below:

##### Date of appointment

1. Mr.Chanachai	Leenabanchong	Chairman of the Board	27 April 2007
2. Mr.Chirdsak	Vitooraporn	Director	14 November 2007
3. Mr.Siriphong	Vongvuttiornchai	Director	21 August 2007
4. Mr.Paiboon	Thong-ra-ar	Director	11 May 2007
5. Mrs.Neeranuch	Na-ranong	Director	13 September 2007
6. Mr.Kirssana	Sarngarsang	Director	14 August 2012**
7. Mr.Chalothorn	Leelamali	Director	14 August 2012**
8. Dr.Jurairat	Uhaka	Chairman of the Audit Committee and Independent Director	13 September 2007
9. Mrs.Sunee	Sornchaitanasuk	Member of the Audit Committee and Independent Director	21 August 2007
10. Mr.Chuphong	Tanasettakorn	Member of the Audit Committee and Independent Director	21 August 2007
11. Mr.Trin	Pimhataivut	Independent Director**	13 September 2007
12. Mr.Pannatee	Sriwongthai	Independent Director**	24 April 2008*

Acting for Secretary of the Board of Director : Miss.Waraphorn Wongsingto

\* Appointed Mr.Punnathee Sriwongthai a company's independent director, to be a Audit Committee. has effective from 14 November 2012 onwards.

\*\* These two directors have taken their offices since 2012

#### Authorized Directors

Mr. Chanachai Leenabanchong or Mr. Paiboon Thongra-ar or Mr. Siriphong Vongvuttiornchai or Mr. Chalothorn Leelamali jointly co-signs their names, totaling two Directors and affix with the company seal.

#### Scope of authority, duties and responsibilities of the Board of Directors

The Board of Directors has the authority and duty to ensure the Company's operations in compliance with the relevant laws, and the Company's objectives and articles of association, together with the resolutions of the shareholders' meeting, with integrity and prudence and with due regard for the interests of all the stakeholders.

1. The Board of Directors has the authority, and duty to ensure the Company's operations to be in compliance with the relevant laws, the Company's objectives, and articles of association, as well as the resolutions of the shareholders' meeting with integrity and prudence and due regard for the interests of all the stakeholders.

2. Prescribe business operation policy , work planning and annual budget of the Company, supervise administration of Management Department to be in accordance with policy set forth with efficiency in order for increase of ultimate value to the Company and the shareholders.
3. To ensure that the Company complies with announcement, requirements, and guidelines to follow relating to Stock Exchange of Thailand, Office of the Securities Exchange Commission, and to take any steps prescribed by relevant laws.
4. To consider approval and/or give comment to related transactions, purchase or sale important assets, investment in new enterprise, or in other companies that must comply with rules and standard of Stock Exchange of Thailand, or laws relating to business of the Company.

*Except the following matters* : Board of Directors, as prescribed by laws, to obtain approval of Shareholders Meeting before taking action on the issues, such as increase or decrease of capital, issuance of debentures, sale or transfer of the Company's business, in whole or in important part to others, or purchase or taking transfer of business of another company, amendment made to memorandum of association or articles of association, for example.

5. To consider approval of financial statements of each quarter, and for each year reviewed and audited by the auditor and passed the approval of Audit Committee before revealing the information to Stock Exchange of Thailand and general public.
6. To consider administrative work structure, appoint administrative committee, chairman of executive officers, managing director, and other Board of Directors as deemed fit.
7. To follow up the operating result to be in accordance with work planning and the budget continuously.
8. Directors must not be engaged in business operation that has the same condition and in competition with the business of the Company, or become partner in ordinary partnership or unlimited liability partner in a limited partnership, or a director of private company, or another company having similar business operation, and in competition with the business of the Company, whether for own interest or for the benefit of others, with prior notice served to the Shareholders' Meeting before the resolution is passed for appointment.
9. The director must notify the Company without delay, if he is an interested person, directly or indirectly in the Agreement made by the Company, or holding share or other asset either increase or decrease in the Company or affiliate.
10. Board of Directors may assign authority to a director or more than one director, or any other person to act on behalf of the Board of Directors under the supervision of the Board, or to authorize such person to have the power as deemed fit by the Board of Director and within the period of time deemed appropriate by the Board, whose power may be revoked or amended by the Board.

The Board of Directors may authorize Administrative Committee to have the power in performing duties with detailed scope of authority and duties. Characteristics of Such authorization must not be for the Administrative Committee to be able to consider and approve the lists that the Administrative Committee, or a person who has the conflict of interest made with the Company of its subsidiaries, except approval on lists made in compliance with policy and standard that have already been approved by the Board of Directors of the Company.

In 2012, altogether 6 Board of Director meetings were held.

## 2. The Nomination and Remuneration Committee

On December 31, 2012, the Nomination and Remuneration Committee composed of 4 members below:

- |                |                 |  |
|----------------|-----------------|--|
| 1. Ms.Sunee    | Sornchaitanasuk | Chairman of the Remuneration Committee |
| 2. Dr.Jurairat | Uhaka           | Remuneration director                  |

- |                 |                   |                       |
|-----------------|-------------------|-----------------------|
| 3. Mr.Chuphong  | Tanasettakorn     | Remuneration director |
| 4. Mr.Siriphong | Vongvuttipornchai | Remuneration director |

### Scope of authority, duties and responsibilities of the Nomination and Remuneration Committee

1. To identify, evaluate and recruit individuals qualified for Board of Director
2. To consider nominees for directorships proposed by the shareholders
3. To recommend for the Board nominees to be proposed for election at the shareholders' meetings or to be elected by the Board to fill vacancies
4. To Periodically review the Company's standards of director independence and recommend any proposed changes to the Board for approval
5. To consider and review the structure of salary and wage payment of the Company, and propose directions and methods for payments of remuneration to the Board of Directors and various committees appointed by the Board.
6. To propose policy on consideration of management remuneration in line with the Company's operating results and performance of the management.
7. To consider budgets for increase in salaries and wages, changes in salaries and wages as well as other remuneration, and annual bonus payments for senior executives before submission to the Board of Directors.

In 2012, altogether 1 the Nomination and Remuneration Committee meetings were held.

### 3. The Audit Committee

On December 31, 2012, audit committee consisted of independent committee 4 persons and have all characteristic as prescribed of committee of capital market commission and the Stock Exchange of Thailand which the name as the following :

- |                |                 |                                 |
|----------------|-----------------|---------------------------------|
| 1. Dr.Jurairat | Uhaka           | Chairman of the Audit Committee |
| 2. Mrs.Sunee   | Sornchaitanasuk | Audit director                  |
| 3. Mr.Chuphong | Tanasettakorn   | Audit director                  |
| 4. Mr.Punnatee | Sriwongthai     | Audit director **               |

Secretary of the Audit Committee: Miss Nattaphat Kulsiramongkol

Committee member No. 1 and 2 shall be knowledgeable persons who have substantial experience to perform their duties in making the review the credibility of financial statements, the committee member No. 3 who has the knowledge and experience of managing and investing, the committee member No. 4 who has knowledge and experience in law.

\*\*Appointed Mr.Punnatee Sriwongthai a company's independent director, to be a Audit Committee. has effective from 14 November 2012 onwards.

### Scope of authority, duties and responsibilities of Audit Committee

1. To make consideration for revealing the inter-transaction which may have conflict of interest to ensure performance of the Company to be strictly in compliance with rules and requirements of Stock Exchange of Thailand, and justification of such lists to be of ultimate benefit of the Company.
2. To make consideration of financial statements of each quarter and of each year that have been reviewed and audited by the auditor in conjunction with the auditor and Management before revealing the information to Stock Exchange of Thailand and general public. To review financial statements for correctness of financial information for completeness, reliability and transparency to be in accordance with accounting standard and relevant laws and requirements.

3. To ensure that the Company has internal control, and internal audit systems, and to make consideration of the independence of the internal auditing unit, as well as agreement in consideration of appointment, reshuffle, employment termination of internal unit chief, or other work units responsible for internal audit, including review of risk administration of the Company
4. To review lists of internal audit concerning operation of the Company to be consistent with work planning set forth for work units to have better internal audit system in order to facilitate efficient business management.
5. To review compliance of Company's compliance with the law concerning assets and Stock Exchange Market, requirements of Stock Exchange Market of Thailand and related laws.
6. To consider selection, propose appointment, offer remuneration and assess work result of auditor of the Company, including participating in the meeting with the auditor at least once a year without Management in the meeting.
7. Make list of supervision on the performance of the Audit Committee by revealing in annual report of the Company to be signed by Chairman of the Audit Committee, which must be comprising the information required by Stock Exchange of Thailand at least as follows :
  - Comments on correctness, completeness, reliability of financial statements of the Company
  - Comments concerning sufficiency of internal control of the Company
  - Comments on performance in compliance with law concerning assets and Stock Exchange, requirement of Stock Exchange, or law relating to the business of the Company
  - Comment on suitability of the accounting auditor
  - Comments on lists that may have conflict of interest
  - Number of meetings of Audit Committee and attendance of each committee member
  - Comment of observation as a whole received by the Audit Committee from duty performance according to rules and regulations.
  - Other lists that should be notified to the shareholders and general investors within the scope of duties and responsibility assigned by the Board of Directors.
8. Any other performance as assigned by the Board of Director with approval of Audit Committee

In 2012, the Audit Committee had 11 meetings altogether.

#### 4. The Executive Committee

On December 31, 2012, the Executive Committee composed of 11 members below:

1. Mr.Chanachai	Leenabanchong	Chairman of the executive committee
2. Mr.Paiboon	Thong-ra-ar	Executive director
3. Mr.Siriphong	Vongvuttiornchai	Executive director
4. Mr.Korkiat	Nipatnantaporn	Executive director
5. Mr.Pinit	Karntikul	Executive director
6. Mr.Krissana	Sangasang	Executive director
7. Mr. Kornkrit	Prakongwitay	Executive director
9. Mr. Patanat	Suthisisang	Executive director
8. Mr. Chalothorn	Leelamali	Executive director
10.Mrs. Wanida	Puangboonmak	Executive director
11.Mr. Tharadol	Suteeraphat	Executive director

Acting for Secretary of the Executive Committee : Miss Waraphorn Wongsingto



### Scope, authority, duties, and responsibilities of the Executive Committee

1. To carry out and administer the business of the Company in accordance with objectives, regulations, policy, requirements, orders, and resolution of Board of Directors Meeting, and/or resolution of Shareholders Meeting
  2. To consider setting up policy, direction, and strategies, plan for operating business and annual budget of the Company, administration of human resources, investment on information technology, work expansion, public relation, and supervision of works carried out by Working Team appointed to achieve the target for submission to the Board of Directors Meeting for its approval.
  3. To consider budget allocation for the year as proposed by Management before submission to Board of Directors for its approval. This includes consideration and approval of change and addition of annual budget while there is no Board of Directors meeting held, but will have to be under scope of duty approved by the Board of Director and to be submitted to the next Board of Directors meeting.
  4. To consider approval, and/or give comment on lists concerning investment, financial administration, general works administration, employment and purchasing and any other list relating to the business of the Company under the scope of authority approved by the Board of Directors.
  5. To consider approval of important investments, set up in annual budget as assigned by the Board of Directors, or used to be approved in principle by the Board.
  6. To give comment on business expansion and joint investment with other persons within the scope of authority approved by the Board of Directors and submit it to the Board of Directors for approval/acknowledgement in the next meeting.
  7. To be advising committee to Management concerning policies on finance, marketing, management of personnel administration, and other performances.
  8. To consider profit and loss of the Company, proposal for payment of interim dividend or annual dividend for submission to the Board of Directors for approval.
  9. Executive Committee may sub-authorize one or more than one director, or any person to perform any act under the supervision of Executive Committee, or to empower them and within the period of time as the Committee deems fit. The Committee may revoke, change or make amendment to the power given to them as appropriate.
- In this regard, the power of Executive Committee, and/or sub-authority must not be for approval of inter-transactions, or and list that may have conflict of interest, or with interested person who may have conflict with the Committee, or conflict of interest in any other manner with the Company or its subsidiaries according to rules of Stock Exchange of Thailand, and/or announcement of Office of Securities Exchange Commission and the Stock Exchange. Approval of such lists must be submitted to Board of Directors Meeting and/or Shareholders Meeting for consideration and approval in accordance with articles of association or related law.

In 2012, altogether 11 Executive Committee meetings were held.

### 5. The Enterprise Risk Committee

On December 31, 2012, The Enterprise Risk Committee composed of 9 members below:

1. Mr.Siriphong	Vongvuttipornchai	Chairman of the enterprise risk committee
2. Mr.Paiboon	Thong-ra-ar	Enterprise risk director
3. Mr.Korkiat	Nipatnantaporn	Enterprise risk director
4. Mr.Pinit	Karntikul	Enterprise risk director
5. Mr. Kornkrit	Prakongwitay	Enterprise risk director
6. Mrs. Wanida	Puangboonmak	Enterprise risk director

7. Mr.Krissana	Sangasang	Enterprise risk director
8. Mr. Chalothorn	Leelamali	Enterprise risk director
9. Mr. Tharadol	Suteeraphat	Enterprise risk director

Acting for Secretary of the risk committee: Miss Waraphorn Wongsingto

### Scope of authority, duties and responsibilities of the Enterprise Risk Committee

1. To set up guidelines of administration and frame of risk administration performance.
2. To assess risks, both from internal and external factors.
3. To propose method of prevention and mitigation of risks to be at acceptable level.
4. To follow up, assess the result, and improve work planning for reduction of risks continuously and suitably with business operation circumstances.
5. To review substantiality of the policy and risk administration system, including efficiency of the system and compliance with the policy set forth.

In 2012, altogether 1 Enterprise Risk Committee meetings were held. However, the company has management team, altogether 1 day per week.

### 6. Management Team

On December 31, 2012, Management Team composed of below:

1. Mr.Chanachai	Leenabanchong	Chief Executive Officer
2. Mr.Paiboon	Thong-ra-ar	Managing Director — Engineering
3. Mr.Siriphong	Vongvuttipornchai	Managing Director — Operation
4. Mr.Korkiat	Nipatnantaporn	Senior Executive Vice President — Civil Engineering
5. Mr.Krissana	Sa-ngar-sang	Senior Executive Vice President —Mechanical & Electrical Estimation
6. Mr.Pinit	Karntikul	Executive Vice President — Technical Engineering Acting — Executive Vice President - Civil Estimation
7. Mr. Kornkrit	Prakongwitay	Executive Vice President
8. Mr. Patanat	Suthisang	Senior Vice President
9. Mr. Tharadol	Suteeraphat	Senior Vice President
10.Mrs. Wanida	Puangboonmak	Vice President
11.Mr. Chalothorn	Leelamali	Vice President

### Company secretary

The Board of Directors is currently recruiting new company secretary. At present Miss Waraporn Wongsingto is assigned to acting as Secretary to Board of Directors and directly reports to Board of Directors.

### Duties and responsibility in the named of Company or The Board of Director

1. Organize the registered of Directors
2. Organize the invitation to the Board, minute meeting and annual report of the company
3. Organize the invitation to the shareholder's meeting and minute of shareholder's meeting.
4. To follow the operating as the resolution of the board's meeting and resolution of shareholders' meeting .
5. To file and copy the report of the interest of the company's director and executive or a related person's interest in relation to management of the company to the Chairman of the Board and Chairman of the Audit Committee.
6. Perform any other actions specified in the Securities and Exchange Act (No.4) B.E.2551 or related laws and regulations including notifications from the Capital Market Supervisory Board.

### Total number of The Board of Director's meeting

In year 2012 Each directors have been participated in the AGM 1 time and Board of Directors 6 times , Audit committee 11 times, the Nomination and Remuneration Committee 1 time , Executive committee 11 times, Enterprise Risk Management committee 1 times by having the details of participation of each directors as following :

Name	Surname	AGM 2012	Board of Director (6 times)	The Audit Committee (11 times)	The Nomination & Remuneration (1 times)	The Executive Committee (11 times)	The Enterprise Risk Committee (1 times)
Mr.Chanachai	Leenabanchong	Attend	6	-	-	8	1
Mr.Chirdsak	Vitooraporn*	Attend	4	-	-	3	1
Mr.Siriphong	Vongvuttipornchai	Attend	5	-	1	11	1
Mr.Paiboon	Thong-ra-ar	Attend	4	-	-	11	1
Mr.Somphop	Prompanapitak**	Attend	1	-	-	2	-
Mr.Krissana	Sangarsang***	Attend	2	-	-	8	1
Mr.Chalothorn	Leelamali***	No	3	-	-	7	1
Mr.Trin	Pimhataivut	No	6	-	-	-	-
Mrs.Neeranuch	Na-ranong	Attend	5	-	-	-	-
Dr.Jurairat	Unhaka	Attend	6	11	1	-	-
Mrs.Sunee	Sornchaitanasuk	Attend	6	11	1	-	-
Mr.Chupong	Tanasettagorn	No	4	8	1	-	-
Mr.Pannatee	Sriwongthai****	No	6	1	-	-	-
Mr.Korkiat	Nipatnantaporn	No	-	-	-	8	1
Mr.Pinit	Kantikul	Attend	-	-	-	8	1
Mr.Kornkit	Prakongwittaya	Attend	-	-	-	-	1

\* assign from executive as of May 2012

\*\* assign from executive and Board of Director as of May 2012

\*\*\* Appointed Mr.Krissana Sangarsang and Mr. Chalothorn Leelamali as a director position, effective from 14 August 2012.

\*\* Appointed Mr.Punnathee Sriwongthai a company's independent director, to be a Audit Committee. has effective from 14 November 2012

### The meeting of director and auditor

In year 2012, Audit committee have participated in the meeting with auditors by no management group came to participate 1 time.

## 2.2 Recruitment of director and the management

The Company does not have a Nomination Committee to select persons for nomination as directors or the management. Recruitment of such persons shall be conducted jointly by the major shareholders and/or representatives of the major shareholders, qualified persons in the relevant areas, and independent directors, as well as having the Company's directors and the management propose the qualified persons with experience in and potential for supporting the Company's business operations. Their qualifications must fully conform to the criteria of the Public Limited Companies Act B.E. 2535. They will conduct a joint screening process before proposing to the shareholders. The criteria for selection of directors are as follows:

1. Each shareholder has the number of vote equal to the number of shares held.
2. Each shareholder may exercise all votes applicable under (1) in voting for one or more persons to be directors but the votes cannot be split unequally, or specifically, for any particular nominee.
3. The persons obtaining the highest number of votes are, in the descending order, elected as directors to fill the number of seats available until the required number is met. In case of equality of votes and the number of elected directors will exceed the number of slots available at that time, the chairman of the meeting shall exercise the decisive vote.
4. At each annual general meeting of shareholders, one-third of the board members are required to retire. If the total number of members is not a multiple of three, the number of directors nearest to one-third shall retire. The directors to retire from office in the first and second years after the registration of the Company shall be selected by drawing lots. In subsequent years, the longest-serving directors shall retire, but if they vacate office under this condition, they may be re-elected.
5. The shareholders' meeting may vote for one director out of the position before the due date with the vote is not less than three-fourth of the shareholders who attend the meeting and have right to vote. And each has its share not less than half of the number of shareholder who come to the meeting and have right to do that.

### **Nomination of Independent Directors**

The Nomination and Remuneration Committee is responsible for nominating director who a qualified and independent according to the board's policy and the definition of the Capital Market Supervisory Board, as the following :

1. Not hold shares exceeding 1 percent of the total number of voting shares of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person including shares held by related persons of the independent director.
2. Not be nor have been an executive director, officer, employee, controlling person or advisor who receives a salary of the Company, its parent company, subsidiary, same-level subsidiary, affiliate, major shareholder or controlling person, unless the foregoing status ended not less than 2 years prior to the date of appointment. This restriction shall not apply to an independent director who has been a government officer or an advisor to a government authority that is a major shareholder or controlling person of the Company.
3. Not be a person related by blood or registration under law, such as a father, mother, spouse, sibling or child, including spouses of children, executives, major shareholders, controlling persons, or persons to be nominated as executives or controlling persons of the Company or its subsidiaries.
4. Not have nor have had a business relationship in the amount of 3 percent or more of the net tangible assets of the Company or 20 million baht or more, whichever is lower with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, in a manner which may interfere with his or her independent judgment, and neither being nor having been a substantial shareholder or controlling person of any entity having business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person who may have a conflict of interest unless the foregoing status ended not less than 2 years prior to the date of appointment.

(The business relationship mentioned above includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, including any other similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions under the Notification of the Capital Market Supervising Committee : Rules on Connected transaction.



5. Neither be nor have been an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person nor be a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, unless the foregoing relationship ended not less 2 years from the date of appointment.
6. Neither be nor have been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding 2 million baht from the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, and neither be nor have been a substantial shareholder, controlling person or partner of the professional advisor unless the foregoing relationship ended not less than 2 years from the date of appointment.
7. Not be appointed as a representative of the Company's directors, the major shareholder or any other shareholder who is a related person to the major shareholder.
8. Not conduct any business which of the same nature as the Company's or its subsidiaries' businesses and is in competition with them in any material respect, nor be a substantial partner, shareholder holding more than 1 percent of the voting shares, director (having management role), employee, officer or advisor (obtaining a regular salary) of any company whose business is of the same nature as the Company's or its subsidiaries' businesses, and is in competition with them in any material respect.
9. Not have any characteristics which make him or her incapable of expressing independent opinions with regard to the Company's business affairs.

### 2.3 Remuneration to Director and Management

In AGM of shareholders year 2012 on March 29, 2012 shareholders approved the the determination of directors' remunerations for 2012 be limited not to exceed Baht 4,000,000. The details are as follows:

#### Meeting allowance

- Chairman of Board, Chairman of Nomination and Remuneration, Chairman of audit committee will be meeting up to 30,000 baht per meeting.
- Committee member of Board, Nomination and Remuneration, audit will be meeting up to 20,000 baht per meeting.

#### Other remunerations

- Other remunerations shall not exceed 1% of net profit.
- The director unable to complete one year term shall receive the remuneration in the proportion of time being in the position.

Company paid the remuneration to director's meeting year 2012 amount 1.95 million baht which is decrease 0.61 million baht representing 23.9 percent compared to year 2011, there were 2.56 million baht with of the detail as following:

Name	Surname	Position	Remuneration
Mr.Chanachai	Leenabanchong	Chairman of the Board Chairman of the Executive Committee	180,000
Mr.Chirdsak	Vitooraporn	Director, Executive Director, Chairman of the Enterprise Risk*	80,000
Mr.Paiboon	Thong-ra-ar	Director, Executive Director, Enterprise Risk Director	80,000
Mr.Siriphong	Vongvuttipornchai	Director, Executive Director, Enterprise Risk Director, Remuneration Director	100,000

Name	Surname	Position	Remuneration
Mr.Somphop	Prompanapitak**	Director, Executive Director, Enterprise Risk Director	20,000
Mr.Krissana	Sangarsang***	Director, Executive Director, Enterprise Risk Director	40,000
Mr.Chalothorn	Leelamali***	Director, Executive Director, Enterprise Risk Director	60,000
Mr.Trin	Pimhataivut	Independent Director	120,000
Mr.Pannatee	Sriwongthai	Independent Director, Audit Director	140,000
Mrs.Neeranuch	Na-ranong	Director	100,000
Dr.Jurairat	Unhaka	Chairman of the Audit Committee, Director, Remuneration Director	450,000
Mrs.Sunee	Sornchaitanasuk	Chairman of the Nomination and Remuneration Committee , Director, Audit Director	340,000
Mr.Chupong	Tanasettagorn	Director, Nomination and Remuneration Committee, Audit Director	240,000
Total			1,950,000

\* assign from executive as of May 2012

\*\* assign from executive and Board of Director as of May 2012

#### Other

- None -

#### Remuneration for the management

The remuneration in form of salary and others was in a total amount of 12.88 Million Baht. This comprised remuneration for 5 senior executives.

### 2.4 Corporate Governance

The Board of Directors has realized the importance of good corporate governance to ensure continued growth and stability in the Company's operations, which will bring about maximum benefits to the Company and the shareholders in overall. It has set out the policy on good corporate governance as follows :

1. The Board will administer the Company with prudence and care in the purview of laws and business ethics, and with adequate efficiency and accountability for the optimum benefits to the shareholders and ensure that there is no conflict of interest.
2. The Board will run the Company's business with transparency, accountability, and adequate disclosure of data for the trust and confidence of shareholders, investors and all parties concerned.
3. The Board ensures that treatment to shareholders and stakeholders is on a equitable and fairness basis, in compliance with the relevant laws and rules and regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other relevant laws.
4. The Board will have specific committees set up to consider relevant issues efficiently, comprising the Audit Committee, the Remuneration Committee, the Enterprise Risk Committee and the sub committee clearly delegate duties and responsibilities to these committees.
5. The Board will have meetings held regularly, and with the meeting schedule and agenda clearly set out in advance.

6. The Management Team will have meetings held to monitor and supervise the implementation of all projects in detail and regularly every week, with special meeting determined when necessary, and with the meeting schedule and agenda clearly set out in advance.
7. The Board realizes the importance of internal control system, covering the finance, operations and corporate governance, and will have an internal audit work unit set up as a separate work unit.

### **Compliance with corporate governance policy**

The company has used principle and practice consistent with good corporate governance to use in the management responsibilities which have been assigned to highest benefit to the company and its shareholders as a whole which is divided into 4 mains which cover good practical on corporate governance in 5 section as following :

#### **1. Right of shareholders and to treat shareholders equally**

The Board recognized the right of shareholders and comply to all shareholders equitably . The shareholders.

- The right to receive the share certificate , transferring the share and right to receive information and operating performance regularly and on time.
- The right to attend shareholders' meeting for comment and giving suggestion and join to give decision making considering major change such as the amended memorandum and regulation to appoint the directors , auditor etc.
- The company has issued guideline to preserve and protection the internal information by determinate the policy and method to not let committee and employee and also spouse and children with immature of such person bring the internal information to use for their benefit before the information will be disclosed to the public.

#### **Shareholder's Meeting**

- The Company has held shareholders' meetings at the date, time and place convenient for the shareholders. The procedures for the meetings have been determined according to the law, starting from sending notices, documents, agenda and proceedings
- The management will send to the shareholders 7 days or 14 days prior to the date of meeting notices with information according to each agenda supported by opinions of the Board and accompanied by minutes of the meetings so that shareholders can have enough time to study the issues on the agenda. Moreover, proxy forms will be enclosed with the notices for the shareholders who will have proxies attend the meetings on their behalf, thereby the shareholders may choose to have the independent directors as their proxies, to support which profile of such directors, i.e. their name, background, address and shareholding status as well as the frequency of meeting attendance.
- Chairman of meeting was explained to shareholders about criteria and how to vote and allow shareholder to ask questions on various issues during the meeting, including let directors /executives to clarify the issue and questions with appropriate and adequate for exchanging the idea between each others.
- The management will arrange to have voting cards prepared and distributed to the attending shareholders or proxies to indicate their voting for all the issues on the agenda. The shareholders will be allowed to raise questions during the meeting with adequate time allocated and on an equitable basis.
- The company provided a card vote to distribute to the attendees to vote all agenda and allow shareholders to ask questions that matter during the conference as adequate and equally.
- The company open the chance to allow shareholders to use the right in appointment to director individually.
- The company has conducted the annual shareholder report to be completed within 14 days which has enough details as well as question and answer that arise in the meeting thoroughly the deliver of the report as the criteria of securities and exchange commission , the stock exchange of Thailand and other relevant law.

However, The company has not yet give a chance to minority shareholders to propose additional agenda to let the shareholder's meeting considerate before the annual shareholder's meeting. It does not set the way for minority shareholder to nominate the directors who representing shareholders who doesn't comply with principle set by the stock exchange of Thailand , the company will consider that action later.

## **2. Rights of stakeholders**

The Company places importance to all stakeholders. It has exchanged data with and paid attention to the suggestions of both internal and external stakeholders. The stakeholders are classified into six groups below

### **1. Employees**

The Company has put in place, in addition to salary, incentive payment system based on the individual employees' performance. The indicators used for measurement must be clear and fair, to bring about integration of the competency of the employees at all levels and hence the success of the Company as a whole.

The Company has also made available welfare packages for the employees, such as accident insurance coverage, health care benefit and provident fund. There is an arrangement regarding security, sanitation and environment at the workplace, with a specific work unit set up to take charge of this issue, and with policy set out and strict implementation thereof. Personnel have been recruited for such jobs as security, professional, supervisors and management levels, with appointment of the security and sanitation committee for each project. Such committee has direct duty of pushing for and materializing the policy, following up the operating result and reporting to the Department of Labor Protection and Welfare on a quarterly basis. This also includes training for staff and workers in each project to stimulate their awareness of security, analysis and assessment of the workplace to identify any possible risk so as to prevent any accidents, inspection of tools and equipment before use, etc.

In addition, the Company has undertaken on-going personnel development at all levels, for example, sending the employee to participate in other courses, skill development training in collaboration with Department of Skill Development, and so on.

With awareness of the employees' health, the Company has consistently arranged annual health check-up for the employees.

### **2. Shareholders**

The Company has managed all projects with full efficiency to ensure profitability and appropriation of profit for dividend payment to the shareholders regularly and consistently.

### **3. Clients**

The Company has managed all the projects with quality and efficiency, and with focus on time and budget management. Communication with the clients has been made, and procedure and indicators have been instituted clearly to ensure on-going system and quality development.

### **4. Trade partners and creditors**

The Company has entered into agreements or contracts, thereby terms and conditions are clearly indicated, before the project implementation. The Company has strictly complied with such agreements or contracts.

### **5. Competitors**

The Company compete with its peers honestly and transparently, making use of its advantage in efficient management system to bid for the projects.

### **6. The society**

The Company has managed the projects with due regard for the security, sanitation and environment management system as described above. It also nurture relationship with the owners of the land and buildings nearby. Cooperation has also been rendered to the government sector in the solution of the flood problem in several areas.

### 3. Disclosure the information and transparency

The Board of Directors is fully aware of the rights of shareholders to access accurate, adequate and timely information on an equitable basis. In the information section of financial and non-financial factor which affecting decision making process of shareholder and investors and related to acknowledge equally. The Board has focused and abided by all the information. The company has published the information, annual statement, annual report to shareholders, investors, and relevant through media distribution of Foreign Exchange and company's website in the past year. The company has not been to SEC office or SET's operation due to disclose the thing is not required.

### Board of Director's report

Board of Directors is responsible for financial statements of the Company, and financial information technology appeared in annual report. Such financial statements prepared according to accounting standard acceptable across Thailand and uses careful discretion and best estimation in preparation, including revelation of information substantially in Notes to Financial Statements for creating confidence of interested persons. In the past, Board of Directors appointed Audit Committee comprising Independent committees as resource persons, fully qualified according to requirements of Stock Exchange of Thailand to have the duties of making review of financial report and internal control system of the Company to ensure confidence of showing financial status, revenue and expenses and cash flow is actual and justified. To review performance in conformity with requirements of Stock Exchange of Thailand, obligations with outsiders and related laws by preparing record of information correctly and completely for retaining assets, including prevention of dishonest activities and irregularities of practice with meetings held with Accounting Department. Comments of Audit Committee appeared in Audit Committee Report and in Annul Report.

### 4. Responsibilities of Board of Directors

The Company maintains a policy whereby the Board of Directors undertakes more stringent roles to be in full compliance with good corporate governance, as follows:

- The Board has participatory role in defining visions, missions, strategy, goals, business plans and budgets, to ensure that the management fulfills the business plans within the specified budgets with efficiency and effectiveness to achieve maximum economic value for the operations and optimum stability for the shareholders.

By this, the Board will consider and approve the key performance indicators (KPIs) for financial and other plans during the early period of the year and monitor the operations from time to time. At the end of the year, the management will present the operating results under its responsibility in accordance with the annual performance evaluation system.

- The Board will put in place effective the Enterprise Risk Committee, internal control, internal audit, and the follow-up procedure of which on a regular basis, at the Audit Committee's meetings before submission to the Board of Directors' meetings for final resolution.
- The Board has to clearly define and separate the role, duty and responsibility for the Board, the Audit Committee and the management in accordance with the management structure. There should be regular communications of the role, duty and responsibility for the Board, the management and the employees.
- The Board is required to supervise and ensure that the management fulfills the business objectives under clearly defined policy. This does not include cases of conflicts of interests and the transactions where opinions of the shareholders have to be sought under the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.



To do the duties of the Board of Directors effectively and efficiency as policy set, the company has set the following guidelines.

#### **4.1 Composition of Board of Directors**

The Board of Directors is composed of 12 directors, of whom 5 directors are in management / controlling person and 2 director is non management and 5 are independent directors. The independence director have component and feature and responsibilities in the way of office's securities and Exchange Commission and Stock Exchange of Thailand as set.

#### **Aggregation and segregation of positions**

The Chairman is not the same person as the Senior Managing Director. The Company has clearly defined separate roles, authority and scope of responsibilities for them. Besides, it has formed the Audit Committee comprising three independent directors to counter balance and review the Company's management, which is independent committee 4 persons and representative as minority shareholders to act in corporate governance the company with accuracy and transparency.

#### **Company secretary**

The Board of Directors is currently recruiting new company secretary. At present Miss Waraporn Wongsingto is assigned to acting as Secretary to Board of Directors and directly reports to Board of Directors.

#### **4.2 Sub committees**

The Board of Directors has appointed 4 Sub committees, comprising the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee and the Enterprise Risk Committee.

#### **4.3 Roles and duties, and responsibilities of the Board**

The Detail of authority, duties and responsibilities of the Board of each committee (the detail is on the management structure 2.1)

#### **4.4 Board of Directors Meeting**

The Company fixed dates and times for the meeting to be held for the whole year in advance with main agenda, consideration agenda and follow-up of routine operation. Letters of invitation to the meetings shall be sent accompanies with agenda and supporting documents 7 days in advance of the meetings, allowing time adequately for the Board of Directors to study information before attending the meetings. There may be additional meetings for consideration of important incidents according to necessity and urgency. In this regard, the Company has the duty to confirm each appointment for the meeting, or making new appointment in case of postponement of the former appointment date, or calling for the meeting in urgency, and making preparation of supporting documents for delivery to the directors.

In each meeting, it takes about 2 hours for each independent director in giving his comments, and proposing the guidelines for practice, to be recorded by Secretary to the Board of Directors, and prepare minutes of meeting for completion within 14 days, sending the minutes certified by the Board of Directors, and maintaining minutes of the meeting and supporting documents to be ready for inspection by the Board of Directors, shareholders, accounting auditor, and related persons.

#### **4.5 Self-evaluation of Board**

Directors has evaluated the performance of the Board to increase performance, dedication to improve the deficiencies of the whole Board.

#### **4.6 Remuneration for directors and the management**

The Board has appointed the Nomination and Remuneration Committee to map out a clear policy on remuneration for directors and the management with transparency and fairness. By this, their remuneration will be on a par with that of the industry and commensurate with their assigned duties and responsibilities. The rate will also be attractive enough to retain the directors with the desired qualifications. In 2010, the Company paid remuneration to the Board of Directors and the management as detailed in Item 2.3 on remuneration.

#### **4.7 Directors, executives, relevant development**

Company promote and facilitate to the seminar and various training course of Thai Institution of Directors, Thai Listed company association and to educate stakeholders in corporate governance such as audit committee, directors, executives, secretary etc. for improving operation continuously.

### **2.5 Conflict of interests**

In order to prevent conflict of interests, the Board performs with due care in case of possible conflict of interests, and determines the policy and procedures to prevent the directors, executives, and employees as well as their spouses and minors from making use of inside information for their own interests before disclosure to the public, as follows :

#### **Issues of possible conflict of interests :**

The Board in collaboration with the Audit Committee acknowledges transactions with conflict of interests and connected transactions, and prudently considers the appropriateness thereof, as well as ensures the compliance with the rules of the Stock Exchange of Thailand in terms of prices and conditions on an arm's length basis.

#### **Supervision on use of inside information:**

- In purchase, sale, or transfer of securities, the Board members and the management including spouses and minors are required to report changes in securities holding to the Office of the Securities and Exchange Commission under Section 59 of the Securities and Exchange Act B.E. 2535 and other relevant issues.
- determined to the directors and executive to report of the interest of the company's director and executive or a related person's interest in relation to management of the company under section 89/14 act of securities and exchange commission year 1992 and announced of the committee of capital market.
- The management or work units with access to inside information are not permitted to disclose such information to outsiders or those not concerned, or to engage in transactions of the Company's securities in a one month period prior to disclosure of financial statements to the public.

### **2.6 Internal control**

Members of the Audit Committee attended the Board of Directors meeting no.1/2013 held on 28 February 2013 to assess the Company's internal control system and review the management and continuous evaluation system to reduce and protect the Company from the potential risks. The internal auditors, which reports directly to the Audit Committee, are responsible for reviewing the operation system of all departments of the Company pursuant to the annual audit plans approved by the Audit Committee, which has objectives as follows:

1. For reliability and accuracy of information
2. To comply with the Company policy, business plan, operation procedure and regulations
3. To safeguard the Company's assets
4. To be effective and efficiency operation
5. To achieve the Company's goal

With structure of 5 components of internal control pursuant to the standard framework of COSO, the evaluation on the internal control system can be summarized as follows:

#### **1. Organization and environment**

- Having clear business policy and target as well as supervising the implementation to be progressing as plan
- Having the personnel performance indicators and quality manual which is the top-down guidance documents for the staff to follow
- Having the ISO 9001-2008 and internal audit as a tool in supporting the management to be able to control operation effectively and efficiently as well as being useful in management decision
- Having regularly reviews on business targets and analysis of staff incentive scheme with reasonably by taking into account of shareholders' interests and maximum returns of the Company
- Having a provision to prohibit management and staffs to conduct themselves in manner that might cause a conflict of interests in the Company in writing, including the penalties.
- The Company is formulating the code of conducts to use as a future guideline of all staffs and also adhere in moral commitment toward its trade partners, with due care for the works in hand, punctual payments and fair treatment for the trade partners.

#### **2. Risk management**

The Company has assessed the risk factors, both internal and external, that may pose material impact on its operations. Problems arising are addressed and analysis of the events to figure out the reasonable corrective and preventive measures to avoid any losses or control the degree of losses in the acceptable level. The Company has provided training to the relevant staff for them to be aware of and perform in accordance with the risk management measures set forth.

#### **3. Activity control**

The Company has formulated policy, business plan, and operation procedure in achieving the organization goals. This requires the management and all staffs to strictly commit and perform. The scope of authority and approval limits of executives of each level has set out clearly, including the measures to monitor and control the operation being in compliance with rules and regulations of SEC and SET.

#### **4. Information and communication**

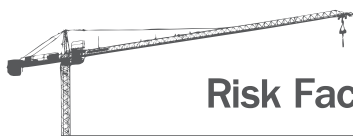
The Company has made available key information that is adequate, accurate and updated to support the decision making and allow for efficient internal control. The Executive Committee will monitor the operations of the management, with meetings held monthly. Whereas the management will arrange a weekly meeting to take consideration on all relevant information, covering such areas as administration, technical information, finance, accounting, and law, etc.

### **5. Monitoring and evaluation**

The Company has set out business targets to achieve, which the Board of Directors will regularly monitor and supervise the operation, review and compare the performance of the management with the targets. The Company will ensure that there is an examination of implementation under the internal control system on a regular basis, the results of which reported directly to the Board of Directors or the Audit Committee. It also has a policy for the management to report to the Board of Directors in case of any events that are or may be regarded as misconduct, violation of the laws and/or any irregularities that may materially affect the reputation and the financial status of the Company.

### **3. Policy on Dividend Payment**

The Company has a policy of paying dividend to the shareholders at least 40% of net profit of separate financial statement after tax and all statutory reserves as required by law, provided there is no other necessity to utilise the funds and the dividend payment does not have any significant impact to ordinary course of business of the Company.



## Risk Factors

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### **Risk from high cost of equipment for using in construction**

Due to the company work construction engineering as a main, the changing fluctuation of construction equipment's price or the company might have taking risk from adjust the high price in construction equipment after contract award which it affects the production cost and profit of company. The company has policy to manage this kind of risk by the Company enters into forward purchase contracts with suppliers to deal under committed prices and delivery terms for some main materials and equipment. Moreover, the Company proceeds on risk reduction measures by determining systematic management policies as well as controlling material and equipment costs based on the agreed prices, terms, and conditions including with follow the changing price closely to estimate the situation and trend of raw material's price. For consider in the bid of the company. These strategies enable the Company to reduce risk from construction equipment in a level.

### **The risk from higher competitive**

The intensifying competition in construction industry and the rising number of contractors nowadays result in severely bidding competition that some contractors may dump their prices down to overcome the tenders, and such competition may diminish the Company's gross profit margin. However, the company has plan to reducing this risk by choosing to bid in the job that company has an expertise and can control it for making primary profit. Including with development the human resource and operating system to serve the customers' requirement better for them trust in performance.

However, better improvement in economic condition has resulted in growth of property sectors as well as government agencies have accelerated more spending of budget into construction projects so that price competition is likely to be declined when compared to 2-3 years ago.

### **Risk from delay of the project**

The reason of delay may occur with many reasons such as the delay from the owner of the project lack of capital and liquidity or changing of construction plan or engineering system which might result the company to increase expense in project such as utility, worker salary, and cost of administration and finance etc. In addition, project delay may be caused by delay in operation. That is the reason the company has risk from the project delay from the owner. However, the company tries to set up the management, monitor plan, including the clarification and communication to the owner for the reason of delay and how to fix the problem. Furthermore, the company will manage to cope within the time. The number of engineer and experienced have enough and equipment and material for construction is adequate and effective as demanded. The company has a policy of good human resource management and the return to employee properly.

### **The risk of not receiving payment or delay payment**

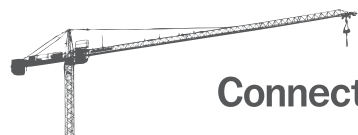
The Company's clients are generally classified based on two major categories, namely public sector and private sector. Employers in private sector may generate the risk from late payment or non-payment when they encounter financial difficulties. To reduce this kind of risk, the Company proceeds on thoroughly checking financial status and creditability of project owners prior to tenders particularly with the banks that the Company seeks credit facilities to undertake the projects. The Company will record Bad Debt Allowance for the loss that may occur from non-payment by the debtor, considering collection experience and duration of the debt.



### **Risk from force majeure and possible litigations**

Even budgets for contingencies are regularly set in the price determinations, the Company could adversely affected from force majeure especially when it encounters time constraints to resolve problems arise from crisis such as floods or natural disaster, etc. which emerge the Company to damage losses and are typically unable to claim for compensation from project owners. In such cases, the Company may request for extension of construction schedule referring to such unpredictable situations.

In addition, the Company may be exposed to litigation risk and claims resulting from environmental damages at sites. To prevent this kind of risk, the Company intensively conducts preventive measures starting from environmental study to collect necessary information before mobilization, preparation of environmental protection, exchange information with surrounding communities to create good understanding and relationship, installation of canvas to contain dust over sites along with the intensive implementation of Safety Standards.



## Connected Transactions

Connected Transactions between the company and person, who may conflict of interest

Unit: MB

Person who may have conflict interest	Relationship	Transactions	Necessity and reason of the transaction	2010 Separate Financial Statements	2011 Separate Financial Statements	2012 Separate Financial Statements	Accrued creditor/ debtor as at 31 December 2012
1. BR Construction Co., Ltd.	Minor company	1. Income from construction contract collected from minor company from contract for construction of minor company's project	The incurred item was providing construction contract service, which the company provided to minor company by specifying cost of service as agreed in the contract	-	91,379	100,848	34,771
		2. Income from management cost collected from minor company from providing management service to minor company's project	The incurred item was providing project management service, which the company provided to minor company by specifying cost of service as agreed in the contract	14,003	4,626	-	-
		3. Received interest demanded from short term loan for use in business operation of minor company	The incurred item was short term loan for use in business operation of minor company, which the company charges interest of 6.87 percent per year	222	995	2,164	3,372
2. EMC and Power Line Joint Venture	Joint Venture between the company and Power Line Engineering Public Co., Ltd	1. Interest income which the company demanded from short term loan granted for use in business operation	The incurred item was loan to use in business operation of joint venture company, which the company charges interest in rate of 6 percent per year	591	-	-	-
		2. Income from operation which project consultant fee which the company had demanded from joint venture	The incurred item was project consultant fee which the company had provided to the joint venture by determining service charge at the price according to the mutually agreed contract	46,721	85,454	22,731	-

Unit: MB

Person who may have conflict interest	Relationship	Transactions	Necessity and reason of the transaction	2010 Separate Financial Statements	2011 Separate Financial Statements	2012 Separate Financial Statements	Accrued creditor/ debtor as at 31 December 2012
2. EMC and Power Line Joint Venture (continued)	Joint Venture	3. Income from operation which the company had demanded from joint venture due to the company had provided service in office work of joint venture	The incurred item was office work service which the company had provided to the joint venture by determining service charge at the price according to mutually agreed contract	4,344	3,252	-	-
		4. Payable interest, which the company paid for short term loan from Joint venture loan, which the company has brought for business operation	The incurred item was loan for use in business operation of company, which charges interest in rate of 7 percent per year	-	98	1,496	1,496
3. Rayong Wire Industries Public Co., Ltd.	Co-shareholder	1. Material used in construction which the company had purchased from Rayong Wire Industries Public Co., Ltd. for use in construction of project of the company	The incurred item was the cost of material used in construction which was normal business of the company by determining price according to market price	4,880	1,892	-	-
4. Uea Vitaya Public Co., Ltd.	Co-shareholder	1. Material used in construction which the company had purchased from Uea Vitaya Public Co., Ltd. for use in construction of project of the company	The incurred item was the cost of material used in construction which was normal business of the company by determining price according to market price	-	8,160	120,793	76,874
5. Mr. Chanachai Leenabanchong	Shareholder & Director	1. Payable interest, which the company paid for short term loan from Director, which the company has brought for business operation	The incurred item was short term loan for use in business operation of minor company, which the company charges interest of 7 percent per year	-	-	377	377



## Management Discussion and Analysis

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### Overview of operational achievement in the past

EMC Public Company Limited has engaged main business in providing service according to long term service contract and construction contract. During the year 2009, the company had entered joint venture business contract with Power Line Engineering Public Company Limited by sharing 49% and 51% respectively to operate construction project of one of the government agency in Chiangmai Province and during the year 2010, the company had invested in BR Construction Company Limited, which engaged main business in providing services according to service contract and construction contract by having proportion of investment of 51% (The Company, subsidiaries and joint venture hereinafter inclusively referred to as "Group of Companies")

In the year 2012, Group of Companies has total income from construction in amount of 3,925.53 million Baht, which has increased by 13%. They are incomes from two main business lines; those are business line of civil Engineering and business line of Electrical and Mechanical Engineering by having total cost of construction of 3,804.60 million Baht and have gross profit from operations of 120.93 million Baht, equivalent to gross profit ratio of 3% which is decreasing when comparing with the previous year, because in this year, there is recognition of operational loss of subsidiary company in amount of 38 million Baht

Group of Companies has general and administrative expenses including remuneration for executives in amount of 110.05 million Baht decreasing from the preceding year by 9% or calculated as 2.8% from amount of income. In this year group of companies can manage to pursue debt from account receivables, for whom allowance for doubtful accounts has been provided in the year 2011, therefore there has been reversing those provision in amount of 36.18 million Baht in this year. At the same time there is additional provision as allowance for doubtful accounts and performance guarantee money, which has risk in pursuing of amount of 17.18 million Baht. There are written-off and allowance for unclaimable withholding tax in amount of 7.51 million Baht and 4.00 million Baht respectively and there is written-off goodwill in investment in subsidiary company, which is facing with accumulated loss in excess of capital, in amount of 4.47 million Baht

Although in the year 2012, group of companies has decreased gross profit, but it has increased other incomes and there is providing decreased net allowance when comparing with the last year. As a result, the group of companies has profit before interest and tax (EBIT) in total of 44.77 million Baht, which is higher than the last year by 20%. However, group of companies has financial cost of 21.79 million Baht and income tax expense of 10.95 million Baht, very much increased when comparing with last year. It has resulted in that its performance to be net profit in amount of 12.02 million Baht, decreasing by 44% or calculated to be 0.3% from income amount. But if it is considered from the profit, which is a portion of owners of the parent only, group of companies shall have net profit of 33.93 million Baht increasing by 69%.

### Income

As the Government has policy to stimulate economy of the country through investment in all major projects and accelerate more spending of budget into economic system, the group of companies, therefore, has adjusted business strategy by turning to give more importance to state construction projects and it has caused proportion of income structure of group of companies in the year 2012 to have change, which has important implication by having income, which comes from state construction projects, which has increased to be 60% and from private sector, which is decreasing to be 40%.

In year 2012 group of companies has income from construction in total of 3,925.53 million Baht increasing from preceding year by 13%. The cause comes from that in this year, groups of companies has accelerated construction and delivered works in many projects, which have been delayed due to flood problem in the end of preceding year and during the year, there have been contract of large construction project of one of state agencies, which has rather short term of construction including receiving additional work in group of retailed trading business, small size condominium and building for office of car showroom, which also had not too long term of construction and thus resulted in ability to recognize additional income.

Group of companies has other income in total amount 67.04 million Baht, which consists of interest income amount 13.24 million Baht, income from transfer back of estimated loss contingent from construction project amount 1.00 million Baht, income from transfer back of item as allowance for doubtful accounts amount 36.18 million Baht and other incomes amount 16.62 million Baht, major portion of which was acquired from sale of construct material waste, which cannot be reused.

#### **Cost of construction contract and gross profit**

In year 2012, group of companies has cost of construction in total of 3,804.60 million Baht, increasing from preceding year by 15% and it has resulted in having gross profit rate of only 3.1% decreasing when comparing with 4.5% in the year 2011, because there are some projects, which are in period of construction since year 2011 and continued in year 2012, had faced with problem of delaying behind schedules because it had continued impact from flood problem in year end of 2011 in conjunction with situation that during the year there has been adjustment of minimum wage to 300 Baht per day. Therefore, it has caused operating cost in projects and labor cost to be higher and group of companies could not adjust to increase contract value as well as there are recognition of loss in some projects including loss in subsidiary company. However, group of companies also has recognition of profit from other projects including large projects of state sector, which have rather high gross profit rate as substitution. Therefore, it had made averaged gross profit rate not much decreased.

#### **General and Administrative expenses**

General and administrative expenses including remuneration for executives for the year 2012 had total amount of 110.05 million Baht consisted of salary, wage, all welfares, employees' expenses and benefits, cost of utility, cost of depreciation, cost of professional fee and all other miscellaneous expenses calculated as proportion of 2.8% of income, which, if compares with previous year, which had general and administrative expenses including remuneration of executives in amount of 120.72 million Baht or 3.5% of income, will see that it had expenses decreased from the previous year because the company has re-organization structure during the second quarter in order to increase efficiency and flexibility in business operations and to be able to reduce expenses of about 9%.

#### **Allowance for doubtful account, for estimated loss, and item of written-off**

In year 2012 group of companies has given importance to management of debt pursuing until it has been able to pursue debt payment from account receivables, which has been provided an allowance for doubtful accounts in year 2011 back. Therefore, there had been transfer back item of allowance for doubtful account in total amount of 36.18 Baht.

In the same moment, in year 2012, group of companies has provided an allowance for doubtful accounts, which had been unpaid for long time including debt of construction contract value and performance guarantee money of debtors, who are under rehabilitation process under Bankruptcy Law in amount of 17.18 million Baht.

Besides that, group of companies has written-off the loss from unrefundable withholding tax paid in year 2009 in amount of 7.51 million Baht and in order to make presentation of status is processed with carefulness, group of companies has provided in favor of the loss, which may not be able to obtain refund of withholding tax of additional 4.00 million Baht. However, during the year, the company could refund withholding tax paid for year 2010 in full amount of 57.04 million Baht and now is in steps of refund of withholding tax paid for year 2011.

In year 2012, operation performance of subsidiary company has problem of accumulated loss, exceeding capital in amount of 44.6 million Baht. Therefore, group of companies has written-off goodwill in investment in subsidiary company in amount of 4.47 million Baht (while in separate financial statement of the company has provided an allowance of impairment of investment in such subsidiary company in amount of 3.60 million Baht and provided an allowance of doubtful debts from construction contract value and loan to such subsidiary company in amount of 41.00 million Baht).

## Financial Cost

In year 2012 group of companies has total financial cost of 21.79 million Baht increasing very much from preceding year, of which major portion is fee for issuing guarantee letters of banks and interest from discounted promissory notes because during the 1-2 years ago, group of companies received large number of construction projects, especially, large project, which has continued operation since last year until now and all said projects had need to use bank credit facilities to support projects until the project shall be finished and term of guarantee is terminated. It had made group of companies has burden of additional guarantee letter of banks continuing respectively and especially, for this year, group of companies has contract for construction of large projects of state agencies, which must use large amount of bank credit in both short term loan and bank guarantee letters. Therefore, it had made company has outstanding accrued burden of bank guarantee letters increasing accordingly and cause to have higher financial cost.

## Corporate Income Tax

In year 2012, group of companies has operational performance in net profit and has expenses as income tax in amount of 10.95 million Baht, increasing very much from the last year because, in the last year, the company had used benefit from accrued tax loss carried over, which was more than the taxable profit. Therefore, it had no burden of expenses for income tax, except joint venture and subsidiary company, while in this year, there is balanced accrued tax loss, which is carried over, has less amount than taxable profit and therefore, has expenses of income tax, which is higher than the income tax in preceding year.

## Financial Status

### Assets

Consolidated assets of group of companies has increased from 2,593.25 million Baht in year 2011 to be 2,902.35 million Baht in the year 2012 or increased from the preceding year by 309.10 million Baht or calculated as 12%. Consolidated assets of group of companies are divided to current assets, of which major portions are debtors in all types; those are trade account receivables, unbilled trade receivables, retention receivables from customers in total amount of 1,513.8 million Baht. All total current assets are in amount of 2,343.21 million Baht or calculated as 80.7% of consolidated assets. Another part is non-current assets, of which major portion is investment in restricted fixed deposits, which group of companies has deposited money with many financial institutes to use as collateral for credit line, which group of companies has received from financial institutes in amount of 352.73 million Baht and land, building and equipment in net amount of 176.62 million Baht. Total amount of non-current assets is 559.14 million Baht or calculated to be 19.3% of consolidated assets.

### Cash and Cash equivalent and investment in restricted fixed deposit

In year 2012, group of companies has amount of cash and cash equivalent items in amount of 57.91 million Baht and has investment in restricted fixed deposit in amount of 352.73 million Baht with total amount 410.64 million Baht decreasing 107.90 million Baht when comparing with the last year because in year 2012 group of companies must use working capital and investment in more construction equipments to accelerate operations of all projects construction to be able to deliver in scheduled time period.

### Account Receivable

As at 31<sup>st</sup> December 2012, after deducting allowance for doubtful account in amount of 111.06 million Baht already, the group of companies has net account receivable in amount of 342.02 million Baht, decreasing slightly from year 2011 although income from construction contract of group of companies in year 2012 has increased with more amount because group of companies has more carefulness in accepting construction work and has ability in managing better pursuing of debts. It has made trade account receivables and doubtful account decreased by 35.79 million Baht and 28.72 million Baht respectively and has averaged debt collection period at about 32 days.



If consider from table showing aging of trade account receivables, we will see that in year 2012 most of account receivable of group of companies calculated as 48.6% are account receivable, which are not due for payment or are outstanding for not exceeding 3 month. Although debtors, who have been outstanding for more than 3-12 months have increasing in number, but two in three of amount of account receivable in this group, group of companies has negotiated with project owners until there is agreement to pay debt already and some project owner has deposited asset as guarantee securities also. For remaining account receivable, group of companies has confidence that most of them can finally be pursued and pay debt, because group of companies has accelerated in negotiating and pursuing closely with project owners, who have outstanding debt. Besides this, to reduce risk in not being able to collect money from debtors, group of companies has policy in considering ability in paying debt of customers carefully first before considering to accept works from each customer and try to increase proportion of work acceptance from state agencies, which will help reduce risk in collecting money from debtors.

For overdue account receivable shown in separate financial statement of the company, the company has included one of debtors, who is subsidiary company, which has unpaid debt in amount of 75.77 million Baht and there has provide an allowance for doubtful account amount of 41.00 Baht in separate financial statement of the company already.

	Consolidated Financial Statement						Separate Financial Statement					
	2012		2011		2010		2012		2011		2010	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Undue debt	66.64	14.7	159.47	32.6	221.33	47.9	41.82	8.3	143.12	28.8	221.33	47.9
Unpaid												
≤ 3 months	153.74	33.9	115.62	23.7	70.65	15.3	153.5	30.5	115.62	23.2	70.65	15.3
3-6 months	89.42	19.8	21.58	4.4	30.11	6.5	89.42	17.7	35.59	7.1	30.11	6.5
6-12 months	6.80	1.5	40.27	8.2	13.24	2.9	82.57	16.4	51.93	10.4	13.24	2.9
>12 months	136.48	30.1	151.93	31.1	126.45	27.4	136.48	27.1	151.93	30.5	124.45	27.4
Total	453.08	100.0	488.87	100.0	461.78	100.0	503.79	100.0	498.19	100.0	461.78	100.0
Less allowance for doubtful account	(111.06)	(24.5)	(139.78)	(28.6)	(123.33)	(26.7)	(152.07)	(30.2)	(139.77)	(28.1)	(123.33)	(26.7)
Account receivable-net	342.02	75.5	349.09	71.4	338.45	73.3	351.72	69.8	358.42	71.9	338.45	73.3

### Unbilled trade receivables and retention receivables from customers

Unbilled trade receivables of group of companies as at the end of year 2012 has amount of 930.09 million Baht increased from year 2011 in amount of 459.50 million Baht or calculated as 98% because in ending period of year 2012, there is speeding to finish many projects, but most of them are in steps of examining for delivery of work and can not issue invoice to levy cost of construction service work in time in year 2012.

For net retention receivables from customers of group of companies as at the end of year 2012 has amount of 241.72 million Baht and decreasing from year 2011 in amount of 38.49 million Baht or calculated as 16% because group of companies receives back performance guarantee money from some projects prior to expiring of guaranteed term by using bank guarantee letter as substituted securities.

### Land, building and equipment

In order to cope with additional construction work volume and to help group of companies to have sufficient construction equipment to comply with condition for bidding works of all state agencies in year 2012, group of companies has, therefore, invested in additional fixed assets, especially construction equipments in amount of 90.90 million Baht, which caused group of companies to have net fixed assets after accrued depreciation in amount

of 176.62 million Baht calculated in proportion of 6.1% of consolidated assets, increased from the preceding year by 44%. However, such investment shall help group of companies to be able to save cost from hiring construction equipments in some part also.

## **Liabilities**

Consolidated liability of group of companies increases from 1,716.79 million Baht in year 2011 to be 1,986.13 million Baht in the year 2012. It has increased in amount of 269.34 million Baht or calculated as 16%. More than 90% of liabilities of the group of companies are current liabilities, of which major parts are account payable of 923.62 million Baht, unrealized cost of construction of 321.76 million Baht, advance payment from customers of 244.59 million Baht and bank overdrafts and short term loan from financial institutions of 196.68 million Baht. Total current liabilities are 1,849.09 million Baht. The remaining part is non-current liabilities in amount of 137.04 million Baht, major portion of which is performance guarantee money.

### **Bank overdrafts and short term loan from financial institutions**

As at 31 December 2012 group of companies has bank overdrafts and short term loan from financial institutions in amount of 196.68 million Baht, increasing from preceding year by 24.13 million Baht because group of companies has need to use large amount of working capital to accelerate all construction projects, especially, large size projects of state agencies, which has started construction in the year 2012.

### **Account payable and unrealized construction cost**

As at 31 December 2012, group of companies has outstanding account payable in amount of 923.62 million Baht, rather much increased from the preceding year and the cause came from situation that this year there are more construction works and there has been acceleration of work to deliver in year-end period. It had resulted in ordering to purchase construction materials and hiring of sub-contracting large quantity of works, while group of companies still can not collect money from accelerating construction work, especially, in large project, in time during the year-end period. It resulted in that there is large amount of account payable being outstanding and caused average debt payment period of group of companies has increased from 59 days in the last year to 78 day in this year.

In part of account payable, which can not withdraw cost the completed work or cannot issue and deliver invoice of goods to group of companies within the year 2012, the group of companies has set accrued expense for construction cost in both part for wage and part for construction material cost completely in unrealized construction cost account in amount of 321.75 million Baht.

### **Short term loan from directors and other companies**

In the end of year 2012, group of companies has need to use large amount of additional working capital to accelerate construction work in year-end period and at that moment group of companies has internal working capital, which is not sufficient because it is in duration of waiting for debt collection from construction progress in various projects, especially, large projects of state agencies. Therefore, in order to add temporary liquidity, group of companies has issued promissory notes to borrow short term loan from one of company's director and from other company in amount of 41 million Baht and 10 million Baht respectively by scheduling to pay back within the first quarter of year 2013.

## **Shareholders' Equity**

As at 31 December 2012, group of companies has shareholders' equity equals to 916.22 million Baht by calculating as book value per share at 1.56 Baht per share, increased from 31 December 2011, which had total shareholders' equity of 876.47 million Baht or calculated as book value per share at 1.49 Baht per share. The cause comes from annual operational performance of group of companies being profit.

## Liquidity

### Cash flow

Because business of group of companies has average gross profit margin, which is rather low and business is in duration of expansion, there is accepting of more construction works of both private sector and state agencies, which are large projects, it need to use large amount of working capital in executing construction works and, therefore, caused net cash flow from operations is still minus by 116.26 million Baht, but it is less than the preceding year. Besides that, in this year, group of companies has invested in purchasing more construction equipments and other fixed assets to use in construction in large volume and it has caused net cash flow from investment activity to be minus by 86.28 million Baht. However, group of companies has arranged additional fund to keep group of companies having sufficient liquidity with net cash flow from financing activities by 83.78 million Baht, consisted of short term loan from financial institutions and short term loan from other sources including disposal of treasury stocks, which had made, during the year, group of companies has consolidated net cash flow decreased to 118.76 million Baht. However, group of companies shall try to accelerate debt collection from debtors and shall accelerate the construction progress in order to collect money as much as possible as well as to reduce risk, which may occur from lack of liquidity in future.

### Liquidity Ratio

	2012	2011	2010
Current Ratio (times)	1.27	1.33	1.42
Average collection period (days)	31.69	35.64	60.54
Average payment period (days)	78.49	58.70	51.84

Although in some period of this year, group of companies may face with problem of liquidity tightness, but by overview, it is deemed that group of companies still has liquidity in good situation; that is having sufficient current asset to pay for current liabilities, which can be considered from the current ratio of group of companies, which is more than 1 in every year.

### Source of Capital

	Consolidated Financial Statement						Separate Financial Statement					
	2012		2011		2010		2012		2011		2010	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Current liabilities	1,849.09	63.71	1,573.08	60.66	1,193.13	55.32	1,817.58	63.57	1,389.59	58.04	995.36	50.81
Non-current liabilities	137.04	4.72	143.71	5.54	121.5	5.63	133.94	4.68	135.42	5.6562	120.22	6.14
Total liabilities	1,986.13	68.43	1,716.79	66.20	1,314.63	60.95	1,951.52	68.25	1,525.01	63.696	1,115.58	56.94
Shareholders' equity	916.22	31.57	876.46	33.80	842.25	39.05	907.92	31.75	869.18	36.304	843.48	43.06
Total	2,902.35	100.00	2,593.25	100.00	2,156.88	100.00	2,859.44	100.00	2,394.19	100.00	1,959.06	100.00

Source of fund of group of companies in year 2012 comes from liabilities related to regular term of trade of about 60%, most of which is current liabilities consists of suppliers' credit, advance money received from customers, unrealized construction cost and performance guarantee from contractors (it is non-current liabilities in financial statement) and comes from short term loan in about 9%. The remaining of about 31% is shareholders' equity portion by having debt to equity ratio equal to 2.17 times.

## Obligations

As at 31 December 2012, group of companies has obligations according to many long term lease agreements to lease office, facilities, office equipment and vehicles, of which contracts will expire in different time until year 2016 by paying total rental in year 2013 in amount of 3.53 million Baht and year 2014-2016 in amount of 3.15 million Baht.

## Guarantee Letter

Group of company has guarantee letters issued by banks in the name of group of companies related to obligations with regular business contract by having balance as at 31 December 2012 in amount of 1,431.8 million Baht, increasing from preceding year by 240.9 million Baht. Such guarantee letters are secured by restricted fixed deposits of group of companies, land and building, including transferring of right to receive money from customers of group of companies.

## Factors and main influence which may impact operation and financial status in future

The factors duly influenced business operation or financial status of group of company in the future are fluctuation of price of construction materials, shortage of construction labor, economic situation and policies of government sector etc. Price of construction materials has directly impacted the construction cost of group of companies, especially steel, mortar, concrete, electric wire, which are main materials used in construction. However, group of companies shall closely follow up for benefit to efficiently plan the purchase to control cost according to the prescribed goal of each project.

From policy for stimulating economy of the government in the past 1-2 years combining with adjustment in increasing minimum wage to 300 Baht per day countrywide, it has trend to create problem of labor shortage, which shall cause impact to operation of construction of group of companies, which may cause problem of delay of construction and inability to deliver works in time. However, group of companies has realized these risk factors and has prepared plan to procure foreign national labor for substitution, including adjustment of wage of construction labor to be in level, which is competitive in construct industry and which is believed that it shall help mitigate labor shortage problem not to have impact to business operations of group of companies.

The economic situation and policy of government sector of the country is regarded as one factor, which has impact on business operation. If economic situation of the country is trended to be better, investment has expansion in both public sector and private sectors shall result in that volume of construction works of group of companies should be increased. Besides these, from policy of government sector, which has plan to have investment in flood prevention system and logistic infrastructure in near future, shall result in having large amount of construction budget flowing into economic system, which shall create good result to business operation of group of companies, if group of companies can join in receiving such construction works.

## Audit Fee

- **Audit Fee**

Group of EMC Company paid for audit fee for year 2012 in amount 1.95 million Baht

- **Non-Audit Fee**

-None -



## Audit Committee Report

To the Shareholders of EMC Public Company Limited

The Audit Committee has performed duties pursuant to the scope of authority and duties of the Audit Committee Charter prescribed by the Stock Exchange of Thailand ("the SET") and the relevant laws, and as assigned by the Board of Directors, based on the good governance principles. For 2012, the Audit Committee had arranged 11 meetings with full attendance from members and the management and other concerned parties from the Accounting, Finance, Legal and Internal Audit Department. The Audit Committee appropriately discuss and shared and efficient monitoring and audit. The auditor of the Company attended the meeting regarding the matters concerned.

The Audit Committee is composed of three independent directors who are neither executives nor employees, namely

1.	Dr. Jurairat	Uhaka	Chairman of the Audit Committee
2.	Mrs. Sunee	Sornchaitanasuk	Member of the Audit Committee
3.	Mr. Chupong	Tanasettakorn	Member of the Audit Committee
4.	Mr. Punnathee	Sriwongthai	Member of the Audit Committee

**Duties and responsibilities of the Audit Committee can be summarised as follows:**

1. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company. Based on the revision, all transactions are in accordance with normal courses of business and are revealed and practiced, following rules and directions drawn by the Stock Exchange of Thailand precisely.
2. To review the Company's quarterly financial reports and annual reports that have been reviewed and audited by authorized auditor with the authorized auditor and the Company's management, prior to disclosure to The Stock Exchange of Thailand and ordinary persons. Financial report review shall be conducted, in accordance with applied accounting standards as well as related laws and regulations, to ensure that reviewed financial information is accurate, complete, credible and transparent. The Audit Committee came to the conclusion that internal control of the financial reporting process was adequate enough to ensure that such financial statements represented the Company's financial status and operating results accurately, that they were in accordance with legally defined accounting principles, and that they were adequately and promptly disclosed for the benefit of shareholders, investors and users of such statements when making investment decisions.
3. To review the Company's internal control system and internal audit system, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit, to review the Company's enterprise risk management system. The audit committee reviewed sufficiency of the Company's internal audit system from the audit report dated January 26, 2012 and concluded that the Company's internal audit system is sufficient to prevent and reduce probably risks and that no material weakness is present.
4. To review the Company's internal audit report that involves the Company's operations in relation to its plan, reviewed the mission, scope of work, accountability and responsibility, independence, and authority of internal audit activities to ensure that every business units possess better internal control system which will enhance their operations' effectiveness and efficiency.
5. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business such as the Public Company Act, Securities and Exchange acts, Regulations of the Securities and Exchange Commission, and business commitments with third party agreements. The audit committee concluded that the Company operates in adherence to all related laws and regulations strictly and acts in favor of all stakeholders equally with transparency in order to maintain investors and stakeholders' trust in the Company's operation.
6. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration.

In 2012, the Audit Committee exercised its judgment and independently fulfilled its duties and responsibilities with sufficient competency, circumspections and full access to information from Management, employees and relevant parties. The Audit Committee also gave comment and recommendation on the equitable treatment of stakeholders.

In summary, the Audit Committee gave judgment that the Board of Directors, Management and executive directors have operated with an ethical mind and have had the intention of performing duties professionally to achieve the Company's goals. Furthermore, the Company has committed itself to an importance of business principle under effective corporate governance.



(Dr. Jurairat Uhaka)  
Chairman of the Audit Committee



(Mrs. Sunee Sornchaitanasuk)  
Member of the Audit Committee



(Mr. Chupong Tanasettakorn)  
Member of the Audit Committee



( Mr. Punnathee Sriwongthai )  
Member of the Audit Committee





## Report of Certified Public Accountant

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### To the Shareholders of EMC Public Company Limited

I have audited the accompanying consolidated and separate financial statements of EMC Public Company Limited, its subsidiary and joint venture, and of EMC Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2012, and the consolidated and separate statements of comprehensive income, changes in equity and cash flows for year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated and Separate Financial Statements

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

### Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audits. I conducted my audits in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of EMC Public Company Limited, its subsidiary and joint venture, and of EMC Public Company Limited as at December 31, 2012, and their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

(Mr. Apichart Sayasit)

Certified Public Accountant Registration No. 4229

Baker Tilly Audit and Advisory Services (Thailand) Ltd.

Bangkok

March 1, 2013



# Statement of Financial Position

EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
AS AT DECEMBER 31, 2012

(In Baht)

ASSETS		Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Notes					
CURRENT ASSETS					
Cash and cash equivalents		57,911,398	176,668,550	54,892,871	119,693,216
Trade account receivables - net					
- Subsidiary company	3, 4, 10	-	-	34,771,238	25,677,000
- Other companies	4, 6, 12, 30	342,016,424	349,094,292	316,949,887	332,742,292
Unbilled trade receivables - net	5, 12, 24, 30	930,090,490	470,589,522	885,980,755	365,397,902
Retention receivable from customers - net	4, 6	241,720,993	280,208,705	241,720,993	280,208,705
Other receivables from joint venture and subsidiary	3	-	-	6,982,906	18,521,341
Short-term loans to subsidiary and interest receivable	3	-	-	75,729,232	29,208,596
Work in progress		284,008,129	389,195,490	267,036,902	370,467,294
Other current assets					
- Withholding tax deducted at sources - net	7	187,824,704	211,660,166	184,125,119	206,369,347
- Advance payments for purchase of supplies		151,366,366	105,375,562	134,964,958	88,160,469
- Advance payments to sub-contractors	13	77,713,850	58,019,992	58,880,861	45,446,381
- Others - net		70,555,149	54,282,902	52,523,674	44,274,053
Total Current Assets		2,343,207,503	2,095,095,181	2,314,559,396	1,926,166,596
NON-CURRENT ASSETS					
Investments in restricted deposits with financial institutions	8, 12, 30	352,731,204	341,873,963	340,381,204	314,818,848
Other long - term investments - net	9	12,274,047	12,274,047	12,274,047	12,274,047
Investment in subsidiary company - net	3, 4, 10	-	-	-	3,600,000
Property, plant and equipment - net	11, 12	176,621,609	122,462,275	175,611,784	121,122,469
Other non-current assets	10	17,512,938	21,548,125	16,621,948	16,203,401
Total Non-Current Assets		559,139,798	498,158,410	544,888,983	468,018,765
TOTAL ASSETS		2,902,347,301	2,593,253,591	2,859,448,379	2,394,185,361

The accompanying notes are an integral part of these financial statements



# Statement of Financial Position (Continued)



EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
AS AT DECEMBER 31, 2012

(In Baht)

LIABILITIES AND EQUITY		Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
		Notes			
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions					
Trade account payables	4, 5, 11, 12	196,684,647	172,553,396	196,684,647	172,553,396
- Related companies	3	76,873,750	87,757,348	76,873,750	87,757,348
- Other companies		846,749,509	647,664,527	826,923,377	583,781,515
Current portion of liabilities under finance lease contracts	11	905,081	214,552	905,081	214,552
Unbilled construction cost payables		321,754,653	341,846,877	315,427,747	276,082,072
Advances received from customers	13	244,592,661	235,737,724	240,531,914	179,280,712
Short-term loans from joint venture, director and interest payables	3	41,377,424	-	54,673,454	15,000,000
Short-term loan from other company	14	10,000,000	-	10,000,000	-
Accrued dividends		2,825,721	2,825,721	2,825,721	2,825,721
Provision for loss on construction projects		-	1,000,000	-	1,000,000
Other current liabilities	3, 30	107,319,290	83,482,615	92,738,921	71,094,497
Total Current Liabilities		1,849,082,736	1,573,082,760	1,817,584,612	1,389,589,813
NON-CURRENT LIABILITIES					
Retention payable from contractors	3	119,823,769	136,337,294	116,719,923	128,052,143
Liabilities under finance lease contracts - net of current portion	11	1,552,395	241,215	1,552,395	241,215
Provision for employee retirement benefit	15	15,666,521	7,126,612	15,666,521	7,126,612
Total Non-Current Liabilities		137,042,685	143,705,121	133,938,839	135,419,970
Total Liabilities		1,986,125,421	1,716,787,881	1,951,523,451	1,525,009,783
EQUITY					
Share capital	16, 18, 32				
- Authorized share capital, common share 879,807,064 shares in 2012 and 724,343,476 shares in 2011 at Baht 1 par value		879,807,064	724,343,476	879,807,064	724,343,476
- Issued and paid-up share capital, common share 586,538,199 shares in 2012 and 586,538,043 shares in 2011 at Baht 1 per share		586,538,199	586,538,043	586,538,199	586,538,043
Premium on share capital	17, 18	248,577,085	248,577,007	248,577,085	248,577,007
Premium on share capital - treasury stocks	19	5,970,478	-	5,970,478	-
Treasury stocks	19, 21	-	(21,765,010)	-	(21,765,010)
Retained earnings					
- Appropriated for legal reserve	20	16,482,791	15,932,110	16,482,791	15,932,110
- Appropriated for treasury stocks	19, 21	-	21,765,010	-	21,765,010
- Unappropriated		80,508,131	25,364,163	50,356,375	18,128,418
Equity Attributable to Owners of the Parent		938,076,684	876,411,323	907,924,928	869,175,578
Non-controlling interests		(21,854,804)	54,387	-	-
Total Equity		916,221,880	876,465,710	907,924,928	869,175,578
TOTAL LIABILITIES AND EQUITY		2,902,347,301	2,593,253,591	2,859,448,379	2,394,185,361

The accompanying notes are an integral part of these financial statements



# Statement of Comprehensive Income

EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
FOR THE YEAR ENDED DECEMBER 31, 2012

(In Baht)

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
<b>REVENUES</b>					
Revenue from construction	3, 24	3,925,530,456	3,472,905,447	3,706,841,008	2,884,232,497
Project consultant fees	3	-	-	22,730,665	90,109,596
<b>Total Revenues</b>		3,925,530,456	3,472,905,447	3,729,571,673	2,974,342,093
Costs of construction and project consultant	3, 24	(3,804,603,619)	(3,316,410,335)	(3,576,977,797)	(2,833,579,506)
<b>Gross Profit</b>		120,926,837	156,495,112	152,593,876	140,762,587
Interest income	3	13,241,763	6,674,594	14,418,975	6,809,947
Reversal of provision for loss on construction projects		1,000,000	-	1,000,000	-
Reversal of allowance for doubtful accounts	4, 5, 6	36,179,036	21,676,263	36,179,036	21,676,263
Surcharge income from default in payment		-	3,999,963	-	3,999,963
Other income	3	16,624,235	4,479,152	16,274,371	7,681,484
General and administrative expenses	30	(95,124,132)	(100,712,001)	(90,636,338)	(101,153,926)
Allowance for doubtful accounts	4, 5, 6, 10	(17,176,290)	(35,044,006)	(58,177,932)	(35,044,006)
Loss on foreign exchange rate		-	(400,889)	-	(400,889)
Written - off and allowance for loss on unclaimable withholding tax deducted at source	7	(11,513,599)	-	(10,546,390)	-
Allowance for impairment loss of investment in subsidiary	10	-	-	(3,600,000)	-
Written - off goodwill	10	(4,471,815)	-	-	-
Finance costs	3	(21,789,685)	(11,335,960)	(22,501,003)	(11,319,842)
Management benefit expenses	27	(14,925,200)	(20,014,008)	(14,925,200)	(20,014,008)
Provision for loss on construction projects		-	(13,057)	-	(13,057)
<b>Profit before Tax</b>		22,971,150	25,805,163	20,079,395	12,984,516
Income tax expense		(10,950,702)	(4,294,720)	(9,065,767)	-
<b>PROFIT FOR THE YEAR</b>		12,020,448	21,510,443	11,013,628	12,984,516
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		12,020,448	21,510,443	11,013,628	12,984,516
<b>Profit (Loss) for the year attributable to:</b>					
Owners of the parent		33,929,639	20,135,457	11,013,628	12,984,516
Non-controlling interests		(21,909,191)	1,374,986	-	-
<b>Profit for the year</b>		12,020,448	21,510,443	11,013,628	12,984,516
<b>Total comprehensive income (loss) for the year attributable to:</b>					
Owners of the parent		33,929,639	20,135,457	11,013,628	12,984,516
Non-controlling interests		(21,909,191)	1,374,986	-	-
<b>Total comprehensive income for the year</b>		12,020,448	21,510,443	11,013,628	12,984,516
<b>Earnings per Share</b>	22				
Basic earnings per share		0.02	0.04	0.02	0.02
Diluted earnings per share		0.02	0.04	0.02	0.02

The accompanying notes are an integral part of these financial statements



## Statement of Changes in Equity

EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
FOR THE YEAR ENDED DECEMBER 31, 2012

Consolidated Financial Statements (In Baht)														
Notes	Share capital - issued and paid-up					Retained earnings			Equity attributable to owners of the parent			Non - controlling interests		Total
						Appropriated for								
						Premium on share capital	Premium on share capital - treaury stocks	Treasury stocks						
Balance as at January 1, 2011	18	586,319,361	248,358,325	-	(21,765,010)	(12,270,568)	15,282,884	21,765,010	5,877,932	843,567,934	(1,320,599)	842,247,335		
Increase in share capital from the exercised warrants	18	218,682	218,682	-	-	-	-	-	-	437,364	-	437,364		
Legal reserve	20	-	-	-	-	-	649,226	-	(649,226)	-	-	-		
Derecognition of cumulative translation adjustments		-	-	-	-	12,270,568	-	-	-	12,270,568	-	12,270,568		
Total comprehensive income for the year		-	-	-	-	-	-	-	20,135,457	20,135,457	1,374,986	21,510,443		
Balance as at December 31, 2011		586,538,043	248,577,007	-	(21,765,010)	-	15,932,110	21,765,010	25,364,163	876,411,323	54,387	876,465,710		
Disposal of treasury stocks	19, 21	-	-	5,970,478	21,765,010	-	-	(21,765,010)	21,765,010	27,735,488	-	27,735,488		
Increase in share capital from the exercised warrants	18	156	78	-	-	-	-	-	-	234	-	234		
Legal reserve	20	-	-	-	-	-	550,681	-	(550,681)	-	-	-		
Total comprehensive income (loss) for the year		-	-	-	-	-	-	-	33,929,639	33,929,639	(21,909,191)	12,020,448		
Balance as at December 31, 2012		586,538,199	248,577,085	5,970,478	-	-	16,482,791	-	80,508,131	938,076,684	(21,854,804)	916,221,880		

The accompanying notes are an integral part of these financial statements



## Statement of Changes in Equity (Continued)

EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
FOR THE YEAR ENDED DECEMBER 31, 2012

Separate Financial Statements (In Baht)										
Notes	Share capital - issued and paid-up	Premium on share capital	Premium on share capital - treasury stocks	Treasury stocks	Cumulative translation adjustments	Retained earnings		Unappropriated	Total	
						Appropriated for				
						Legal reserve	Treasury stocks			
Balance as at January 1, 2011	586,319,361	248,358,325	-	(21,765,010)	(12,270,568)	15,282,884	21,765,010	5,793,128	843,483,130	
Increase in share capital from the exercised warrants	18	218,682	218,682	-	-	-	-	-	437,364	
Legal reserve	20	-	-	-	-	649,226	-	(649,226)	-	
Derecognition of cumulative translation adjustments		-	-	-	-	12,270,568	-	-	12,270,568	
Total comprehensive income for the year		-	-	-	-	-	-	12,984,516	12,984,516	
Balance as at December 31, 2011		586,538,043	248,577,007	-	(21,765,010)	-	15,932,110	21,765,010	18,128,418	869,175,578
Disposal of treasury stocks	19, 21	-	-	5,970,478	21,765,010	-	-	(21,765,010)	21,765,010	27,735,488
Increase in share capital from the exercised warrants	18	156	78	-	-	-	-	-	-	234
Legal reserve	20	-	-	-	-	550,681	-	(550,681)	-	
Total comprehensive income for the year		-	-	-	-	-	-	11,013,628	11,013,628	
Balance as at December 31, 2012		586,538,199	248,577,085	5,970,478	-	-	16,482,791	-	50,356,375	907,924,928

The accompanying notes are an integral part of these financial statements





# Statement of cash flows



EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
FOR THE YEAR ENDED DECEMBER 31, 2012

(In Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit for the year	12,020,448	21,510,443	11,013,628	12,984,516
Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities:				
Depreciation	36,721,481	24,907,828	36,327,426	24,542,272
Provision for (reversal of) loss on construction projects	(1,000,000)	13,057	(1,000,000)	13,057
Provision for employee retirement benefit	8,539,909	7,126,612	8,539,909	7,126,612
Allowance for (reversal of) doubtful accounts - net	(19,002,746)	13,367,743	21,998,896	13,367,743
Provision for loss on litigation claim	3,200,000	-	3,200,000	-
Gain on sales of fixed assets	(172,088)	(2,037,088)	(172,088)	(2,037,088)
Written - off and allowance for loss on unclaimable withholding tax deducted at source	11,513,599	-	10,546,390	-
Allowance for impairment loss of investment in subsidiary	-	-	3,600,000	-
Written - off goodwill	4,471,815	-	-	-
Derecognition of cumulative translation adjustments	-	12,270,568	-	12,270,568
Interest income	(13,241,763)	(6,674,594)	(14,418,975)	(6,809,947)
Interest expense	19,110,653	8,084,055	19,843,708	8,083,708
<b>Income tax</b>	10,950,702	4,294,720	9,065,767	-
<b>Decrease (increase) in operating assets:</b>				
Trade account receivables	33,116,322	(26,960,652)	(8,265,021)	(36,285,652)
Unbilled trade receivables	(464,547,257)	(82,073,354)	(525,629,141)	(63,074,814)
Retention receivable from customers	37,419,646	(47,210,602)	37,419,646	(47,210,602)
Other receivables from joint venture and subsidiary	-	-	11,538,435	10,575,397
Work in progress	105,187,361	(278,924,961)	103,430,392	(296,448,506)
Other current assets	(81,809,560)	(78,636,381)	(68,819,092)	(70,340,329)
Other non-current assets	(436,627)	(4,734,628)	(418,547)	(4,580,198)
<b>Increase (decrease) in operating liabilities:</b>				
Trade account payables	188,201,384	396,565,831	232,258,264	371,340,768
Unbilled construction cost payables	(20,092,224)	(23,701,798)	39,345,675	(89,466,603)
Advances received from customers	8,854,937	(78,312,435)	61,251,202	23,760,326
Other current liabilities	19,873,701	10,389,616	18,444,424	(1,417,823)
Retention payable from contractors	(16,513,525)	15,687,663	(11,332,220)	8,687,247
Cash refund from withholding tax deducted at sources	70,969,800	-	68,838,639	-
Income tax paid	(69,598,639)	(76,117,794)	(66,206,568)	(73,952,212)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(116,262,671)</b>	<b>(191,166,151)</b>	<b>400,749</b>	<b>(198,871,560)</b>

The accompanying notes are an integral part of these financial statements



## Statement of cash flows (Continued)

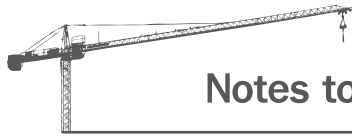
EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
FOR THE YEAR ENDED DECEMBER 31, 2012

(In Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Increase in short-term loans to subsidiary	-	-	(124,756,700)	(21,495,254)
Cash receipts from repayment of short-term loans to subsidiary	-	-	80,400,000	500,000
Increase in investments in restricted fixed deposits	(10,857,241)	(12,629,083)	(25,562,356)	(2,808,297)
Purchase of other long-term investment	-	(12,000,000)	-	(12,000,000)
Acquisition of property, plant and equipment	(87,775,643)	(32,950,421)	(87,711,569)	(32,499,221)
Proceeds from sales of fixed assets	186,916	4,236,238	186,916	4,236,238
Interest received	12,173,059	6,278,716	11,664,187	6,541,810
<b>Net Cash Used in Investing Activities</b>	<b>(86,272,909)</b>	<b>(47,064,550)</b>	<b>(145,779,522)</b>	<b>(57,524,724)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Increase in bank overdrafts and short-term loans from financial institutions	24,131,251	82,650,841	24,131,251	82,650,841
Increase in short-term loans from joint venture and director	41,000,000	-	61,000,000	15,000,000
Repayment for short-term loans from joint venture	-	-	(23,200,000)	-
Increase in short-term loan from other company	10,000,000	-	10,000,000	-
Decrease in finance lease contracts	(1,118,291)	(2,338,655)	(1,118,291)	(2,338,655)
Increase in share capital from exercised warrants	234	437,364	234	437,364
Proceeds from disposal of treasury stocks	27,735,488	-	27,735,488	-
Dividend paid	-	(325)	-	(325)
<b>Interest paid</b>	<b>(17,970,254)</b>	<b>(8,084,055)</b>	<b>(17,970,254)</b>	<b>(8,083,708)</b>
<b>Net Cash Provided by Financing Activities</b>	<b>83,778,428</b>	<b>72,665,170</b>	<b>80,578,428</b>	<b>87,665,517</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(118,757,152)</b>	<b>(165,565,531)</b>	<b>(64,800,345)</b>	<b>(168,730,767)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>176,668,550</b>	<b>342,234,081</b>	<b>119,693,216</b>	<b>288,423,983</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>57,911,398</b>	<b>176,668,550</b>	<b>54,892,871</b>	<b>119,693,216</b>
<b>Additional cash flow information :</b>				
1) Cash and cash equivalents consisted of:				
- Cash on hand	16,315,594	11,367,314	16,310,694	11,064,864
- Deposits at banks	41,595,804	165,301,236	38,582,177	108,628,352
<b>Total</b>	<b>57,911,398</b>	<b>176,668,550</b>	<b>54,892,871</b>	<b>119,693,216</b>

2) In 2012, the Company purchased vehicle by means of finance lease of Baht 3.1 million. (2011 : Baht 1.3 million)

The accompanying notes are an integral part of these financial statements



# Notes to Financial Statements

EMC PUBLIC COMPANY LIMITED, ITS SUBSIDIARY AND JOINT VENTURE  
DECEMBER 31, 2012

## 1. GENERAL

### The Company

EMC Public Company Limited ("the Company"), incorporated in Thailand, was listed on the Stock Exchange of Thailand on June 9, 1995. The Company is engaged in the provision of services under long-term service agreements and construction agreements.

The registered office address of the Company is located at 28th - 30th Floor, ITF Tower, 140/66-67 Silom Road, Bangrak, Bangkok 10500, Thailand.

The major shareholder of the Company as at December 31, 2012 and 2011 is Leenabanchong Group who owned 22.7% and 23.2% of the Company's authorized share capital, respectively.

### The Subsidiary Company

BR Construction Co., Ltd., the 51% - owned subsidiary of EMC Public Company Limited, was incorporated as a limited company in Thailand on December 22, 1978. The subsidiary company is engaged in the provision of services under long-term service agreements and construction agreements.

The registered office address of the subsidiary company is located at 120/1 Moo 3 Tambol Nakhon Chum, Amphur Muang, Kamphaengphet Province 62000, Thailand.

The subsidiary company's administrative office is located at 20th Floor, ITF Tower, 140/43 Silom Road, Bangrak, Bangkok 10500, Thailand.

### The Joint Venture

The Company has entered into the Joint Venture Agreement dated June 20, 2009 with Power Line Engineering Public Company Limited with participating interests at 49% and 51%, respectively, for the construction of the Chiangmai International Convention and Exhibition Centre. The joint venture was registered with the Revenue Department on September 22, 2009.

The joint venture has entered into hire agreement with price adjustment condition agreement with the Office of Permanent Secretary Ministry of Tourism and Sports on September 30, 2009, to construct the Chiangmai International Convention and Exhibition Centre for the completion period of 730 days and has been approved to extend until March 1, 2012.

The registered office address of the joint venture is located at 28th-30th Floor, ITF Tower, 140/66-67 Silom Road, Bangrak, Bangkok 10500, Thailand.

The Company, its subsidiary company and joint venture are together referred to as "the EMC Group".

### Basis for Preparation of Financial Statements and Principles of Consolidation

a) The statutory financial statements are prepared in Thai Baht and in the Thai language in conformity with Thai Financial Reporting Standards. Accordingly, the consolidated financial statements and separate financial statements are intended solely to present the financial positions, financial performance and cash flows in accordance with Thai Financial Reporting Standards.

The accompanying financial statements are prepared under the historical cost convention except for those specified in the notes to the financial statements.

For the convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements, which are issued solely for domestic financial reporting purposes.

b) The consolidated financial statements comprise the financial statements of the Company, its subsidiary company and joint venture.

## Subsidiary company

Subsidiary company is that entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. The financial statements of the subsidiary company are included in the consolidated financial statements from the date that control commences until the date that control ceases.

## Joint Venture

Joint venture is that entity over whose activities the Company has joint control, established by contractual agreement. The consolidated financial statements include only the Company's proportionate share of the joint venture's assets, liabilities, revenues and expenses with items of a similar nature on a line by line basis, from the date that joint control commences until the date that joint control ceases.

The accompanying consolidated financial statements for each of the years ended December 31, 2012 and 2011 included the financial statements of EMC Group as follows:

	Nature of Business	Proportionate of Share (%)	
		2012	2011
Subsidiary company			
BR Construction Co., Ltd.	Construction	51	51
Joint venture (proportionate consolidation)			
EMC Public Company Limited and Power Line Engineering Public Company Limited (the registered name is “JV EMC - PLE”)		49	49

Significant transactions among the EMC Group have been eliminated in the consolidated financial statements.

Transactions of the joint venture, which were included in the consolidated financial statements for each of the years ended December 31, 2012 and 2011, were as follows:

	In Thousand Baht	
	2012	2011
Current assets	22,148	110,867
Property, plant and equipment - net	987	1,309
Other non-current assets	8,030	22,765
Current liabilities	17,407	119,488
Other non-current liabilities	1,862	8,008
Revenues	148,757	532,990
Expenses	141,282	437,852

## 2. SIGNIFICANT ACCOUNTING POLICIES

### Cash and Cash Equivalents

Cash on hand is kept for general use within the EMC Group. Cash equivalents are savings deposits, short-term fixed deposits and current accounts highly liquid investment that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

### Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at invoice amount net of allowance for doubtful accounts.

The EMC Group provides an allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on historical collection experience coupled with a review of the current status of existing receivables.

### Work in Progress

Work in progress comprises the costs of materials, labor, contractor charges, services and overheads, values at the lower of cost and net realizable value.

### Investment in Shares

Investments in non-marketable equity securities, which are held as other investments, are valued at cost net of allowance for impairment loss.

Investment in subsidiary company in the separate financial statements is accounted for using the cost method less allowance for impairment loss (if any).

The cost of investments disposed of during the year is determined by the weighted average method (if any).

### Property, Plant and Equipment

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment loss (if any). When assets are sold or retired, their costs and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of comprehensive income.

### Depreciation

Depreciation of plant and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

	Years
Buildings	20
Building improvements	5
Tools, machinery and equipment	5 - 10
Furniture, fixtures and office equipment	3 - 10
Vehicles	5

## **Impairment of Assets**

The EMC Group reviews the impairment of assets whenever events or changes in circumstances indicate that the recoverable amount (the higher of asset's selling price or value in use) of assets is below the carrying amount. The review is made for individual assets or for the cash-generating unit.

If the carrying value of an asset exceeds its recoverable amount, the EMC Group recognizes the impairment losses by reducing the carrying value of the asset to its recoverable amount and recording the devaluation in statements of comprehensive income or reducing revaluation increment in assets in case that those assets were previously revalued. The reversal of impairment losses recognized in prior years is recorded as part of reversal of allowance for impairment or as a revaluation increment in assets when there is an indication that the impairment losses recognized for the assets no longer exist or are decreased. Such a reversal should not exceed the carrying amount that would have been determined (net of the associated depreciation or amortization).

## **Goodwill**

Goodwill that arises upon the acquisition of subsidiary is included in other non-current asset. Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Subsequent to initial recognition, goodwill is measured at cost less allowance for impairment loss (if any).

## **Provision**

A provision is recognized when the EMC Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. A provision is reviewed at the statement of financial position and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

## **Provision for Employee Retirement Benefit**

The Company's employee retirement benefit obligation is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods by the projected unit credit method determined by a professionally qualified independent actuary. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs are recognized on a straight-line basis over the average period until the amended benefits become vested. Gains or losses on the curtailment or settlement of pension benefits are recognized when the curtailment or settlement occurs. Actuarial gains or losses are recognized immediately to the statement of comprehensive income. The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the government bonds.

## **Use of Estimates**

In order to prepare financial statements in conformity with generally accepted accounting standards in Thailand, the management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.



The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### **Revenue Recognition and Expenses**

The EMC Group recognizes revenue from construction contracts by the percentage of completion method. The percentage of completion is computed based on the estimation of the project engineer together with the consideration of actual cost of work performed and the estimated total cost of the project. The estimated total cost is determined by the EMC Group's project engineers or its responsible person, which is subject to change. The related actual costs are taken up as incurred on an accrual basis. Expected loss on each project is provided and charged as expense in the period when the estimated total costs of the project exceed its total contracted income.

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

Other income is recorded based on an accrual basis.

Expenses are recorded based on an accrual basis.

### **Repair and Maintenance**

Expenditures on repair and maintenance are charged to expense at the expenditures are incurred. Expenditures of a capital nature are added to the related plant and equipment.

### **Finance Lease**

Leases in terms of which the EMC Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Assets acquired by way of finance leases are capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of comprehensive income.

### **Operating Lease**

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

### **Finance Costs**

Interest expenses and similar costs are charged to the statement of comprehensive income for the period in which they are incurred. The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

### **Foreign Currency Transactions**

Foreign currency transactions throughout the year are recorded in the accounts at the rates prevailing at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the years are translated into Baht at the prevailing rates at that date. Gains or losses from translations are credited or charged to the statement of comprehensive income.

## Income Tax

The provision for income tax is based on the amount currently payable according to the Revenue Code. The Company has no tax payable in 2011 due to the utilization of tax loss carry forward.

## Earnings per Share

Earnings per share is determined by dividing profit for the year by the weighted average number of shares outstanding during the year.

## 3. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties and director. These parties are related through common shareholdings and/or directorships. The accompanying financial statements reflect the effects of these transactions.

Balances with related parties as at December 31, 2012 and 2011 are as follows:

	Consolidated Financial Statements (In Thousand Baht)			
	December 31, 2011	Increase	Decrease	December 31, 2012
<b>Trade account payables :</b>				
Rayong Wire Industry Public Company Limited	1,058	-	(1,058)	-
Ua WithYa Public Company Limited	86,699	129,249	(139,074)	76,874
<b>Total</b>	<b>87,757</b>	<b>129,249</b>	<b>(140,132)</b>	<b>76,874</b>
<b>Retention payable from contractor :</b>				
Ua WithYa Public Company Limited	680	1,523	-	2,203
<b>Short-term loans from :</b>				
Khun Chanachai Leenabanchong	-	41,000	-	41,000
<b>Interest payable :</b>				
Khun Chanachai Leenabanchong	-	377	-	377
<b>Total</b>	<b>-</b>	<b>41,377</b>	<b>-</b>	<b>41,377</b>

Separate Financial Statements (In Thousand Baht)				
	December 31, 2011	Increase	Decrease	December 31, 2012
<b>Trade account receivable :</b>				
BR Construction Co., Ltd.	25,677	107,907	(57,811)	75,773
Less allowance for doubtful accounts (Note 10)	-	(41,002)	-	(41,002)
<b>Net</b>	<b>25,677</b>	<b>66,905</b>	<b>(57,811)</b>	<b>34,771</b>
<b>Other receivables :</b>				
JV EMC-PLE	15,838	24,322	(40,160)	-
BR Construction Co., Ltd.	2,683	6,983	(2,683)	6,983
<b>Total</b>	<b>18,521</b>	<b>31,305</b>	<b>(42,843)</b>	<b>6,983</b>
<b>Short-term loans to :</b>				
BR Construction Co., Ltd.	28,000	124,757	(80,400)	72,357
<b>Interest receivable :</b>				
BR Construction Co., Ltd.	1,208	2,164	-	3,372
<b>Total</b>	<b>29,208</b>	<b>126,921</b>	<b>(80,400)</b>	<b>75,729</b>
<b>Trade account payables :</b>				
Rayong Wire Industry Public Company Limited	1,058	-	(1,058)	-
Ua WithYa Public Company Limited	86,699	129,249	(139,074)	76,874
<b>Total</b>	<b>87,757</b>	<b>129,249</b>	<b>(140,132)</b>	<b>76,874</b>
<b>Short-term loans from :</b>				
JV EMC - PLE	15,000	20,000	(23,200)	11,800
Khun Chanachai Leenabanchong	-	41,000	-	41,000
<b>Interest payable :</b>				
JV EMC-PLE	-	1,496	-	1,496
Khun Chanachai Leenabanchong	-	377	-	377
<b>Total</b>	<b>15,000</b>	<b>62,873</b>	<b>(23,000)</b>	<b>54,673</b>
<b>Accrued expense (included in other current liabilities) :</b>				
JV EMC-PLE	-	1,121	(800)	321
<b>Retention payable from contractor :</b>				
Ua WithYa Public Company Limited	680	1,523	-	2,203

Significant transactions with the related parties for each of the years ended December 31, 2012 and 2011 are as follows:

	Relationship	Pricing Policy	In Thousand Baht			
			Consolidated	Financial	Separate Financial	
			Statements	Statements	Statements	
			2012	2011	2012	2011
<b>BR Construction Co., Ltd. :</b>	Subsidiary company					
- Revenue from construction		Agreed upon contract price	-	-	100,848	91,379
- Interest income		6.87% per annum	-	-	2,164	995
- Project consultant fee		Agreed upon contract price	-	-	-	4,626
<b>JV EMC - PLE :</b>	Joint venture					
- Other income		Agreed upon contract price	-	-	-	3,252
- Project consultant fee		Agreed upon contract price	-	-	22,731	85,454
- Interest expense		7% per annum	-	-	1,496	98
<b>Khun Chanachai Leenabanchong</b>						
- Interest expense		7% per annum	377	-	377	-
<b>Rayong Wire Industry Public Company Limited :</b>	Common shareholders and director					
- Cost of construction		Agreed upon contract price	-	1,892	-	1,892
<b>Ua WithYa Public Company Limited :</b>	Common shareholders and director					
- Cost of construction		Agreed upon contract price	120,793	8,160	120,793	8,160

#### 4. TRADE ACCOUNT RECEIVABLES - Net

As at December 31, 2012 and 2011, the aging analyses of trade account receivables are detailed as follows:

	In Thousand Baht			
	Consolidated	Financial	Separate Financial	
	Statements	Statements	Statements	
	2012	2011	2012	2011
• Within credit-term	66,642	159,468	41,819	143,116
• Periods over credit-term				
- Not over 3 months	153,744	115,616	153,500	115,616
- Over 3 months to 6 months	89,418	21,580	89,418	35,592
- Over 6 months to 12 months	6,799	40,269	82,573	51,934
- Over 12 months	136,476	151,935	136,476	151,935
Total	453,079	488,868	503,786	498,193
Less: Allowance for doubtful accounts	(111,063)	(139,774)	(152,065)	(139,774)
Net	342,016	349,094	351,721	358,419
Bad and doubtful debt expenses during the year	(7,319)	(35,044)	(48,321)	(35,044)
Reversal of allowance for doubtful accounts during the year	36,030	21,676	36,030	21,676

The Company has transferred the rights over collections from certain trade account receivables of the Company totalling Baht 207.9 million and Baht 140.2 million as at December 31, 2012 and 2011, respectively, as collateral for credit facilities from financial institutions as discussed in Notes 12 and 30.

Trade account receivables who have been long outstanding for over 6 months in the separate statement of financial position as at December 31, 2012 totalling Baht 219 million consisted of:

	In Thousand Bah	Status of the Receivable
a) Kool Residence Project	19,401	The Company has provided an allowance for doubtful account of Baht 19.4 million as discussed in the following paragraph.
b) Fo Guang Shan Monastery Project	22,200	The Company has provided an allowance for doubtful account of Baht 20.7 million (excluding value added tax of Baht 1.5 million)
c) Construction Projects of BR Construction Co., Ltd.	75,773	The receivable is a subsidiary company. The Company has provided an allowance for doubtful account of Baht 41.0 million, as discussed in Note 10.
d) Royal Maneeya Tower Project	20,177	The Company has not provided an allowance for doubtful account, since the Company will receive the settlement from this receivable by condominium units, which have appraisal value of Baht 79 million and expects to transfer the ownership to the Company in March 2013.
e) Malibu Khao Tao Project	5,667	The Company has not provided an allowance for doubtful account, since they have entered into a Compromise Agreement whereby the Company will receive the payment within December 31, 2013, and guarantee by pledging condominium units as collateral for payment in full amount.
f) United Center Renovation Project	3,317	The Company has provided an allowance for doubtful account of Baht 3.3 million
g) Other projects	72,514	The Company has provided an allowance for doubtful accounts of Baht 67.6 million. The management believes that such allowance is adequate to absorb possible losses on doubtful accounts.
Total	219,049	

### Kool Residence Project

As at December 31, 2012 and 2011, the receivables related to this project totalled Baht 21.0 million which have details as follows:

	Consolidated Financial Statements and Separate Financial Statements (In Thousand Baht)			
	December 31, 2011	Additions	Collections	December 31, 2012
- Trade account receivable	17,495	1,905	-	19,400
- Retention receivable (Note 6)	3,521	(1,905)	-	1,616
Total	21,016	-	-	21,016

## 5. UNBILLED TRADE RECEIVABLES - Net

As at December 31, 2012 and 2011, the unbilled trade receivables are detailed as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
• On - going construction projects	935,137	470,590	891,027	365,398
• Projects suspended over 12 months	72,582	72,731	72,582	72,731
Total	1,007,719	543,321	963,609	438,129
Less: Allowance for doubtful accounts	(77,629)	(72,731)	(77,629)	(72,731)
Net	930,090	470,590	885,980	365,398
Bad and doubtful debt expenses during the year	(5,047)	-	(5,047)	-
Reversal of allowance for doubtful accounts during the year	149	-	149	-

As at December 31, 2012 and 2011, the Company has provided an allowance for doubtful accounts on unbilled trade receivable of suspend projects totalling Baht 77.6 million and Baht 72.7 million, respectively. The management believes that such allowance is adequate to absorb possible losses on doubtful account.

The Company has transferred the rights over collections from certain unbilled trade receivables of the Company as collateral for credit facilities from financial institutions as discussed in Notes 12 and 30.

## 6. RETENTION RECEIVABLE FROM CUSTOMERS - Net

As at December 31, 2012 and 2011, the retention receivables from customers are detailed as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
• Retention amount	244,046	283,729	244,046	283,729
• Retention receivable outstanding over credit-term over 12 months	3,158	895	3,158	895
Total	247,204	284,624	247,204	284,624
Less: Allowance for doubtful accounts (Note 4)	(5,483)	(4,415)	(5,483)	(4,415)
Net	241,721	280,209	241,721	280,209
Bad and doubtful debt expenses during the year	(2,973)	-	(2,973)	-
Reversal of allowance for doubtful accounts during the year	1,905	-	1,905	-

The Company has provided an allowance for doubtful accounts on retention receivable outstanding more than 12 months and Kool Residence project as discussed in Note 4 totalling Baht 5.5 million and Baht 4.4 million as at December 31, 2012 and 2011, respectively. The management believes that such allowance is adequate to absorb possible losses on doubtful accounts.

## 7. WITHHOLDING TAX DEDUCTED AT SOURCES - Net

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
• Deducted during the year 2009	-	75,385	-	75,385
• Deducted during the year 2010	57,032	60,130	57,032	57,032
• Deducted during the year 2011	76,146	76,145	73,952	73,952
• Deducted during the year 2012	58,647	-	57,141	-
Total	191,825	211,660	188,125	206,369
Less Allowance for loss on unclaimable withholding tax deducted at sources	(4,000)	-	(4,000)	-
Net	187,825	211,660	184,125	206,369



During the year 2012, the Company received the refund of withholding tax deducted at sources for the year 2009 from the Revenue Department of Baht 68.8 million. Hence, the Company wrote off unclaimable withholding tax deducted at sources for 2009 of Baht 6.6 million as an expense in the financial statements for the year ended December 31, 2012.

The Company provided allowance for loss on unclaimable withholding tax deducted at sources for the years 2012, 2011 and 2010 of Baht 4.0 million in the financial statements for the year ended December 31, 2012.

During the year of 2012, the joint venture received the refund of withholding tax deducted at sources for the year 2010 from the Revenue Department of Baht 2.1 million. Hence, the joint venture wrote off unclaimable withholding tax deducted at sources for 2010 of Baht 0.4 million and the subsidiary wrote off nonrefundable withholding tax deducted at sources for 2010 of Baht 0.6 million as an expense in the consolidated financial statements for the year ended December 31, 2012.

The EMC Group has requested to refund from the Revenue Department for withholding income tax deducted at source incurred during the years 2011 and 2010 totalling Baht 76.1 million and Baht 60.1 million in the consolidated financial statements and totalling Baht 74.0 million and Baht 57.0 million in the separate financial statements, respectively. The EMC group has an intention to refund from the Revenue Department for withholding income tax deducted at source incurred during the year 2012 totalling Baht 58.6 million in the consolidated financial statements and totalling Baht 57.1 million in the separate financial statements.

## 8. INVESTMENTS IN RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTIONS

Investments in restricted deposits with financial institutions of the Company with several financial institutions (bear interest at the rates of 1% to 3% per annum as at December 31, 2012 and 0.50% to 1.87% per annum as at December 31, 2011) which have been pledged as collateral for credit facilities from such financial institutions and letters of guarantee issued by financial institutions for the Company and subsidiary company as discussed in Notes 12 and 30.

Investments in restricted deposits with financial institutions of the Joint Venture and subsidiary, which were included in the consolidated statements of financial position as at December 31, 2012 and 2011 of Baht 12.4 million and Baht 27.1 million (bear interest at the rate of 0.25% to 1.89% per annum and 0.25% to 1.85% per annum as at December 31, 2012 and 2011, respectively), which have been pledged as collateral for a letter of guarantee issued by a financial institution on behalf of the joint venture and subsidiary as discussed in Note 30.

## 9. OTHER LONG-TERM INVESTMENTS - Net

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2012	2011
<b>Investments in common shares:</b>		
M. One Property Company Limited	12,000	12,000
Wave Development Company Limited	10,000	10,000
Thai Medical Center Public Company Limited	5,000	5,000
The Bangkok Club Company Limited	1,000	1,000
Others	65	65
<b>Total</b>	<b>28,065</b>	<b>28,065</b>
Less : allowance for impairment loss of investments	(15,791)	(15,791)
<b>Net</b>	<b>12,274</b>	<b>12,274</b>

On February 3, 1997, the Company purchased 150,000 common shares of Wave Development Company Limited at Baht 130 each (par value of Baht 100 each) totalling Baht 19.5 million, and made an initial payment of Baht 10 million. However, the Company is not obliged to pay the remaining amount of Baht 9.5 million because of the lapse of the period of prescription for claim according to the Civil and Commercial Code Section 193/14.

During the second quarter of 2011, the Company invested in common shares of M. One Property Company Limited 120,000 shares at par value of Baht 100 each totalling Baht 12.0 million and has percentage of ownership of 10% of its share capital. The Company recorded the investment in such company at cost method because the Company has no significant influence in such company. As at December 31, 2012, such company is in the process of construction of real estate project located in Phuket Province.

#### 10. INVESTMENT IN SUBSIDIARY COMPANY - Net

As at December 31, 2012 and 2011, the investment in subsidiary company is as follows:

	Country of Registration	Type of Business	Paid-up Share Capital (MillionBaht)	Percentage of Ownership	(In Thousand Baht) Cost Value (Separate Financial Statements)
BR Construction Co., Ltd.	Thailand	Construction	60	51	3,600
Less allowance for impairment loss of investment					(3,600)
Net					-

In January 2010, the Company invested in shares of BR Construction Co., Ltd. and has percentage of ownership of 51%. The Company paid for these shares of Baht 3.6 million. In this regard, the Company recorded goodwill of Baht 4.5 million as a part of other non-current assets in the consolidated statement of financial position as at December 31, 2011. However, such goodwill was written off as an expense in the consolidated financial statements for the year ended December 31, 2012 since the Company assessed that there will be no benefit from such goodwill.

Since the subsidiary company incurred net loss for the year ended December 31, 2012 of Baht 44.7 million and had capital deficiency as at December 31, 2012 of Baht 44.6 million, thus, the Company provided an allowance for impairment of investment of Baht 3.6 million and allowance for doubtful account for receivable from this subsidiary company of Baht 41.0 million (as discussed in Note 4) in the separate financial statements for the year ended December 31, 2012.

## 11. PROPERTY, PLANT AND EQUIPMENT - Net

Consolidated Financial Statements (In Thousand Baht)							
	Land	Buildings	Building improve- ments	Tools, machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Total
<b>Cost</b>							
As at January 1, 2011	31,413	50,499	28,400	39,894	39,644	24,389	214,239
Additions	-	-	139	21,945	10,914	1,260	34,258
Disposals	(1,487)	-	-	-	(896)	(1,700)	(4,083)
<b>As at December 31, 2011</b>	<b>29,926</b>	<b>50,499</b>	<b>28,539</b>	<b>61,839</b>	<b>49,662</b>	<b>23,949</b>	<b>244,414</b>
Additions	-	-	-	85,414	2,351	3,131	90,896
Disposals	-	-	-	-	(80)	(2,238)	(2,318)
<b>As at December 31, 2012</b>	<b>29,926</b>	<b>50,499</b>	<b>28,539</b>	<b>147,253</b>	<b>51,933</b>	<b>24,842</b>	<b>332,992</b>
<b>Accumulated Depreciation</b>							
As at January 1, 2011	-	11,692	16,407	26,769	25,229	18,823	98,920
Depreciation charge for the year	-	2,525	5,687	6,550	6,985	3,160	24,907
Disposals	-	-	-	-	(637)	(1,238)	(1,875)
<b>As at December 31, 2011</b>	<b>-</b>	<b>14,217</b>	<b>22,094</b>	<b>33,319</b>	<b>31,577</b>	<b>20,745</b>	<b>121,952</b>
Depreciation charge for the year	-	2,532	5,724	21,015	6,468	983	36,722
Disposals	-	-	-	-	(79)	(2,224)	(2,303)
<b>As at December 31, 2012</b>	<b>-</b>	<b>16,749</b>	<b>27,818</b>	<b>54,334</b>	<b>37,966</b>	<b>19,504</b>	<b>156,371</b>
<b>Net Book Value</b>							
<b>As at December 31, 2012</b>							
Owned assets	29,926	33,750	721	92,919	13,967	1,488	172,771
Assets under finance leases	-	-	-	-	-	3,850	3,850
<b>As at December 31, 2011</b>							
Owned assets	29,926	36,282	6,445	28,520	18,085	1,906	121,164
Assets under finance leases	-	-	-	-	-	1,298	1,298

Separate Financial Statements (In Thousand Baht)							
	Land	Buildings	Building improve- ments	Tools, machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Total
<b>Cost</b>							
As at January 1, 2011	31,413	50,499	28,400	39,118	38,956	24,389	212,775
Additions	-	-	139	21,515	10,893	1,260	33,807
Disposals	(1,487)	-	-	-	(896)	(1,700)	(4,083)
<b>As at December 31, 2011</b>	<b>29,926</b>	<b>50,499</b>	<b>28,539</b>	<b>60,633</b>	<b>48,953</b>	<b>23,949</b>	<b>242,499</b>
Additions	-	-	-	85,354	2,347	3,131	90,832
Disposals	-	-	-	-	(80)	(2,238)	(2,318)
<b>As at December 31, 2012</b>	<b>29,926</b>	<b>50,499</b>	<b>28,539</b>	<b>145,987</b>	<b>51,220</b>	<b>24,842</b>	<b>331,013</b>
<b>Accumulated Depreciation</b>							
As at January 1, 2011	-	11,692	16,407	26,653	25,136	18,823	98,711
Depreciation charge for the year	-	2,525	5,687	6,339	6,830	3,160	24,541
Disposals	-	-	-	-	(637)	(1,238)	(1,875)
<b>As at December 31, 2011</b>	<b>-</b>	<b>14,217</b>	<b>22,094</b>	<b>32,992</b>	<b>31,329</b>	<b>20,745</b>	<b>121,377</b>
Depreciation charge for the year	-	2,532	5,724	20,766	6,322	983	36,327
Disposals	-	-	-	-	(79)	(2,224)	(2,303)
<b>As at December 31, 2012</b>	<b>-</b>	<b>16,749</b>	<b>27,818</b>	<b>53,758</b>	<b>37,572</b>	<b>19,504</b>	<b>155,401</b>
<b>Net Book Value</b>							
<b>As at December 31, 2012</b>							
Owned assets	29,926	33,750	721	92,229	13,648	1,488	171,762
Assets under finance leases	-	-	-	-	-	3,850	3,850
<b>As at December 31, 2011</b>							
Owned assets	29,926	36,282	6,445	27,641	17,624	1,906	119,824
Assets under finance leases	-	-	-	-	-	1,298	1,298

The Company has various finance lease contracts with leasing companies covering certain vehicles.

Certain plots of land, building and construction thereon, which had carrying value as at December 31, 2012 and 2011 of 53.3 million and Baht 66.2 million, respectively, were mortgaged as guarantee for the Company's credit facilities obtained from those financial institutions as discussed in Note 12.

The gross carrying amounts of the Company's fixed assets totalling approximately 60.0 million and Baht 36.8 million were fully depreciated as at December 31, 2012 and 2011, respectively, but these items are still in active use.

## 12. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Type of Loan	Consolidated and separate financial statements (In Thousand Baht)		Objective	Interest Rate	Payment Conditions	Securities
	2012	2011				
Bank overdraft (Credit line of Baht 35 million as at December 31, 2012 and Baht 40 million as at December 31, 2011)	28,770	33,864	To use as working capital	MOR and MLR per annum (7.48% - 7.78% as at December 31, 2012 and 7.60% - 8.625% as at December 31, 2011)	-	Secured by land and building at Prawate District, fixed deposit and a director of the Company.
Promissory notes - Kasikorn Bank	40,000	45,354	To use as working capital	MOR and MLR per annum (7% - 7.48% as at December 31, 2012 and 7.25% - 7.60% as at December 31, 2011)	Interest is payable on end of each month and on promissory notes' maturity dates	Secured by land, building at ITF Tower, 28th - 30th floors of Baht 40 million and the remaining amount secured by transfer of the rights over collections from trade receivables of the Company as discussed in Notes 4 and 5.
Promissory notes - Krung Thai Bank	-	56,880	To use as working capital	MOR - 0.25% per annum (7.125% as at December 31, 2012 and 7.25% - 7.50% as at December 31, 2011)	Interest is payable on end of each month and on promissory notes' maturity dates	Secured by transfer of the rights over collections from trade receivables of the Company as discussed in Notes 4 and 5 and a director of the Company.
Factoring credit facilities - Government Savings Bank	39,958	36,455	To use as working capital	MOR +0.5% per annum (7.875% - 8.375% as at December 31, 2012 and 8.125% - 8.5% as at December 31, 2011)	Interest is payable on the date when the borrower take a promissory note to discount sale.	Secured by transfer of the rights over collections from trade receivables of the Company as discussed in Notes 4 and 5.
Promissory notes - Bangkok Bank	87,957	-	To use as working capital	MLR per annum (7% - 7.125% as at December 31, 2012)	Interest is payable on the date when the borrower take a promissory note to discount sale.	Secured by the transfer of the rights over collections from trade receivables of the Company as discussed in Notes 4 and 5 and a director of the Company.
Total	196,685	172,553				

These promissory notes represent short-term loans obtained under credit facilities from certain financial institutions totalling Baht 250 million. In addition, the Company obtained credit facility of Baht 40 million from a local financial institution for the discounted sale of trade account receivables.

As at December 31, 2011, the Company had bank guarantee facilities totalling Baht 350 million with a former related financial institution, which are guaranteed by a former director of the Company and some plots of land and buildings thereon as discussed in Note 11. The Company has utilized the bank guarantee facilities of Baht 3.9 million as at December 31, 2011. The Company received such letter of guarantee and cancelled such credit facilities in January 2012.

### 13. ADVANCE PAYMENTS TO SUB-CONTRACTORS AND ADVANCES RECEIVED FROM CUSTOMERS

Advance payments to sub-contractors represent cash payments to sub-contractors at various percentages of total construction prices. These advance payments to sub-contractors will be deducted at the agreed percentages from the progress billings from the sub-contractors.

Advances received from customers represent cash advances from customers at various percentages of total construction contract prices. These advances received from customers will be deducted at the agreed percentages from the progress billings to the customers.

### 14. SHORT-TERM LOAN FROM OTHER COMPANY

Short-term loan from other company represents promissory note, unsecured and non-interest bearing loan. This loan is repayable at call. The Company borrowed such loan for use as working capital.

### 15. PROVISION FOR EMPLOYEE RETIREMENT BENEFIT

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2012	2011
Employee retirement benefit obligation as at January 1,	7,127	-
Recognized employee retirement benefit obligation up to December 31, 2010	1,618	1,618
Current service costs	6,390	5,193
Interest expense	532	316
Employee retirement benefit obligation as at December 31,	15,667	7,127

The EMC group's employee retirement benefit obligation up to December 31, 2010 amounting to Baht 8.1 million will be recorded as an expense in the statement of comprehensive income on the straight - line basis over a period of 5 years starting January 1, 2011.

Expenses recognized in the statements of comprehensive income for the year ended December 31, 2012 and 2011 are as follows:

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2012	2011
Current service cost	8,008	6,811
Interest cost	532	316
Total	8,540	7,127
Actuarial assumptions		
Discount rate	3.9079%	
Future salary increase	5%	
Employee turnover rate	5%	
Mortality rate	Followed Mortality rate table in 2008.	

## 16. SHARE CAPITAL

At the 2012 Annual General Shareholders' Meeting held on March 29, 2012, the shareholders have unanimously passed the resolutions to approve on the following matters:

- Decrease the share capital of the Company from Baht 724.3 million (divided into 724,343,476 common shares at Baht 1 par value) to be Baht 586.5 million (divided into 586,538,043 common shares at Baht 1 par value) by the reduction of the common shares of 137,805,433 shares that have not been issued.
- Issue 293,269,021 warrants ("EMC-W3") to the existing shareholders of the Company at no cost in the proportionate ratio of 1 warrant per 2 common shares and the exercise price is Baht 1.5 per share.
- Increase the share capital of the Company from Baht 586.5 million (divided into 586,538,043 common shares at Baht 1 par value) to be Baht 879.8 million (divided into 879,807,064 common shares at Baht 1 par value) by issuance of new common shares of 293,269,021 shares at Baht 1 par value to reserve for the exercise of warrants that will be issued to the shareholders of the Company.

The Company registered the decrease in share capital with the Ministry of Commerce on April 5, 2012 and registered the increase in share capital with the Ministry of Commerce on April 10, 2012.

## 17. PREMIUM ON SHARE CAPITAL

Premium on share capital represents share subscription monies received in excess of the par value of the shares issued. Premium on share capital is not available for dividend distribution.



## 18. WARRANTS

At the 2012 Annual General Shareholders' Meeting held on March 29, 2012, the shareholders have unanimously passed the resolution to issue 293,269,021 warrants ("EMC-W3"), which have the significant details as follows:

Description	
Type of warrant	Registered name and transferable
To be issued and offered quantities	293,269,021 units (sold 293,225,105 units)
Offering price per warrant	At zero value
Exercise ratio	1 warrant to 1 common share, except for the adjustment on exercise ratio according to the condition of exercise adjustment
Exercise price	Baht 1.5 per share, except for the adjustment on exercise ratio according to the condition of exercise adjustment
Term of warrants	2 years from the issuance date (March 30, 2012)
Offering procedure	To the Company's existing shareholders at the ratio of 2 existing shares per 1 unit of warrant
Exercise period	The first exercise will be on September 28, 2012, then exercisable at the last working day of each quarter after the first exercisable through the term of warrants and the last exercise date will be on the due date of warrant of 2 years (March 28, 2014).

The Company could not sell the warrant to the shareholders totalling 43,916 units, thus the remaining of warrants to be exercised by the shareholders will be 293,225,105 units. EMC-W3 totalling 293,225,105 units was traded on the Stock Exchange of Thailand on May 9, 2012.

The 1st exercised warrant was on September 28, 2012, were exercised totalling 156 units (the remaining warrants are 293,224,949 units). The Company has registered the change in issued and paid-up share capital resulted from the exercised warrants from 586,538,043 common shares at Baht 1 par value to be 586,538,199 common shares at Baht 1 par value with the Ministry of Commerce on October 9, 2012. The Company had additional premium on share capital of Baht 78 from such exercised warrants.

## 19. TREASURY STOCKS

At the Board of Directors' meeting no. 6/2008 held on August 22, 2008, the Board of Directors unanimously resolved to repurchase the issued common shares in the amount of not exceeding Baht 192 million and not more than 10% of total issued shares for the period during September 8, 2008 to March 7, 2009.

At the Board of Directors' meeting no. 7/2008 held on November 14, 2008, the Board of Directors unanimously resolved to revise the repurchase of the issued common shares from the amount not exceeding Baht 192 million to the amount not exceeding of Baht 145 million.

The Company repurchased its common shares up to date of expiration of 16,118,010 shares totalling Baht 21.8 million.

At the Board of Directors' meeting no. 6/2011 held on August 11, 2011, the Board of Directors unanimously resolved to dispose the treasury stocks with the details as follows:

1. Number of shares to be resold of 16,118,010 shares or equivalent to 2.75% of the total of paid-up capital.
2. Procedure for shares resold: on the Stock Exchange of Thailand, the period for the resale of shares will be from August 25, 2011 to March 6, 2012.
3. The offered price for disposal of treasury stocks must not be less than the average closing price of those shares for the preceding 5 business days, less an amount of 15% of such average closing price.

The Company sold all of such treasury stocks during January 2012 and February 2012 by having premium on share capital of Baht 6 million, which was recorded as "Premium on share capital - treasury stocks" under "Equity" in the statement of financial position as at December 31, 2012.

## 20. LEGAL RESERVE

Under the provision of the Public Company Limited Act B.E. 2535, the Company is required to set aside as reserve fund at least 5% of its annual net profit after deduction of the deficit brought forward (if any) until the reserve reaches 10% of authorized share capital. The reserve is not available for dividend distribution.

## 21. APPROPRIATED FOR TREASURY STOCKS

The Company has set up reserve for treasury stocks in accordance with memorandum of the Office of the Council of State of Thailand No. 756/2004 by appropriation of retained earnings to reserve for treasury stocks with the same amounts of treasury stocks. The reserve for treasury stocks will be reversed provided that all treasury stocks sold out within 3 years from the acquisition date of treasury stocks or decrease of the paid-up share capital in respect of the outstanding treasury stocks. The reserves for treasury stocks are not allowed for dividend declaration in accordance with the Public Limited Companies Act (No. 2) B.E. 2544.

During the year 2012, the Company transferred appropriated for treasury stocks to record as unappropriated retained earnings since the Company sold all of the treasury stocks.

## 22. EARNINGS PER SHARE

Basic earnings per share are determined by dividing the profit for the year by the weighted average number of shares outstanding during the year.

Weighted average numbers of shares (basic) for each of the years ended December 31, 2012 and 2011 are as follows:

	In Million Shares	
	2012	2011
Number of shares outstanding as at January 1	586.4	586.3
Effect of warrants exercised during the year	0.1	0.1
Weighted average number of share (basic)	586.5	586.4

The calculations of diluted earnings per share were based on the profit for the year after adjusting for the effects of all dilutive potential common shares and the weighted average number of common shares outstanding during the year after adjusting for the effects of all dilutive potential common shares.

Weighted average number of shares (diluted) for each of the years ended December 31, 2012 and 2011 are as follows:

	In Million Shares	
	2012	2011
Weighted average number of shares outstanding during the years (basic)	586.5	586.4
Effect of exercisable warrants	19.5	-
Weighted average number of share outstanding during the years (diluted)	606.0	586.4

The Company does not present dilutive earnings per share for effect of shares options on issue for the year ended December 31, 2011, because the exercise price of warrant is higher than the average fair value of common share during the year ended December 31, 2011.

## 23. REGISTERED PROVIDENT FUND

The Company has contributory provident funds for their employees in accordance with the terms and conditions prescribed in the Provident Fund Act B.E. 2530. Membership to the funds is voluntarily. Contributions are made monthly by the employees and by the Company at 2% and 3% of the employees' basic salaries. The provident funds are managed by a Fund Manager in accordance with the terms and conditions prescribed in the Ministerial Regulation No. 2 (B.E. 2532) issued under the Provident Fund Act B.E. 2530.

The Company contributed to the fund totalling approximately Baht 2.4 million and Baht 1.7 million for each of the years ended December 31, 2012 and 2011, respectively.

## 24. CONSTRUCTION CONTRACTS IN PROGRESS

The significant information of the construction contracts, which were in progress as at December 31, 2012 and 2011, were as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Aggregate amount of construction costs incurred to date	5,766,682	8,811,417	5,442,597	7,889,678
Adjust with the recognised profits to date	335,778	199,258	354,070	178,294
Aggregate amount of construction revenues incurred to date	6,102,460	9,010,675	5,796,667	8,067,972
Less : Sum of progress billings	(5,172,369)	(8,540,085)	(4,910,686)	(7,702,574)
Unbilled trade receivables	930,091	470,590	885,981	365,398

## **25. DISCLOSURE OF FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities carried on the consolidated statements of financial position and the separate statements of financial position include cash and cash equivalents, short-term investments, trade and other account receivables, short-term loans, advance payments for purchase of supplies, advance payments to sub-contractors, investments in restricted deposits with financial institutions, long-term investments, bank overdrafts and short-term loans from financial institutions, trade and other account payables, advances received from customers, short-term loans from joint venture, director and other company and liabilities under finance lease contracts. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies in Note 2.

### **Liquidity Risk**

Liquidity risk arises from the problem in raising funds adequately and in time to meet commitments as indicated in the financial statements. Based on the assessment of the EMC Group's current financial position and results of operations, the EMC Group does not face liquidity risk.

### **Foreign Currency Risk**

The EMC Group does not have significant amount of commercial transactions in foreign currency, giving rise to exposure risk from changes in foreign exchange rates.

### **Credit Risk**

Credit risk is the risk that a counterparty is unable or unwilling to meet a commitment that it entered into with the EMC Group. The risk is controlled by the application of credit approvals and monitoring procedures.

The carrying amount of accounts receivable recorded in the statement of financial position and consolidated statement of financial position net of allowance for doubtful accounts, represents the maximum exposure to credit risk.

### **Interest Rate Risk**

Interest rate risk arises from the fluctuation of market interest rates, which may have an impact to current and future operations of the Company. The Company's exposure to interest rate risk relates primarily to its deposits at financial institutions, short-term loans to subsidiary, bank overdrafts and short-term loans from financial institutions, short-term loans from joint venture, director and other company and liabilities under finance lease contracts.

However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The management considers that the interest rate risk is minimal, hence, the Company has no hedging agreement to protect against such risk.

Significant financial assets and liabilities as at December 31, 2012 and 2011, classified by type of interest rates are summarised in the table below, with those financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date

	Consolidated Financial Statements						Effective interest rate (% p.a.)
	2012 (In Thousand Baht)						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	
	Within 1 year	1- 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	41,595	16,316	57,911	0.25 - 1.75
Trade account receivables - net	-	-	-	-	342,016	342,016	-
Retention receivable from customers - net	-	-	-	-	241,721	241,721	-
Advance payments for purchase of supplies	-	-	-	-	151,366	151,366	-
	-	-	-	-	77,714	77,714	-
Advance payments to sub-contractors							
Investments in restricted deposits with financial institutions financial institutions	330,934	-	-	21,797	-	352,731	1.00 - 3.00
Other long-term investments - net	-	-	-	-	12,274	12,274	-
Total	330,934	-	-	63,392	841,407	1,235,733	
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	-	-	-	196,685	-	196,685	7.00 - 8.375
Trade account payables	-	-	-	-	923,623	923,623	-
Advance received from customers	-	-	-	-	244,593	244,593	-
Retention payable from contractors	-	-	-	-	119,824	119,824	-
Short-term loans from director interest payable	41,000	-	-	-	377	41,377	7.00
Short-term loan from other company	-	-	-	-	10,000	10,000	-
Liabilities under finance lease contracts	905	1,552	-	-	-	2,457	5.01 - 6.85
Total	41,905	1,552	-	196,685	1,298,417	1,538,559	

Consolidated Financial Statements							
2011 (In Thousand Baht)							
	Fixed interest rates					Total	Effective interest rate (% p.a.)
	Within 1 year	1- 5 years	Over 5 years	Floating interest rate	Non-interest bearing		
<b>Financial assets</b>							
Cash and cash equivalents	4,446	-	-	160,856	11,367	176,669	0.25 - 1.50
Trade account receivables - net	-	-	-	-	349,094	349,094	-
Retention receivable from customers - net	-	-	-	-	280,209	280,209	-
Advance payments for purchase of supplies	-	-	-	-	105,375	105,375	-
Advance payments to sub-contractors	-	-	-	-	58,020	58,020	-
Investments in restricted deposits with financial institutions	324,608	-	-	17,266	-	341,874	0.50 - 1.87
Other long-term investments - net	-	-	-	-	12,274	12,274	-
<b>Total</b>	<b>329,054</b>	<b>-</b>	<b>-</b>	<b>178,122</b>	<b>816,339</b>	<b>1,323,515</b>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans							
from financial institutions	-	-	-	172,553	-	172,553	6.00 - 7.60
Trade account payables	-	-	-	-	735,422	735,422	-
Advance received from customers	-	-	-	-	235,738	235,738	-
Retention payable from contractors	-	-	-	-	136,337	136,337	-
Liabilities under finance lease contracts	215	241	-	-	-	456	5.01 - 6.85
<b>Total</b>	<b>215</b>	<b>241</b>	<b>-</b>	<b>172,553</b>	<b>1,107,497</b>	<b>1,280,506</b>	

	Separate Financial Statements						Effective interest rate (% p.a.)
	2012 (In Thousand Baht)						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	
Within 1 year	1- 5 years	Over 5 years					
Financial assets							
Cash and cash equivalents	-	-	-	38,582	16,311	54,893	0.25 - 1.75
Trade account receivables - net	-	-	-	-	351,721	351,721	-
Retention receivable from customers - net	-	-	-	-	241,721	241,721	-
Other receivables from subsidiary	-	-	-	-	6,983	6,983	-
Short-term loans to subsidiary and interest receivable	72,357	-	-	-	3,372	75,729	6.50 - 6.87
Advance payments for purchase of Supplies	-	-	-	-	134,965	134,965	-
Advance payments to sub-contractors	-	-	-	-	58,881	58,881	-
Investments in restricted deposits with financial institutions	323,584	-	-	16,797	-	340,381	1.00 - 3.00
Other long-term investments - net	-	-	-	-	12,274	12,274	-
Total	395,941	-	-	55,379	826,228	1,277,548	
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	-	-	-	196,685	-	196,685	7.00 - 8.375
Trade account payables	-	-	-	-	903,797	903,797	-
Advance received from customers	-	-	-	-	240,532	240,532	-
Short-term loan from joint venture, director and interest payables	52,800	-	-	-	1,873	54,673	7.00
Short-term loan from other company	-	-	-	-	10,000	10,000	-
Retention payable from contractors	-	-	-	-	116,720	116,720	-
Liabilities under finance lease contracts	905	1,552	-	-	-	2,457	5.01 - 6.85
Total	53,705	1,552	-	196,685	1,272,922	1,524,864	



	Separate Financial Statements						
	2011 (In Thousand Baht)						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
	Within 1 year	1- 5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	4,446	-	-	103,880	11,367	119,693	0.25 - 1.50
Trade account receivables - net	-	-	-	-	358,419	358,419	-
Retention receivable from customers - net	-	-	-	-	280,209	280,209	-
Other receivables from joint venture and subsidiary	-	-	-	-	18,521	18,521	-
Short-term loans to subsidiary and interest receivable	28,000	-	-	-	1,209	29,209	6.50 - 6.87
Advance payments for purchase of supplies	-	-	-	-	88,160	88,160	-
Advance payments to sub-contractors	-	-	-	-	45,446	45,446	-
Investments in restricted deposits with financial institutions	297,553	-	-	17,266	-	314,819	0.5 - 1.87
Other long-term investments - net	-	-	-	-	12,274	12,274	-
<b>Investment in subsidiary company</b>	-	-	-	-	3,600	3,600	-
<b>Total</b>	<b>329,999</b>	<b>-</b>	<b>-</b>	<b>121,146</b>	<b>819,205</b>	<b>1,270,350</b>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from financial institutions	-	-	-	172,553	-	172,553	6.00 - 7.60
Trade account payables	-	-	-	-	671,539	671,539	-
Advance received from customers	-	-	-	-	179,281	179,281	-
Short-term loan from joint venture	15,000	-	-	-	-	15,000	7.00
Retention payable from contractors	-	-	-	-	128,052	128,052	-
Liabilities under finance lease contracts	215	241	-	-	-	456	5.01 - 6.85
<b>Total</b>	<b>15,215</b>	<b>241</b>	<b>-</b>	<b>172,553</b>	<b>978,872</b>	<b>1,166,881</b>	

## Fair Value of Financial Instruments

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction. The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

Trade and other account receivables, short-term loans to subsidiary, bank overdrafts and short-term loans from financial institutions, short-term loans from joint venture, director and other company, and trade and other account payables - the carrying values approximate their fair values due to the relatively short-term maturity of these financial assets and liabilities.

Investments in securities - the fair value of non-marketable securities cannot be properly calculated.

The fair value of cash and cash equivalents and investments in restricted deposits with financial institutions - the aggregate carrying values are insignificantly different from their aggregate fair values because these financial assets have floating interest rate or fixed interest rate, which approximate market rate.

Investment in subsidiary company, for which there is no quoted market prices - a reasonable estimate of fair value, which has been calculated, based on the underlying net asset base for such investment, approximates its fair value.

Liabilities under finance lease contracts, which bear interest at the fixed rates; - the aggregate carrying values are insignificantly different from their aggregate fair value because the fixed interest rates approximate market rates.

## 26. EXPENSES BY NATURE

Significant expenses by nature for each of the years ended December 31, 2012 and 2011 are as follows

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Change in work in progress	105,187	(278,925)	103,430	(296,449)
Supplies and construction materials used	1,523,846	1,548,070	1,400,302	1,305,060
Sub-contractors expenses	1,409,098	1,239,894	1,159,858	1,140,379
Direct labor expenses	419,136	286,565	414,828	286,468
Employee benefit expenses	220,864	243,400	213,504	237,819
Depreciation	36,722	24,907	36,327	24,542
Other expenses	232,962	408,684	426,615	292,386
Total	3,947,815	3,472,595	3,754,864	2,990,205

## 27. MANAGEMENT BENEFIT EXPENSES

The monetary management benefit expenses for each of years ended December 31, 2012 and 2011 are as follows:

Type of Remunerations	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2012	2011
Salaries	12,975	17,454
Meeting allowances	1,950	2,560
Total	14,925	20,014

## 28. SEGMENT FINANCIAL INFORMATION

The EMC Group does not present segment financial information in the financial statements since the EMC Group's core business is engaged in only one business, long-term construction services. The management determined that the EMC Group has only one industry segment. Moreover, in term of operating locations and market areas, the management also determined that the EMC Group has only one geographical segment since the EMC Group has no revenue from overseas operation.

## 29. LONG-TERM LEASE CONTRACTS

The Company has entered into various long-term lease contracts to rent office space and facilities, office equipment and vehicles. The agreements have the term for certain periods expiring in 2016 as follows :

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2012	2011
Not later than 1 year	3.5	3.3
Later than 1 year and not later than 5 years	3.1	4.4
Total	6.6	7.7

## 30. OTHERS

- The Company and the Joint Venture had outstanding letters of guarantee issued by financial institutions on behalf of the Company and the Joint Venture in respect of certain performance bonds as required in the normal course of business. The Company had outstanding letters of guarantee of Baht 1,284.4 million as at December 31, 2012 and of Baht 794.4 million as at December 31, 2011. The Joint Venture and subsidiary had outstanding letters of guarantee of Baht 147.4 million and Baht 396.5 million as at December 31, 2012 and 2011, respectively.

The letters of guarantee are guaranteed by the deposits with financial institutions of the Company, its subsidiary and the Joint Venture and the transfer of the rights over collection from trade receivables of the Company as discussed in Notes 4, 5 and 8.

- b. As at December 31, 2012 and 2011, the Company had investments in restricted deposits with financial institutions of Baht 20.5 million, which has been pledged as collateral for a letter of guarantee issued by a local bank on behalf of its subsidiary company of Baht 41 million.
- c. The Company was sued for the damages of certain litigation cases, which the ultimate outcome cannot presently be determined. The details are as follows:
  - a) On February 1, 2008, the Company has been claimed for the losses from the fire event at the Thai Airways' Kitchen Department at the Suvarnabhumi Airport. Thai Airway International Public Company Limited has requested for indemnities from the fire event in the amount of Baht 73.1 million plus interest charges at the rate of 7.5% per annum from the date of fire event (January 18, 2006) to the litigation date of Baht 11.1 million, totalling Baht 84.2 million. The case is currently being determined by of the Civil Court. However, the Company's management believes that no material liability is likely to arise as a result of the case; accordingly, no provision for any liability that may result has been made in the accounts.
  - b) The Company was sued from a local company for the case of contrary to the Public Limited Company Act B.E. 2535 Section 21, which states that the public company shall not become a partner in any registered ordinary partnership, nor shall it become a partner of unlimited partner in any limited partnership. This will result to be an invalid for establishment of JV EMC-PLE. However, the Company's management believes that there would not be material effect from this case since the establishment of joint venture between public companies is the normal practice in Thailand.
  - c) The Company was sued by a government agency for the damage from the breach of an agreement of Baht 8.3 million. On February 13, 2012, the Court of First Instance (the Civil Court) determined that the Company has to compensate of claimed amount totalling Baht 6.3 million plus interest charge at the rate 7.5% per annum until settlement. The Company filed an appeal to the Court of Appeals which the ultimate outcome cannot presently be determined. In this regard, the Company has provided provision for loss on litigation claim of Baht 3.2 million in the consolidated and separate financial statements for the year ended December 31, 2012. The management believes that such provision is adequate to absorb possible losses from such litigation.
  - d) The Company (defendant) was sued by a local company (plaintiff) for the damage from the breach of a subcontract agreement of Baht 32,191,657.64. On May 14, 2012, the Court of First Instance (the Civil Court) sentenced that "the Company has to pay the amount of Baht 32,191,65.64 to the plaintiff" plus interest charge at the rate of 7.5% per annum on total principal of Baht 5,947,728.46 until settlement dates. In this regard, Aroonsaeng Law Office Co., Ltd., the Company's legal counselor, has an opinion that the amount to be paid according to the sentence of the court "Baht 32,191,65.64" cannot be legally enforced since such number cannot be determined on basis of arithmetic to identify the specific amount and the sentence of the court in details does not judge the Company to be liable in accordance with the prosecution. As a result, the sentence of the court cannot be interpreted that Baht 32,191,65.64 is the damage cost at the amount of Baht 32,191,657.64. Presently, the plaintiff lodges an appeal to the Court of Appeals while the defendant files a cross-suit against the plaintiff. Such case is under the consideration of the Court of Appeals, which the ultimate outcome cannot presently be determined. The Company has not recorded a provision for loss on this litigation case in the financial statements for the year ended December 31, 2012.

- e) The Company was sued from certain subcontractors for the damage from the breach of agreements totalling approximately Baht 10.4 million. These cases are currently being determined by of the Civil Court. However, the Company's management believes that no material liability is likely to arise as a result of the case; accordingly, no provision for any liability that may result has been made in the accounts.

### 31. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has sustained good cash flows management and preserves the ability to continue its business as a going concern.

According to the statement of financial position as at December 31, 2012, the Company's debt-to-equity ratio was 2.1 : 1 (2011: 1.7 : 1).

No changes were made in the Company's objectives, policies or processes during the years ended December 31, 2012 and 2011.

### 32. EVENTS AFTER THE REPORTING PERIOD

At the extraordinary shareholders' meeting held on February 15, 2013, the shareholders passed the resolutions as follows:

- a. To increase the share capital of the Company from Baht 879.8 million (divided into 879,807,064 common shares at Baht 1 par value) to be Baht 1,542.3 million (divided into 1,542,290,525 common shares at Baht 1 par value) by issuance of new common shares of 586,538,199 shares to the existing shareholders at the ratio of 1 existing share per 1 new share and issuance of new common shares of 75,945,262 shares to reserve for the exercise of warrants.
- b. To approve the adjustment of the exercise price and exercise ratio of the Company's warrants, EMC-W3 as follows:

	Old	New
Exercise price (Baht per share)	1.50	1.205
Exercise ratio (warrant: common share)	1:1	1:1.245

### 33. THAI FINANCIAL REPORTING STANDARDS NOT YET ADOPTED

The EMC Group has not adopted new/revised Thai Financial Reporting Standards (TFRS) that have been issued but are not yet effective at the reporting date as follows:

TFRS	Topic	Effective date
TAS 12	Income Taxes	January 1, 2013
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates	January 1, 2013
TFRS 8	Reporting Segments	January 1, 2013

Management has presently determined the effects from application of the new/revised TFRS on the consolidated and separate financial statements of the EMC Group, which are as follows:

#### ***TAS 12 - Income Taxes***

The principal change introduced by TAS 12 is the requirement to account for deferred tax liabilities and assets in the financial statements. Deferred tax liabilities and assets are the amounts of income taxes payable and recoverable, respectively, in future periods in respect of temporary differences between the carrying amount of the liability or asset in the statement of financial position and the amount attributed to that liability or asset for tax purposes; and the carry forward of unused tax losses. Currently, the EMC Group does not recognize deferred tax in the financial statements.

The EMC Group will adopt TAS 12 with effect from January 1, 2013. The effects of the change will be recognized retrospectively in the consolidated financial statements. Management estimates that the effects on the consolidated statement of financial position as at December 31, 2012 would be resulted in increase in total consolidated assets and consolidated retained earnings by Baht 50 million (Baht 50 million in the separate financial statements).

#### ***TAS 21 (Revised 2009) - The Effects of Changes in Foreign Exchange Rates***

The principal change introduced by TAS 21 (revised 2009) is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21 (revised 2009) requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21 (revised 2009). Foreign currencies are defined by TAS 21 (revised 2009) as all currencies other than the entity's functional currency.

Management has determined that the functional currency of the EMC Group is Thai Baht. Accordingly, the adoption of TAS 21 (revised 2009) from January 1, 2013 is not expected to have a significant impact on the EMC Group's reported assets, liabilities or retained earnings.

#### ***TFRS 8 - Reporting Segments***

Management is of the opinion that the adoption of TFRS 8 from January 1, 2013 will not have a significant impact on the EMC Group's financial statements.

### **34. APPROVAL OF FINANCIAL STATEMENTS**

The Company's Board of Directors have authorized these financial statements for issue on March 1, 2013.







"Dedication to **E**ngineering **E**xcellence"



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